

Business Continuity Management – Formula for Tough Times

By George Rafael and Wanda Holomis

Optimization? Lean Management? Looking to identifying business processes that create value and improve business performance? Did you know that a Business Continuity Management (BCM) program can assist and/or provide direction to meet these requirements? With the current economic climate, it is time to think “outside the box” of BCM as just a plan. Let’s revisit its value and foundational components that contribute to the optimization of an organization and its survival.

BCM in the context of total business operations is concerned with some of the following in the event of a natural or man-made disaster:

- Delivery of essential customer goods and services
- Maintaining competitive position – keeping competitors from filling the demand not met by the organization

- Maintaining cash flow to vital operations
- Meeting high-consequence legal obligations
- Environmental Health and Safety
- Continuation of in-flight capital projects
- Essential staff and stakeholder communications

Sound governance practices should consider the current Alberta and Canadian economic situation as a trigger to review the BCM program, if there is a current one. Failure to do so could induce significant financial impacts to an organization and its continual success. The signs of threats to business viability that point to a long-term situation, or possibly even the new norm, should be evident.

By revisiting some of the building blocks of the BCM program, it becomes clear the validity of their importance. Such as:

BCM Foundation	Activity	Economic Threat
Business Impact Analysis & Business Process Catalog	Identifies critical business processes, interdependencies and critical path	Revisit to streamline activities not just during an event or incident. Used for lean management and business process optimization. Assists with driving prioritization of in-flight capital projects.
BC Exercises	To validate plans, processes and refine if required.	Departmental layoffs – loss of expertise/man power – revisit plans to reflect current business constraints
Audit	To meet internal/external regulatory requirements	Done to ensure plans meet current business strategies and goals
BCM & DRP Strategies and alignment	BC drives the DR program	Ensures that current needs are meet and can prevent overspend of IS resources.

With this in mind, the BCM program should consist of the following steps and deliverables. This is required for an enterprise without an active and managed BCM in place.

Activity	Deliverable
BCM Program Governance	BCM policy, Core Teams and roles and responsibilities
Risk Assessment	RA that identifies organization specific risks as it pertains to BCM. Aligns with existing Enterprise Risk Management.
Business Impact Analysis – business process catalog	BIA report that identifies critical paths, resource requirements and drives the DR planning.
BC strategies, Plan development, Implementation and communications	BC Plans for organization, workshops and alignment with existing communication strategies or creation of BC communication strategies.
BC and DR alignment – Relationship Management	Clear understanding between business and I.S. deliverables and capabilities.
Training & Maintenance	Employee training program, exercise program and maintenance schedule for the BCM program.
Audit	Annual audit review or alignment with organization’s adoption of standards

And this is for those enterprises with an operating and managed BCM currently in place.

Activity	Deliverable
BCM Program review/Audit	Determine areas for correction and improvement.
RA & BIA optimization	Streamline activities, alignment with organization goals
BCM & DR alignment	Alignment of business needs and IS deliverables. Clear understanding between the business users and IS capabilities.
BC relationship management	Empower the relationships between the business units and external stakeholders.
BC Exercises and training programs	Facilitate, report and design exercises and training programs
Emergency Notification software implementation	Project management, vendor selection and implementation

These factors indicate and support the conclusions:

- Conventional cost-cutting through lay-offs and employee attrition have run their course.
- Expectations of short-term economic recovery are not realistic.
- There needs to be serious consideration to additional steps that are more in line with the current situation.
- BCM should be the first step. It will likely lead to other actions that will address the need.

Gilmore & Associates has the expertise to help. Call us and explore your options.

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