

# RISK YÖNETİMİNDE BAŞARI FAKTÖRÜ “İŞ SÜREKLİLİĞİ YÖNETİMİ” SUCCESS IN RISKMANAGEMENT: “BUSINESS CONTINUITY MANAGEMENT”



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İstanbul Teknik Üniversitesi,  
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Süleyman Demirel  
Kültür Merkezi

Maslak – İSTANBUL  
TÜRKİYE / TURKEY

**Business Impact Analysis and its positioning in the BCM lifecycle**

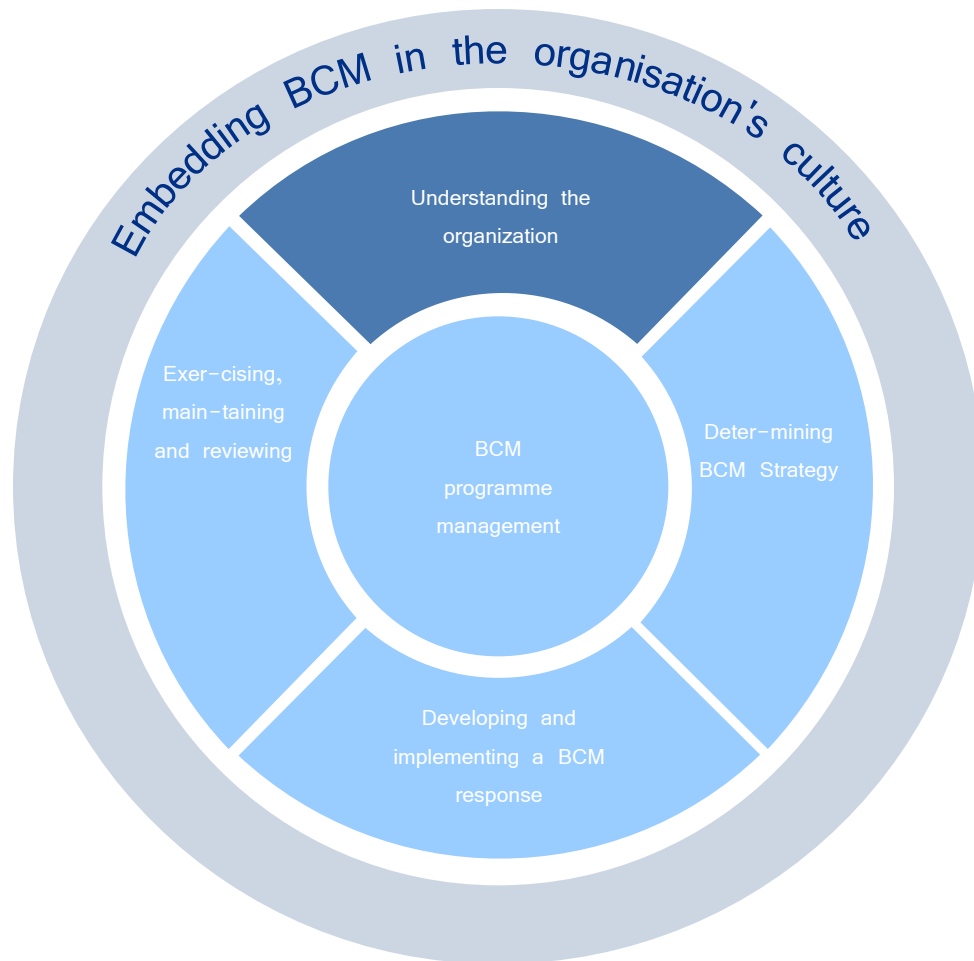
Matthias Hämmerle MBCI

## Inhalt

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- **Business Impact Analysis as part of the BCM-lifecycle according to BS 25999**
  - **Good practices in implementing a Business Impact Analysis**
  - **Questions?**
-

Business Impact Analysis is a central part of the BCM lifecycle



## „Understanding the Organization“

„Understanding the Organization“ is a central part of the BCM lifecycle and basis for the following phases of the lifecycle

The Phase consists of

1. Business Impact Analysis
2. Identification of critical activities
3. Determining continuity requirements
4. Risk Assessment
5. Determining choices

BS 25999-1:2006

## BCM-lifecycle phase „Understanding the Organization“

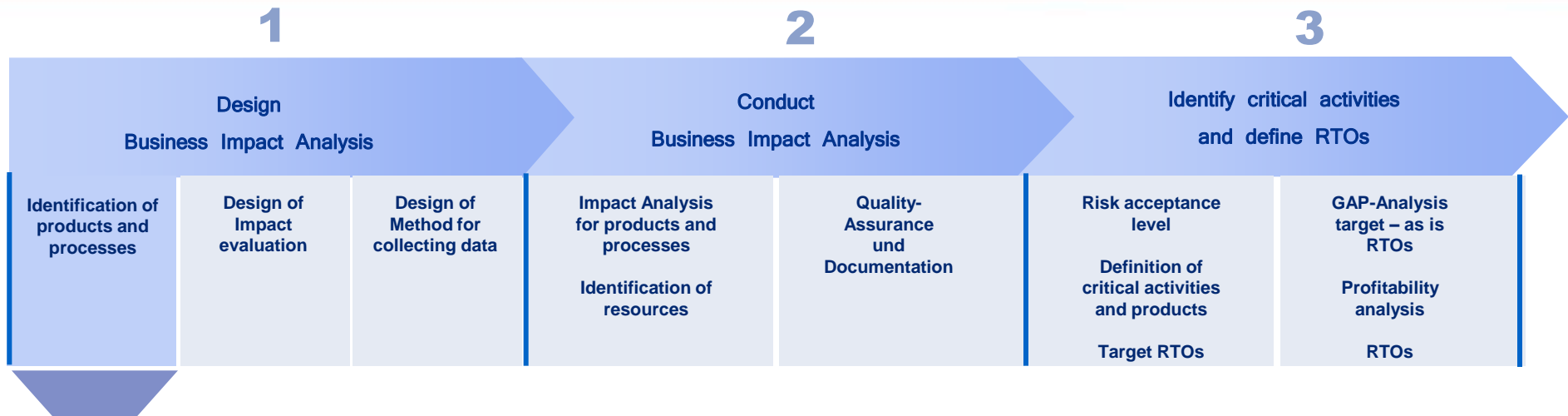
Phase	Deliverable
Business Impact Analysis	<ul style="list-style-type: none"><li>• Activities that support key products and services</li><li>• Impacts resulting from the disruption of these activities and how these vary over time</li><li>• Maximum tolerable period of disruption for each activity</li><li>• All dependencies relevant to the critical activities, including suppliers and outsource partners</li><li>• BCM arrangements for suppliers and outsource partners on whom critical activities depend</li><li>• Recovery time objectives for the resumption of critical activities</li><li>• Resources that each critical activity will require for resumption</li></ul>
Risk Assessment	<ul style="list-style-type: none"><li>• Threats to and vulnerabilities of the critical activities and supporting resources, including those provided by suppliers and outsource partners</li><li>• Impact that would arise if an identified threat became an incident and caused a business disruption</li></ul>
Determining choices	<ul style="list-style-type: none"><li>• Available risk treatments for each critical activity that<ul style="list-style-type: none"><li>• Reduce the likelihood of a disruption</li><li>• Shorten the period of disruption</li><li>• Limit the impact of disruption</li></ul></li><li>• The organization shall choose and implement appropriate risk treatments for each critical activity in accordance with its level of risk acceptance</li></ul>

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# Good Practice Approach for conducting a Business Impact Analysis



