



“The Whole Enchilada”

Building a Business Continuity
Management Program

Focus for the Future

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This Morning....

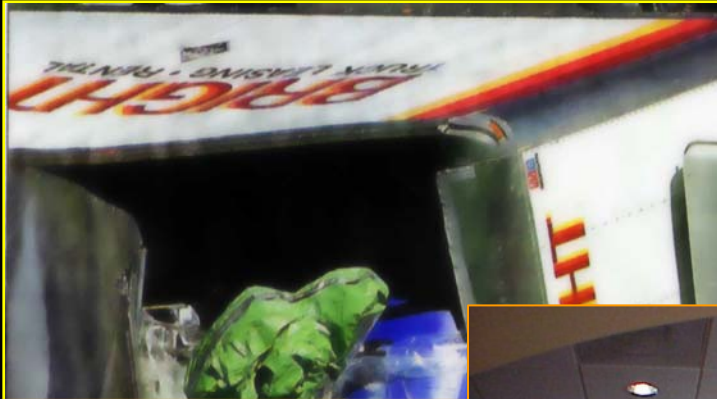
- Business Continuity Building Components
 - » Analysis - Risk Analysis, Business Impact Analysis (or GAP or Strategy, more ...)
 - » Continuity Planning
 - » Incident Management
 - » Testing
- Effective Reasons for Planning
- Questions/Discussion

But Wait....

Why ARE we planning?

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Situational Risks



GENERAL FUNDS	OPEN	HIGH	LOW
1.130	1.3200	1.3250	1.3250
1.130			
1.130			
1.130			
1.105-100	+020		
1.115-105	-015		
1.130-120	-015		
1.00.052-05+	+044		
1.0.270-27+	+080		
1.282-290	+010		
1.280-300	+244		



