




Crisis Planning and the secrets of successful Business Continuity programmes

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IBM Governance and Risk Management 
Business alignment, visibility and control

What gives me the right to speak to you on this?

§ **IBM – Successful global company**

- been doing and embedding business continuity/IT DR since 1960s
- Complex operations and processes across countries/time zones

§ **Internal expertise shared through Global Crisis Response Team**

- Managed over 70 disasters including 9/11, Katrina, Asian Tsunami, Pakistan and Nicaraguan earthquakes

§ **Personal experience**

- Developed first strategy/plan in 1989
- Work with organisations from 100's employees up to global banking corporations

You've enough on your plate, why add business continuity?





What is a disaster?

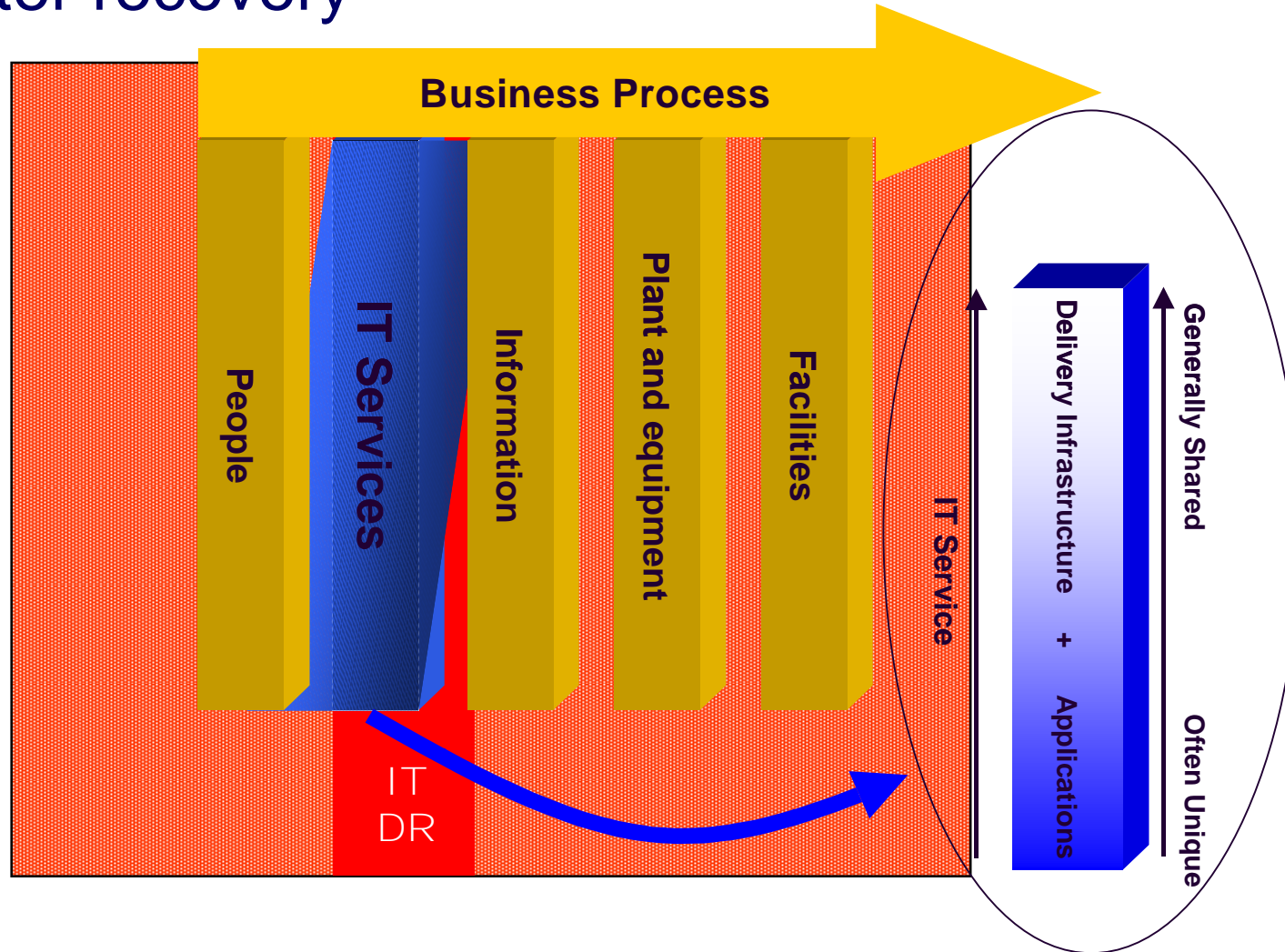
“Any unforeseen event that results in the inoperability or inaccessibility of the process, system or facility resulting in actual or potential impact upon the organisation.”

