



Business continuity management and risk management

The role of standards

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Executive summary

An organization that puts in place sound business continuity management and risk management is sending out a message that it can respond robustly to disruption

Business continuity management (BCM) has become a crucial discipline for every organization. What originated alongside risk management as a specialist activity in the information technology function has broadened to encompass all aspects of a company's operations. Many organizations increasingly take an enterprise-wide view of business continuity and risk management, and consider the impact of disruption on every aspect of their business.

Companies that have put in place effective BCM will be able to recover more quickly from disruption and have a better understanding of how a range of events might affect their operations. By building close links between BCM and risk management, organizations will be well placed to understand their overall exposure to business interruption and be fully prepared to respond should the unexpected occur. In many ways,

good BCM and risk management is a proxy for good overall management. It demonstrates to customers, partners and other stakeholders that the organization takes a robust approach to risk, and provides reassurance that the business can keep going in the event of a business interruption.

In recent years, standards have become a vital part of BCM and risk management, and are becoming more widely adopted both in the UK and around the world. The development of international standards is likely to strengthen this trend. By implementing standards, organizations gain the assurance that they are adhering to best practice. Adoption of a BCM or risk management standard can also provide assurance to trading partners that measures are in place to manage risk effectively and to deal with any disruption that may arise.

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Introduction

With the majority of organizations now viewing BCM and risk management as critical, standards are central to providing a benchmark for management systems

Businesses operate in an increasingly risky environment. Modern organizations are reliant on large, inter-connected supply chains that often span continents. The recent growth in the number of Western companies opening offices in emerging markets, combined with a long-term trend towards offshoring, means that businesses are more vulnerable than ever before to a variety of external disruptions. These can include adverse weather, such as hurricanes and floods, infrastructure problems, such as transport delays or electricity grid fluctuations, and supply chain failure.

This increased exposure has led many organizations to develop business continuity programmes that enable them to keep operating in the event of disruption. In a 2011 survey published by the Chartered Management Institute, entitled *Managing Threats in a Dangerous World*, of which BSI was a sponsor, 82% of respondents claimed business continuity management (BCM) was regarded as either “very important” or “quite important” and 58% said that their company had BCM in place.

Today, a successful BCM strategy will consider the impact of disruption on all aspects of the business, from IT and manufacturing to human capital and logistics. At the same time, awareness of the importance of risk management is continuing to grow, partly driven by regulation and by the higher expectations of investors and rating agencies. Increasingly, it seems likely that the two disciplines will come to be seen as complementary, with the board taking responsibility for both in the future under the general rubric of governance, risk and compliance.

Companies that have implemented BCM systems have found that they recover more quickly when hit by disruption, and that the process of implementation has enabled them to improve business processes throughout the organization. They may also benefit from lower insurance premiums. Although there is no fixed discount rate on insurance to reward companies for having a BCM programme in place, the 2011 *BCI Insurance Guide* from the Business Continuity Institute Partnership suggests that savings of up to 15% have been achieved by some organizations.

Increasingly, companies that adopt BCM systems want recognition that they are meeting an appropriate performance benchmark. They also want assurance that their partners and suppliers are making a similar commitment. Until recently, there was no satisfactory way of ensuring that an organization had good BCM systems in place. But BS 25999, the British standard published in 2006 and 2007, has been influential in addressing this problem. The standard consists of two parts: a code of practice and a specification against which organizations can be certified. It will form the basis of a new ISO standard on business continuity that will be published in late 2011/early 2012.

“Standards give organizations the assurance that their implementation of BCM has been thorough, and allow them to reassure their customers and partners that their BCM processes are sound,” says Mike Low, director of BSI Standards. “By requiring their own suppliers to use the standard or obtain certification, organizations can also have greater confidence that they are minimizing risks in the event of supply chain failure.”



Standards give organizations the assurance that their implementation of BCM has been thorough, and allow them to reassure their customers and partners.



Useful links

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The need to secure continuity

The shocking impact of natural disasters has made business wake up to the urgency of protecting supply chains and managing risk in today's increasingly globalized economy



We've gone from the model of lowest risk at any cost, to the model of lowest cost at any risk – and it's dawned on organizations that they've gone too far.



