



Expecting the unexpected

Business continuity in an uncertain world



London First

National Counter Terrorism Security Office (NaCTSO) The National Counter Terrorism Security Office is a police unit working to the Association of Chief Police Officers, and provides a co-ordinating role for the police service in regard to counter-terrorism and protective security.

The unit collates and disseminates good practice and has responsibility for the management of police training in counter-terrorism protective security.

Developing and maintaining strong links with other organisations is a vital part of the unit's work, which allows for the identification of emerging needs and requirements in this area.

London First is a business membership organisation supported by over 300 of the capital's major companies. Its mission is to improve and promote London. London First's business members are in key sectors such as finance, professional services, property, IT, creative industries, hospitality and retail. Its membership also includes virtually all London's higher education institutions, as well as further education colleges, NHS trusts and independent hospitals. London First members account for 17 per cent of all employees in London and contribute 22 per cent to the capital's gross domestic product.

www.london-first.co.uk

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Business Continuity Institute The Business Continuity Institute's mission is to promote the art and science of business continuity management (BCM) worldwide. It provides an internationally recognised certification scheme for BCM practitioners and is involved in the development of international standards. Currently there are over 1,300 members of the institute working in 40 countries.

www.thebci.org

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Foreword



As Home Secretary with cabinet responsibility for the domestic security of this country, I am very pleased to support this positive initiative by the National Counter Terrorism Security Office, London First and the Business Continuity Institute. The key message of this booklet is the importance of planning and effective communication. We must be vigilant and well prepared and make arrangements to deal with the impact of a major incident or disaster. By remaining alert but not alarmed, we can reduce the ability of terrorists to carry out their threats. We cannot be complacent about the threat we face, but equally we all want to undermine the terrorists by continuing to trade, work and live in a free and tolerant society.

Business continuity and planning is just as important for small companies as it is for large corporations. Plans need to be simple but effective, comprehensive but tailored to the needs of the organisation. Employers have a responsibility to their staff for their safety and security, and we all share the desire to ensure that any disaster or incident – whether natural or otherwise – has a minimal effect on the economic well-being of the country.

I commend this booklet. I hope you will read it and act upon it. It is an excellent example of how, by working together and being proactive, we can protect ourselves, our livelihoods and our country. I wish this project every success.

A handwritten signature in black ink that reads 'D Blunkett'.

The Rt Hon David Blunkett, Home Secretary

Expect the unexpected

More than 40 per cent of businesses affected by the Manchester bombing went out of business, never to return.

How quickly – and painlessly – you manage to get back to ‘business as usual’ in the event of a terrorist attack, fire, flood or other natural disaster, or any other major interruption, depends on how effectively you can devise, and put into action, your own business continuity management.

Business continuity management can best be defined as:

‘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.’
(Business Continuity Institute, 2001.)

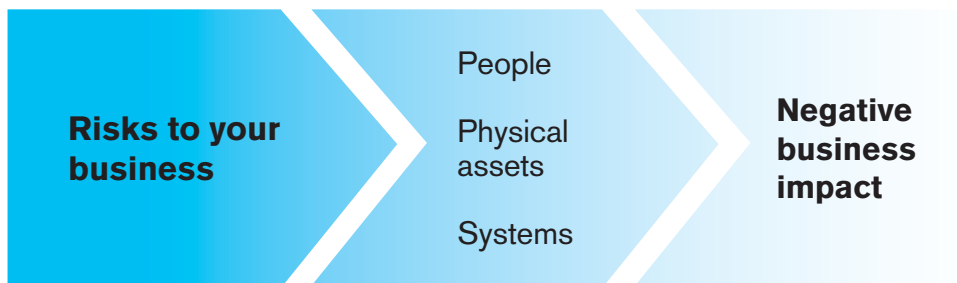
Building-in business continuity, making it part of the way that you run your business, rather than having to ‘firefight’ any emergency, helps prepare you to offer ‘business as usual’ in the quickest possible time. Planned business continuity management, so that your staff, customers and suppliers are reassured that you have an effective policy and practice for managing the unexpected, helps build confidence in your business.

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Helping you to create an effective business continuity plan

This guide is the result of a unique partnership between the business community, police and business continuity experts.

Our aim is to provide you with a checklist and useful ideas on matching key business continuity management processes to your company.



