

# PECB

*When Recognition Matters*



BUSINESS CONTINUITY  
AND DISASTER  
RECOVERY

Disaster recovery and business continuity planning are integral parts of the overall risk management for an organization. This article gives a general overview of Business Continuity and Disaster Recovery. In more details, it discusses the specifics of the BC and DR and the differences between them. It also gives suggestions how to be prepared for unforeseen risk, and how a good business continuity plan could help your organization. Read this article to learn how to create an effective business continuity plan and the importance of the implementation of the ISO 22301.

Business continuity and disaster recovery (BC/DR) mean either life or death for the company. Disaster Recovery focuses on the technology part of your business, e.g. IT, whilst Business Continuity ensures that your business continues even when a major disaster happens. Disaster Recovery is very often an integral part of business continuity.

Taking into consideration that recovery objectives now are measured in seconds or minutes, a good business continuity and recovery plan can keep your company running through interruptions of any kind: power failures, IT system crashes, natural disasters, supply chain problems and more.

According to [Forrester Research](#), an average cost per hour of service disruption is \$110,000, whereas a typical business interruption event costs more than \$1.5 million.

Disaster recovery and business continuity planning are integral parts of the overall risk management for an organization. Since all risks cannot be eliminated, companies are implementing disaster recovery and business continuity plans to prepare for potentially disruptive events. Both processes are equally important as they provide detailed strategies on how business can continue even after severe interruptions and disasters.

Disaster recovery and business continuity planning are processes that can help organizations to be prepared for disruptive events. They are closely related practices that describe an organization's preparation for unforeseen risks to continued operations. In general, disaster recovery refers to specific steps taken to resume IT/technology operations in the aftermath of a catastrophic natural disaster or national emergency. In information technology, such steps may include restoring servers or mainframes with backups, re-establishing private branch exchanges or provisioning local area networks (LANs) to meet immediate business needs.



Business continuity describes the processes and procedures an organization should put in place to ensure that mission-critical functions can continue during and after a disaster. Business continuity is the ability to maintain operations/services in the face of a disruptive event. However, it also addresses more comprehensive planning and focuses on long term or chronic challenges to organizational success. According to many experts, the first step in business continuity planning is deciding which functions are essential for an organization, and apportioning the available budget accordingly. Once the crucial components and/or functions are identified, failover mechanisms can be put in place.

## HOW TO CREATE AN EFFECTIVE BUSINESS CONTINUITY PLAN

There are many reasons why your company needs a business continuity plan. Having a strategy before an event happens – helps to maximize the chance your business can recover while minimizing the loss of property, life and assets. The business continuity planning process involves the response, recovery, resumption, and maintenance of the entire business, not just the technology component, while the restoration of the framework should include a plan for short-term and long term recovery operations. IT systems and electronic data are important, recovery of these systems and data are not always enough to restore business operations. Therefore, developing your business continuity plan should be a thoughtful process resulting in a plan that can be beneficial to you if an event occurs. A business continuity plan can help:

- ◆ Identifying and preventing risks, where possible,
- ◆ Preparing for risks and unforeseen events that you cannot control,
- ◆ Responding and recovering if an incident or crisis occurs.

In order to create an effective business continuity plan, these steps should be followed:

**Create a Business Continuity Plan** - If your company does not have a business continuity plan, you have to develop one, but before you start developing a BC plan, you should assess your business processes determining which areas are vulnerable.

There are six general steps involved in creating a business continuity plan:

1. Identifying the scope of the plan;
2. Identifying key business areas;
3. Identifying critical functions;
4. Identifying dependencies between various business areas and functions;
5. Determining acceptable downtime for each critical function;
6. Creating a plan to maintain operations.

**Test Your Business Continuity Plan** - Once you have created your BC plan, you have to rigorously test the plan to know if it's complete and fulfills its intended purpose. Generally, organizations test their business continuity plan two to four times a year. The schedule depends on your type of organization, the amount of turnover of key personnel, the number of business processes and IT changes that occurred since the last round of testing.

**Review and Improve Your Business Continuity Plan** - As technology evolves and people come and go so does the need for plan updates. So, bring key personnel together at least once a year to review the plan and discuss any areas that should be modified. Prior to the review, solicit feedback from staff to incorporate into the plan. Ask all departments or business units to review the plan, including branch locations or other remote units. If you had the misfortune of facing a disaster and had to put the plan into action, be sure to incorporate lessons learned.



## HOW CAN ISO 22301 - BUSINESS CONTINUITY MANAGEMENT SYSTEMS HELP YOUR BUSINESS?

ISO 22301 is very useful because it is applicable to any type of organization, large or small, and within any industry or public sector. The business continuity management process helps create a clear understanding of how your organization operates, and where failure might occur, and provides improvement points for your business processes. Additionally, applying business continuity management to your organization can help you get a competitive advantage, increase your reputation and contribute to continual business improvement. It is a combination of the popular Plan Do Check Act (PDCA) method used in standards such as ISO 14001, ISO/IEC 27001, and ISO 9001. By implementing ISO 22301- business continuity management systems, your organization can benefit by:

- ◆ Safeguarding key assets and maintaining reputation
- ◆ Identifying impacts of operational disruption and crucial improvements
- ◆ Encouraging cross-team collaboration
- ◆ Reaping cost benefits from reduced insurance premiums
- ◆ Demonstrating commitment to key stakeholders
- ◆ Gaining a competitive advantage against competitors in case of a major industrial crisis
- ◆ Keeping promises, even when facing a crisis, and maintaining delivery of products or services

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### ◆ ABOUT THE AUTHORS ◆

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