

# MARSH

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## AGSC

# Business Continuity Management

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Marsh & McLennan Companies

# Agenda

- BCM - an overview
- Why plan?
- Processes
- Competence Model
- Origins of interruptions
- Marsh - Roadmap to Recovery

# Business Continuity Management - Definition

*“BCM is an **holistic management process** that identifies potential impacts that threaten an organisation and provides a **framework for building resilience and the capability for an effective response** that safeguards the interests of key stakeholders, reputation, brand and value creation activities.”\**

# Expect The Unexpected - History Tells us That...

- More than 40% of businesses affected by the Manchester bombing went out of business, never to return
- After the Ericsson / Nokia disaster in Albuquerque - USA, Nokia had an increase in their market share by 3% to 30%. Ericsson dropped market share by 3% to 9%

\* Business Continuity Institute 2002

# Drivers - Why Plan?

- Corporate Governance
- Image and Reputation
- Regulatory pressure
- Insurance underwriters
- Service Level Agreements

# BCM Brings to the Business.....

- A practical and proven approach
- Improves protection of revenue streams
- Encourages staff and stakeholder confidence
- Reduced post-incident damage to reputation
- Potential reduction in the cost of risk
- Improved ability to meet statutory obligations



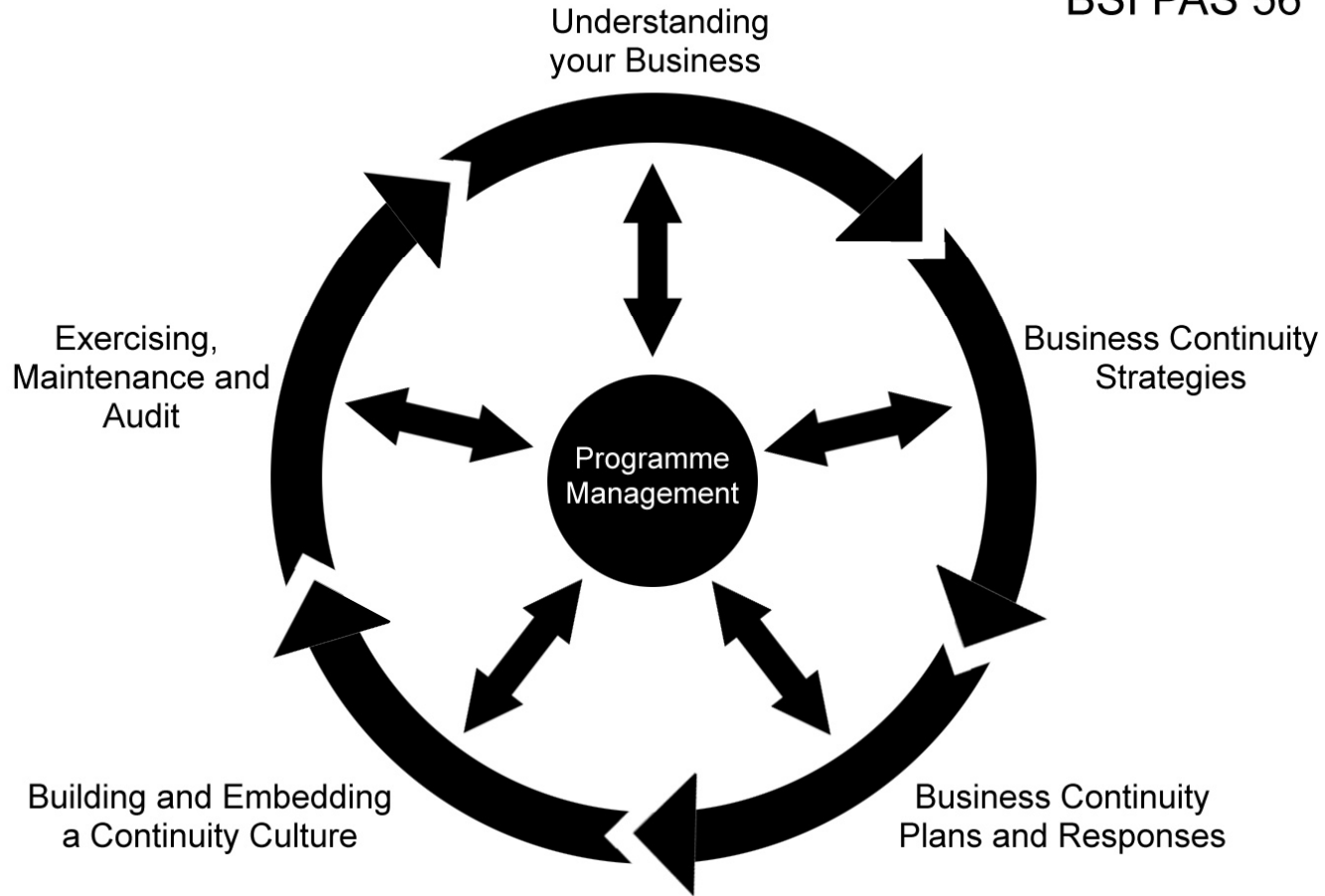
**45% of UK businesses have  
a BCP**

**57% regularly test or rehearse  
their plans**

Source: The BCI Jan 2000

# BCM Lifecycle

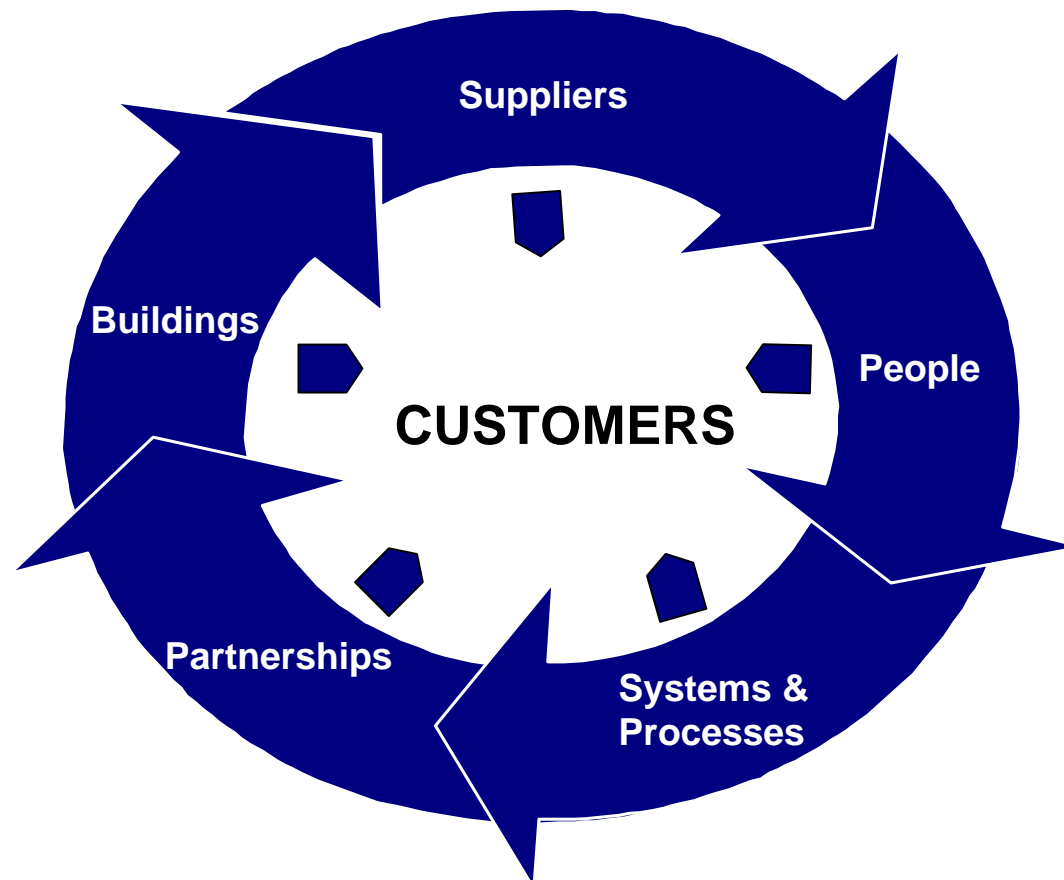
BSI PAS 56



# BCM Process

## Where is your Business Most Vulnerable?

- Understanding your Business - Risk and BIA