Business Situations

Vendor / Supply Chain Failure

Website denial of service

Inability to access records

Staff defection, retirement or strike

Breach of security

Late payroll

Power outages



Media Scrutiny

Hardware failure

Workplace violence

Food contamination

Service Interruption

Loss of documentation or records

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Geographic Situations

Hazardous Material



Flooding



Tornado



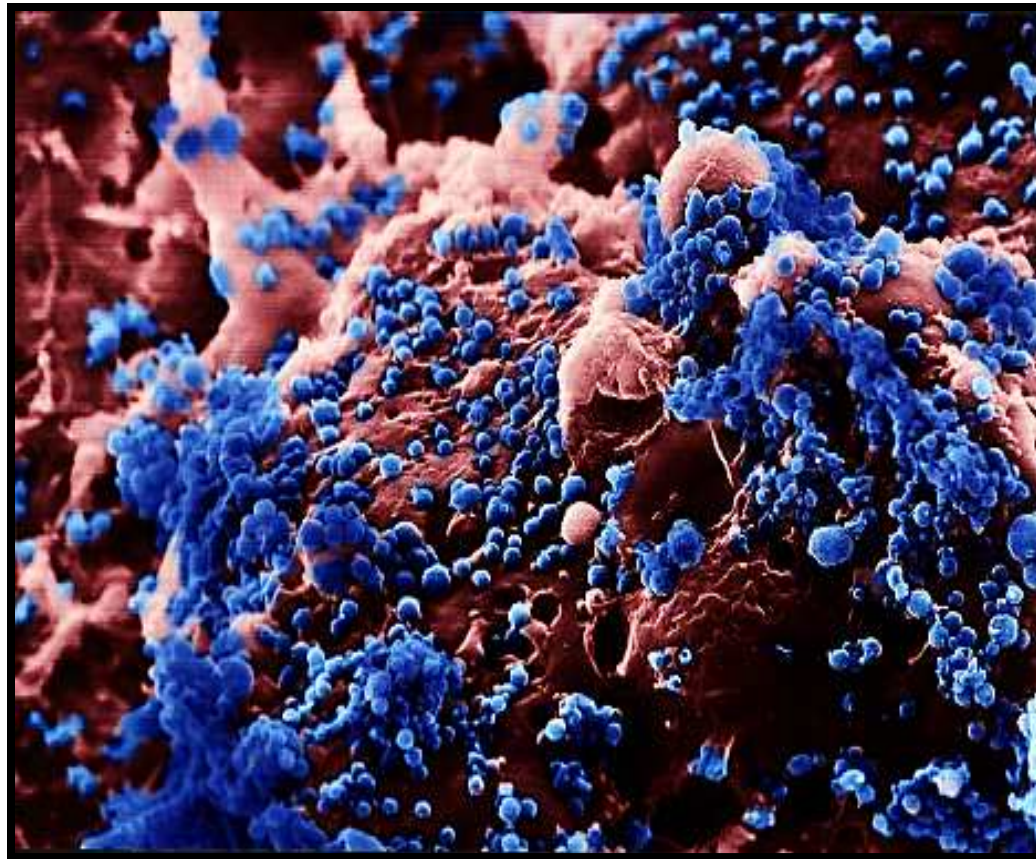
Geographic Situations



Life Safety Situation

Pandemic Avian Influenza

(A) H5N1



**We are Planning Because

Expectations continue to increase!

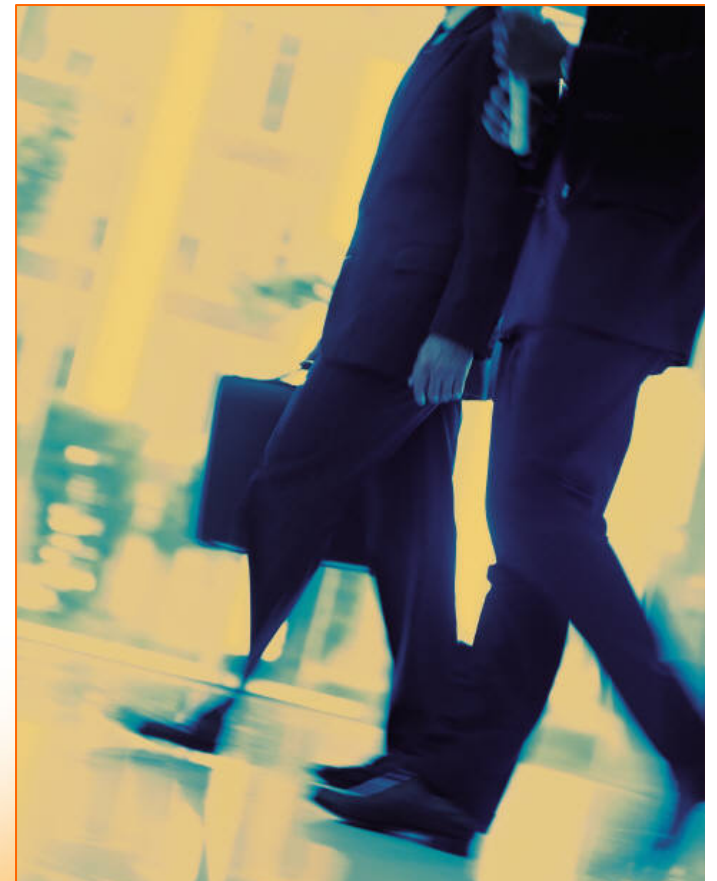
- Electronic services and processes are a basic necessity
- Faster response times required
- Email is now the standard mode of business
- When the customer calls, answers are expected immediately
- Zero tolerance of information loss
 - Perception of stability and reliability
 - Massive impact on confidence in the institution/business



**We are Planning Because

End-users are totally dependant on technology!

- Services and processes performed today were never available by manual means
- Staffing levels have decreased
- Skills and services are centralized
- Knowledge base is diminishing
 - Resignations
 - Retirements
 - High / rapid turnover
- Non-core services are outsourced