The eruption of the Eyjafjallajökull volcano in April 2010 took most people by surprise, and few were prepared for the consequences. For several days, planes were unable to fly. Travellers were stranded in hotels and airports. Children were unable to start back at school for the summer term.

If the eruption proved an inconvenience for travellers, for many businesses the consequences were severe. Airlines lost millions of pounds. Exporters were unable to fly their goods from one part of the world to another. Businesses that were heavily reliant on the global supply chain found themselves without essential components. In some cases, key members of staff were stranded on the other side of the world.

The impact of the eruption highlighted the complexity and inter-dependency of modern business. While many organizations now understand the need to have plans in place to cope with business disruption, whether it is a power cut or a flu epidemic, few had foreseen the problems that might arise in the event of a lengthy period without access to air travel. A 2010 Gartner report into the effects of the disruption, *Out of the Ashes: Business Continuity Management Lessons From Iceland's Volcanic Eruption*, found that some automobile manufacturers in Europe had to shut down operations after only a few

days of disruption, while logistics companies, such as Fedex and UPS, became unable to honour their service level agreements to deliver overnight.

The modern business is increasingly susceptible to disruption from outside sources. In the past 10 years, we have seen the 9/11 terrorist attacks, floods in Australia and Pakistan, and the earthquake and tsunami in northern Japan. While events such as these may once have seemed remote, today their impact is felt by businesses everywhere. The increasing dependency on offshore outsourcing, the use of just-in-time sourcing, the trend for Western businesses to seek new opportunities in Asia and the reliance on inter-connected supply chains that span the globe make businesses highly vulnerable. One break in the link causes disruption for every business further down the supply chain. In many cases, a business may not even be aware of all the other companies on which it relies. In a globalized economy, the need to manage the risk and to put in place business continuity plans to deal with potential disruption is paramount.

A 2010 survey of resilience professionals by the Business Continuity Institute (BCI), entitled *Supply Chain Resilience 2010*, found that 72% of respondents had experienced at least one disruption to their supply chain. Companies using low-cost countries were



particularly likely to have been affected. Among this group, 83% had experienced disruption, mainly as a result of transport network problems or supplier insolvency. Paul Hopkin, technical director at AIRMIC, points out that historically, businesses have been so keen to minimise risk that they partnered with only a few trusted organizations, and kept as many processes as possible in house. Ford, for example, not only made its own tyres but also owned the rubber plantation that provided the raw material for the tyres. Now, the opposite is true. “We’ve gone from the model of lowest risk at any cost to the model of lowest cost at any risk,” says Mr Hopkin. “And it’s dawned on many organizations that they’ve probably gone too far.”

Development of BCM

Business continuity management has its origins in the IT department. Initially, companies were concerned with the need to recover data in the event of an interruption, whether it was a hard disk crash, a power cut or a fire. In recent years, organizations have come to understand that the actions that are needed to keep a business running involve much more than access to lost data. Because of the multiple, and often inter-connected, ways in which external disruption can affect a business, many organizations now take an enterprise-wide view of business continuity. This means that they look at the impact of disruption on all

functions, taking a holistic approach rather than leaving individual business units to formulate their own plans.

In the initial stages, this requires strong leadership and a top-down approach to implementing a BCM plan. “Without senior management commitment, you’re never going to have effective business continuity,” says Malcolm Cornish, managing director of Recovery Management International (RMI).

Regulatory frameworks have also played a part in bringing business continuity to the board’s attention. A 2011 BCI report, entitled *Engaging & Sustaining the Interest of the Board in BCM*, found that the primary driver in 50% of cases where BCM programmes had been adopted was the need for companies to meet regulatory requirements.

“*The dependency on offshore outsourcing, the use of just-in-time sourcing, and the reliance on global supply chains make businesses highly vulnerable.*”

Convergence of BCM and risk management

By linking the disciplines of business continuity and risk management, organizations are able to gain a much clearer picture of their overall risk and plan accordingly



If you don't integrate business continuity with risk management, you may find that they counteract, instead of complement, each other.



This increased focus on BCM within organizations has coincided with the rising importance of risk management on the corporate agenda. Historically, some businesses have treated business continuity and risk management as separate disciplines, but there is a growing realization that the two are closely connected. While risk management is concerned with the likelihood of an adverse event occurring and the steps that are required to prevent it, BCM looks at what needs to be done if such an adverse event has already occurred. In other words, BCM is less concerned with the cause of the disruption and more with what needs to be done to keep the business going.