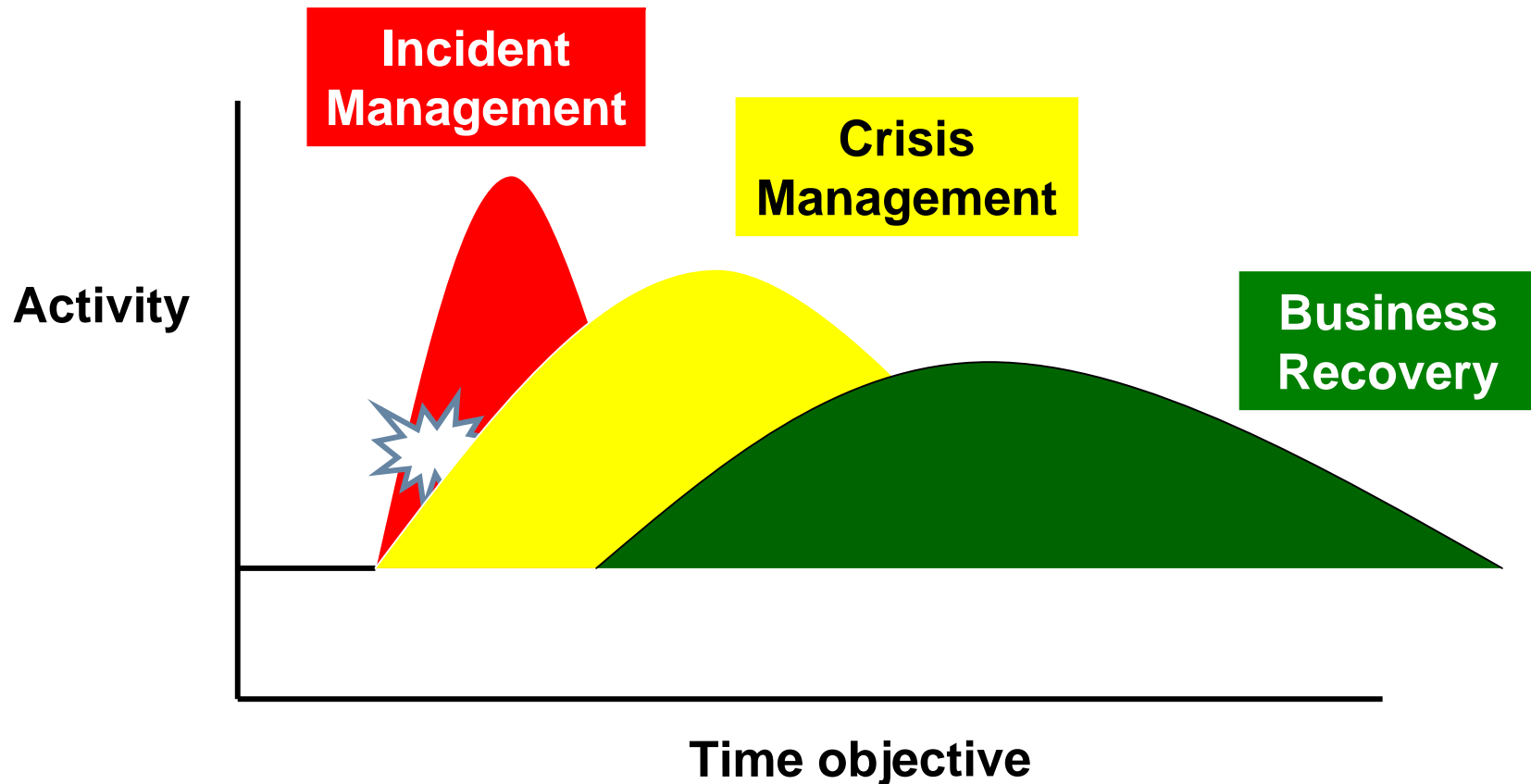


# BCM Process

- Business Continuity Strategies
  - Accept the risks - change nothing
  - Accept the risks but make arrangements with 3rd parties
  - Attempt to reduce the risks
  - Combination

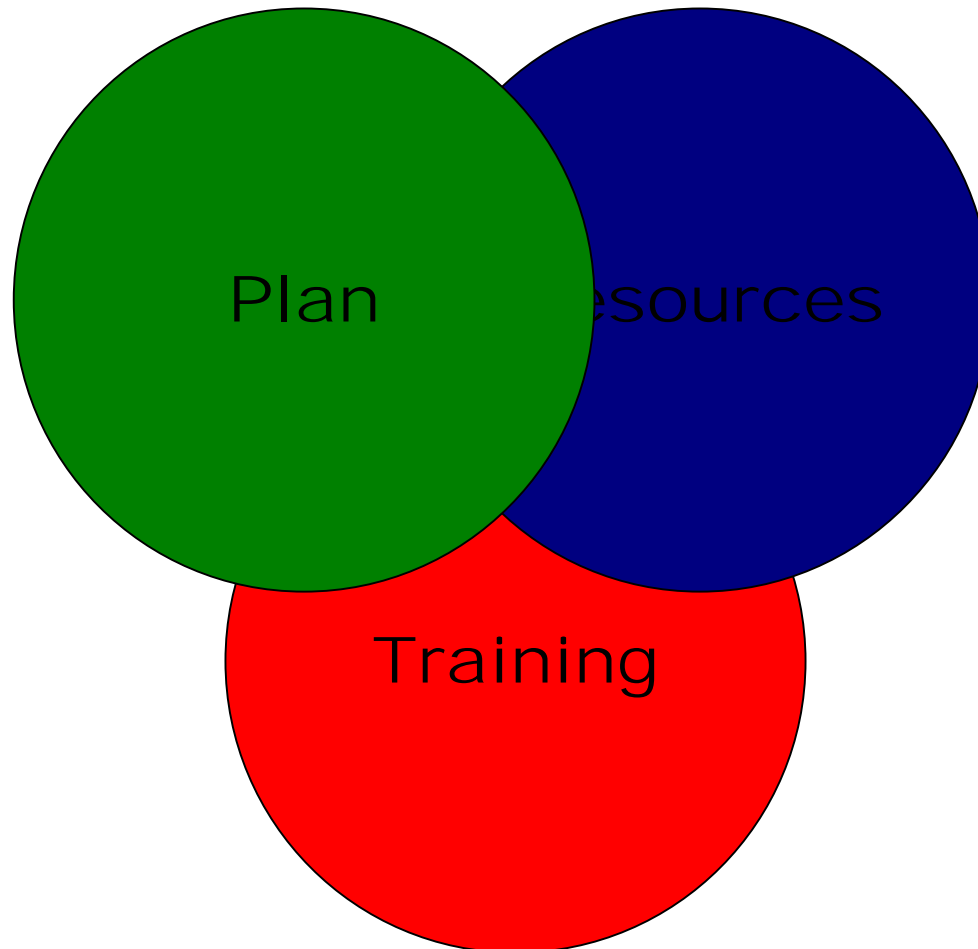
# BCM Process

## ■ Business Continuity Plans & Responses



# BCM Process

## ■ BCM Competence Model



# Where do Interruptions / Emergencies / Crisis Come From?

Generally from 3 sources:

Sympathy/tolerance  
Rating

Identifiable risk badly managed

Low

Self-inflicted

Low

Third Party Action

High?

