

World Business Continuity

Will existing strategies and tactics for maintaining high availability that served us well in a slower, less demanding world work within the emerging world?

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The demands of living in a 24/7 world have pushed the limits of technology (and human-kind) so that the demand as well as the need for business continuity, in one form or another, has become prominent in our daily lives. The apparent increase in frequency and severity of events that impact organizations of all kinds has made all of us more aware of our vulnerability to unplanned change. Even without the impact of unforeseen events, the difficulties involved in running an organization in an environment of constant and increasingly rapid change in normal operations have grown as the world becomes smaller and the expectations of customers escalate. We expect continual availability in terms of service, support and accessibility. The question is, will existing strategies and tactics for maintaining high availability that served us well in a slower, less demanding world work within the emerging world?

For some organizations, continuity is defined as compliance with applicable regulations and essential disaster recovery planning that prepares an organization to recover when events impact operations. We call this a 'common practice' approach to continuity. These organizations devote minimal time and resources to the continuity effort and consider the output of their disaster recovery planning to be the plans that are created and can serve as evidence to auditors that adequate management oversight has been exercised.

For other organizations, there is recognition that continuity assurance must be more than simply writing plans, but must involve the creation and maintenance of a continuity program with periodic renewal mechanisms and an enterprise-wide approach to planning. Such organizations can be said to be employing a 'best practice' approach to continuity assurance. This provides assurance that the BC program will be continuously updated and responsive to significant changes in the organization's risk posture and strength/vulnerability profile.

While best practice approaches to continuity assurance can serve an organization well, they do not scale well past the point where an organization cannot tolerate downtime at all. True need for continuous availability and constantly available products and services will urge organizations to seek another level of continuity capability. We call that new level 'world class' continuity assurance. At this level the organization's continuity efforts transcend the program approach and become fully embedded in the fabric of day-to-day

operations. The bad news is that many organizations do not have the structure, processes, people, technology, and facilities that a world class approach requires and this type of change can be very demanding.

For those that must change in order to achieve legitimate continuity assurance the news is not good about how to go about it. First of all, there are few examples of true world class continuity assurance though some organizations are moving in that direction. Neither is it clear for any given organization whether it is necessary or prudent to achieve the world class level.

In the past common practices, such as maintaining off-site storage of backup tapes for data, gave way to best practices, such as real time off-site data replication (mirroring). A world class organization would be designed with data protection via replication or another strategy built into its fundamental architecture. Each of these methods represents a strategy (data protection) as well as specific tactics (replication). Simultaneously, it is important to understand that it is not always the case that best practices are better than common practices. The imperative that drives the choice should be the appropriate level of protection against loss based on the actual situation. Ultimately, an organization must define for itself what continuity really means and apply an approach that meets that definition. A land development company, for example, has virtually no business drivers that call for continuous availability. For such a company, the world class approach is clearly not necessary and a best practice program may only add unnecessary cost to continuity assurance efforts.

In the example provided above, the organization may not need to bear the additional costs and maintenance required to perform remote data replication for some or all of its data. In these cases, one to three days of unavailability of data may be acceptable. Consequently, the common practice solution is actually preferred and represents a good business decision. The one thing that is required for both common practices and best practices is that as organizations change, an update process is required to ensure that the intended continuity goal is met (e.g. ensuring the recoverability of data and/or business processes within an acceptable time frame). But is this enough?

Approaching world class business continuity

World Class business continuity entails the embodiment of continuity assurance into the day-to-day framework of all processes within an organization. This means that all work processes include ongoing assessment of their relationship to the core value chain(s) of

the organization and subsequent appropriate prioritizing of goals and processes. Those efforts necessary to the continuity of core value chain processes are designed, built, provisioned, and continuously improved according to that priority.

What we mean by this is that everyone must consider how best to meet the needs of the organization's core value chain considering the means for mitigating the impacts of change (planned or unplanned) and where mitigation may be insufficient, plan to address response, recovery, and resumption. A fundamental operating premise in the world class organization is that mitigation is almost always possible and is desirable over recovery which is the second best alternative. Where the measure of performance for a best practice program might be whether the organization hit its recovery time and recovery point objectives, the measure for the world class organization is how many times during a fixed period (e.g. annually) did the organization have to recover. Recovery frequency and not recovery efficiency is the measure and that calls for a very different mental model of continuity assurance.

Take the case of a manufacturing company. While developing a new line of products, they chose to geographically distribute the packaging operation into two locations to preclude impact from events that could interrupt critical packaging. In addition, this enabled the company to position packaging closer to distribution points, which improves customer service and saves in some categories of shipping cost. Both the need for a robust organization in terms of resistance to impact and the need for the best possible configuration of the business are met by this strategy. Consider the growing regional bank that sets up a parallel 'back office' operation in a geographically separated facility in order to ensure that an event cannot interrupt service to customers. In this case the facility was available because it came with the acquisition of a smaller bank. There were minimal costs associated with converting the smaller bank's back office to be able to serve all of the customers of the parent bank, and the organization achieved dramatically increased process availability with virtually no interruption to ongoing customer service.

Is world class better than best practices? The answer in our view is no, it is merely different. Comparisons between the two are like discussing the relative desirability between dogs and cats. While they have elements in common, they are different species. The key concept is that best practices (as well as common practices) require a separate effort, while world class continuity assurance is embedded into the culture so that all processes, starting with the highest level strategic management of the enterprise, automatically incorporate business continuity into the day-to-day flow. It is

also true that individual accountability is greater in the world class organization and that the organization tends to be flatter and less strictly organized around functions and more around projects and customers. Because world class organizations will tend toward these flatter structures and use of teams as the primary unit for performing work, achieving world class continuity assurance may require dramatic culture change. This is not a thing to be taken lightly since culture change is seldom a wise choice for a company that is currently profitable.

To achieve world class business continuity, it takes a directed effort and leadership from the top. This is the foundation for the entire viability of the effort. This is not a one-time effort but a fundamental change in the way that the business operates. Once the direction has been set, the message flows down and side to side so that everyone in the organization understands and develops a world class mind set. When necessary, diagonal lines of communication are used to avoid the silo effect that sometimes limits the communication flow between entities within an organization. After all, a world class organization is characterized by effective cross-functional teamwork and heavy commitment to communication.