The historic separation of BCM and risk management often meant that potential areas of overlap or conflict were ignored. By building BCM and risk management into the same wider governance framework, organizations get a much better picture of the totality of their risk. They can also assess more clearly where the priorities for identifying and mitigating risks should lie. "If you don't integrate your business continuity processes with your organization's other risk management processes, then you may find that instead of complementing each other, they counteract each other," says Kevin Brear, chairman of BSI's Societal Security Management (SSM/1) committee.

A top-level, holistic view of risk and governance is essential for an effective risk framework. Increasingly, corporates now group governance, risk and compliance together, as a way of recognizing the overlap (and potential conflict) that exists between those three disciplines. "In any organization that cares about good governance, business continuity should register somewhere in their strategic risk framework," says Mr Brear. "The business continuity team should be answerable to the responsible executive director, the person on the governing board who controls that portfolio."

Lee Glendon, head of campaigns at the Business Continuity Institute, cites an example of how the disciplines of business continuity and risk management were brought together effectively. Euroclear, a financial services organization, had separate business continuity and risk management functions, with business continuity focusing principally on IT, people and buildings. The firm decided to bridge the two disciplines and carried out an exercise simulating the collapse of a major counterparty. Two months later, Lehman Brothers, one of the firm's counterparties, collapsed. Because Euroclear had looked at risk and BCM in tandem and put the necessary preparations in place, the firm was able to cope.



Interxion

Interxion is a leading provider of carrier-neutral co-location data centre services in Europe, serving more than 1,100 customers through 28 data centres in 11 European countries (such as HP, ABN AMRO and LeasePlan). Interxion's uniformly designed, energy-efficient data centres offer customers extensive security and uptime for their mission-critical applications.

Interxion took the decision to seek certification to BS 25999 for BCM because prospective customers were looking for proof that a robust BCM process was in place. "My view is that certification to BS 25999 is becoming a must-have," comments John Shannon, Interxion's ISO program manager. "When we have customers coming in to do their own audits they look heavily into business continuity. By having BS 25999, we can demonstrate that we have dedicated the time and the resource into putting the necessary requirements in place, and reassure customers that we are delivering the highest level of business continuity."

In addition, the certification enables Interxion to deliver market-leading service level agreements (SLAs). "I think the whole reason for the certification going forward is to support our SLAs, to guarantee to our customers that we are committed to doing everything possible to ensure we are state of the art in terms of BCM provision," says Mr Shannon.

With BSI, Interxion is able to get combined audits, which are "very easy, streamlined and efficient", and to benefit from BSI's expertise. "Working alongside a BSI business continuity technical advisor, a review highlighted areas that otherwise may not have been addressed," says Mr Shannon.

"The guidance that was given was invaluable and can only add to the long-term success of the BCM system."

Interxion's implementation of BS 25999 was considerably accelerated and simplified by using the pre-existing ISO/IEC 27001 information security management system. Aart Bitter, BSI's lead assessor for Interxion, estimates that 60-80% of the structure already existed. "Business continuity is already part of 27001," he notes. "At a practical level, Interxion already had BC in place, including the framework, the risk assessments, the business impact assessments and the continuity plans. They only had to be sure that they also fulfilled all the formal requirements of BS 25999 in relation to their BCM system."

The certification proves to customers that Interxion's BCM system meets the most exacting requirements and moreover that Interxion is committed to providing the best possible service at all times, regardless of interruption. Additionally, through having risk management and the impact analysis process working together, Interxion has greater control of the common business risks it faces across multiple locations. Finally, Interxion can set market-leading SLAs with confidence and credibility, giving it an important competitive advantage.

The evolution of business continuity standards

Standards are now providing a structure for business continuity management, allowing companies to demonstrate that they have taken the necessary measures



The publication of these standards has encouraged organizations to take a more structured approach to risk management.



As the value of business continuity management has become more evident, and as more organizations have implemented BCM programmes, standards have become a vital part of the BCM approach.