Phase	Activities
Identification of products and services	<ul style="list-style-type: none"> <li>Identify relevant products, services and activities for the BIA</li> <li>Collect product and process information (e.g. process models, product and service catalogues, balance sheet)</li> </ul> <p><b>Deliverables</b></p> <ul style="list-style-type: none"> <li>Defined and agreed Scope for the BIA (in terms of products, services, departments)</li> <li>Process catalogue as a basis for conducting the BIA</li> </ul>

## Business Impact Analysis is based on products, services and activities

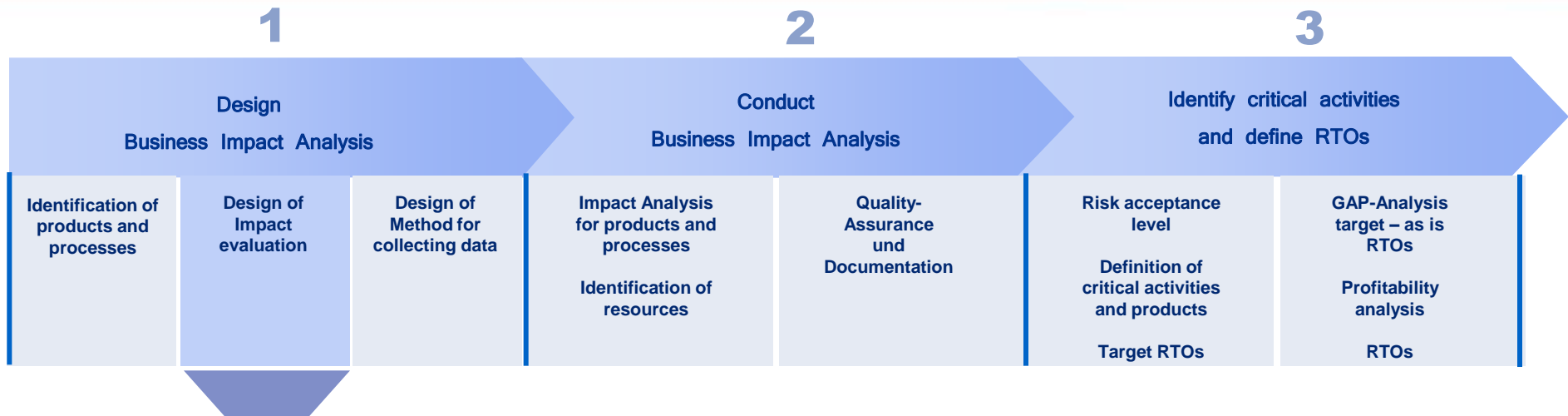
### Scope-Definiton

- Are there products, services and activities which should be out of scope in the BIA, because
  - The product or service is of minor relevance for the organization
  - There is a desinvest-strategy for the product or service
  - Supportig processes with minor criticality for the organization

### Collecting product and process information

- BIA is based on processes / activities
- Therefore process catalogues for the relevant products and services have to be collected
- But: it s a BIA not a process modelling project - Don t lose track of the BIA
- Find the right level of detail for the processes – too much detailed process catalogues will raise complexity and effort needed for BIA and maintenance

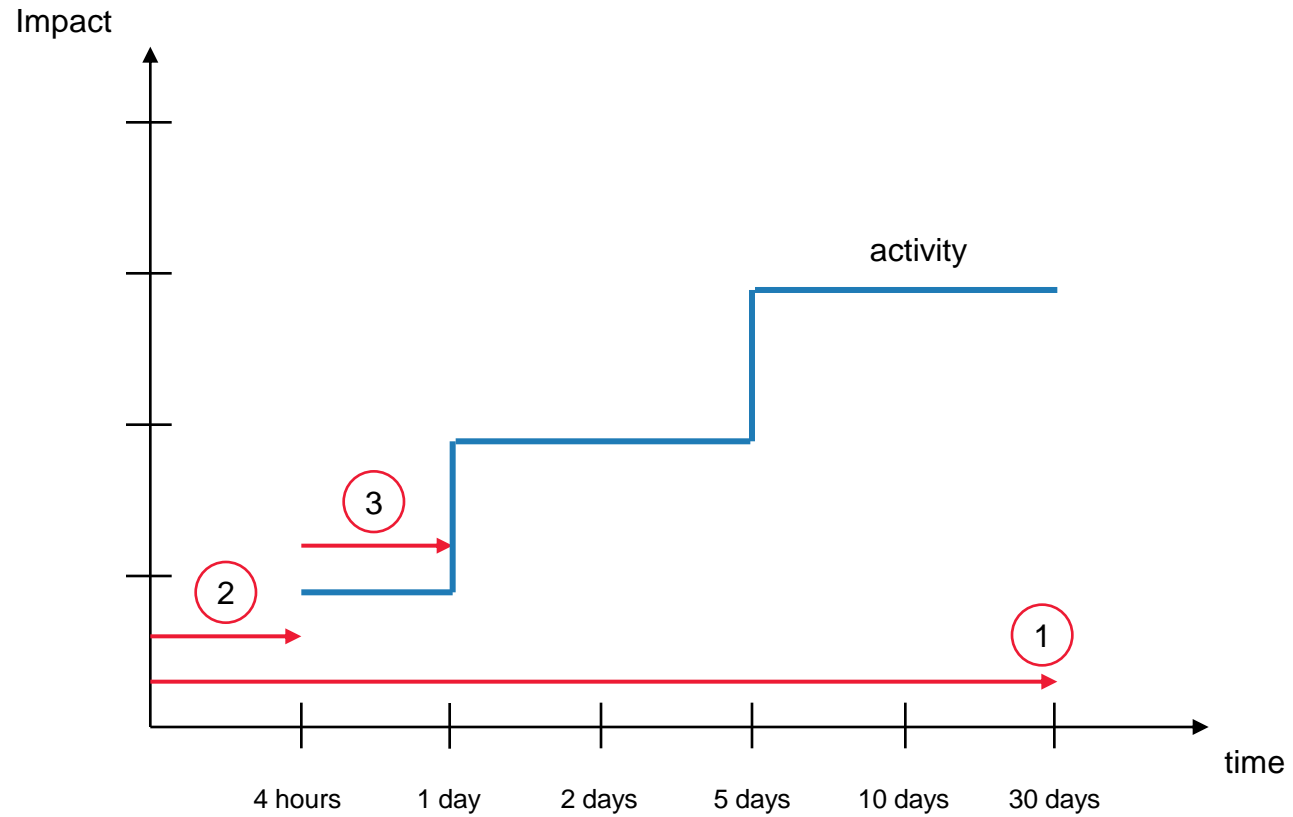
Das Impact-Bewertungsmodell ist das methodische Kernelement der BIA



