

An underwater photograph of several swimmers in a pool, viewed from below. The water is clear blue, and bubbles are visible around the swimmers. The swimmers are wearing swim caps and goggles.

Business Continuity -

Assessing the Feasibility of the Firm you Represent

ICPAK Board Training Seminar

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Agenda

- 1. Introduction and Background**
- 2. The Key Elements of Business Continuity Management**
- 3. A Phased Approach to Business Continuity Management**
- 4. The Bigger Picture - Business Resilience**
- 5. The Next Steps and Key Takeaways**

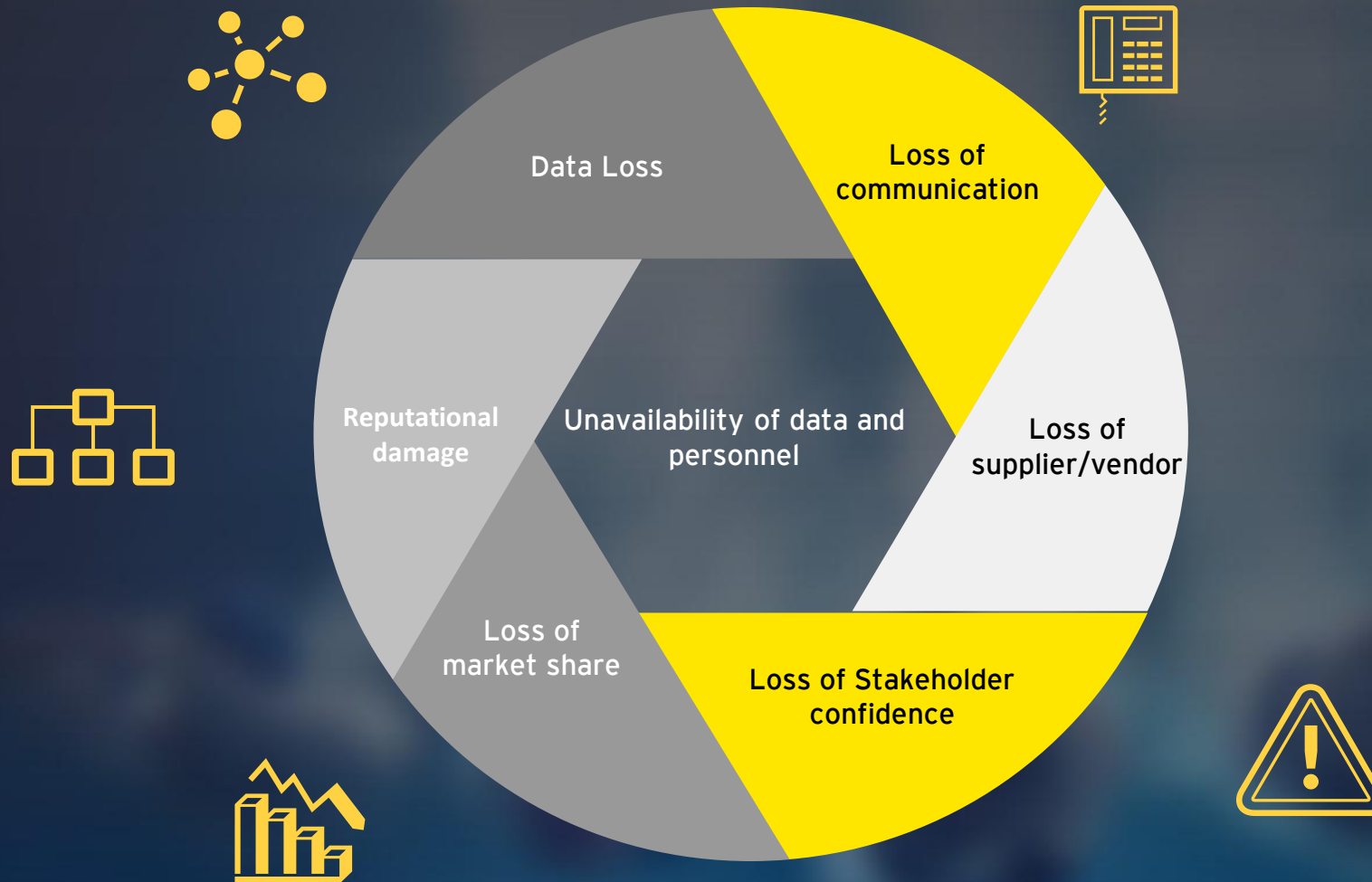


Introduction and Background

Disasters do happen.. Threats are real..



...and they impact various aspects of an Organization...



A quick look at COVID-19

Focusing on the foundations of enterprise resilience to enhance enterprise agility in response to unforeseen challenges and disruptions arising today

Pandemic Resilience

COVID-19 is currently disrupting enterprise operations across the globe. Building confidence and trust will be a critical differentiator as organisations respond to and rise from global disruption.

Whilst a global pandemic is a unique challenge, organizations can identify, assess, and effectively respond to pandemic related risks using well established enterprise resilience frameworks.