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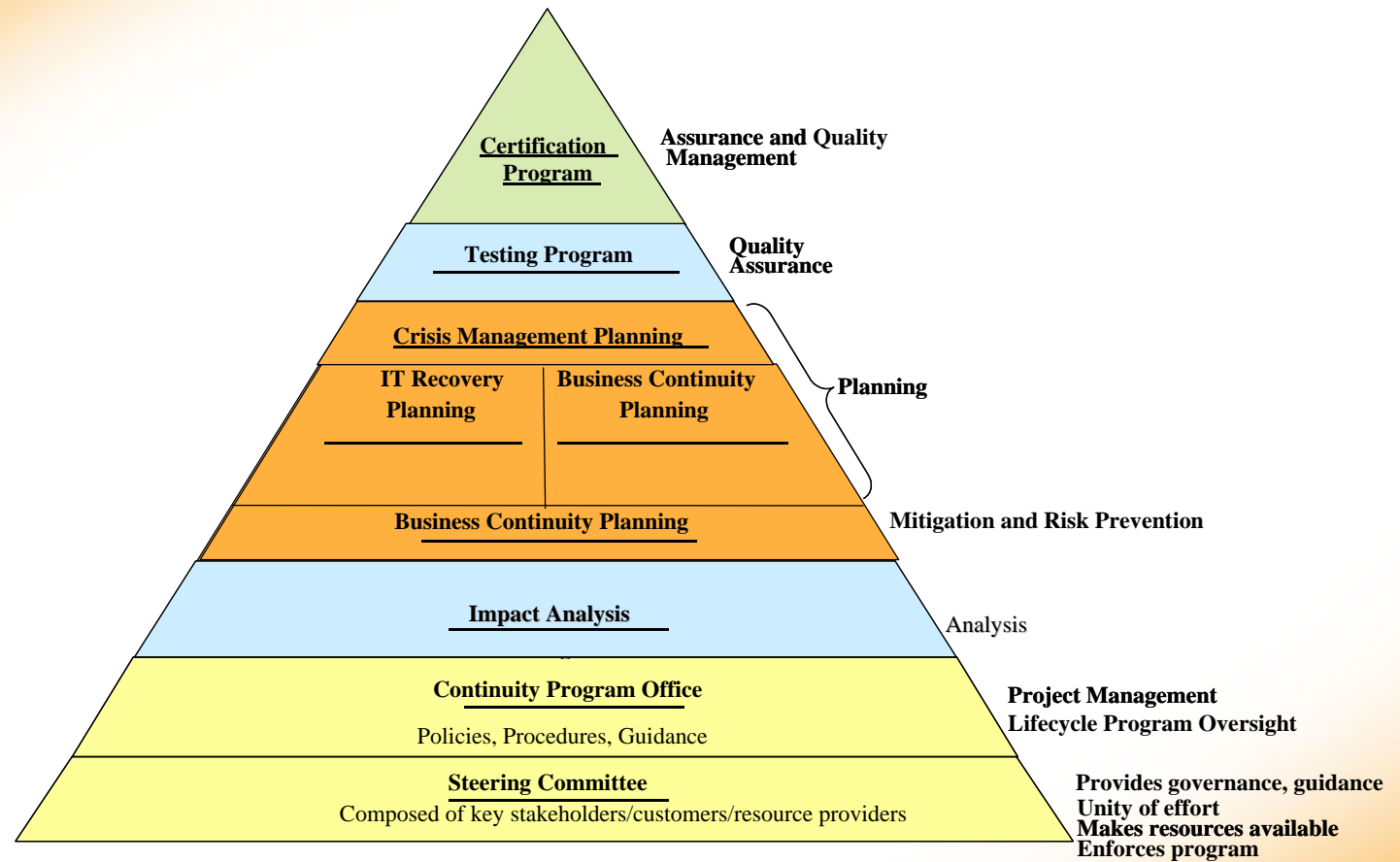
Building a Business Continuity
Management Program

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****Business Continuity Assumptions**

- **Business Continuity is the continuation of the critical business functions; planning to continue the business**
- **Business Continuity equals = Information Availability (information continues to be available to the critical business functions)**
- **IT is critical but it may be only one of the key “enablers” of the business)**
- **Planning often is based upon situational risks of greatest exposure or reoccurring frequency**
- **Business Continuity is a strategic blend of many disciplines**
 - **Audit**
 - **Risk Management**
 - **Emergency Response**
 - **Disaster Recovery**
 - **Business Continuity**
 - **Information Security**
 - **Information Retention and Restoration**
- **Rarely enough \$\$, time or resources**