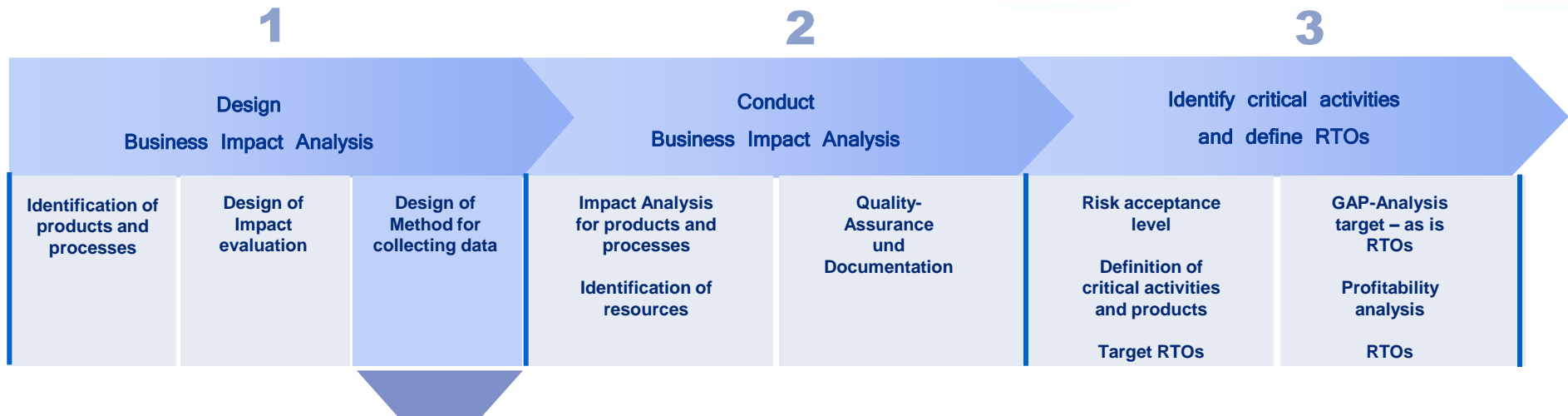
Phase	Activities
Design of impact evaluation	<ul style="list-style-type: none"> <li>Identify the relevant impact categories                             <ul style="list-style-type: none"> <li>*Damage to financial viability</li> <li>*Damage to reputation</li> <li>*Breach of regulatory requirements</li> <li>*Impact on staff or public wellbeing</li> <li>*Deterioration of product or service quality</li> </ul> </li> <li>Define the timescale for the impact evaluation</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>Impact Evaluation categories and timescales</li> </ul>



## Assessment of impacts over time for each activity and impact category

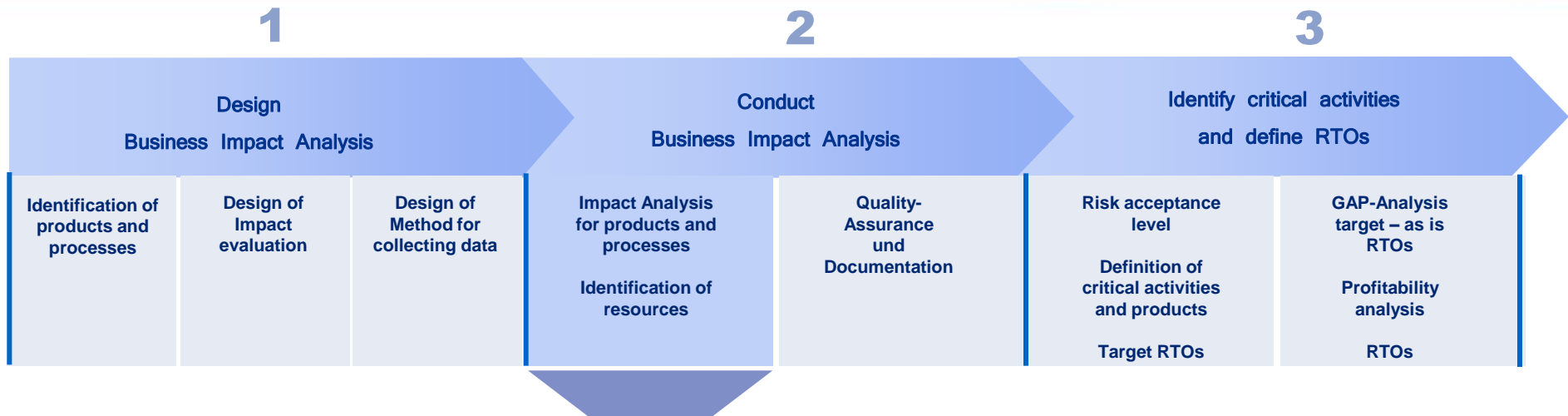


Die Form der Erhebung der BIA Daten bestimmt Aufwand  
aber auch Qualität der BIA Ergebnisse



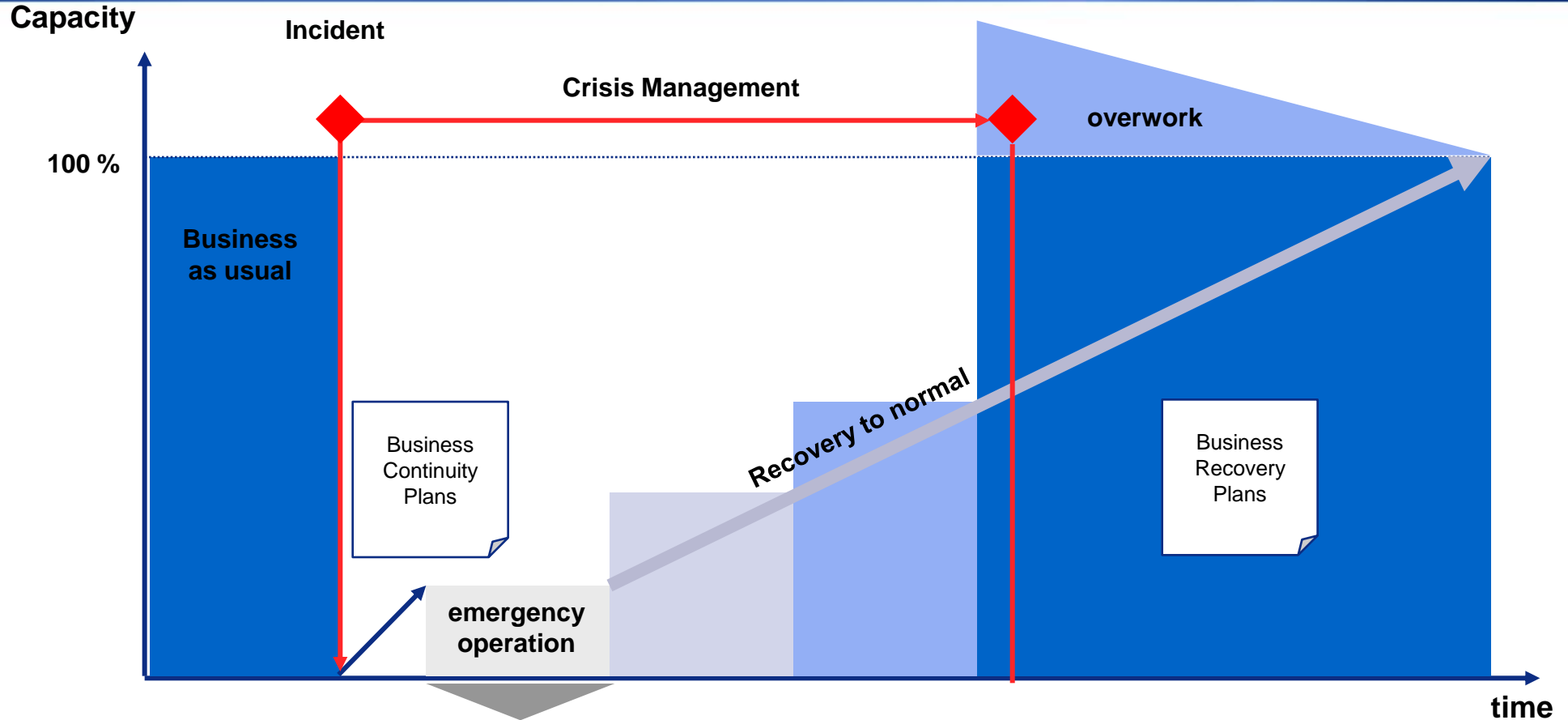
Phase	Activities
Design of method for the impact assessments	<ul style="list-style-type: none"> <li>Define the methods for conducting the BIA (Workshops, Interviews, Questionnaires, Combination of methods)</li> <li>Identify methods and tools to handle the data collected in the BIA (MS Office tools, Database, BIA-Tool, integrated BCM-Tool)</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>Plan for Interviews, Workshops</li> <li>Process Owner identified and informed about the project</li> <li>Tools for data gathering in place</li> </ul>