There were several factors behind the decision to develop business continuity standards. First, there were calls from business and government leaders for a standard that could help them carry out business continuity planning in the event of disruption. The Civil Contingencies Act 2004, which required the government (and hence the private sector) to be fully prepared to respond to emergencies, was a major driver, as was widespread regulation in the financial services sector. High-profile disruptions, such as the Buncefield oil explosion and the 7/7 bombings in 2005, also demonstrated the need for a standard to provide businesses with a consistent approach.

BS 25999-1, Part 1 of the business continuity standard, which was published in 2006, is a code of practice that describes how an organization can establish and maintain effective business continuity arrangements using the BS 25999 Business Continuity Management Lifecycle.

BS 25999-2, Part 2 of the business continuity standard, published in 2007, is a specification that describes how an organization can implement, maintain and improve a Business Continuity Management System (BCMS) based on the Plan, Do, Check, Act (PDCA) cycle. This approach is also used in management standards, such as ISO 9001.

The PDCA model forms part of an approach known as systematic management, which involves planning a change (or changes), making that change, checking whether the change has had the desired effect and then institutionalizing the change. An organization's compliance with the specification can be audited, so organizations that comply with it can receive certification.

The standard, which is sector-neutral, has been adopted in many different countries, not just the UK. Other business continuity standards have also been created in recent years. These include the US National Fire Protection Association standard NFPA 1600, which is an emergency management standard that also includes a business continuity element.

Although business continuity standards have yet to achieve the reach of the very successful ISO 9001 quality standard, they have been steadily gaining ground. In a 2010 survey by the Chartered Management Institute (CMI), entitled *Disruption and Resilience*, 14% of organizations said they used BS 25999. Standards can also be a driver behind developing a business continuity programme. According to the BCI survey, *Engaging & Sustaining the Interest of the Board in BCM*, the existence of standards acted as a driver for implementing BCM among 19% of organizations.

Globalization demonstrates a growing need for an international standard. While other countries have developed standards relevant to local conditions, BS 25999 is already used

worldwide. The new ISO standards on business continuity, ISO 22301 (a requirement standard) and ISO 22313 (a guidance standard), available from late 2011/early 2012, are to a large extent based on BS 25999. For businesses hesitating about which of the various competing standards to adopt, this makes a compelling case for adopting the British standard now. "I am confident that if organizations implement the British standard they won't have to do very much different to comply with the ISO standard, if anything at all," says RMI's Malcolm Cornish.

The recognition that suppliers need to provide evidence of continuity planning has grown gradually over the past four years. "Organizations are now recognizing at board level that if they go for lowest cost, they need to think about the risks this involves much more carefully," says AIRMIC's Paul Hopkin. "They need to talk to their suppliers about continuity of supply."

Publication of the ISO standard may ease any difficulties that UK companies have in persuading businesses in other countries to comply with BS 25999. "If you say to a supplier in China or India that you would like them to comply with the requirements of BS 25999, there will be an element of questioning why this British standard is relevant in China," explains Mr Hopkin. "Whereas if you tell them that you want them to comply with an ISO standard, there is a completely different response to that request, because the standard is identified as an international standard. It's a very beneficial development."

Risk management standards are also becoming more widely adopted. In 2008, BSI published BS 31100, the risk management code of practice, and this was followed in 2009 by the publication of the ISO 31000 standard on risk management. These standards are complementary, covering similar ground. Indeed BS 31100 is being revised to become an implementation guide to BS ISO 31000. BS 31100 in turn will enter the ISO process to become an ISO in future years. Their publication has encouraged organizations to take a more structured approach to risk management, although there is not yet a certification process in place for either standard.

Adherence to standards, whether requirement or guidance, demonstrates commitment from a company to effective BCM or risk management. It shows that the organization has put in place measures to minimise its exposure to risk or the impact of business disruption. "Adherence to a business continuity standard doesn't necessarily deliver competitive advantage directly, but if it helps to deliver operational resilience then that can give a competitive advantage," says Lee Glendon of BCI.

Of course, the real test arises when a business disruption occurs. "Time spent [on implementing a business continuity standard] is time well spent," says Mr Hopkin. "You end up with more robust processes and competitive advantage because you are in business when your competitors are under two yards of water."



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Implementation and assessment

Organizations preparing to implement BS 25999 will find that BSI can help them to do so in many ways, such as internal audit training and business disruption rehearsals



A BCM exercise should be a pivotal tool in educating your workforce and helping them to understand how the processes should work.



