

Introduction

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Businesses across the globe have experienced during the past 30 years a seemingly unending increase in risk. Which has, and continues to, come from a diverse variety of sources.

Climate change is bringing new risks to areas of the world which never before had experienced weather related risks, be they from flooding or a lack of water, increased storm activity, heat wave's or intense cold. Terrorism is spreading too many areas which before had never experienced, nor expected to experience, it's like. Pandemic's are seen as inevitable and, as experience has shown with the H1N1 virus, unstoppable. Information Technology has developed as a critical enabler and in turn the Internet has brought with it very positive new ways of working. Yet it has also exposed all who use it to the threat of cyber attack from simple malicious hackers to both corporate and government agencies.

As these risks develop so businesses, from the single person operation at a local level to the biggest multinationals, will become more and more vulnerable to the devastation they can bring.

Risk is and has always been an inevitable part of life. We as humans have developed many simple strategies for dealing with this. The choice of flight or fight when encountering a substantial risk was recognised by our forefathers in the earliest primitive times and is as useful a strategy today as then. In addition increasing our protection against risk by simply wearing a hat and clothes to prevent either frostbite or sunstroke or wearing life jackets when on the water are other ways we have developed to avoid the dangers risks can bring.

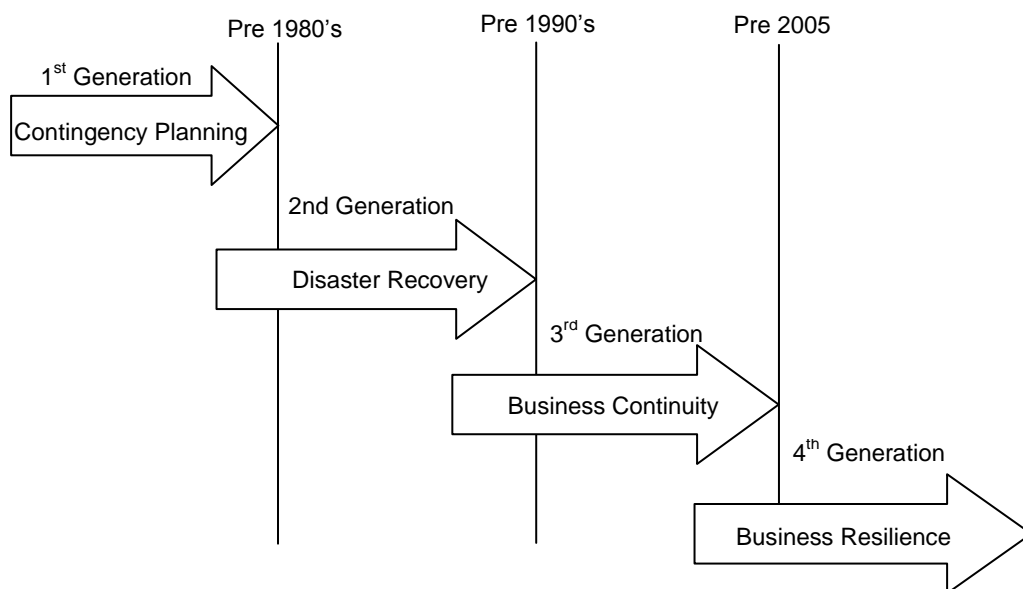
Business has in turn sought strategies to increase for protection. Such strategies are commonly established to comply with the laws of a country e.g. fire protection laws or to satisfy the regulations of a regulatory body such as in the UK the Financial Standards Agency or the Sarbanes Oxley law in the USA.

Protecting their countries infrastructure from risk has recently become an important issue for a number of nations. In 2004 the British government introduced the Civil Contingencies Act which sets out to establish a consistent level of civil protection across the UK. It places a legal obligation upon local authorities and providers of essential services such as gas, electricity, water, telephony etc to have established, exercised, Business Continuity Plans. It sets out guidance for how civil protection duties should be carried out and follows the theme of integrated emergency management which comprises of the following six activities.

- Anticipation
- Assessment
- Prevention
- Preparation
- Response
- Recovery

In the USA the Department of Homeland Security is pursuing a policy of Voluntary Private Sector Preparedness (PS-Prep). They believe that greater resiliency success will be achieved if businesses are given the freedom and flexibility to determine how they will improve preparedness in a way that best fits their respective business models. The Department of Homeland Security last year announced its intention to propose three business continuity standards for adoption as part of this program. The three standards address similar aspects of the same issue: keeping businesses operational and resilient and I discuss these and the important development of other National and International standards in more detail later in the book.

As the business strategies for dealing with this increasing risk have developed so in turn we have seen clear activities which have, with continual and ongoing improvement, set out to protect business and enable it to respond to a crisis. These activities can I suggest be put forward as four clear generations of development.



- 1st Generation. Contingency Planning. The original and commonly used in WWII
- 2nd Generation. Disaster Recovery. Developed as Information Technology became established in business.
- 3rd Generation. Business Continuity. A more holistic approach to encompass business operations and processes.
- 4th Generation. Business Resiliency. Extends the boundaries of protection across the organisation.

This latest and fourth generation has taken on a significant challenge as it encompasses much of today's model of business. It is however, one which can be used to reinforce the value of taking clear positive action in the protection and crisis management skills of any organisation. In doing so it clearly demonstrates the ROI in Business Resilience across the Value Chain.

The disciplines of both business continuity planning and disaster recovery planning have played critical roles in helping businesses achieve parts, but not all, of the objective of business resilience. In many organisations the primary objective of disaster recovery planning has been limited to protecting IT infrastructure and services from unexpected events and disasters. Business continuity planning extended the boundaries of disaster recovery planning to the protection of business operations and processes. The objective of a business resilience program is larger than both business continuity planning and disaster recovery planning. A business resilience program extends the boundaries of protection.

Increasingly we see in many parts of the world government directed regulators setting out industry regulations which are expected to be complied with if an organisation wishes to exist and successfully trade.

Almost without exception regulations and standards involve the responsible protection and handling of information and data. By building robust secure and resilient information architecture a great deal of the time, and cost involved in compliance could be circumvented. Instead of an organisation focusing its resources upon what it can “get by with” or even “get away with” in order to achieve compliance with a particular mandate, a company should invest in a solid architecture built to address all issues of information and communication processing thus more easily achieving compliance to current and future regulations.

Business Resilience in the Supply Chain is an essential for all organisations as all have the single denominator of critical suppliers. This emagazine seeks to provide clarification and a broad understanding of this comparatively new field and the key functions within an organisation which can, when encompassed under the Business Resiliency umbrella, bring significant improvements in the lowering not just of risk but of business costs and their negative impact upon the bottom line.