

BCM AND IMPLEMENTING - AS/NZS 5050

A pragmatic approach

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What we will cover

- Within the time available, we will share with you our pragmatic approach to Business Continuity Management and how AS/NZS 5050 can be implemented. Key areas of discussion include:
 - Business Continuity Management and its relationship with an enterprise wide approach to Risk Management
 - 5050 link to 3100 and coverage
 - Aspects of good Business Continuity management
 - Implementing your arrangements
 - Close and questions

Business Continuity Management

What is it?

- Business Continuity Management is more than just a Plan of action for use when things go wrong!
- Business Continuity Management can be defined as:
 - A **whole of business** approach to **ensure** mission **critical objectives** and business functions can be **maintained**, or restored in a timely fashion, in the event of material disruptions arising from internal or external events
 - Identifies and focuses upon **functions and activities** that must be continued as they are **essential to achieving mission critical objectives**
 - Forms a key part of the enterprise risk management framework of the organisation and assists to **reduce uncertainty around objectives** and **protect enterprise value**

Business Continuity Management

We manage risk already – why BCM?

- Many businesses and organisations have established sound arrangements to manage risk through sound internal controls, policies and procedures. However these are not always suited to “business unusual”
- On average most businesses will have to deal with a crisis of significant magnitude every three to four years. As such means of dealing with “Business Unusual” and a major disruption is required.
- Recent notable events, have required those impacted to consider and implement business continuity management in order to continue.
- Failing to develop a plan, “as it won’t happen to us” is no longer valid.

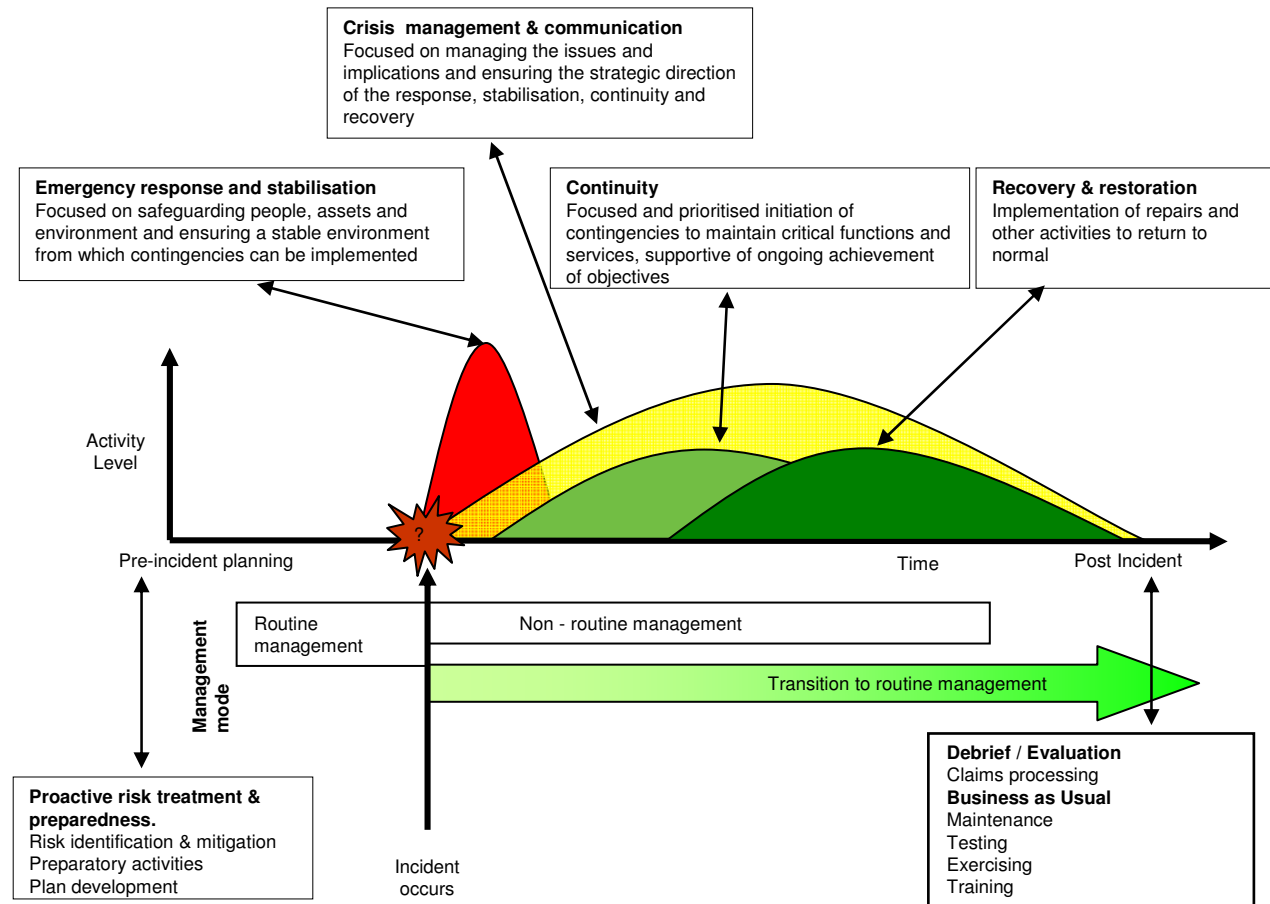
AS/NZS 5050

Relationship to ISO31000

- Those who have read and studied AS/NZS 5050 will note that it is similar to ISO 31000 'Risk Management – Principles and Guidelines'. This is no mistake. The BC Standard should be seen as an extension of ISO 31000 which
 - Reinforces business continuity management as part of good risk management
 - Highlights the need to prevent disruption related risk, through sound treatment prior to its occurrence
 - Drives consistency through the 'continual improvement -management framework model'