Implementation of BS 25999 involves several steps. The process of implementation will normally take six to 12 months, but could vary depending on the size of the company or the level of implementation required. Certification will generally be much quicker, although again this will depend on the assessment schedule that is required.

Workshops and training

Workshops and training play an important role in embedding business continuity throughout the organization. BSI offers a number of courses, including one on business continuity basics and another introducing BS 25999. There is also a more in-depth course covering the implementation of a business continuity programme that is compliant with BS 25999. Audit courses are also available, as are courses on specific aspects of BCM. The courses are delivered face to face.

Exercises – or rehearsals – of what to do in the event of a business disruption are another essential part of implementing a business continuity programme and can help organizations in three ways.

First, making sure that staff understand, and are fully prepared for, the impact of a business disruption. “A BCM exercise should be a pivotal tool in educating your workforce and helping them to understand how the processes should work,” says BSI’s Kevin Brear.

Second, raising awareness of business continuity planning throughout the organization. As Lyndon Bird, BCI technical director, explains, business continuity is about more than creating a plan. “It’s about getting everyone involved in the process, including the top management, and embedding it into the strategy of the business, rather than someone simply writing a document that may or may not be effective.”

Finally, identifying any gaps or failings in the plan. The CMI’s survey *Managing Threats in a Dangerous World* found that 48% of managers whose organizations have business continuity plans undertake an exercise of their plans at least once a year. Seventy per cent of those who had rehearsed their business continuity plan said that the rehearsal exposed shortcomings in their plan. This clearly emphasizes the value of such rehearsals. The report gave the example shared by one health and social care manager, who said: “In our rehearsal for electricity loss, the back-up generator did not operate. As a result, we were able to replace the unit and prevent future disruption.”

Self-assessment tools

BSI has designed an online self-assessment tool to enable organizations to evaluate their existing BCM arrangements in line with the requirements of BS 25999-2. It can be used to assess a single site, or multiple sites

with multiple users. The toolkit can guide an organization through the whole process, enabling it to plan, implement, operate, review, record and report on its BCM system. Once the self-assessment has been completed, organizations can put forward their BCM plans for external review.

Gap analysis

Gap analysis provides an independent review of an organization's business continuity management system to check its readiness for BS 25999 certification. Many organizations have robust BCM programmes, but have not adopted the management systems approach used in BS 25999. A gap analysis conducted by a BSI auditor can help the organization bridge this gap quickly and effectively.

Independent assessment

Certification enables organizations to demonstrate to stakeholders that they are compliant with BS 25999-2. BSI will carry out an audit to ensure that an organization complies with BS 25999 and provides a certificate as proof of compliance.

This offers public assurance that the business is robust, resulting in a reduction in audits by customers or other partners, who will see the certification as evidence that the business has put best practice in place.

Organizations that have implemented BS 25999 successfully will want to assess the BCM strategies of businesses in their supply chain and help those organizations to implement the standard. The BCI survey *Supply Chain Resilience 2010* found that the majority of organizations (85%) reviewed their business continuity plans with key suppliers. It found that the financial sector was particularly advanced in its approach to supply chain BCM, in terms of key indicators such as "checking the supplier has a BCM programme in place, its scope and relevancy to the product or service being purchased".

BSI's Entropy software enables organizations to measure their own compliance in BCM, but also to manage, measure and compare supply chain compliance.



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CASE STUDY



PwC is one of the world's largest providers of professional services in assurance, tax and business consulting. A global network of independent firms, PwC operates in 154 countries. The UK firm, which gained certification to BS 25999 for business continuity management in October 2009, operates around 40 offices with more than 16,000 staff, and turned over £2.33bn in the year to June 2010.

The firm felt that an independent third-party certification to BS 25999 would give clients compelling evidence that it takes continuity of service delivery very seriously. The firm often receives requests from clients for confirmation that there are robust BC provisions in place. Certification also shows PwC's insurers that the firm is acting to minimise the impact of business disruptions. "PwC wants our clients to have the best possible level of assurance in every area," says Andrew Mason, PwC's head of business continuity.