What is Business Continuity Management?

“A holistic management process that identifies potential impacts that threaten an organisation and provides a framework for building resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value creating activities.”

The Business Continuity Institute

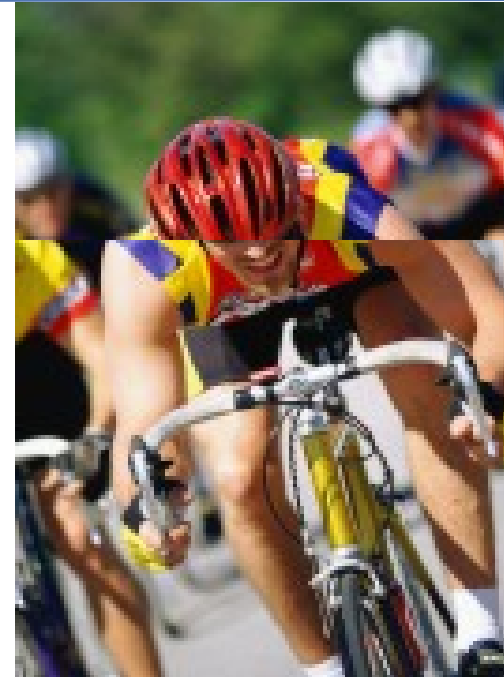
The difference between business continuity and disaster recovery



What is business resilience?

Business resilience is the ability to...

... rapidly adapt and respond to opportunities, regulations and risks, in order to maintain secure, continuous business operations, be a more trusted partner, and enable growth.



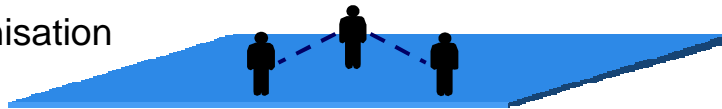
Business continuity and resilience works on six levels

Example changes

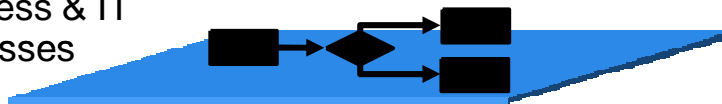
Strategy



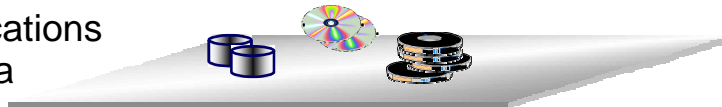
Organisation



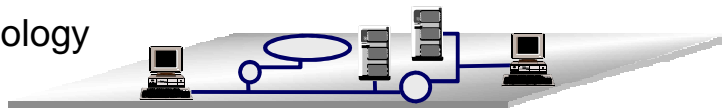
Business & IT Processes



Applications & Data



Technology



Facilities & Security



Nimble business strategy
Sense and respond
Crisis Management Team, prepared and rehearsed

Distributed to avoid risk
Strong and appropriate culture
Rapid, devolved decision making
Succession planning, shadowing key people

Critical processes identified
Engineered for resilience across organisational towers
Alternative routes through creating fault tolerance

Applications configured for distributed operation
Data backup/mirroring aligned to process RPO
Backups/recovery regularly audited

High capacity, flexible network (VPN, voice)
HA & DR designed in and reviewed as part of change management
Impact of outsourcing, hosting, on demand