# The assessment of impacts is the most critical phase in the BIA for the quality of data and the awareness for BCM



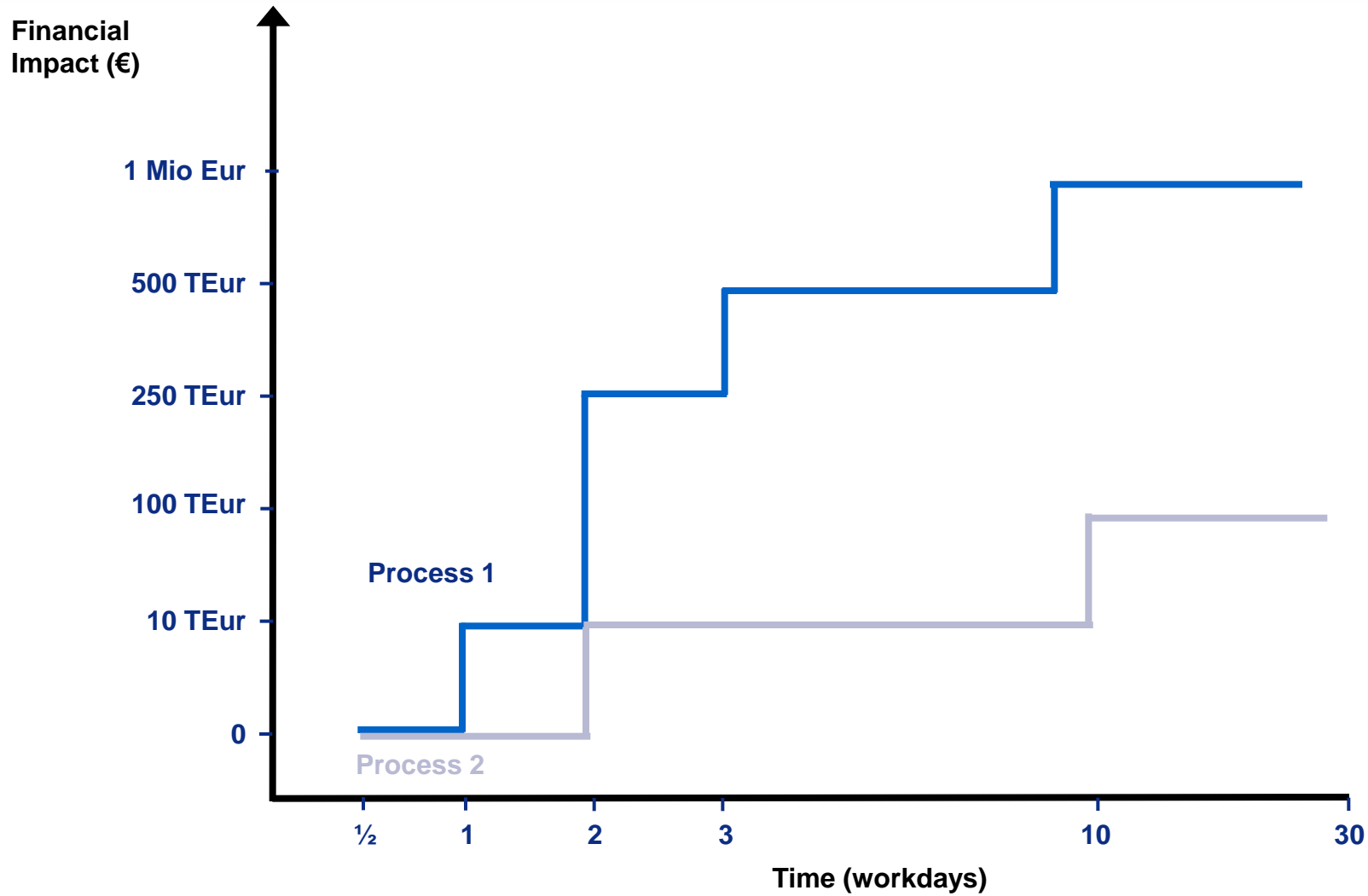
Phase	Activities
<b>Impact Assessment</b>	<ul style="list-style-type: none"> <li>• Conduct impact assessment for each activity in scope</li> </ul>
<b>Identification of Resources</b>	<ul style="list-style-type: none"> <li>• Identify recovery requirements for each activity over the time</li> <li>• Identify resources for the activities (personal, premises, IT, service providers, documents)</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>● Impact-Assessments for activities</li> <li>● Recovery requirements for activities</li> <li>● Resource requirements for activities</li> </ul>

Die BIA beinhaltet die Beschreibung eines ersten Notbetriebs für die kritischen Prozesse