**Building the Program



**Business Continuity Planning

Stage 1

Risk Analysis

Stage 2

Business Impact Analysis

Stage 3

Business Continuity Planning

Stage 4

Plan Testing

Stage 5

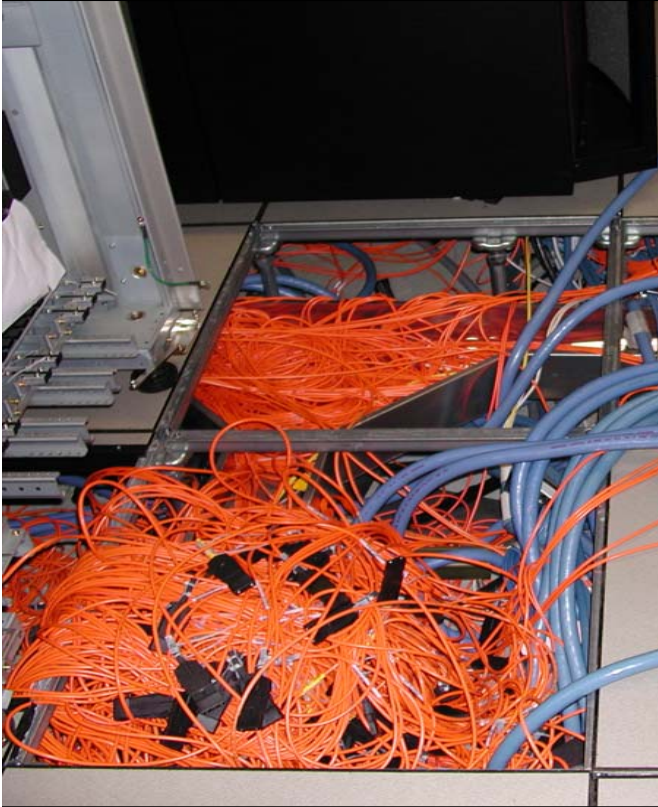
Plan Maintenance

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Risk Analysis

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Ugly



Sample Risk Analysis Approach

- Risk Analysis could be from the perspective of any exposure that could interrupt the critical business processes. May include categories such as:
 - Physical Facilities
 - Human Resources
 - Building Security
 - Site Assessment
 - Information Availability / IT Assessment
- Identify the focus. Example:
- Identify key participants
- Pre- determine very targeted objectives and goals – what do you want to achieve?
- Design short, customized questionnaire (based on above bullets)
- Conduct Kick Off – get buy in. Include a walk-through of the questionnaire
- Conduct physical walk-27
- through
- Review questionnaire with participants to validate findings
- Deliver Final Report
- Identify / implement disaster avoidance measures
- Use as a sound basis for continuity planning

Tips for Success

- Put emphasis on what can be changed

You can't make major building changes, so only note the proximity hazards and even the lack of a sprinkler system

- Don't waste time on probabilities of occurrence

The probability that Houston, Texas is hit by a tropical storm is 100%; it is only a question of when and how severe the damage

- Look closely and with a “new set of eyes”

A problem frequently observed becomes easy to ignore

- Take along the person responsible when you tour the area

Its better to report that a risk has already been reduced or eliminated then to simply state that it exists

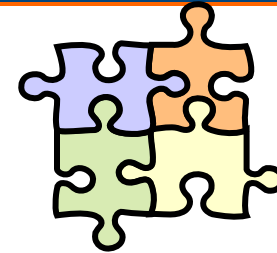
- Categorize findings by *Recommendations / Suggestions*

A *Recommendation* is an immediate and major concern while a *Suggestion* can be addressed at a later time