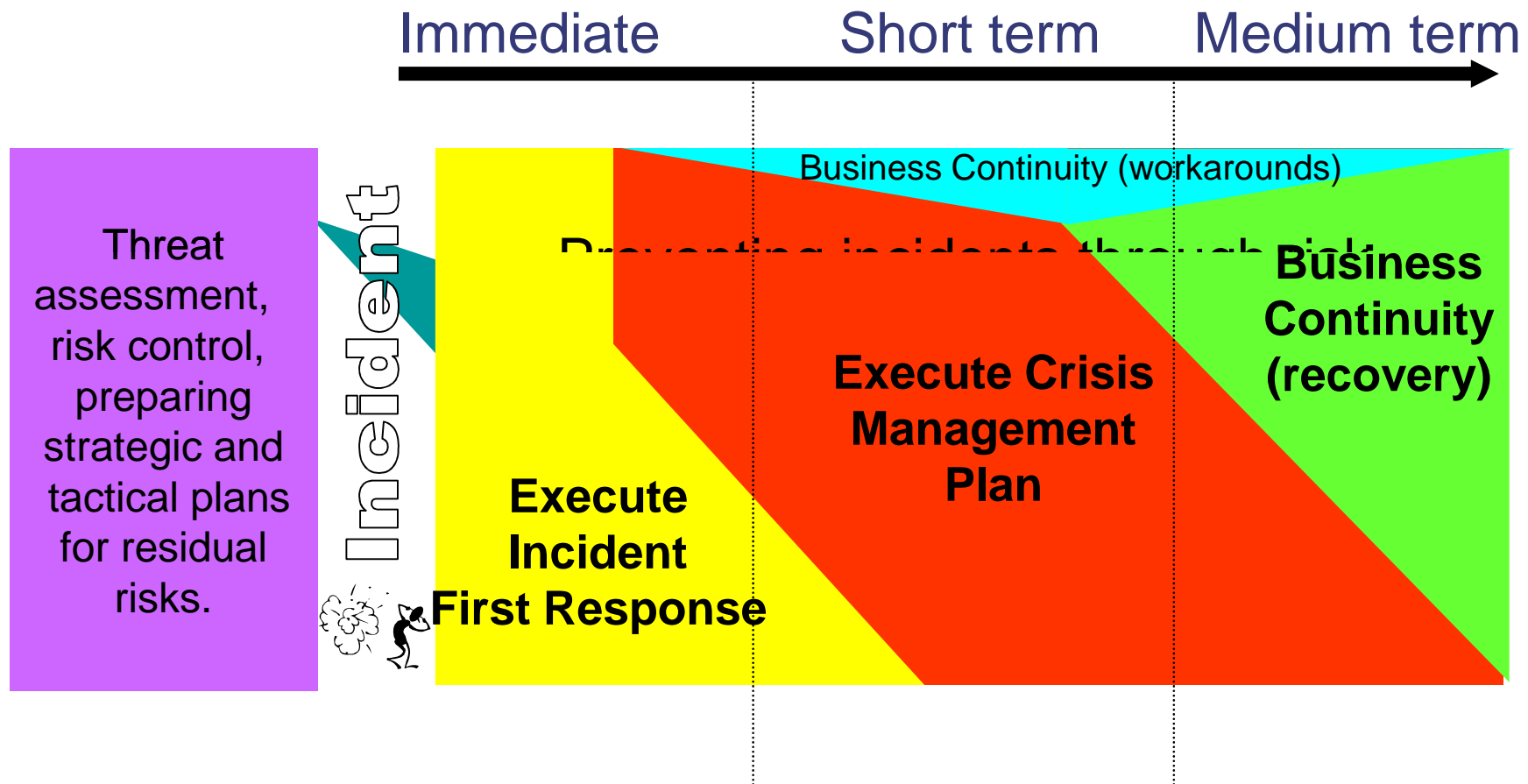
Recognition of extended zones/ regional impacts
Address dispersed security (e.g. work from home)
Security on facilities not owned

What is a Crisis?

