



BUSINESS CONTINUITY PLANNING

**Presented to The Bahamas Association
of Compliance Officers (BACO)**

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Wednesday Oct 3, 2007**



What is Continuity of Business?



★ **Continuity of Business** is the recovery of all components required to effectively continue a business process where a contingency event has occurred. It is the ability of an organization to ensure continuity of service and support for its customers and to maintain its viability before, during and after an event.



A Contingency Event

★ **A Contingency Event** is defined as any disruption to “business as usual” transaction processing which last more than four (4) hours. This includes both technical interruptions (networks/servers) as well as events which affect a building/workplace (fire, flooding etc).





Business Continuity: Whose Responsibility Is It?

★ **Executives**

- Liable for consequences of business interruption, loss of business critical information
- Support and Funding

★ **Management**

- Responsible for their respective departments to ensure processes are recovered in a contingency

★ **All Employees**

- What are their roles – are they in the plan?

★ **Business Recovery Coordinator:**

- Documenting, testing and coordination of a BCP





Why is a Business Continuity Plan Important?



1. Safeguards human life.
2. Minimizes confusion and enables effective decisions in a time of crisis
3. Reduces dependency on specific personnel
4. Minimizes loss of data, revenue, customers
5. Facilitates timely recovery of business functions
6. Maintain public image and reputation



A Business Continuity Program Will Answer...



1. What is a disaster

2. When do impacts begin

3. How much loss can be tolerated



4. What are the options

5. How to reestablish business functions



6. What will a recovery plan cost

7. How much is enough



10 Commandments of a BCP



I. Thou shalt recover what thou ownest

II. Thou shalt have alternatives



III. Thou shalt concentrate on surviving

IV. Thou shalt not set paper above people



V. Thou shalt test and exercise



10 Commandments of a BCP Continued..

- VI. Thou shalt distinguish between strategy and recommendations
- VII. Thou shalt not allow plans to age
- VIII. Thou shalt not covet thy neighbours larger binder
- IX. Thou shalt not become complacent
- X. Thou shalt avoid scope creep



Best Practices

A Business Continuity Program:

- ★ Is **NOT** a project
- ★ Is **NOT** a one-time task
- ★ Is **NOT** for a fixed length of time

Must be an on-going, living program that consists of several interdependent and reiterative projects.



Trends & Directions

- ★ Causes of business interruptions are multi-faceted
 - Human error
 - Service provider error
- ★ Technical
 - Power outages
 - Hardware and software failure





Business Continuity Program





Key Terms

Business Impact Analysis – measure the business risks, both financial and non financial, based on each core process identified

Risk Assessment – assumes the worst-case scenario

Business Recovery Plan – the core processes, strategy and requirements necessary to recover a business. Assume an outage for up to one month in duration.

Recovery Requirements – critical staff required; software and hardware required; office equipment and supplies.





Key Terms



Key locations – Staging (assembly area), alternate sites (where the business will recover)



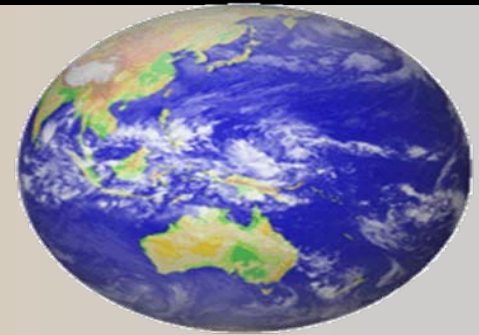
Manual/Workaround Process – developed and documented for each of the core processes defined in your plan. Designed to allow some level of recovery in the event that communication lines and or technology are not available at time of crisis.



Call Trees – notification sequence for all staff to be contacted in the event of an outage or other emergency



Pandemics



10 **What is avian flu?**

Avian flu, or the H5N1 virus, is a contagious disease primarily affecting bird populations.

10 **What is the risk from avian flu?**

The risk to humans from avian flu is low.

10 **Can avian flu be transmitted to humans?**

In very rare cases, humans have caught avian flu from close contact with sick birds or other infected people.

10 **Is there any risk in traveling to countries where birds have been affected by H5N1?**

The risk is very low. As a precaution, avoid the immediate area of bird outbreaks in the event local authorities have not already imposed containment. You should be working with local, national, and international authorities to guide employees and safeguard their well-being.

The World Health Organization (WHO) currently has assessed the risk as low



Central Bank BCP Guidelines

1. The Central Bank has endorsed the Joint Forum's Paper "High level principles for business continuity" issued in August 2006 and has adopted the principles recommended. These guidelines are being used by them as a benchmark in assessing the adequacy of its licensees' BCPs.
2. They expect all licensees to develop and implement workable and effective BCPs to ensure operations can be maintained or recovered in a timely manner after a disruption.





Central Bank Guidelines Cont.

3. As BCPs by their nature evolve and change as circumstances dictate, they expect that they should be updated regularly.
4. BCPs should be flexible to address a broad range of disruptions.
5. BCPs should be submitted to the Central Bank for approval.
6. Central Bank in the course of their onsite examinations will review the BCP to ensure that a licensee has observed the guidelines and its risk profile.





Central Bank Guidelines Cont.

7. Where the proposed alternate site is located outside The Bahamas, licensees have to assess the appropriateness of the jurisdiction for the temporary relocation of its operations. Note the first schedule of The Financial Transactions Reporting Act 2000 (FTRA) provides this list.
8. Licensees should ensure that the relevant Bahamas statutory requirements relating to customer confidentiality continue to be observed.





Questions?