Business Impact Analysis

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**BIA Overview

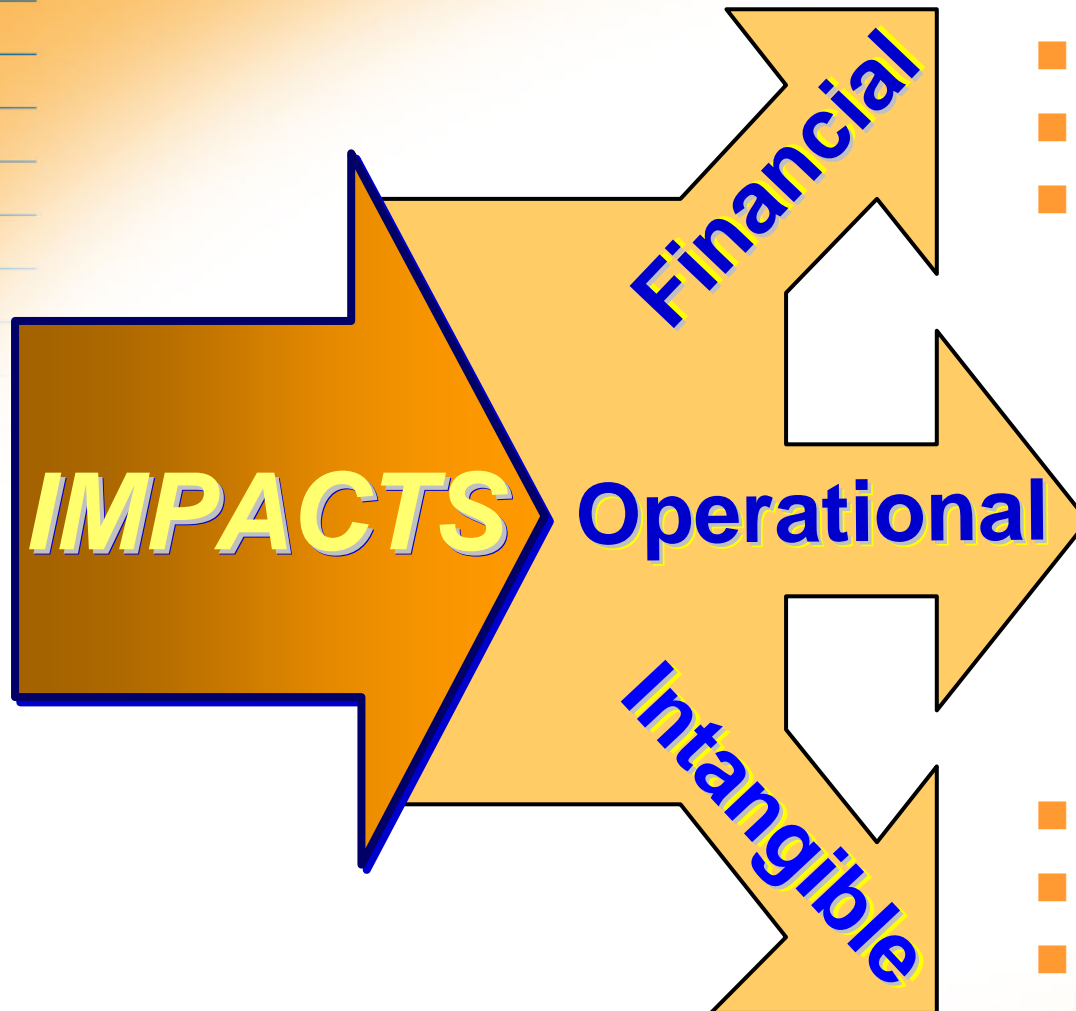


What is a Business Impact Analysis?

– A process to:

- Identify critical, time sensitive, business processes
- Identify critical process interdependencies
- Identify application dependencies/interdependencies
- Estimate financial / operational / intangible impacts over time
- Identify the organization's Recovery Time Objectives (RTO) & Recovery Point Objectives (RPO)
- Identify business continuity requirements and justify the level of operational resiliency
- Direct future business continuity plans and strategies

Business Impacts Over Time



- Lost Revenue - Sales
- Cash Flow - Cost of Money
- Fines - Penalties
- Vital Information Loss

- Customer/Student Service
- Work Flow
- Quality of Work
- Life, Health, and Safety

- Public Opinion
- Regulatory Scrutiny
- Employee Morale
- Stakeholder Confidence

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Sample BIA Approach

- Be clear on what is driving the Impact Analysis
- Determine who needs to participate to achieve success (typically one key person from participating entities)
- Review / assess previous analysis
- Obtain organizational commitment and support
- Create very clearly defined goals, objectives, project timelines and anticipated time commitment from participants
- Design questionnaire so that information can be used in continuity planning
- Go for simplicity
- Provide pre-determined range of Recovery Times
- Go for pick lists over free text where possible
- Conduct data gathering (using customized questionnaire) via workshops or exchange electronically
- Validate Findings
- Deliver Final Report

Expected BIA Outcomes

- Definitive understanding of exposures
- Internally endorsed fiscal & operational impacts (by Department)
- Maximum tolerable outages (by Department)
- Consensus on recovery requirements
- Validates business and operational goals and requirements
- Profiles the workflow and interdependencies
- Identifies gaps and exposures
- Determines and analyzes the impacts and time of occurrence of potential events and situations
- Lays the groundwork for planning solution development and deployment

Tips for Success

- Establish a strong rapport between business and technical environments

Active involvement of the business areas are critical for capturing the dependencies between the business processes and the technology required for support

- Seek agreement of clearly defined goals and a detailed plan for achievement

What are the issues, problems and concerns of both the business and technology areas?