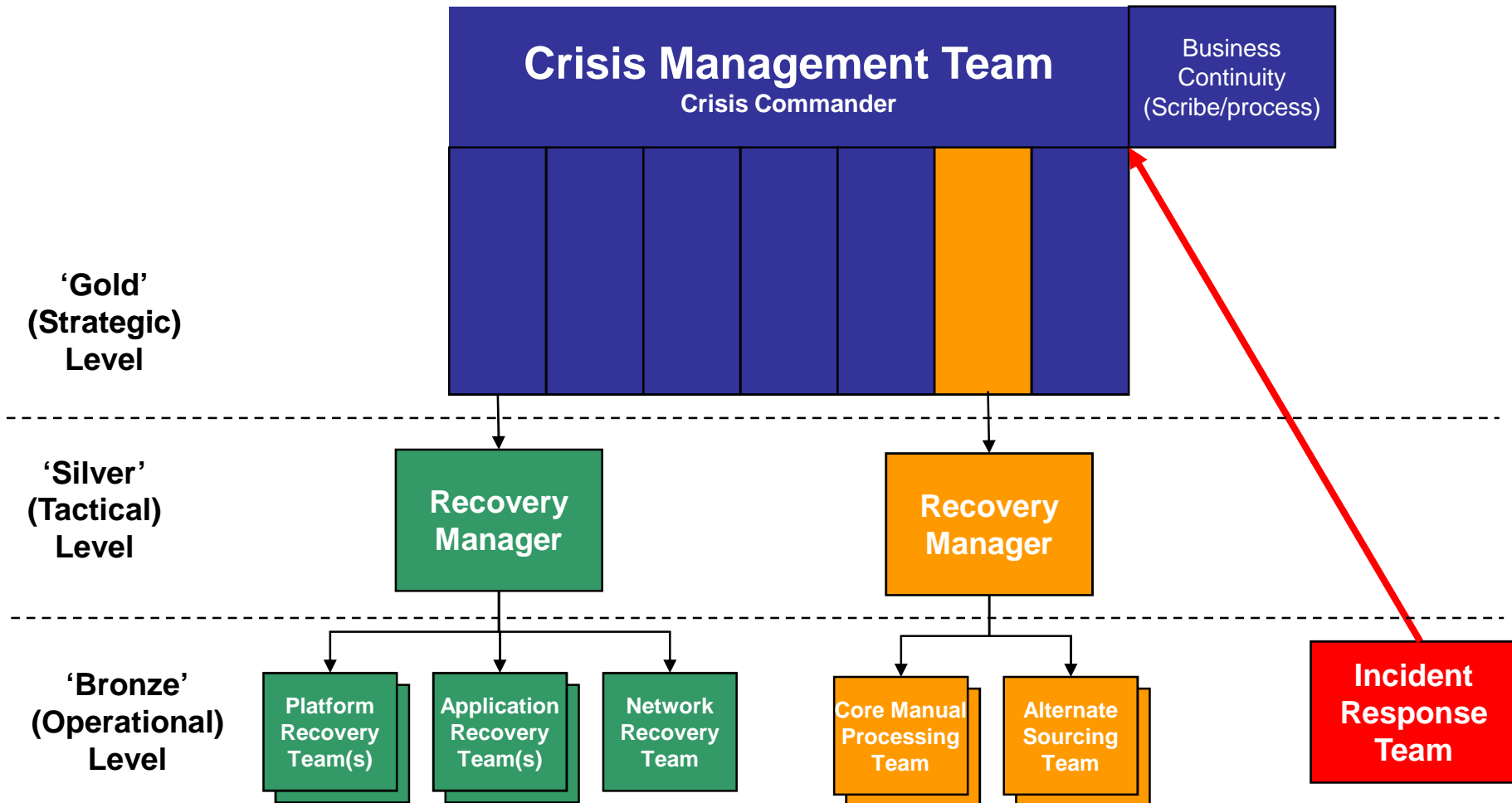
"a low-probability, high-impact event that threatens the viability of the organization and is characterized by ambiguity of cause, effect, and means of resolution, as well as by a belief that decisions must be made swiftly"

(Pearson & Clair, 1998)

So how do it all fit together?



How is a crisis management team structured?



Which roles should be on a Crisis Management Team?

| | |
|-----------------------------------|--|
| Chairman/ Crisis Commander | <i>Drives the meeting. Has authority. CxO level (or above)</i> |
| Facilities Management | <i>Knowledge of premises</i> |
| HR | <i>Staff issues</i> |
| Corporate Communications | <i><u>Internal</u> and external communications</i> |
| Security | <i>Advice on threats/resulting vulnerabilities</i> |
| Health & Safety | <i>Expertise on protecting people</i> |
| IT | <i>IT “art of the possible”</i> |
| Business Unit 1 | <i>Key business units are represented to give business status, decide on priorities etc.</i> |
| Business Unit 2.....n | |

Deputies!!