PwC's BCM team undertook BS 25999 internal audit training to prepare for assessment. "I would recommend people do the training because it gives you a better understanding of what the MS is about and what auditors will be looking for," says Mr Mason. The business continuity management system (BCMS) was developed based on PwC's existing certified ISO 14001 management system and PAS 99, the integrated framework for management systems. The implementation of the BCMS took around six months from gap analysis to certification.

During implementation, PwC's biggest task was formally documenting the programmes that were already in place. This resulted in a dynamic management system that meets the needs of PwC's culture and structure. "Everyone is trained and so knows what to do when something happens," says Mr Mason. "We also have 500-600 people who have specific BC roles and feature in dynamic plans. The core strategy is to get the right people round the table – and it can be a virtual table – with access to the right information. They will make the decisions and we can escalate up and down and provide support as necessary."

Mason believes that certification will provide continued visibility – internally and externally – that PwC takes business continuity seriously. "At the end of the day, we want to continue to be able to service clients; that is what our business continuity is all about," he says. "And the certification ensures that you have a live, independently assessed, robust programme of activity that should continue to improve."

Business benefits of BCM and risk management standards

The consistency of approach provided by implementation of standards such as BS 25999 can help to increase business confidence throughout the supply chain

Standards play an important role in the development of BCM and risk management. Because they are created by industry professionals and experts, who have spent time discussing and analyzing what does and doesn't work, they can distil the combined wisdom of those with experience in the field. In part, the benefit of standards can be attributed to the simple fact that they provide consistency in approach and terminology, and prevent organizations from having to reinvent the wheel. As Kevin Brear puts it: "Standards have brought some clarity of thought and consensus of approach to the industry."

They also make it easier for stakeholders to assess whether a partner or supplier is fully prepared for an interruption to business. A 2010 report from the BCI, entitled *The Business Case for BCM*, found that those organizations that had been independently certified against a standard such as BS 25999

put "protecting brand/reputation" and "maintaining customer confidence" as the two key benefits to the organization of BCM. The knowledge that a business has met a BCM standard can be seen as a proxy of good overall management. It shows that it is actively taking steps to protect its business, and reduces the likelihood that a major interruption will put it out of business altogether.

This is particularly important for businesses that are trading internationally and reliant on a number of suppliers. A supply chain is only as strong as its weakest link, and disruption to one part of the chain will affect businesses in the rest of it. Some businesses are naturally cautious about using international partners for this very reason. Adoption of a BCM or risk management standard can provide assurance to trading partners that measures are in place to manage risk effectively and to deal with any disruption that may arise.

Standards supporting public policy

Business continuity management and risk standards don't just benefit private business, they can also make a significant contribution to the success of local, regional and central government. Clearly, government organizations that adopt and use these standards will be more prepared for managing risk in their operations. If government actively supports and promotes standards, this can also help it to achieve key public policy objectives.

Standards are voluntary and can be an excellent alternative to legislation, reducing the burden on business and helping underpin one of government's goals – creating more efficient, less burdensome market-led regulation. Legislation such as the Civil Contingencies Act and regulations such as the UK Corporate Governance Code require organizations to put BCM and risk management in place. At the

same time, standards like BS 25999, BS ISO 31000 and BS 31100 can help organizations self-regulate and achieve desired outcomes.

Kimberley Hart, corporate business continuity officer at Manchester City Council, says: "The council is focused on enhancing the city's ability to prepare for, respond to and recover from emergencies. Working with BSI on developing and promoting the use of standards like BS 25999 is a valued and important part of delivering our policy objectives. Standards now form an important part of the BCM and risk management landscape and we view their use as part of a toolkit available to organizations to manage risk – and often that of their supply chains. It's our aim to keep Manchester's key public services running despite any disruptive events, and we also derive more confidence knowing these standards are being more widely used."



When an organization has embraced the standard, and really recognizes the principle behind it, the enthusiasm that it generates is extraordinary.



Perhaps even more importantly, an organization that adopts both BCM and risk management standards can be confident that it will reduce the impact of adverse events and recover more quickly. “If you are unable to deliver your products or services, especially in the current economic environment, there are a number of firms willing to jump into the void and pick up the slack,” says Mr Brear.