Is the company the

- Hero
- Victim
- Villain...?

# Marsh - Roadmap to Recovery

		Business Continuity Plan											
		Emergency Response		Business Continuity Plan									
Timeline	Group/Function	Immediate Response	Assessment	Management									
	Staff/ Contractors/ Visitors	ALL TEAMS Receive incident status Briefing from IRT											
	Security/ Reception	ALL TEAMS Contact key staff as necessary											
	Incident Control	ALL TEAMS Brief IRT on recovery status at regular intervals as instructed											
	Emergency Response Team (ERT)	ALL TEAMS Brief IRT on recovery status at regular intervals as instructed											
	Emergency Response Team (Out of office hour)	ALL TEAMS Brief IRT on recovery status at regular intervals as instructed											
	All departments and Crisis Management Team	Consider											
	Department Managers												
		Flagpost	Consider the timing of the incident. The tasks are more critical if the temp payroll has not yet gone through	Line with IT in order to recover Backs payment system for temp payroll purposes	Make arrangements for nominated staff to go to alternate site for temp payroll purposes	Consider alerting the branches if temp payroll deadline will be missed. Branches should alert the temps	Alert RBS if external funding needs to be raised in the interim period for temp payroll purposes	Alert the Invoice and to re-direct post D accountants and to alternate site for capturing payments from customers	Line with IRT to re-direct post payments from customers	Set up process for saving in cash and assign staff to manage this process	Recover open accounts' function - organise tact up tapes tapes and functioning balance	Consider running back months Back for permanent staff IT systems are still down and recover outstanding	Recover sales ledger, create control and staff expenses - use manual processing until system recovery
		Communications & Planning	Share as much information as possible about incident by liaising with IRT and HR	Prepare internal communications with CMT	Alert PR Agency and inform of what is done - make sure PR Agency is in the loop - PR Agency to handle all external media	Agree all communication messages with CMT and release	Release updated information internally in conjunction with CMT	Line with IRT to re-direct post payments from customers	Set up process for saving in cash and assign staff to manage this process	Recover open accounts' function - organise tact up tapes tapes and functioning balance	Consider running back months Back for permanent staff IT systems are still down and recover outstanding	Recover sales ledger, create control and staff expenses - use manual processing until system recovery	
		Business Improvements	Assess damage and potential impact of incident with IRT	Contact insurers to inform of situation if necessary	Remain on standby and ensure there is access to a mobile phone to respond to other departmental enquiries	Remain in close contact with other areas and offer support	Where there have been any procedural changes, consider the impact of them and carry out necessary action	Use a manual system to log any changes ensuring all have been captured	Deal with changes as necessary on an ongoing basis and continue to give advice	Develop plans for recovery/ relocation	Begin proper evaluation/ recovery process if/when alternatives area requirement	Continue recovery/ relocation plans	
		Property	Establish any staff losses	Line with IRT and account for those staff not recorded	Use with CMT and IRT to arrange initial staff communications	Contact IT to gain access to workbooks in order to gather next of kin details/ appropriate (authorised personnel only)	Remain in close contact with CMT where there have been any personnel injuries	Use with operational managers in order to gain information on new starters where appropriate, list new starters if joining date will be affected	Coordinate HR requirements of key operational elements, such as the new joiners	Set up HR staffing needs as necessary	Form IRT of any issues	Arrange for moving into alternate site	
		HR											
			Communicate	Message list	Establish Process	Operational Details	Monitor and Plan						
			Staff availability	Staff availability	Staff availability	Staff availability	Staff availability						
			Staff training	Staff training	Staff training	Staff training	Staff training						
			Customer	Customer	Customer	Customer	Customer						
			Supplier	Supplier	Supplier	Supplier	Supplier						
			Social Community	Social Community	Social Community	Social Community	Social Community						