Who will need to participate in order to achieve success within the approved project time frame?

When should the snapshot be taken for greatest effectiveness but least impact on the organization?

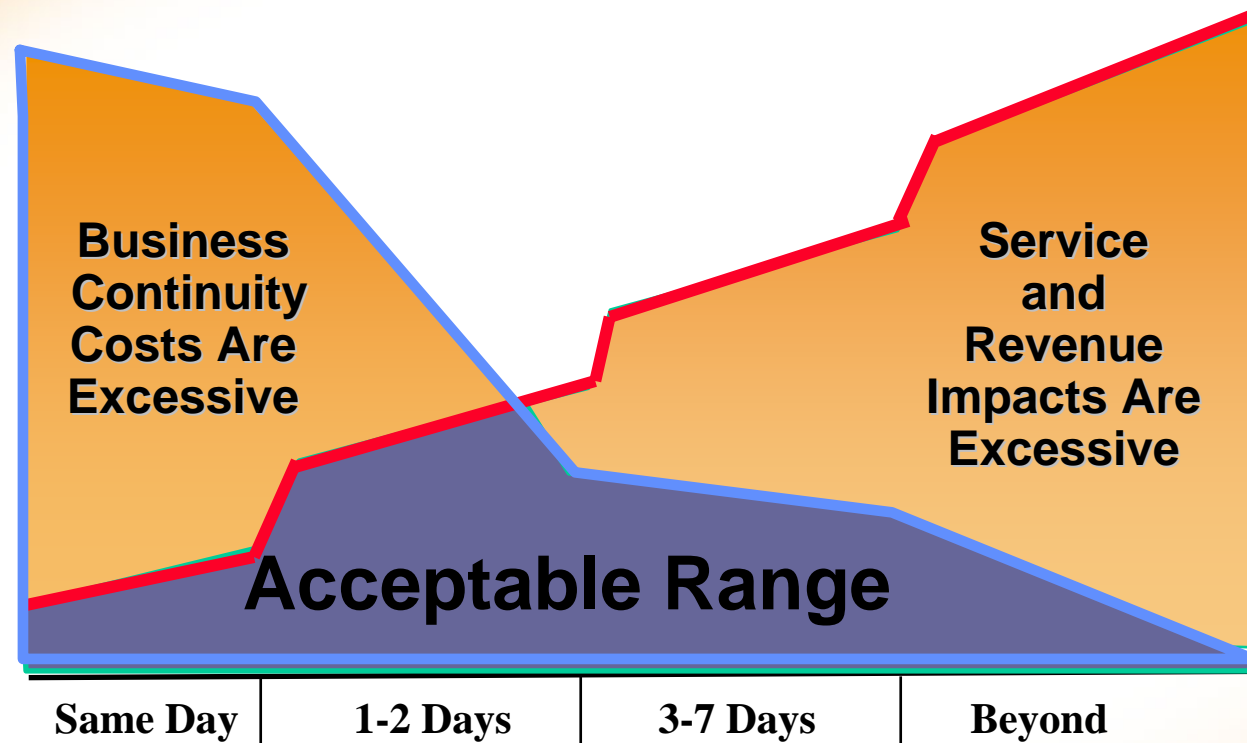
Tips for Success

- Focus on the functions that support the overall 'Mission'
 - Mission related functions will drive the criticality of the support functions and will establish the primary recovery requirements
- Work with orders of magnitude
 - Meet with the CFO to acquire magnitudes of concern / financial loss thresholds before designing the questionnaire or conducting any interviews
- Work with predefined time frames of disruption
 - Disruption windows for today's business environment are often:
1 hour - 4 hours - 8 hours - 1 day - 2 days - 3 days - 4 days - 1 week
- Ask about the impacts from a loss of access to their office space before asking about their dependencies
 - One of the techniques for eliminating "I need it all right now"
- Never go in front of the executives with just the impacts
 - Identify options for impact reductions before making your report