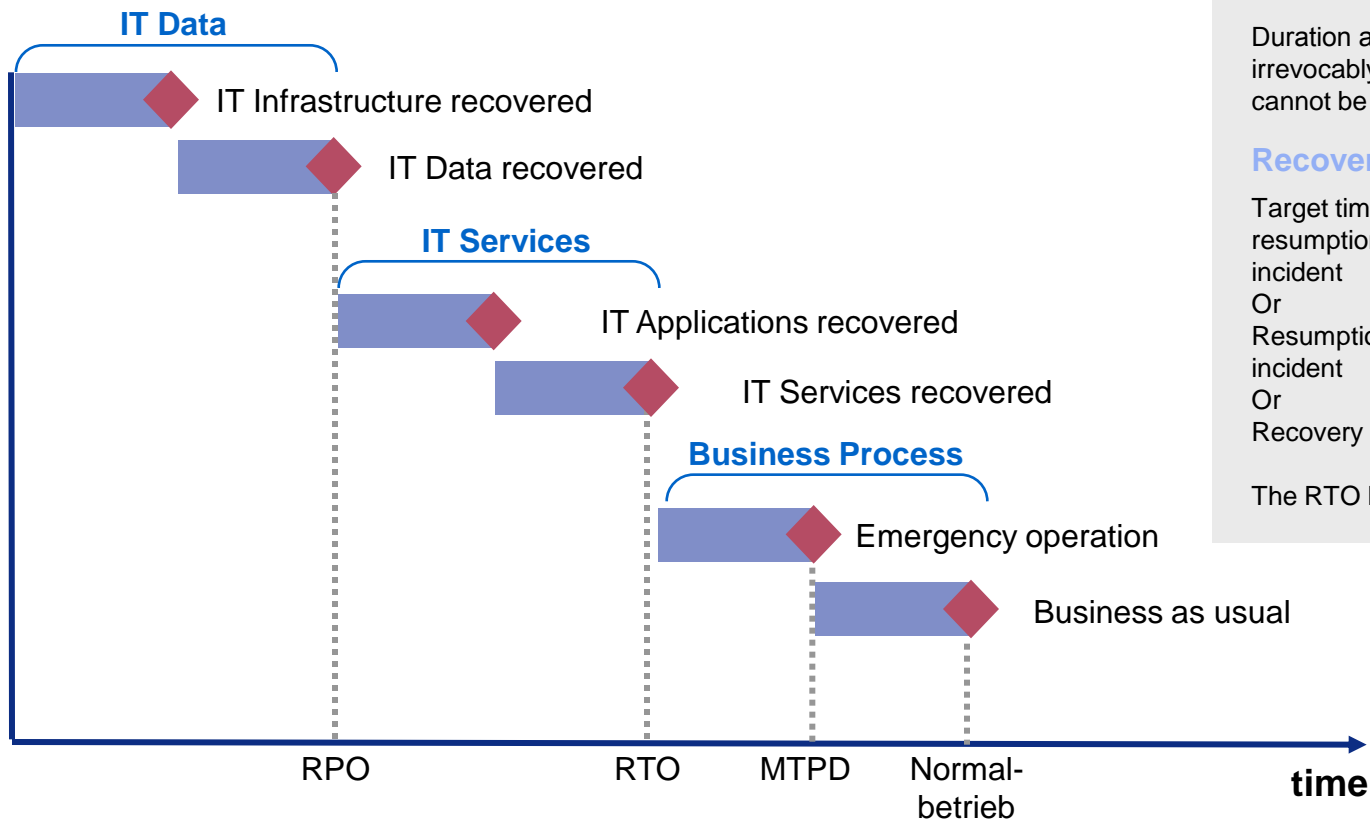


- Personal
- Premises
- IT
- Service Provider, supplier
- Documents

# Assessment of impacts over time for each activity and impact category



# Definition of MTPD and RTO by the Standard BS 25999



## Definitions according to BS 25999

### Maximum tolerable time of disruption (MTPD)

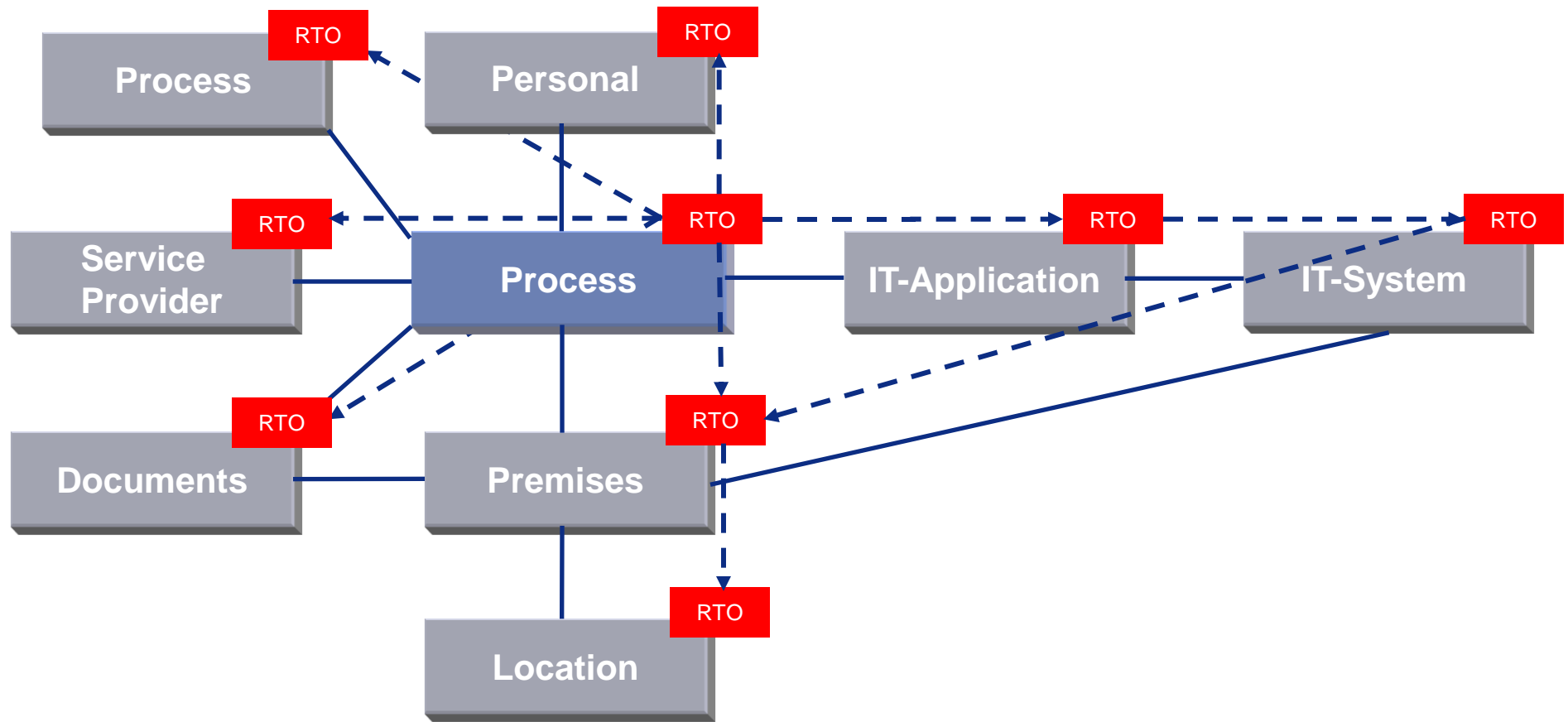
Duration after which an organization's viability will be irrevocably threatened if product and service delivery cannot be resumed

### Recovery time objective (RTO)

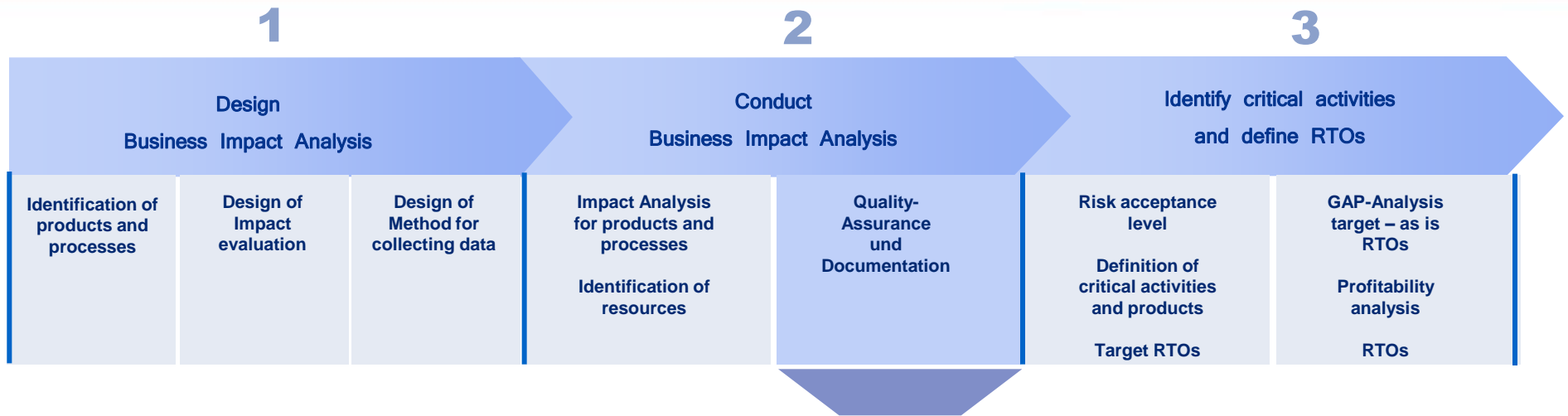
Target time set for resumption of product, service or activity delivery after an incident  
Or  
Resumption of performance of an activity after an incident  
Or  
Recovery of an IT system or application after an incident