Elements of Good BCM

- A combination of elements to allow the organisation to respond, stabilise, maintain continuity and recover from disruption related risks



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The Framework

- Consistent with ISO31000 and the continual improvement management model, a management framework is required....
- The framework establishes the enveloping governance arrangements to support the final Plan and arrangements. It ensures that BCM
 - Has management support and mandate
 - Is developed against underlying principals with a clear intent
 - Is owned with clarity of accountability, responsibility & resourcing
 - Is well understood, recognised and involves more than the Risk Manager
- All of which ensures sound integration into the organisation and fit within the broader context

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The Context – What are you trying to achieve

- The Standard spends a considerable time on Context...and rightly so
- Understanding your organisation and the environment in which it operates forms the base line or starting point for BCM
- It provides the boundaries to guide and articulate “What you wish to achieve”
- Not truly understanding the context will result in a poorly formulated suite of arrangements and investment of resources in the wrong areas
- Finally in understanding the context you will define the objectives and deliverables that BCM is aiming to maintain in the short, medium and longer term

Implementing AS/NZS 5050 Risks and BCM

- Many would argue that a good Business Continuity Plan will address most disruption related risks.....so why consider risks if the Plan is about continuity once the risk as occurred?
- Understanding the risks that could impact the achievement of objectives establishes the broader canvass against which your contingencies are developed. It assists to identify which risks
 - have greatest impact on selected functions, supply chain and process
 - are best dealt with by contingency plans
 - are suitably controlled by existing treatments or are best managed by preventative controls
- All of which ensures efficiency and focus on the right areas



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The Business Impact Assessment

- The Completion of a Business Impact Assessment is in many ways likened to a detailed assessment of the context and when considered in conjunction with know risks defines “What you need to plan for”
- In many organisations this is missed!
- The completion of the Business Impact Assessment answers key questions:
 1. What function, process or activity is important?
 2. What are the associated dependencies and resources?
 3. What is critical?
 4. How long can the critical functions be delayed before it becomes intolerable?

Implementing AS/NZS 5050 Continuity Strategies and Contingencies

- On completing your BIA and Risk assessment a broad and clearer picture of your vulnerabilities and areas to plan for will emerge.
- So as to not arrive at a plan with 1,000 small contingencies, focus in on the objectives and desired minimum service level to identify broad alternative strategies and contingencies.
- Discuss, debate and consider which options and alternatives will address the majority of the disruption related risks and allow timely continuity of service to the desired level
- Seek a many into one approach. Those risks not addressed may require separate contingencies
- With all strategies the phases of stabilisation, continuity and recovery must be considered – This can be addressed by a time sequenced plan

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Your Plan – What's in it

- Your Business Continuity Plan should address
 - **“What”** - An introduction – including what is being planned – functions, risks and dependencies, plus assumption made
 - **“Who”** - Plan and Team activation plus common tasks for the team
 - **“When”** An outline of the strategy dependant on the extent of disruption and timeline
 - **“How”** Specific functional action plans – how to maintain critical functions regardless of the disruption
 - **“How”** Specific contingency action plans – to address significant risks
 - **“Whom”** Communications Plan - covering who to keep updated
 - **Information & Support** - The Plan may also include supporting data, plans, diagrams, contact details, forms

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Don't let the dust settle

- Investing time, effort and resources to develop a Business Continuity Plan is a very positive initiative, but “like a smoke detector without batteries” if not maintained
- The failure to maintain arrangements is also seen by authorities as a failure of good governance and brings into question your commitment to risk management.
- Critically investment is required in
 - Your people and their understanding
 - The maintenance and regular update of the documents
 - The audit of the documents
 - The exercising and practicing of the planned arrangements

Implementing AS/NZS 5050 Practices and exercises

- The most effected way to know your Plan is to use it!
- An exercise should not just be about a good story and seeing how things unfold, but a pre-planned and structured exercising of the Plan to match peoples experience. This will range from:
 - Desktop walk through – against a structured scenario
 - A more dynamic desktop discussion exercise
 - Functional familiarisation with alternative sites and checks
 - Full scale real life simulation exercise in real time
- All of the above will require allocation of accountability, responsibility, time, funds and resources

Summary and close

In summary

- Business Continuity Management and having a Plan is more than window dressing, but supports the achievement of critical objectives
- The best management approach to a disaster uses a structure team based model with clear lines of reporting and clear objectives
- Looking beyond the location and along the whole supply chain ensures a better outcome
- The completion of the Business Impact Analysis drives “what to plan for”
- The Business Continuity Plan draws everything together and provides greater certainty in dealing with risk, using a many into one approach
- A failure to maintain the Plan and arrangements questions your commitment to risk management



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