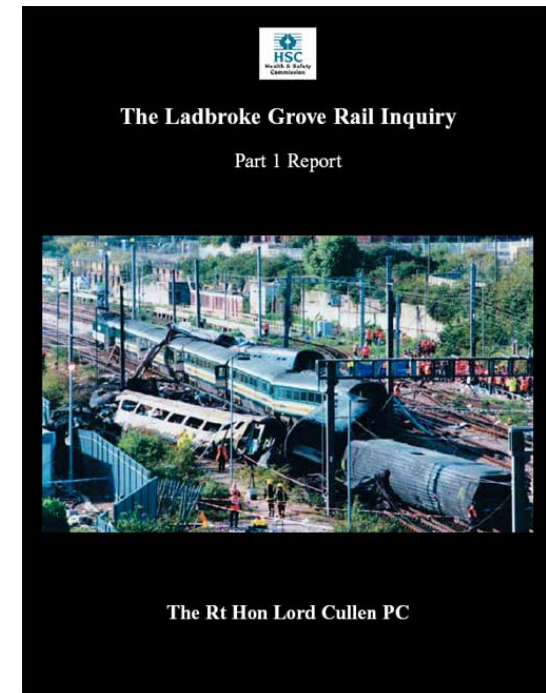
Bear in mind human behaviours in a crisis

The five 'Deadly Ds' of Disaster stress behaviour:

- § **Denied**
 - “That can't be right...”
- § **Deferred**
 - “I can't deal with this now!”
- § **Delegated**
 - “My manager will tell me how to deal with it...”
- § **Deluded**
 - “It'll work itself out alright...”
- § **Dumfounded**
 - “...” (mental shutdown)



Fight,
Flight or
Freeze



Increasing CMT maturity reduces risk

Maturity



Ad Hoc

- No defined Structure
- No defined Procedures
- Intent is to get the “right” people together if a crisis happens and “deal” with it

Emerging

- An initial membership (often individual names rather than roles)
- Some supporting documentation (e.g. contact list)
- Not (successfully) exercised

Developing

- Roles and responsibilities defined
- Deputies identified and at least some practiced
- Procedures and supporting information current and tried in tests
- One or more exercises completed successfully

Mature

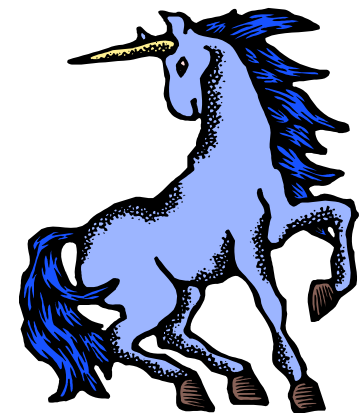
- Roles and responsibilities in place and proven
- Members and (most) deputies and practiced
- Procedures and supporting information proven in tests/actual crises
- Regular, comprehensive exercises
- At least one real crisis successfully handled