Risks to your business

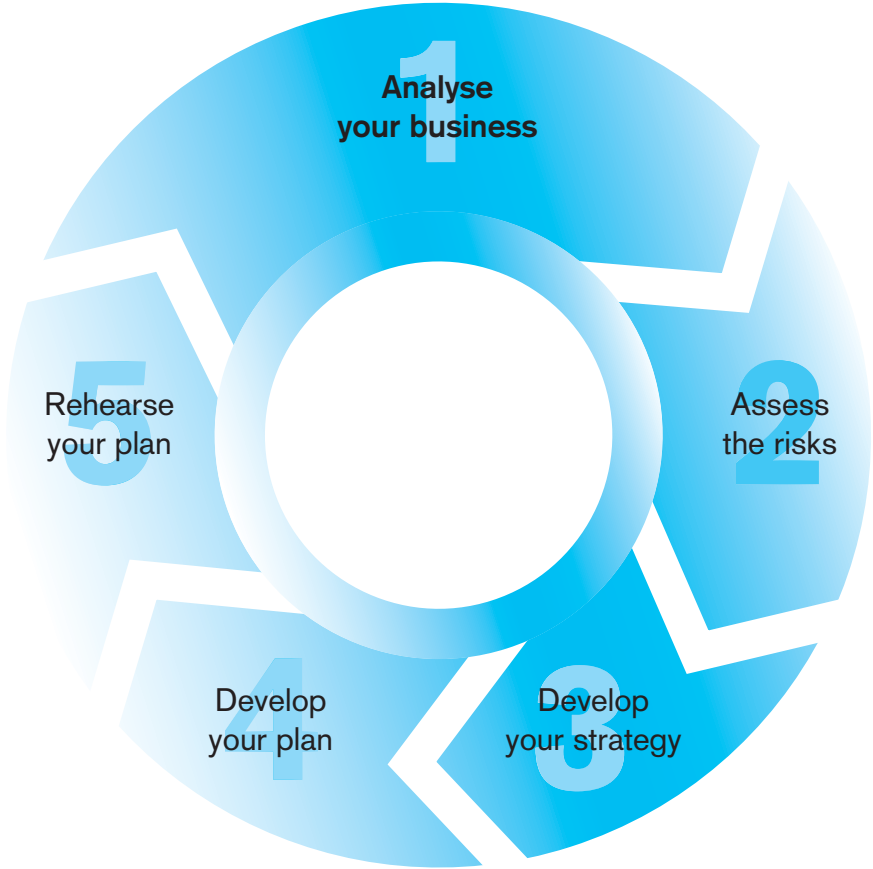
Without business continuity, a natural or man-made disaster could result in:

- Loss of work to competitors
- Failures within your supply chain
- Loss of reputation
- Human Resources issues
- Health and Safety liabilities
- Higher insurance premiums.

And, as every organisation knows, when setbacks arrive in combination, the worst case scenario can eventually be business failure.

Key steps in developing business continuity management

To help you match your plan to every step in your business' working processes, you may find it useful to follow these key steps.



Analyse your business

Step 1 is an up-to-date analysis of your business

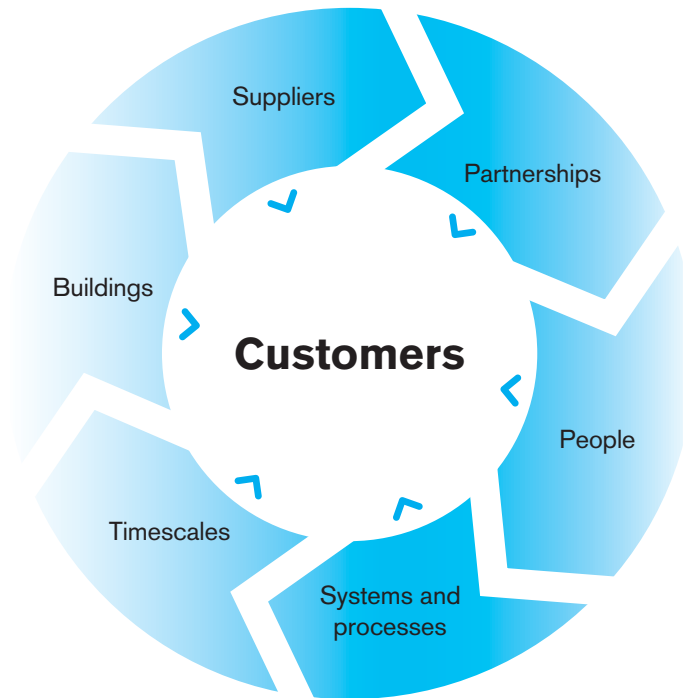
It is important that your Board and senior management know what you are planning to achieve. Arrange for them to watch the video-CD that accompanies this guide. It will help them understand why making your plan is important to the business.