A pandemic can result in possible staff absenteeism exceeding

40%

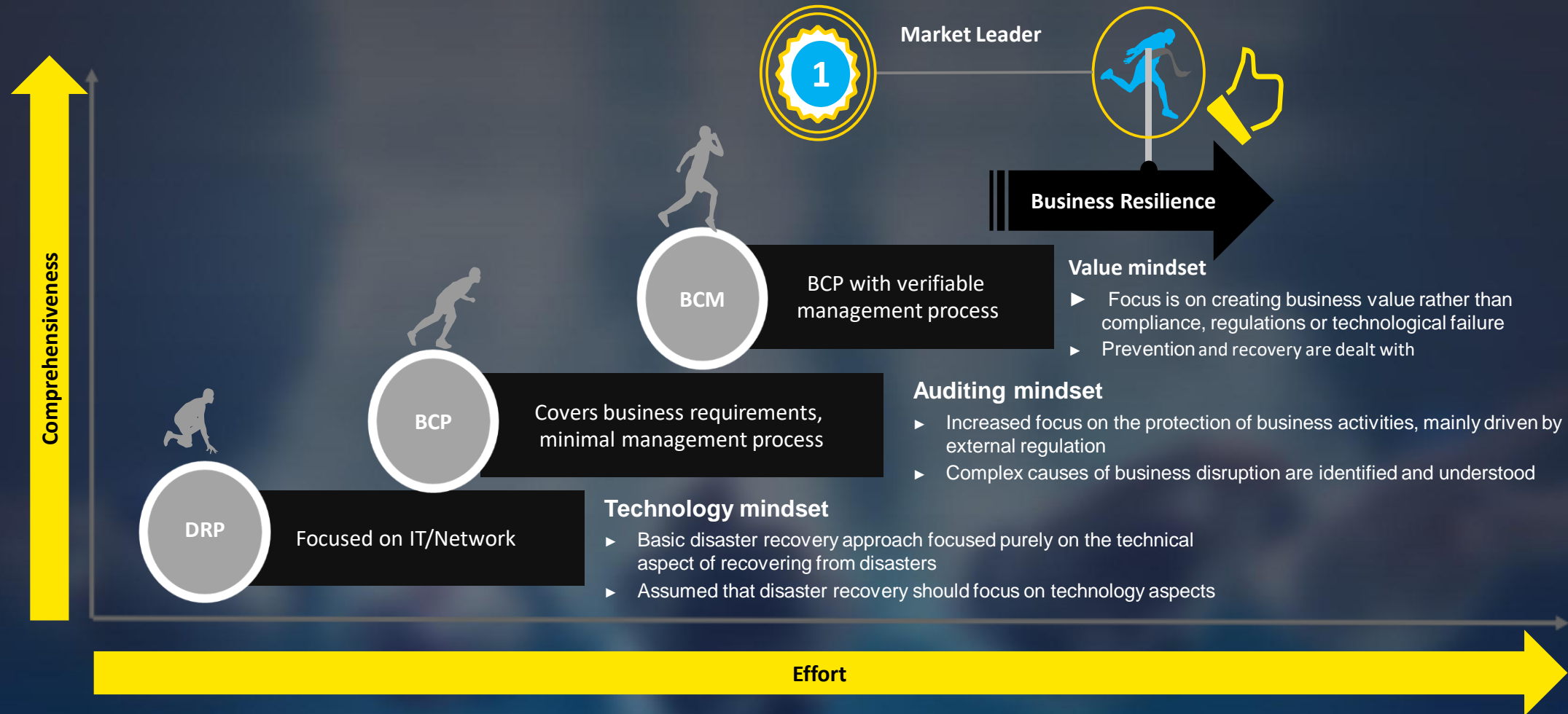
for extended and sequential periods

Gartner

A pandemic is not a one-time event, and periods of illnesses may come in 2 or 3 waves anywhere from 3 to 12 months apart.

The total duration of a pandemic is likely to be 12 to 18 months.

Evolution of Business Continuity Management



An underwater photograph of five swimmers in a pool, viewed from below. They are in various stages of a stroke, with arms and legs visible, creating a dynamic scene with bubbles and light rays filtering through the water. The swimmers are wearing swim caps and goggles.

The Key Elements of Business Continuity Management

What is Business Continuity?



The ability and readiness to combat identified business disruptive incidents to ensure continuity of **Time Critical** Business Processes at an **Acceptable level** and **limit the impact** of the unavailability of **People, Site, Technology, Suppliers and Vital Records** on the processes.

Business Continuity Management (ISO 22301:2012)



What is BCM?

The ability and readiness to combat identified disasters to ensure continuity of critical business processes at an acceptable level and limit the impact of the disaster on people, processes and infrastructure.

► Business Continuity Management (as per ISO 22301:2012) :

Holistic management process that identifies **potential threats** to an organization and the **impacts to business operations** those threats, if realized, might cause, and which provides a framework for building organizational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities.