Risk



Some business continuity myths

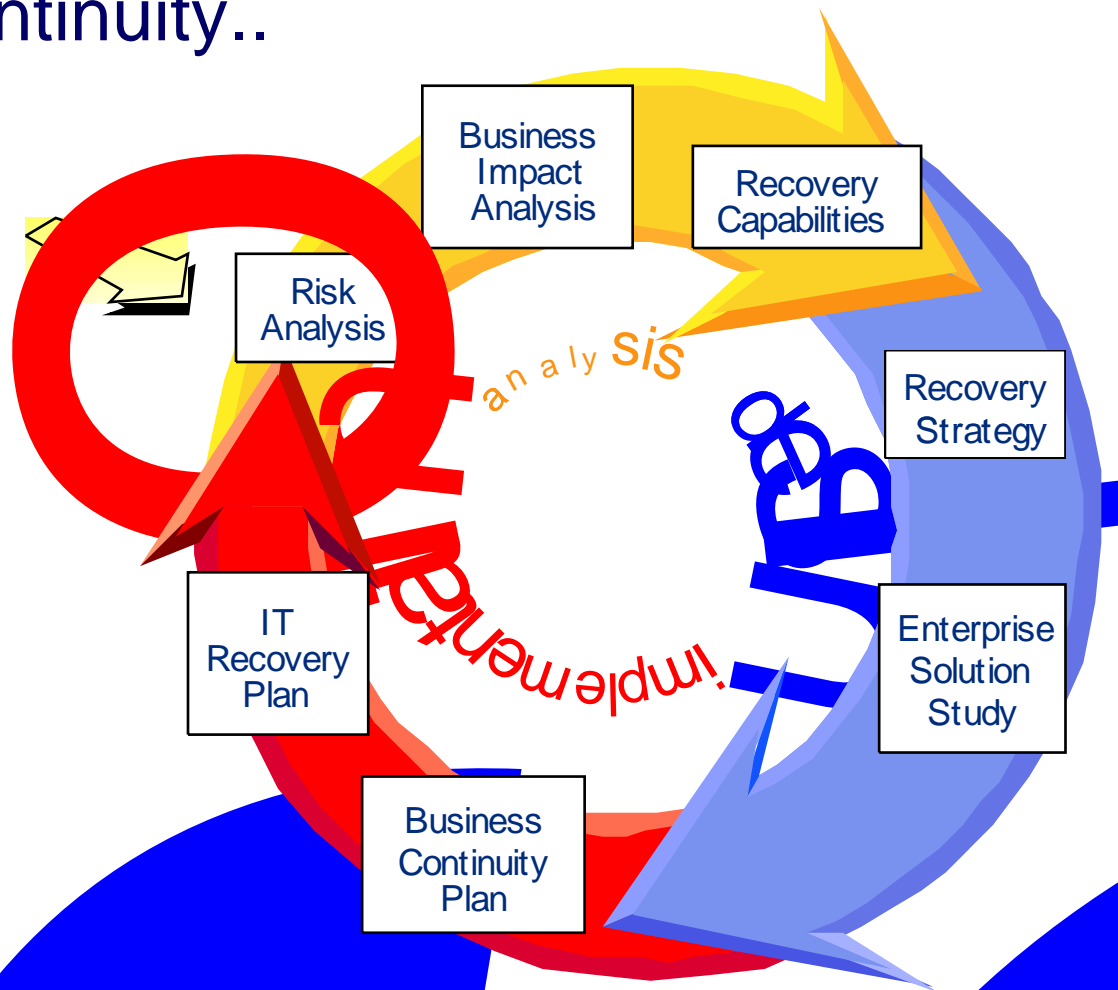
- § We don't need to plan or prepare – we're a good team and we'll cope somehow – *won't we?*
- § If there is a crisis our suppliers will give us absolute priority and sort it out – *won't they?*
- § Head office is always there to help us – *isn't it?*
- § Why worry, it won't happen to us - *will it?*
- § We've thought of everything – *haven't we?*



Crisis management experience

1. Do your best thinking in a calm before the storm: have a plan
2. Plan for the worst
3. Plan *how* you will go about responding, not a specific response for everything you can imagine - there will be some things you can't.
4. The mundane rather than the headline grabber will catch you out
5. Focus on your people
6. Be decisive – a less than perfect decision now is better than a perfect decision too late
7. Tell the truth, and tell it often – you cannot over communicate
8. The business will look different during (and after) a crisis
9. Maintain your sense of humour!

There are methods to develop business continuity..



They are all cyclic!

Moving business continuity forward

- **Top management buy-in and commitment is (as always) essential, but you also need to educate at all levels**
- **Use regulator, auditor, major stakeholder, major customer pressure as a compelling reason to act**
- **Don't try to boil the ocean, stepwise refinement is the key**
- **Develop realistic procedures and helpful checklists - no "auditor swatters"**
- **Decide which processes/business functions are key (BIA) and what the risks are (RA). It'll ultimately save you time and money**

Keeping business continuity alive

- **Practice, rehearse, test**
- **Building it into "business as usual"**
- **Build into change processes**
 - ∅ *Building change, disposal, acquisition*
 - ∅ *Reorganisation*
 - ∅ *Outsourcing*
 - ∅ *Changes in locality*
 - ∅ *New threats*
 - ∅ *Market/major customer changes*

Key Messages

- **Business continuity is an essential part of business as usual**
- **You won't get away with "winging it on the day"**
- **Progress towards a real plan is better than a facade now**
- **Rehearse for the crisis, don't leave it to chance**
- **People out there have done this before; use them to avoid the pitfalls**





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