The RTO has to be less than MTPD

The criticality (RTO) of the process is passed to the resources of the proces



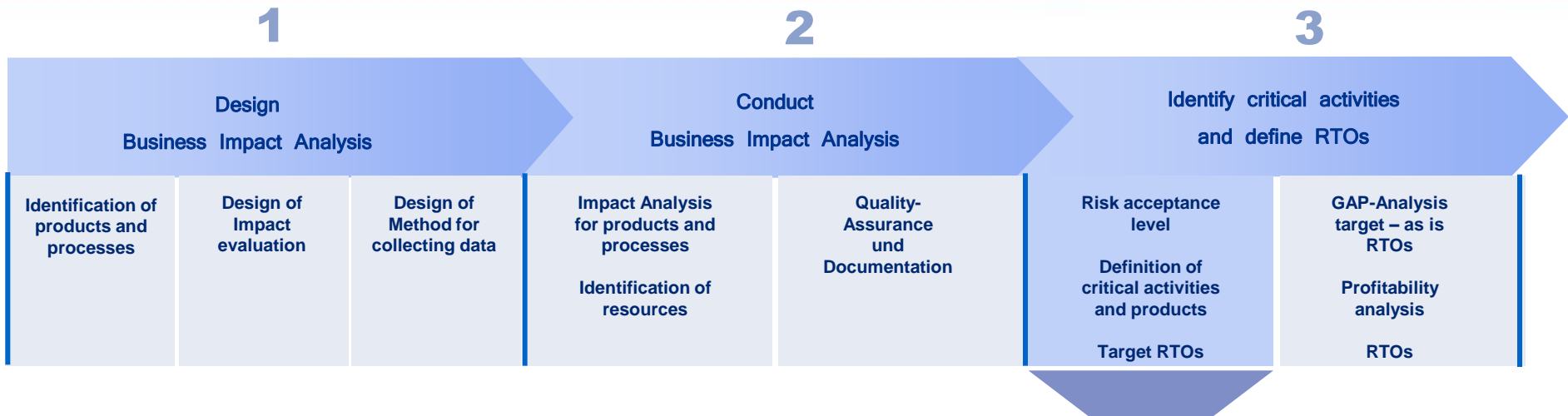
Quality assurance of the BIA assessment results ensures overall consistency of the data



Phase	Activities
Quality assurance	<ul style="list-style-type: none"> <li>• Consistency Check of of impacts assessments (cross-checks)</li> </ul>
Documentation and Data Analysis	<ul style="list-style-type: none"> <li>• Consistency Check of resources related to activities</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>• Quality checked BIA assessements and resource relations</li> </ul>



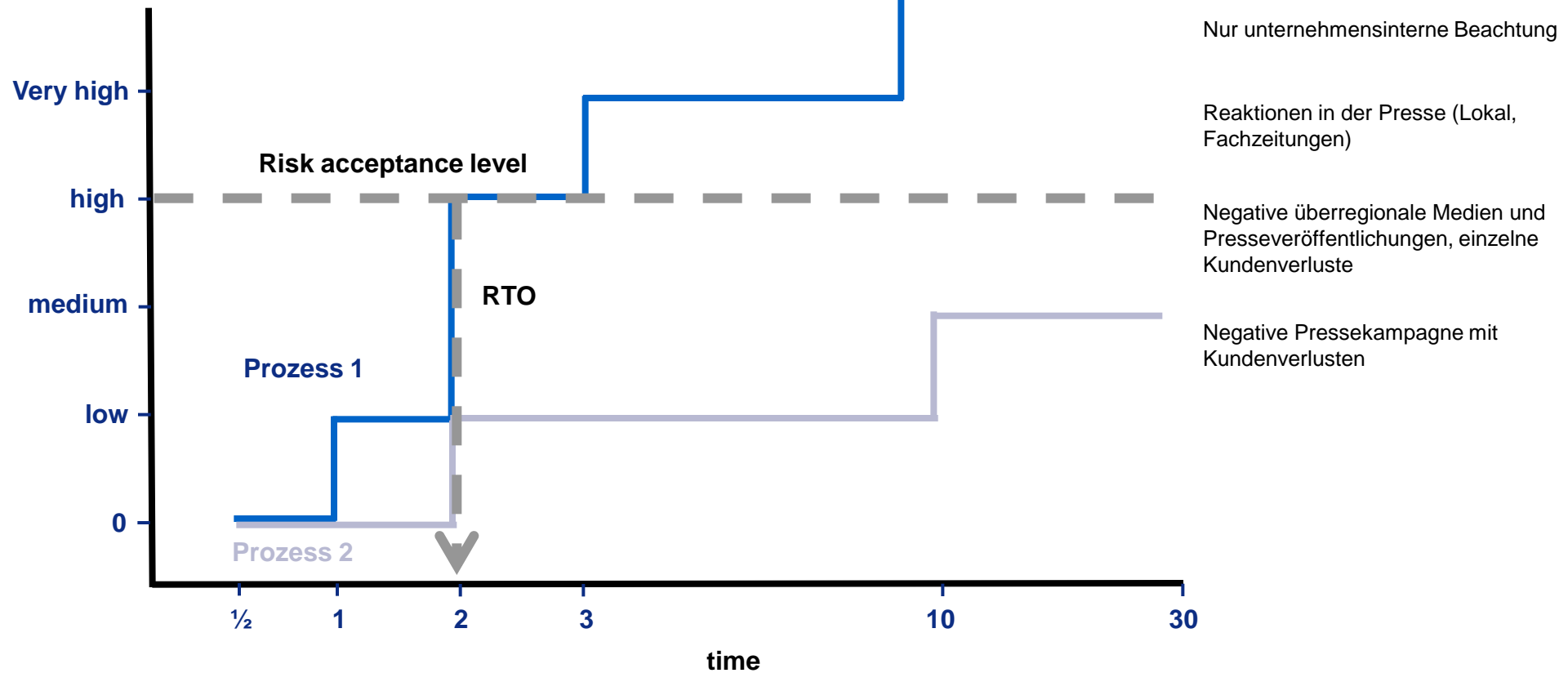
## The risk acceptance level is defined by the top-management