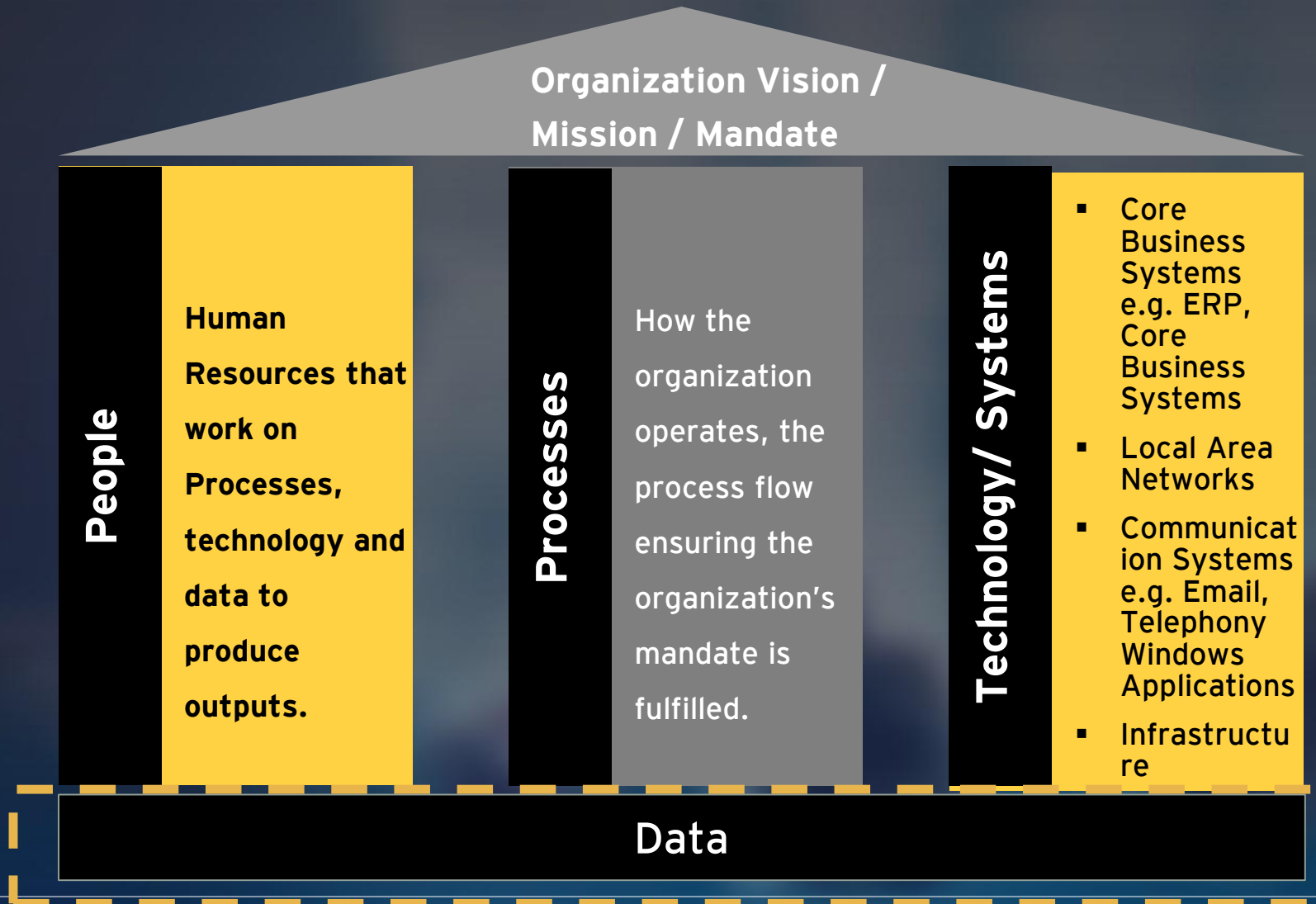
► Business Continuity Management System (as per ISO 22301:2012) :

Part of the overall management system that establishes, implements, operates, monitors, reviews, maintains and improves business continuity

NOTE The management system includes **organizational structure, policies, planning activities, responsibilities, procedures, processes and resources.**

Why Business Continuity?

