

October 2007

SCC VOICE

Thoughts and ideas from The Systems Consulting Consortium

BUSINESS CONTINUITY: Q&A with an Expert

Editor's Note: Harvey Schmit, a SCC Principal, is an experienced Business Continuity Planner. Recently, he was interviewed by James Spitze, SCC's Managing Partner on his recent experiences working with clients on Business Continuity.

QUESTION - What is a "Business Continuity Program?"

ANSWER - This is a broad subject. One can look at a business continuity program as comprised of three pieces:

1. recovery of the business of the organization, - usually referred to as "Business Continuity"
2. recovery of the technology elements - usually referred to as "Disaster Recovery"
3. one element that is often missed or not given very much attention is the emergency response plan. When a disaster strikes, particularly if it's a physical disaster affecting facilities, there are activities that must begin immediately and automatically such as evacuation of buildings, accounting for employees, working with first responders, etc. All of this has to be folded into the overall Business Continuity Plan - otherwise there is a discontinuity between what emergency response teams activities and business continuity efforts.

There is also a vertical structure in the business continuity piece which is comprised of a top level command-and-control structure and detailed recovery elements (teams, instructions, etc.) for each business process that are being recovered. This is all required if you are going thoroughly address this topic.

QUESTION - What are some obstacles or pitfalls to developing a successful business continuity environment (not just a plan but, rather, an "environment")?

ANSWER - The most common problem is attempting to put the business continuity environment in place and never getting it finished because, as you get into it, it becomes too large an effort and is abandoned. In a close second place, organizations manage to complete the work (more or less), but never maintain it. Some might say these both represent evidence of lack of management commitment although more likely it shows lack of comprehension of what you're getting into when you begin the task. The scope does not need to be (indeed, should not be) "all singing, all dancing", but the scope must be set so that it yields something OF VALUE.

The most common problem is attempting to put the business continuity environment in place and never getting it finished because, as you get into it, it becomes too large an effort and is abandoned

QUESTION - What do you mean by "too big"?

ANSWER - There are a number of common threads here. Sometimes people begin on one piece (the Business Recovery for example) and someone in country "x" decides that their facility is really critical to the global company and therefore they should have a BCP for the functions within their facility. So, they dedicate some resources and begin the process (of developing a BCP) and after some amount of effort is expended, they realize that since they are not a free-standing entity within the global company, they can't do this subject justice unless they bring in other units across the

company and put together a comprehensive program. So, there's a case where the folks that began the effort with totally good intentions have now aborted it because it's gotten away from them in terms of scope.

Another case I've seen is a Finance Department taking on a worldwide effort to make sure that it's "Close Process" is resilient ... and after launching the project, they realize that the Close Process - without the revenue generation process of the company - is of little value. So, their program gets off the ground, initial work is done, and then it gets aborted or not maintained due to lack of ongoing interest.

QUESTION - If you have to offer just one suggestion to a company that was thinking about doing this, what would that suggestion be?

ANSWER - Set your scope very carefully. Set it around business value, such as generating revenue, after sales customer support, developing new products, etc.

Using scenario-based planning is a common pitfall of business continuity planners. ... Instead, the plan should be built around the unavailability of a certain dependent resource, regardless of the reason for unavailability.

QUESTION - How would you go about doing that?

ANSWER - Persons with broad perspectives of the company's business (not necessarily the CEO) should agree on which business processes are the most important to be recoverable (two or three, maximum). That becomes the "Charter" of the person (or a small group) to study, analyze, and put together plans.

QUESTION - You mentioned a person or a small group of persons. Do you think a company should have a designated Business Resumption person?

ANSWER - I don't think it necessarily has to be a full-time position. If there's to be any real hope of keeping the plans up-to-date, someone needs to have the ongoing responsibility, and some bandwidth to do the job.

QUESTION - Where should that responsibility be? Should it be within IT? within HR? within Facilities?

ANSWER - I think the best place for this responsibility is in the Risk Management organization - most often found within the broader Finance organization. It should be noted that Risk Management is generally a Board of Directors agenda item. The responsible committee of the Board of Directors will take a direct and active interest in the Business Continuity program, often setting policy and getting updates on the program every six months or so. So Business Continuity has visibility at the top levels and has an organizational home within the Finance organization.

QUESTION - What about "scenario-based" planning - that is, "what if xxx happens to yyy building?" - and the like?

ANSWER - Using scenario-based planning is a common pitfall of business continuity planners. The fact is, you cannot think of or document all scenarios, so the plan is always incomplete. Instead, the plan should be built around the unavailability of a certain dependent resource, regardless of the reason for unavailability. Scenarios are important for other reasons, such as determining where to spend money on mitigation (who does not have backup power for his/her data center?), as well as for background during training and testing.

[©SCC, Inc., October 2007]



The Systems Consulting Consortium, Inc.
P.O. Box 519, Orinda, CA 94563-0519
925-254-0760 ofc, 510-409-2888 mobile
Please visit our website at www.scc.cc