It is also essential that your senior management fully supports business continuity management (BCM). Someone in senior management needs to have ownership of BCM. This means they need to be a 'champion' of BCM, from your planning work through to making sure everyone in your organisation adopts the results as normal business practice.

However well you understand your business, it will help to talk to other people

- You need the fullest possible picture of the complex interactions inside your organisation and between you, your customers and suppliers.
- You'll have the chance to help your colleagues understand why a business continuity plan is important.
- You want the people in your company involved. Knowing that their contribution is part of the planning and implementation process is important.
- You can include expert knowledge about every part of the business within your continuity plan.
- You can find out if any part of the business already has plans or procedures to deal with a major incident or terrorist attack. You'll need to include or adapt them in your plan for the whole business.

Where is your business vulnerable?



Checklist: who to speak to and why

The Board and Senior Management Team

- Have they seen the video-CD?
- Will they support BCM?
- Who will own BCM at a senior level?
- What do they agree is essential to the running of the business?
- What do they believe would be a worst-case scenario?

Heads of department

- How essential is the department's work to the running of the business? (Ask them to please be objective. This question is about practicalities, not profile.)
- What equipment, IT and other systems does the department need to be able to function?
- Who else inside or outside the business does the department need to be able to carry out their work?
- Who else in the organisation depends on this department?
- Who in the department is essential? (Again, ask them to be objective: the answer to this question may be about how one job fits in with another, not about how senior a manager someone is.)
- Are there any service level agreements, legal or regulatory obligations on the department?
- Do they already have business continuity plans for their department?

Facilities managers

- If your organisation has more than one site, each site will need its own business continuity plan, although they should all be based on the same principles. Find out from the facilities managers how each site operates.

Anyone else?

- Double check the practicalities. People who have keys, phone numbers, etc, may not work in the high-risk areas, such as IT, but your business cannot continue without them. Some vital people may not even appear on your payroll, for example your security team.

Assess the risks

There are two aspects to every risk to your business

- How likely is it to happen?
- What effect will it have on your business?

Business continuity management can help you balance them

You can define your assessment in cost terms: how much could you afford to lose if an emergency prevented you from doing business for days, weeks or months? How would suppliers, customers and potential customers react if your business received adverse publicity because you were unprepared for an incident?

There are three ways to work with the information you have gathered to provide an assessment of the risks.

- a Ask 'what if?' questions.
- b Ask what is the worst-case scenario.
- c Ask what functions and people are essential, and when.

a Ask 'what if?' questions

Remember that a good continuity plan will help your business deal effectively with an incident, no matter what caused it. You don't have to be the target of terrorism for it to disrupt your power supply. Accidents such as workmen cutting through a cable or flooding from a ruptured water main could produce the same result: your building will have no electrical power.

Useful 'what if?' questions include:

- What if the electricity supply failed?
- What if our IT networks went down?
- What if our telephones went down? For a day? For a week?
- What if our key documents were destroyed in a fire?
- What if our staff could not gain access to the building for days, weeks or months?
- What if we had casualties?

It is also useful to ask 'what if?' questions about business relationships inside and outside the organisation.

- What if our customers could not contact us?
- What if our suppliers could not supply us?
- What if our customers could not pay us?
- What if we could not pay our suppliers?

Do not forget people issues: for example, after an incident, who will be responsible for recording who has been injured, where they have been taken and who is missing? How will you communicate after the incident? Who will deal with enquiries from the relatives of missing or injured staff? Do the staff, including temporary staff and contractors, know these details?

b The worst-case scenario

The second useful technique is to identify the worst-case scenario. If your plan enables you to cope with a worst-case scenario, it will also help you deal more easily with lower-impact incidents.

Your worst-case scenario will reflect what would be worst for your business. Generally, the worst case will be something that completely stops you carrying out your business. Think about cause and effect: a chain of events might be far worse than just one incident. For example: terrorist incident = no access to building = no access to IT system = customers unable to pay you = unable to supply your customers = bad publicity = damaged business reputation = a situation your competitors may be quick to exploit.

© What functions and people are essential, and when?

We all believe that our work is essential to our businesses. But, to make an effective business continuity plan, you need details of who needs to do what, when and where in the immediate aftermath of an incident.

You'll probably find it useful to keep a function/time matrix showing how quickly functions need to be up and running after a major incident.

Example of a function/time matrix

Some business functions will take longer to get working again. You'll have the details from the questions you asked in the first stage of making your plan. Your matrix can include details of when each person needs to be on site to restart functions that follow one another. Your plan should be flexible enough to cope with changes in urgency throughout the year. For example, how soon you need payroll services, or the processing of accounts, may vary depending on the time of year.