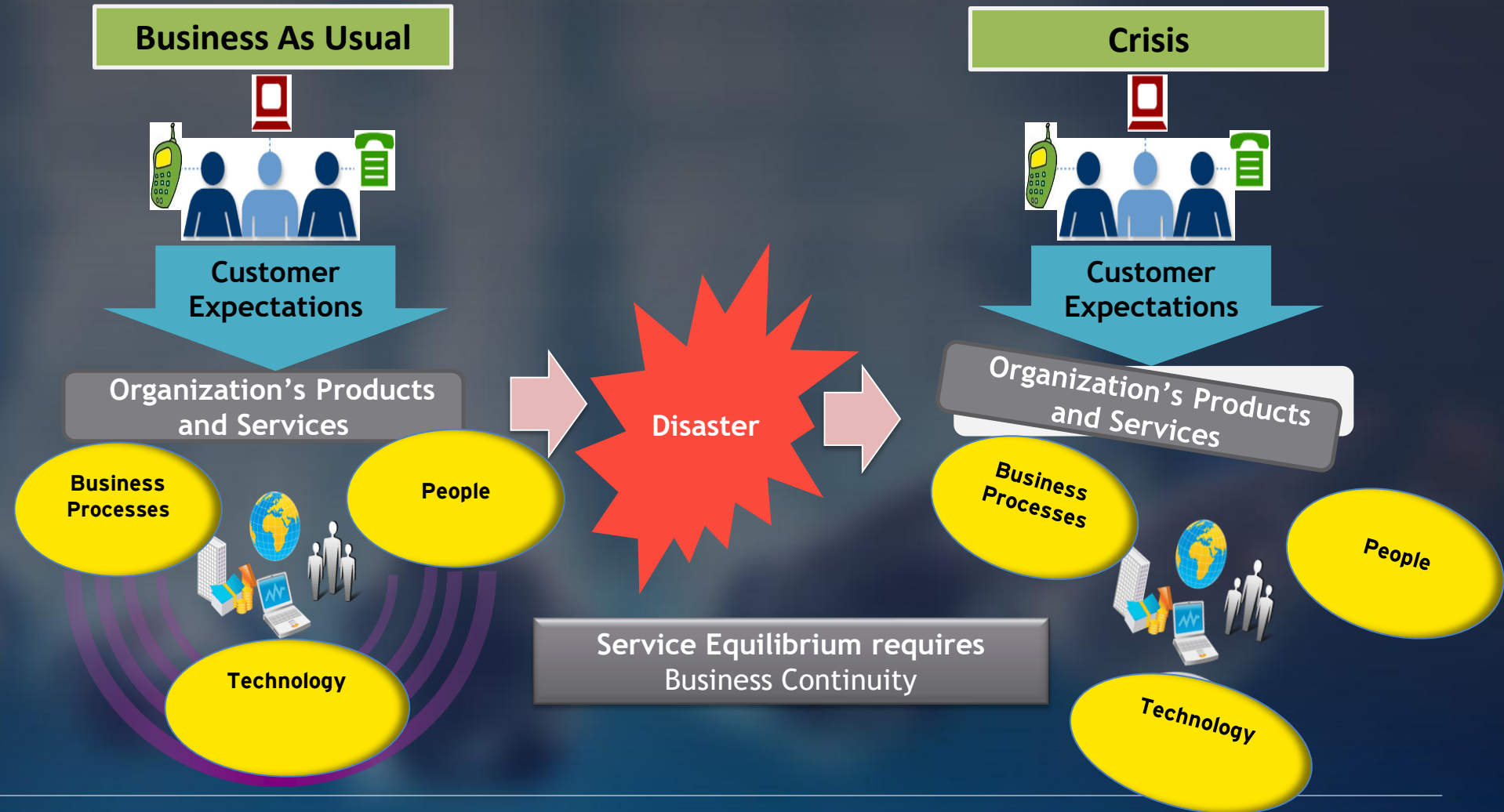
Key Pillars of the Organization



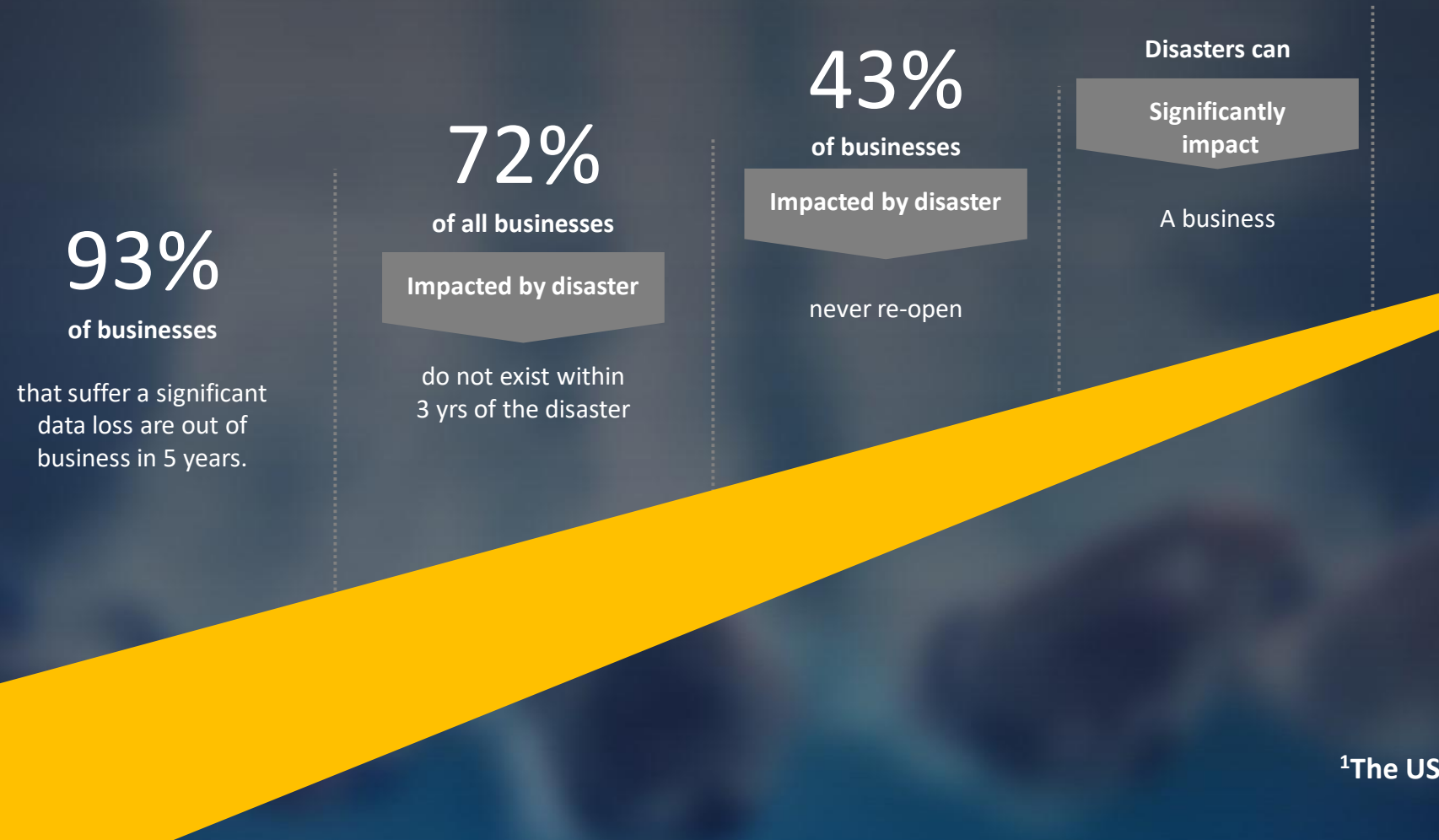
Some aspects of the key organization pillars are managed by key vendors/ third party entities which also need to be considered.

Why Business Continuity?

Customer expectations remain unchanged in case of crisis. Hence, business continuity is required to ensure resilience in key pillars like technology, people, site, utilities etc.