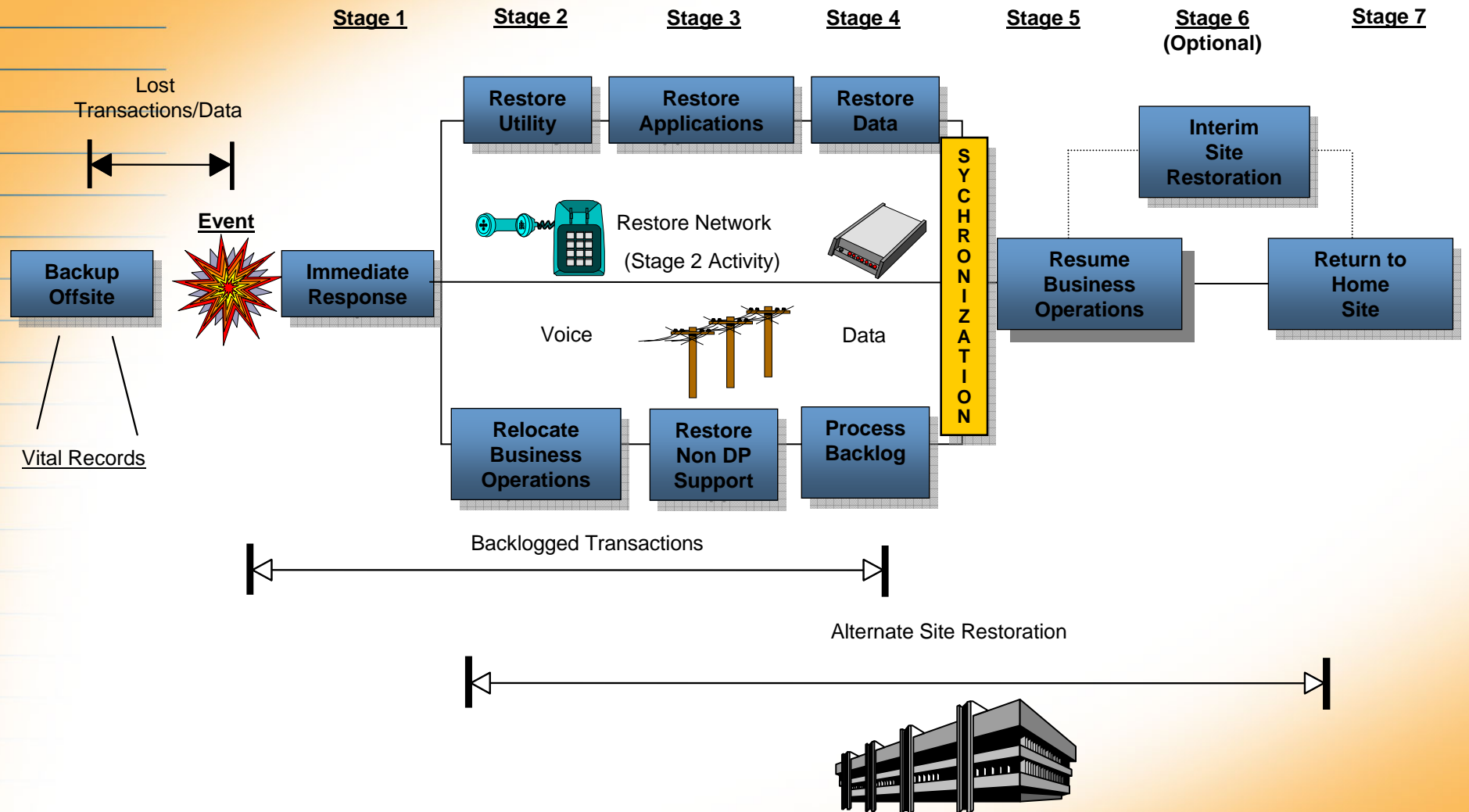
Business Continuity Planning

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Balance of Effects



Typical Recovery Timeline



Tips for Success

- Decide for whom the plan will be written

Level of detail and maintenance overhead are different if written for a:

- Knowledgeable, alternate member of your own staff
- Technician experienced in your environment
- Third party person acquired at time of disaster

- Develop tiered recovery levels

ALL BUSINESS UNITS ARE ESSENTIAL, but different business processes should have recovery time objectives that match their actual time sensitivities

- Link technology to the business processes

Associate the specific applications, databases and hardware with the tiered business continuity strategies of the business processes

- Take the Incident Commander role upward

A primary responsibility of the IC is communication with executive management not the minutiae of business / technical recovery. Take the role upward instead of downward within the org chart

Business unit misconceptions!

- Technology has defined all required critical data and has 100% secure redundancy
- Applications personnel properly identified all interdependencies and established a priority for data restoration and synchronization
- We will never need to recreate any lost information or records
- Technology knows we have zero tolerance for downtime and can recover us immediately



Incident Management Structure

- Incident Management is a structure designed to facilitate communication, control and the decision process to support response and recovery following a disruption
- The Incident Management Team is typically comprised of the Team Leader from each critical business unit/function, key executives, an Incident Commander and a Continuity Coordinator.

This structure / team provides:

- Decisions
- Communications
- Directions
- Support

Testing - Exercise the Plan

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Objectives

- Train Team Leaders & Alternates on the contents and use of the Business Continuity Plan
- Assess completeness and accuracy of the Business Continuity Plans
- Document appropriate changes to the Plan
- Prioritize critical Business Functions
- Review the Recovery Time objectives and resource configuration
- Refine / document recovery strategies
- Routinely monitor and communicate metrics to demonstrate continuous improvement and risk mitigation
 - Simulate the interaction between the CMT members in a disaster situation
 - Attain CMT familiarization of Incident Management vs pre-planning for a known incident
 - Achieve the above by working through the logistical steps of Notification, Assessment and Activation
 - Re - establish prioritization of Business Units order of recovery
 - Expose problematic areas, issues and weaknesses in recovery planning and recovery strategies

Tips for Success

- Make your exercises as real as possible

Involve executive management in a realistic exercise and the programs credibility usually increases exponentially

- Assign a scribe for each exercise

Test team members typically dislike paperwork, so assign a scribe to capture the timings of an exercise and the plan changes required as a result of the exercise

- Make business continuity a contractual requirement

Every critical vendor and supplier should be contractually required to:

- **Maintain a business continuity program**
- **Identify their actual RTO and RPO (best effort should never be acceptable)**
- **Provide detailed Level of Service statements**
- **Supply you with the Post Test Report for each of their exercises**
- **Authorize periodic “Gap Analysis” of their program by an experienced and objective third party**

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Lessons Learned

Lessons Leaned When Organizations Have Not Planned

- No contingency plans for missing or unavailable key players
- Potential communication issues not pre-identified
- Lack of transportation/lodging/logistics
- No plan for extended recoveries
- Documentation/Scripts not up to date
- Difficulty accessing tapes/data/documentation
- Incomplete contracts-any vendor (i.e. Media storage, Insurance, Fuel, etc.)
- Business Continuity Plans not complete (not available or had never been developed)
- Groups that had not trained together did not work as a team
- Individual roles and responsibilities remained unclear and confusing
- Inability to designate an appropriate leader
- A few individuals called the shots, often to the detriment of the group
- Opportunities were lost when team members did not listen to each other or follow the plan
- Breakdown in the ability to assess the situation
- Priorities remained unclear and no priorities were established
- Under pressure and stress, no unified strategy was ever developed
- Promises to stakeholders could not be met

Lessons Learned

Justification – Real Reasons for Planning

- At a core level, it is the right thing to do
- It is not just about ensuring revenue or the continuation of services; it is about protecting people, their jobs, the community and the drive for ongoing economic well being

Best Practices

- Executive Management is totally committed to Continuity Planning
- The concept of individual as well as company wide responsibility for the continuation of the business is cultivated
- Individual agendas are set aside. The overall goal of continuing critical business functions takes priority
- Communication is facilitated throughout the entire process from planning, through testing and during actual activations
- Silos are broken down. Information is not containerized
- Risk Management is often a key player (may be driver) in the planning endeavor

Q & A

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