

Business Continuity

Business Continuity developed from what we once termed “contingency planning” and “disaster recovery”. The UK faced an organised and highly motivated terrorist threat from the IRA who had declared their intention to frighten the international financial firms in the City of London and succeeded in carrying out a series of attacks, exploding large bombs at Bishopsgate and St Mary Axe. These disrupted many organisations and caused large scale property damage. All organisations therefore recognised the need to develop plans that were focussed on continuing business operations, and not just on IT, buildings and insurance, hence the development of a wider ranging approach which we have come to know as business continuity.

As the subject developed it became increasingly apparent that terrorism was not the only cause of business disrupting events and that in fact there are a range of issues that cause disruption to organisations, including loss of power, IT failures, transport disruptions and so on. Gradually the subject expanded to look at all types of incident that might interrupt operations and develop strategies to meet these.

Organisations were working on the topic but increasingly insurance companies were enquiring about the business continuity arrangements of the business’ they covered, whilst regulators sought re-assurance that businesses could continue to operate in the event of an incident. It was therefore necessary to standardise so that there was agreement on good practice.

The British Standards Institution (BSI) assisted through the production of PAS56 and this introduced the idea of a standard good practice approach to business continuity management. As the need for a full standard began to be appreciated, the BSI formed a new committee to develop the standard and sought representation from all sectors and bodies. Consequently BS25999 was developed with consensus from a very wide range of professionals covering Central and Local Government, Financial Services, small businesses, auditors, insurers, regulators and many more besides. BS25999 was developed in two parts, a code of practice providing guidance on good practice and a requirements document that specifies what must be achieved in order to be certified against the standard.

The success of BS25999 was quickly apparent as the standard rapidly became one of the biggest selling standards that the BSI had ever had. Adoption has been widespread with organisations from private and public sector, both large and small, working to meet its provisions. One of the first to seek full certification was Linklaters, a City Law Firm, who saw it as confirming that their existing approach was recognised good practice and consequently provided assurance to senior management and to clients alike. Specialist organisations providing continuity services have also been quick to seek full certification, from the large firms like SunGard to niche operators such as Adam Continuity. Many more organisations are following from many different sectors, whilst yet more do not intend to certify but use it to validate their programme through self-assessment and internal audit.

UK Central Government has mandated that all Government departments should adopt its provisions and this in turn is being used to validate that the business continuity provisions of key suppliers meet good practice. In consequence many organisations are adopting BS25999 in order to satisfy the need to demonstrate compliance to win or retain Government contracts. Hence the standard is gradually becoming a recognised part of the fabric of business life for both private and public sector organisations.

An interesting development arising from BS25999-2:2007, which uses the management systems approach, is that professionals from other fields who are familiar with management systems have been able to quickly adopt business continuity best practice – recognising that the overall framework is common with Quality Management and Information Security in particular. Integrating these into an overall risk management approach under the heading of “resilience” is now a definite trend.

Whilst the UK has sought to broaden and deepen the guidance in this area through supporting standards documents on ICT Continuity (BS25777), Crisis Management, Recovery Planning, and the Human Aspects of BCM; the UK has not been alone in recognising the value of standards in this arena. The USA has long had a standard NFPA1600, whilst Singapore, Australia, Germany and others have also developed standards in this area.

Larger organisations who operate across a number of countries soon expressed a wish that a single standard be developed that would provide a common view of good practice and single framework for compliance, whilst those operating in countries without an existing standard also wanted to adopt good practice through a recognisable framework. Consequently ISO is now developing ISO22301 which will provide a standard in this area, using the management systems approach and the best features of BS25999, NFPA1600 and others. This will provide a certifiable standard for any organisation to demonstrate good practice to an internationally recognised standard. It is clear that this is already generating considerable interest around the world and based on the evidence of BS25999, we can expect widespread adoption as organisations seek to provide assurance to top management, stakeholders and customers that they are managing the risk of disruption to their business.

Three Things to Know about Business Continuity

1. 20% of organisations suffer major disruption once in every five years. Only 1-2% of these are terrorist related incidents, the majority being power, premises and IT related.
2. Preparing for these eventualities requires a structured management systems approach.
3. The approach requires an understanding of what are the key things that your organisation must continue to do, implementing ways to reduce the likelihood and impact of an incident, exercising these arrangements and ensuring that you have people who know what to do.

Notes

This was originally written as a brief overview for a Danish audience