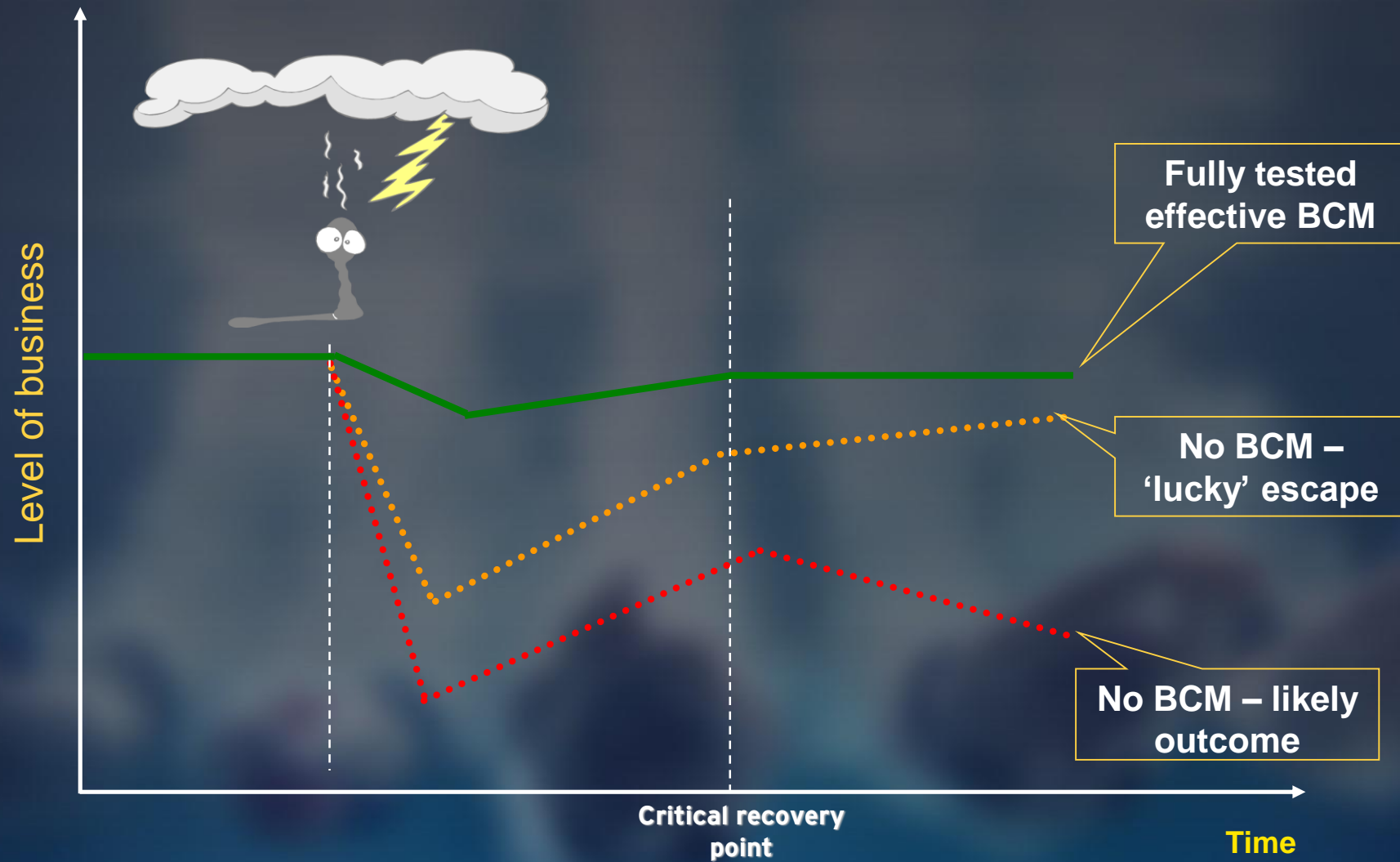


Study shows...



¹The US Bureau of Labor

Why Business Continuity?



Are you Prepared?



If your organization was impacted by a disaster right now, what would happen? In the case of COVID-19 what is happening?

Which teams are trained to **RESPOND** and **RECOVER** to any crisis, emergency incident, or disaster?

Do you have your **BUSINESS CONTINUITY PLANS DOCUMENTED**?

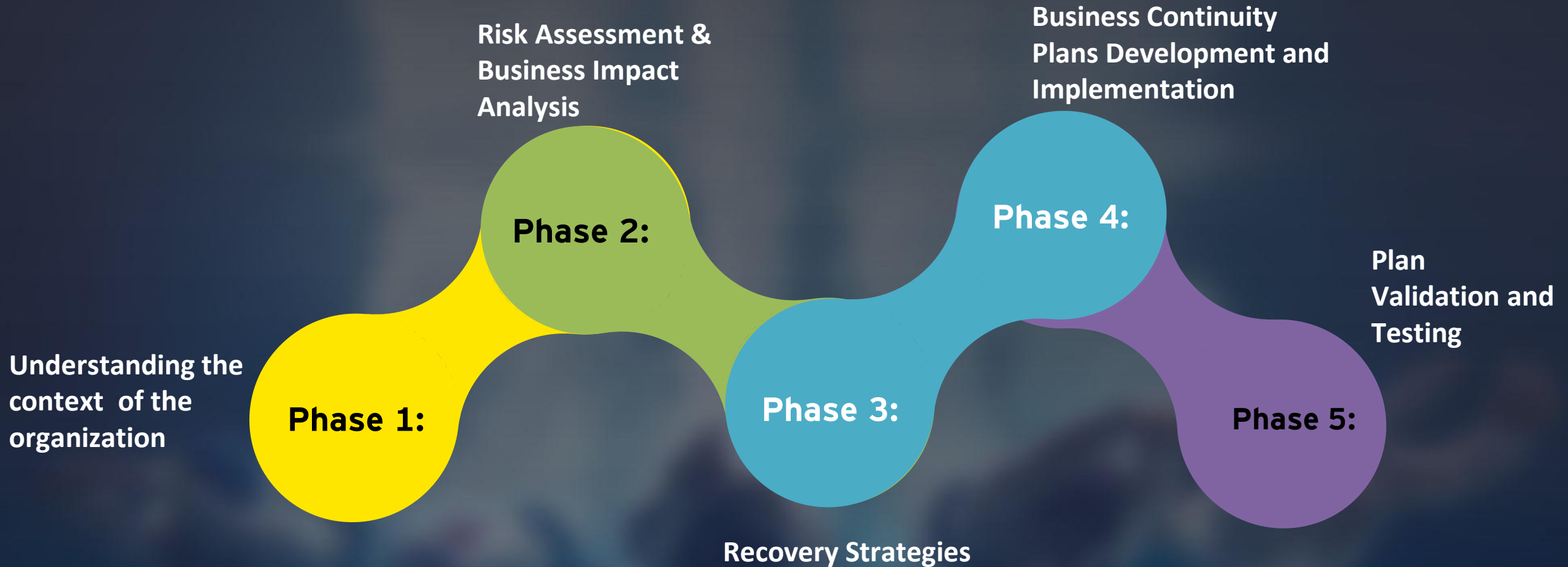
What group(s) have responsibility for crisis response, business continuity, IT disaster recovery, and/or organizational resilience?