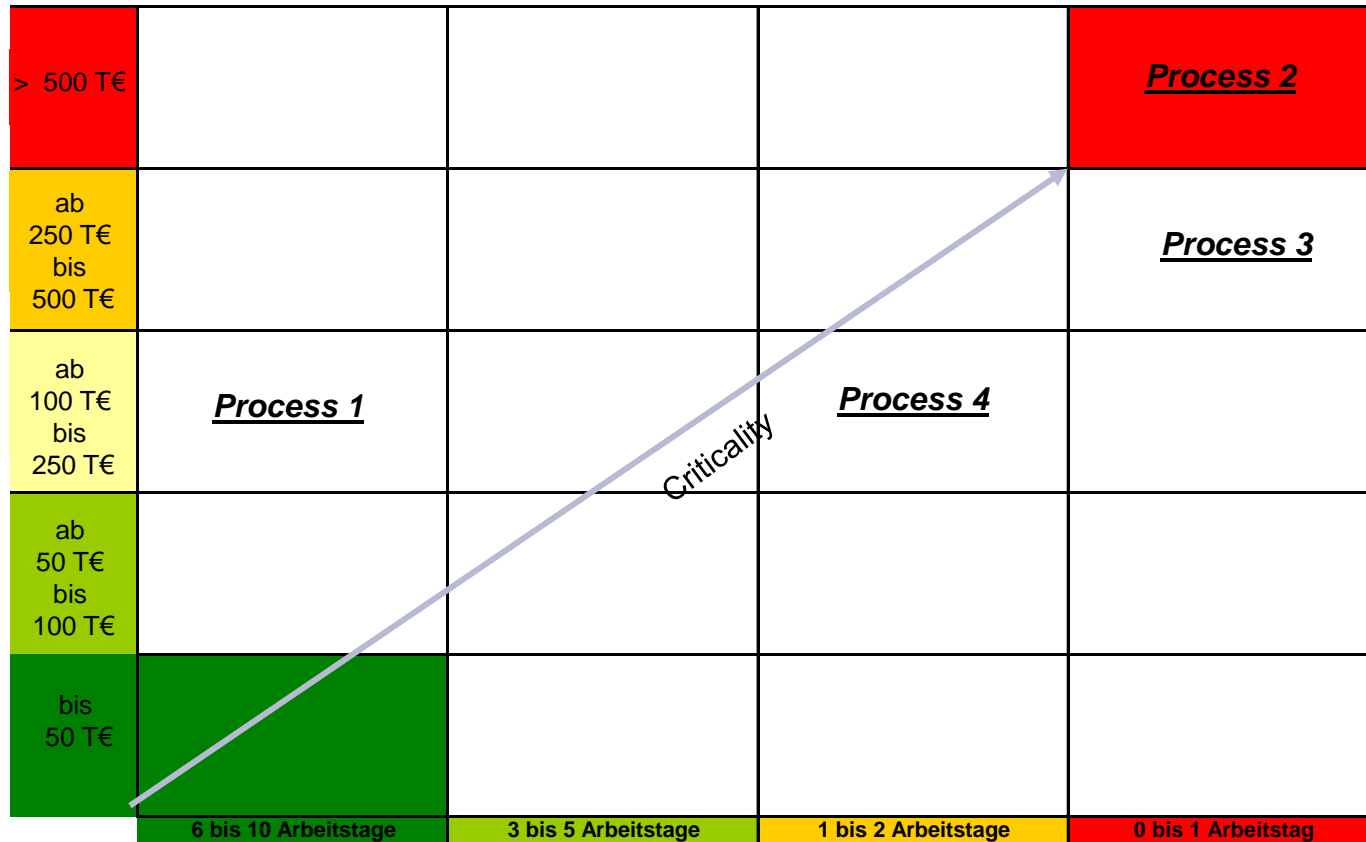
Phase	Activities
Definition of risk acceptance level	<ul style="list-style-type: none"> <li>• Risk acceptance level is defines by the top management of the organization</li> <li>• The risk acceptance level is defined for each impact category and might differ between organizational units</li> </ul>
Definition of critical activities	<ul style="list-style-type: none"> <li>• Single prcesses might be defined as „critical“ by management decision</li> </ul>
Target RTO s	<ul style="list-style-type: none"> <li>• Target RTO s for critical activities are defined</li> </ul> <p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>● Activities definad as „critical“</li> <li>● RTO for each critical activity</li> <li>● Critical resources with RTO s</li> </ul>