The process of implementing a standard in itself raises awareness in the organization about risk and the importance of business continuity. Historically, it has been very easy for disciplines such as risk management and business continuity to become siloed. Implementation of a standard by necessity means that the whole organization has to become involved, particularly if certification is sought. “When an organization has embraced the standard, and really recognizes the principle behind the requirement, the enthusiasm that it generates for the subject matter is extraordinary, because they suddenly realize that it’s not about getting the piece of paper and showing it to potential customers, it’s all about doing things in a better way that improves the whole business,” says Malcolm Cornish of RMI.

By implementing a standard, an organization can be certain that its framework for dealing with risks and business continuity is robust. Without the use of a standard, it is easy to leave gaps or to neglect particular areas. “You learn a lot about yourself as an organization and find opportunities for doing things better, paying attention to some areas you might have otherwise thought were not quite as important,” says Mr Cornish.

Certification will provide “proof of managed risk” in your business. This can be particularly useful in industries where organizations must demonstrate continued adherence to their legal and regulatory obligations. For example, some insurers may reduce premiums for organizations that have certification.

The BCI’s survey *The Business Case for BCM* found that 56% of BCM programmes enabled organizations to recover in two-thirds of the time, and in many cases in half the time, when compared to an earlier situation where there was no BCM programme in place. Similarly, 55% of respondents said their organization had gained a tangible financial benefit from implementing a BCM programme.

The time invested in implementing a standard reaps rewards in terms of greater operational efficiency, as well as in confidence in the business’s ability to recover from a disaster. “If you become more efficient, you win business not just because you can give better assurances to a potential customer, but because you are most cost-effective in your quotation, in how you deliver the service you hope they will put your way,” concludes Paul Hopkin.



Linklaters

The global law firm Linklaters, which has 26 offices in 19 countries, was awarded BS 2599 accreditation in 2009 and was one of the first law firms in the country to receive the certification. Although the firm already had good business continuity processes in place, the adoption of the standard offered added reassurance, says Simon Lowndes-Jones, risk review manager. "Senior management want to ensure that the plans are effective and the business will be able to show resilience in any given situation," he explains.

Accreditation is a good way of demonstrating the importance the firm puts on continuity to the outside world. "It's part of our wider commitment to deliver an outstanding and consistent service to our clients. The codification of sound business continuity principles and the existence of a clear standard gives comfort we are achieving this," says Mr Lowndes-Jones.

Linklaters is increasingly asked by clients to outline its business continuity plans and, at the same time, the firm now puts the same question to its own suppliers. "You're starting a virtuous circle of ensuring that business continuity is thought about, not just from our perspective in ensuring that we can deliver the services that clients expect, but across the board," he says.

The implementation of the standard required Linklaters to adopt a series of more structured measures for BCM activities, such as training, communications, management reviews, audit and exercises, as well as taking part in regular audit-style surveillance visits from BSI.

Achieving the standard has raised the profile of business continuity within the firm and provided a strong framework and basis for achieving a coherent business continuity strategy. Because the accreditation brings with it a management framework, the firm is able to focus on getting the quality and details of the plans right. This is backed up by regular visits from BSI as part of the certification.

Business continuity has, in the past year, been increasingly incorporated into the firm's overall risk management function, and the framework and standards set by BS 25999 are used as a basis for BCM elsewhere in Linklaters' international offices. For a global law firm, it is essential that business can continue in the event of disruption, says Mr Lowndes-Jones: "We want to provide assurance to clients that, were the worst to happen, they can still rely on us to provide our services," he says.

How BSI can help

Standards matter. They contribute at least £2.5bn each year to the UK economy and play a key role in enabling innovation, improving competitiveness, increasing reliability, ensuring safety, improving accessibility, controlling quality, managing risk and improving business performance.

As the world's first national standards body, BSI British Standards has a globally recognized reputation for independence, integrity and innovation. Part of the BSI Group operating in 86 markets worldwide, BSI British Standards serves the interests of a wide range of industry sectors, as well as government, consumers, employees and society overall, to make sure not just British but European and international standards are useful, relevant and authoritative.

BSI champions UK interests at home and abroad and is an incubator of many of the world's leading standards. It is the national gateway to all the European and worldwide standards bodies, promoting fair trade, technology transfer, economic prosperity and security.

Several publications describe the benefits of using standardization to achieve broader organizational and national strategic objectives. Information about these is available from BSI British Standards.

To find out more about how BSI can help you, visit the website at www.bsigroup.com or email britishstandards@bsigroup.com

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