How are these groups working together?



A Phased Approach to Business Continuity Management

Key Phases of BCM



Business Continuity Management is a continuous assessment and review program (not a one time project).

Phase 1: Understanding the context of the organization



- Organization



- Product & Services



- Processes and Tools

This phase is very Critical as it sets the stage for the other phases. By understanding the business, the risks that should be considered become clearer as the plans are being developed



- Stakeholders



- Business Locations

Phase 2: Risk Assessment and Business Impact Analysis

Key Questions:

What are the priorities for recovery and why?

What can cause a recovery failure?

Outcomes:

- ▶ Prioritize recovery of business activities
- ▶ Identify dependencies
- ▶ Determine systems/applications Recovery Time/Point Objectives
- ▶ Identify and manage risks to recovery capabilities

Threats?



How do I know which risks to focus on?

What do I do about risk?

Likelihood?

Likelihood or probability of a specific event

Impact?

Impact that event will have, direct and indirect

Preparedness for that event

Accept

Eliminate

Transfer

Mitigate

Phase 3: Developing Recovery Strategies

Key Question:

What is needed in order to recover?

Outcomes:

- Determine recovery requirements
- Develop response and recovery strategy for:
 1. Building Outage
 2. System Outage
 3. Regional Disaster
 4. Pandemic



Time is
Money!!!!

- Short recovery times cost more money
- Longer recovery times cost less money
- Continuous, redundant operations require changes to production environment and money
- RTO: Recovery time objective
- MAO: Maximum acceptable outage

Some Key Factors to Consider:

Facility

Applications

Vital Records

Business Process

Third Parties

Security

People

Procedures

Equipment

Phase 4: Business Continuity Plans Development & Implementation

Key Question:

How do we recover?

Outcomes:

- ▶ Document/Integrate Plans
 - 1.Crisis Management Plans
 - 2.Business Recovery Plans
 - 3.Technology Disaster Recovery Plans
 - 4.Incident Response Plans
- ▶ Integrate with Key Stakeholders' Plans

Crisis Management Plan

- Incident response structure;
- Emergency response and escalation matrix;
- Defines pre-crisis, during crisis and return to normal scenarios;
- Identification of interested parties;
- Communication and crisis management responsibilities.

IT Disaster Recovery Plan

- Incident Lifecycle;
- IT failure recovery steps as per different incident scenarios;
- Define and list of dependencies and enablers; and
- Defines pre-crisis, during crisis and return to normal scenarios.

Business Process Recovery Plan

- Steps to be performed for pre-crisis preparation;
- Defines priority of recovery for the activities/ processes;
- Step-by-step procedures against recovery strategies; and
- List of vital records/Resources.

BCM plans are one stop documents, which need to be followed in the event of a disaster. Functional/Process Business Continuity Plan;

- ▶ **Crisis Management;**
- ▶ **IT Disaster Recovery Plan (ITDR Plan);**
- and
- ▶ **Business Process Recovery Plan.**

Phase 5: Plans Validation and Testing

Key Question:

Will this plan really work?

Outcomes:

- ▶ Train teams on plans
- ▶ Conduct exercises
- ▶ Provide ongoing exercise and maintenance capability
- ▶ Institute a BCM Monitoring Program



Phase 5: Training and Awareness



Awareness and an understanding about responsibility is the key factor to attain success. Conducting stringent and more in-depth training sessions will ensure that the stakeholders are aware of their responsibilities and possess in-depth knowledge of their domain. The following practices can be adopted to conduct effective learning sessions, in order to achieve 100% training and awareness metrics.

Reference materials

Conduct training sessions with reference materials so that trainees can refer the same for better understanding.

Interactive sessions

Sessions should be conducted in an interactive manner focussing participation of the trainees in the training.

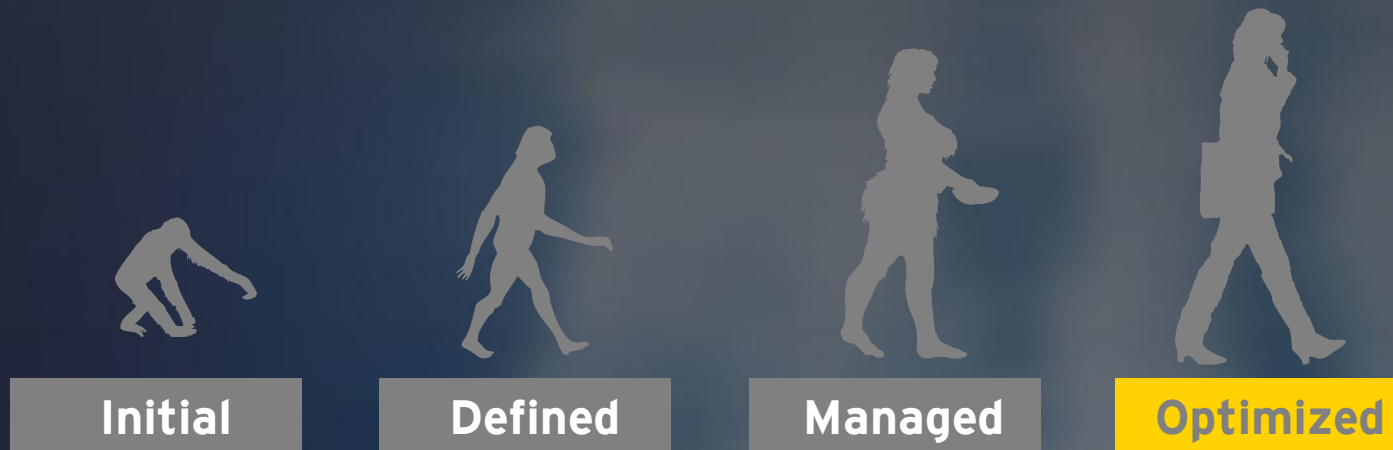
Progressive assessment

In-between assessments should be performed to make the learning easier and motivating. Also, it will ensure maximum coverage of the Program

Scenario based final assessments

Final assessment Should be conducted on scenario based questions to build up decision making capability and confidence of the stakeholders.