# RTO is derived by impact and risk acceptance level

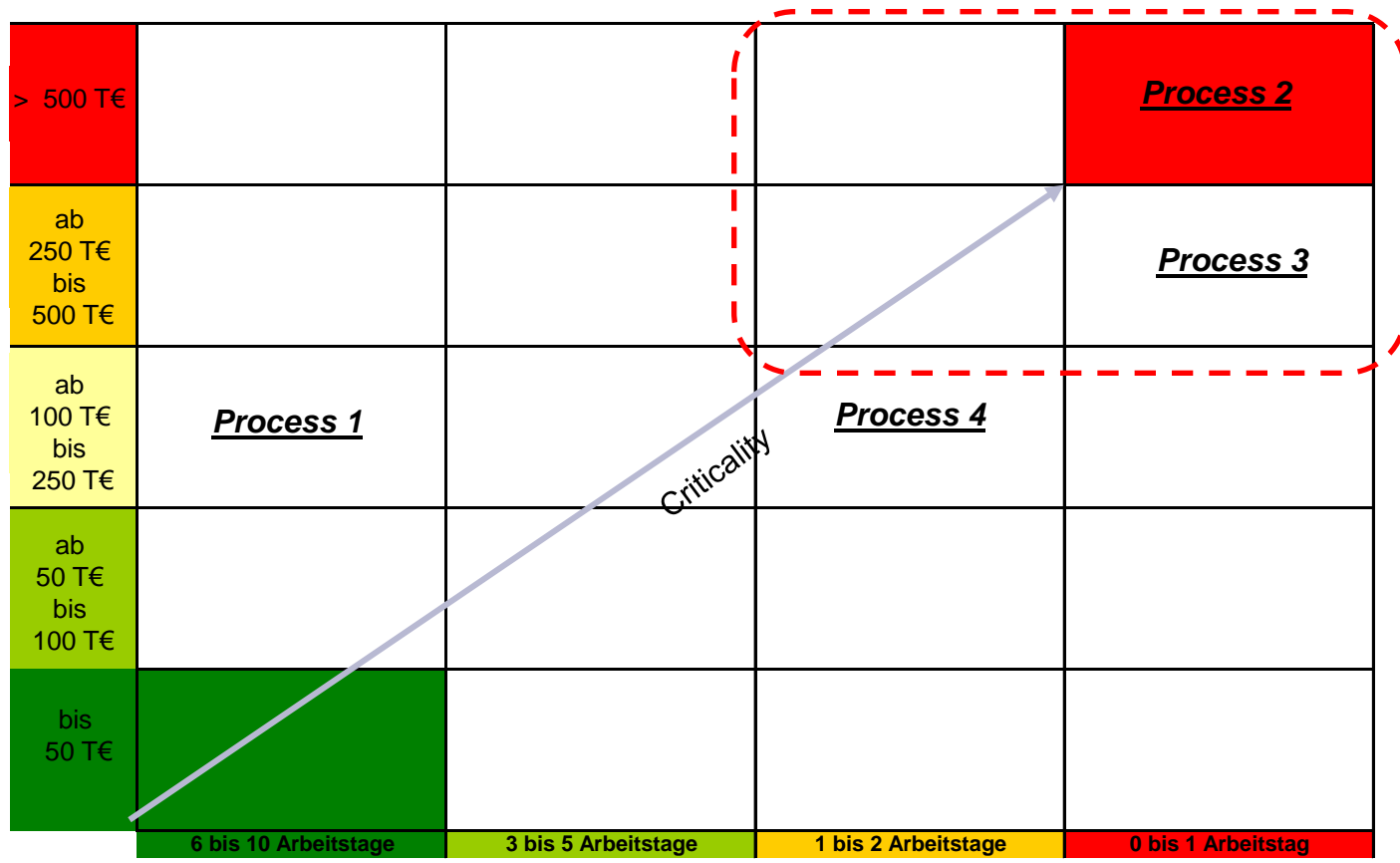
Damage to reputation



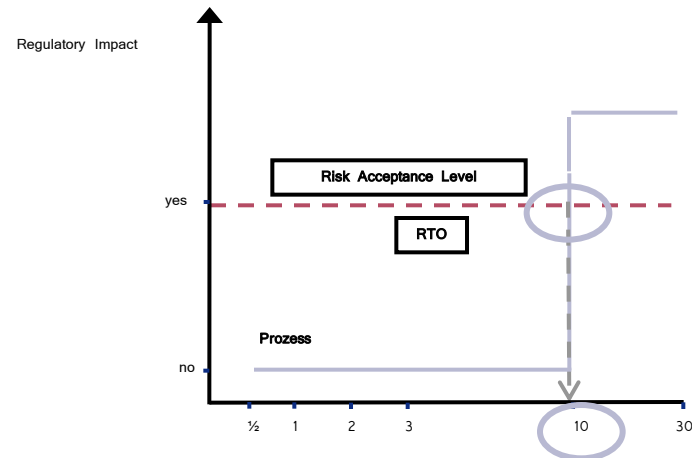
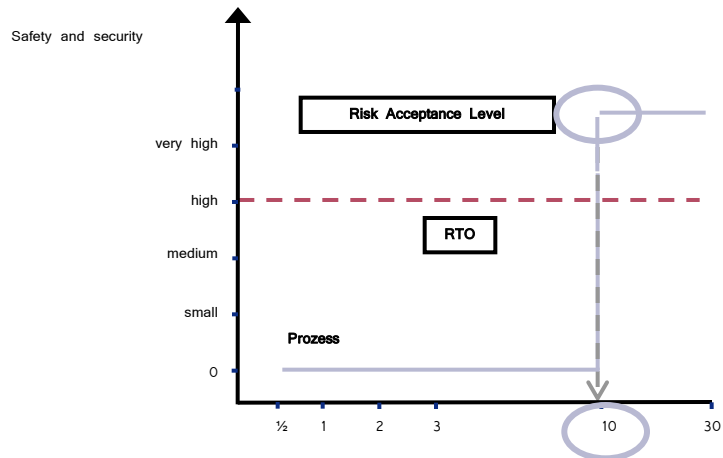
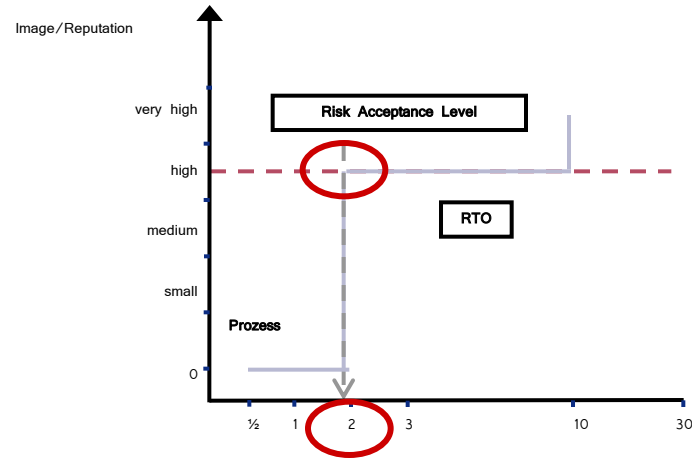
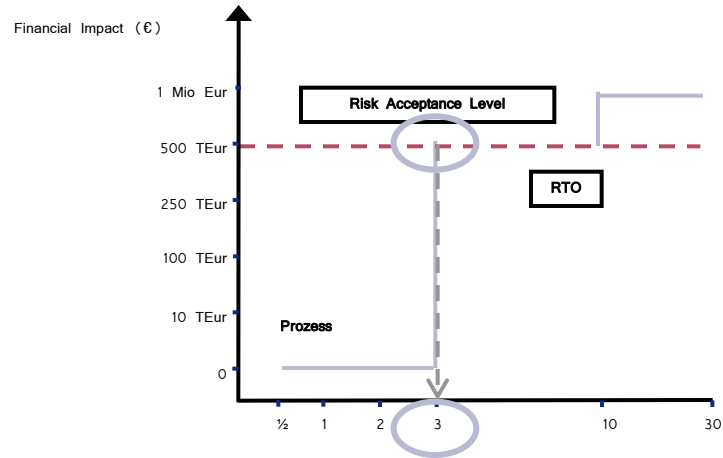
Portfolioview of processes based on the maximum impacts in the shortest time period



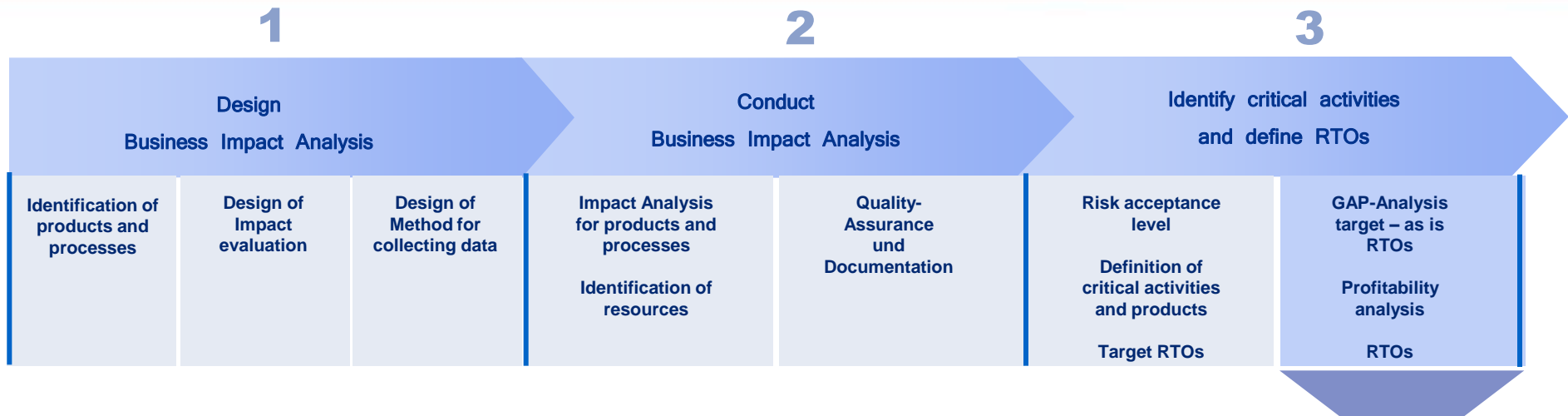
# Definition of risk acceptance in a portfolio view of the processes



# Risk acceptance levels are defined for each impact category



Gap-Analysis between Target-RTO s from BIA and actual RTO s is the basis for the cost-benefit analysis



Phase	Activities
Gap-Analysis	<ul style="list-style-type: none"> <li>Identify as is RTO s for resources</li> </ul>
Cost-benefit analysis	<ul style="list-style-type: none"> <li>Gap Analysis target RTO s and as-is RTO s</li> </ul>
Definition of RTO	<ul style="list-style-type: none"> <li>Cost-benefit analysis for each gap</li> </ul>
Actions needed	<ul style="list-style-type: none"> <li>Decision for actions to close gaps</li> </ul>
	<p><b>Deliverables:</b></p> <ul style="list-style-type: none"> <li>Defined RTO's</li> <li>Actions to be taken to achieve RTO s</li> </ul>

## References

bci Good Practice Guidelines 2008-2 Section 2: Understanding the organization	The Business Continuity Institute <a href="http://www.thebci.org">www.thebci.org</a>
BS 25999-1:2006 Code of Practice	British Standard <a href="http://www.bsi-global.com/en/Standards-and-Publications/Industry-Sectors/Risk/Business-continuity/">http://www.bsi-global.com/en/Standards-and-Publications/Industry-Sectors/Risk/Business-continuity/</a>
BS 25999-2:2007 Specification	British Standard <a href="http://www.bsi-global.com/en/Shop/Publication-Detail/?pid=00000000030169700">http://www.bsi-global.com/en/Shop/Publication-Detail/?pid=00000000030169700</a>

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# Matthias Hämmerle, MBCI

## Matthias Hämmerle MBCI

[mhaemmerle@bcm-news.de](mailto:mhaemmerle@bcm-news.de)  
[www.bcm-news.de](http://www.bcm-news.de)

Tel. 49 (6007) 918100  
Mobile 49 (173) 576 4211