Phase 5: Monitoring Program - Keeping BCM alive



Ensuring that the BCM program undergoes year on year improvement

- *Periodically Review and analyse the pre-defined metrics and KPIs for BCM effectiveness measurement*
- *Periodically Provide inputs in terms of addition of new KPIs and / or optimizing the pre-defined KPIs in order to ensure that measurement of BCM program effectiveness is accurate to a large degree and that appropriate and timely actions can be taken to make necessary improvements*



The Bigger Picture - Business Resilience

Business Resilience Framework

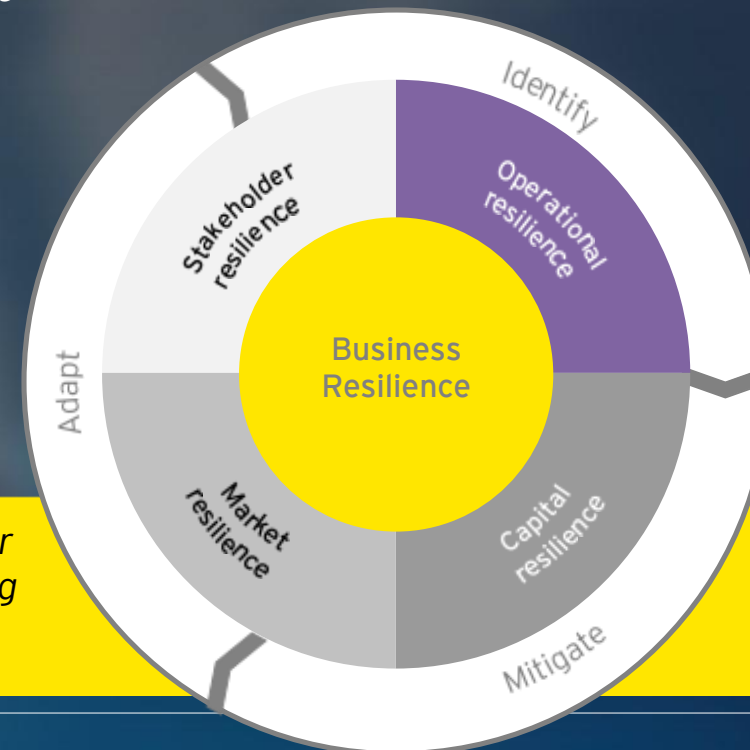
We have identified four key pillars of business resilience, which are vital to protecting and enhancing an organization's value and providing a broad framework to effectively consider resilience across the organisation

Stakeholder Resilience: Identification of and active engagement with the broad base of material stakeholders of the organisation based on a clear understanding of their agenda and ability to articulate a robust strategy for the business.

Market Resilience: A clear understanding of current and future dynamics in the market and the ability to positively react to evolving trends to protect and enhance value.

Operational Resilience: The flexibility in operational capacity to adapt to rapid shocks and longer term changes whilst continuing to effectively execute the business strategy.

Capital Resilience: Appropriate capital structure and liquidity to provide flexibility to allow the execution of the strategy and react to business risks.



*Within each resilience quadrant, successful organisations need to consider their ability to actively manage resilience through **identifying** the issues, and building the flexibility to **adapt** should circumstances change beyond their control.*

Assessing Business Resilience Maturity

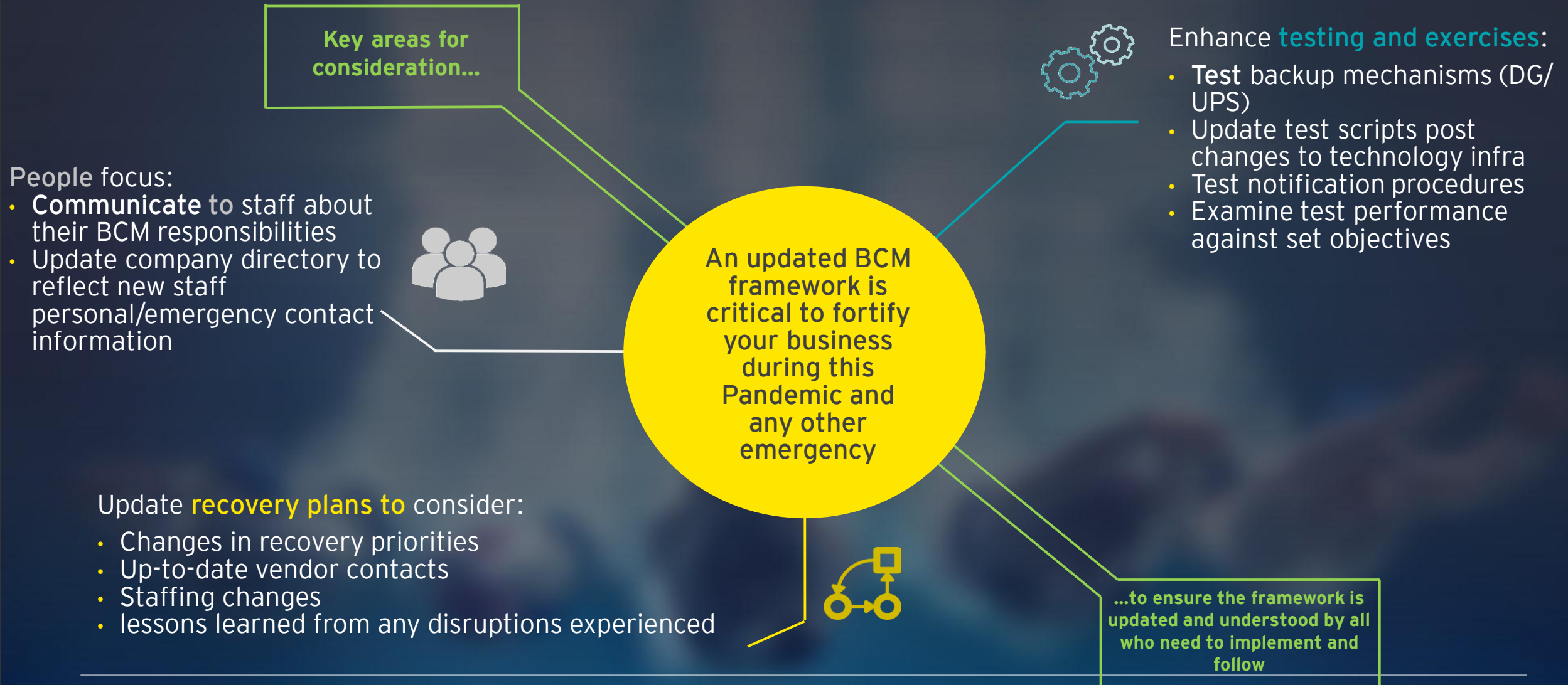




The Next Steps and Key Takeaways

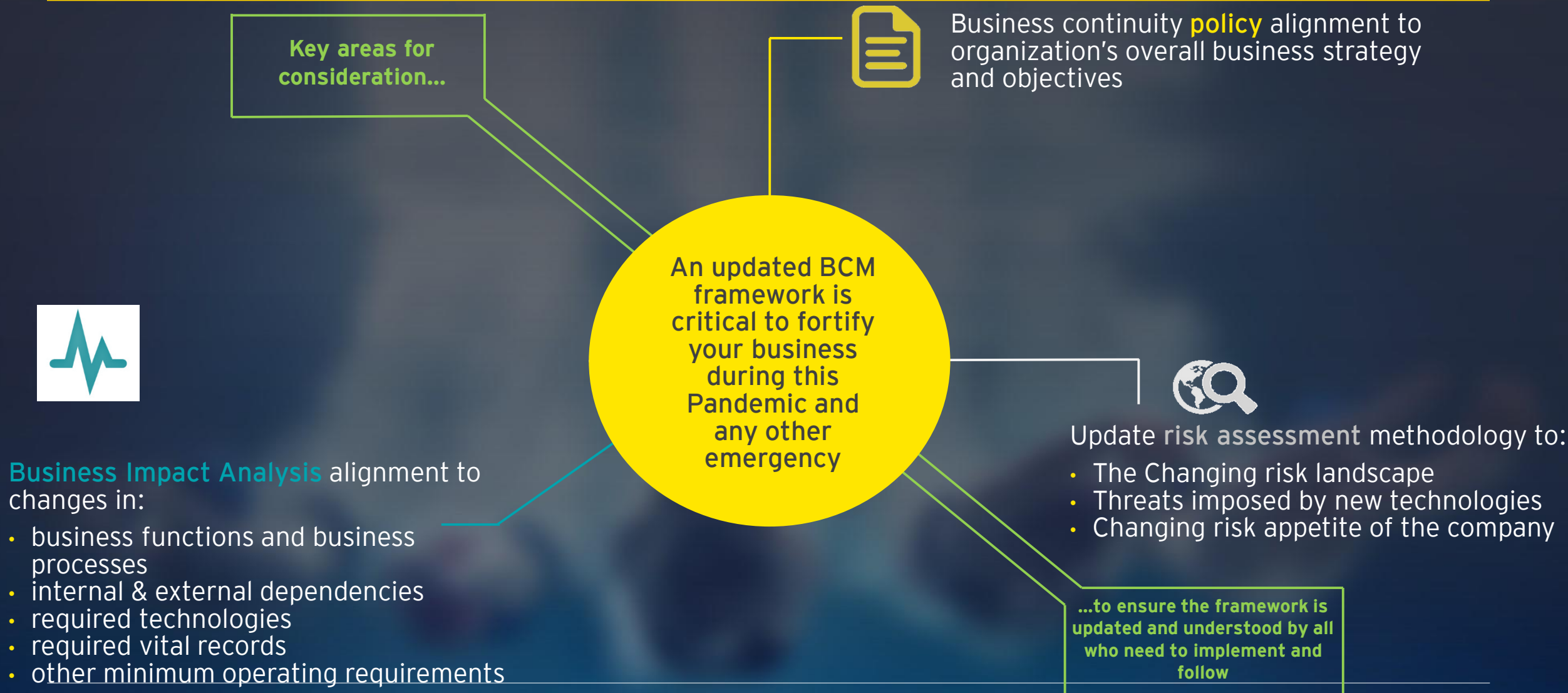
Next Steps:

Review and Enhance your BCM framework to achieve resilience



Next Steps:

Review and Enhance your BCM framework to achieve resilience



Summary and Key Take Aways:



Business Continuity Management:

- ▶ Is a process that mitigates and/or reduces risks
- ▶ Is a process that touches every part of the organization and is not a one time project
 - ▶ Is woven into the fabric of the organization's business culture
 - ▶ Is integrated through every part of the business
 - ▶ Is a requirement to continue business in case of a disruption of any kind (its not just a nice to have)
- ▶ Everyone should know what to do both before, during, and after an incident
- ▶ Integration is key to the success of the BCM program
- ▶ **Board of Directors and Senior Management Support and Commitment is Key to ensure success**
- ▶ **It is not a One-Off Process, the program should be kept alive through the monitoring program, tests and trainings**



In Conclusion:



The key to risk management is never putting yourself in a position where you cannot live to fight another day.

— *Richard S. Fuld* —
