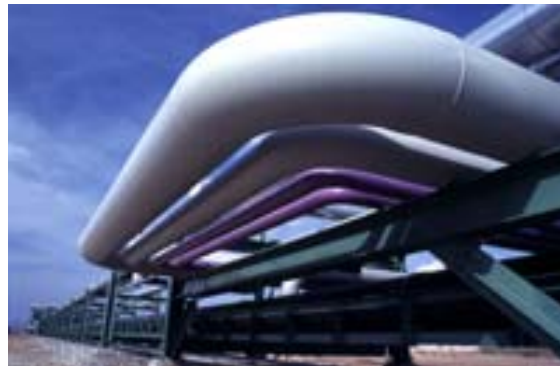


Five Steps to Enhanced Business Continuity

for:

Washington DC ACP
June 10, 2010



About Control Risks



Since 1975 we have worked in over 130 countries for more than 5,500 clients, including 93 of the US Fortune 100



Employee-owned with over 1,500 employees and 27 offices worldwide

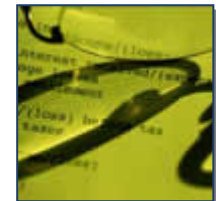


National and multinational clients in a wide variety of industrial and service sectors, governments and NGO's

Information & Analysis



Investigations



Business Resilience & Security



About Control Risks



Brian Kaye, CBCP

Vice President & National Practice Lead
Crisis & Resilience Consulting
Control Risks, North America



- Public and private sector experience
- Global BC working group oversight
- Multi-disciplinary risk management team



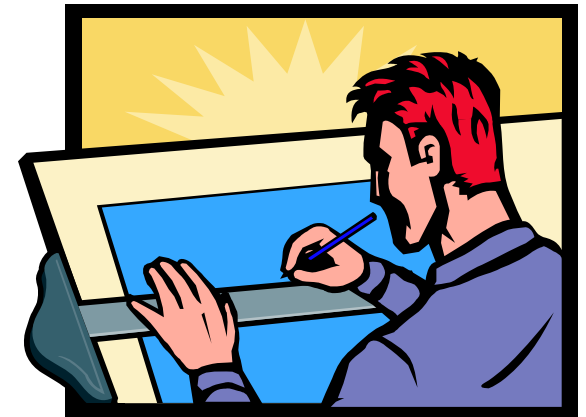
- “BC in context within the larger organization”



Business Continuity

Today's Agenda: 5 Steps to Enhance BC Today!

- Review Executive Sponsorship
- Align BC Program with Pandemic Preparedness
- Lead a “Relevance Test”
- Contribute to the PS-Prep Process
- Consider the Future



Business Continuity – Step #1

1. Executive Sponsorship

Observation 1: Recent events have repositioned preparedness vis-a-vis both short and long-term aims of the firm.

- External factors related to economic conditions (suppliers)
- Internal factors related to economic conditions (risk tolerance, ops)
- Pandemic influenza
- Evolving regulatory environment

(Anecdotal) Observation 2: Most of the major, fresh program development efforts in the last six months have been led by executive sponsors with no prior experience in business resilience programs.

Executive Sponsorship

Key Points: “Making Contact” with a New Ally:

- Use the language of your organization’s executive management team
- “Abandon” the organizational chart and think products and services
- Articulate value beyond plan documentation
- Create metrics that align to strategic aims – not the program itself
- Encourage feedback...and action it!

Business Continuity – Step #2

2. Align BC Effort with Pandemic Preparedness

Three Core Competencies in Well-Prepared Firms:

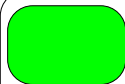
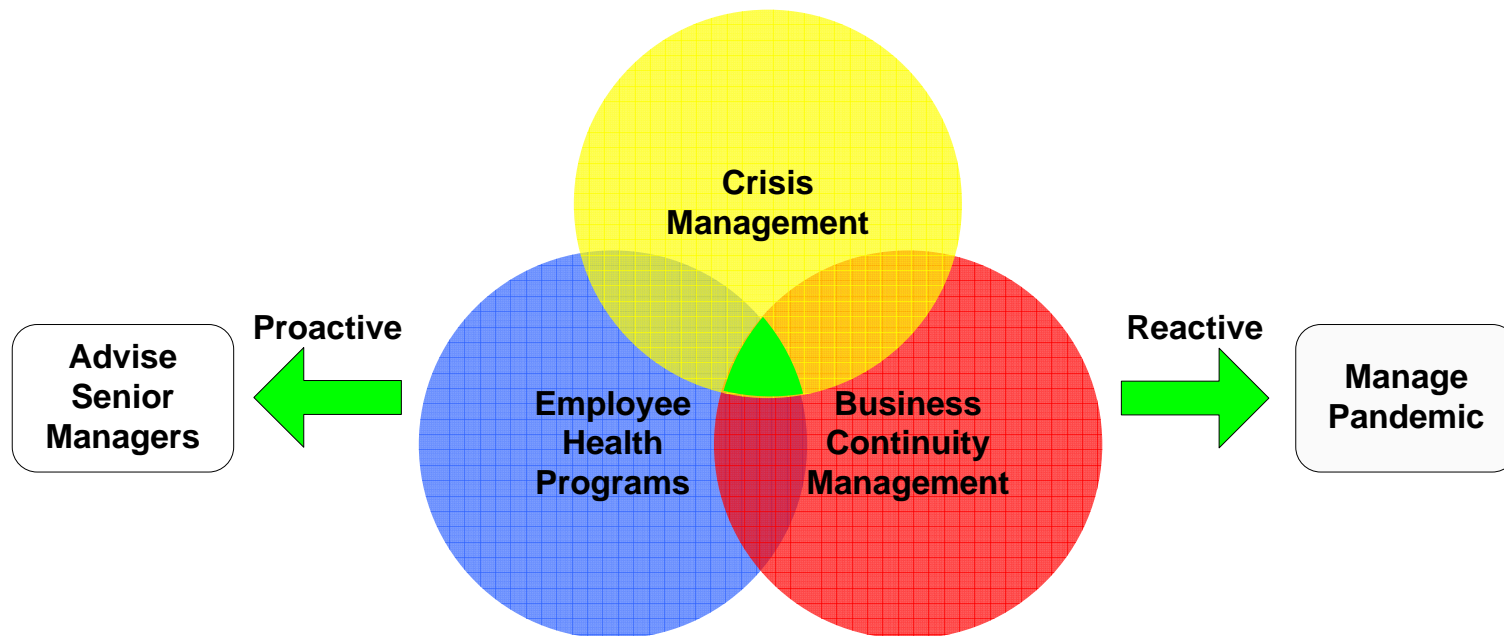
1. Crisis Management & Communications
2. Employee Health Considerations
3. Business Continuity Planning

And a key *fourth* factor:

- Shared governance:
 - Streamlines incoming information, budgets, and risk appetites
 - Mitigates the descent into silos

Preparedness Planning – An Integrated Model

Comprehensive Pandemic Preparedness A Sample Approach



Center Section = Shared:

1. Program Governance
2. Preparedness Requirements
3. Centralized Authority
4. Surveillance & Risk Assessment

Business Continuity – Step #3

3. Lead a “Relevance Test”

Observation: The last 12 months have seen widespread reductions in BC programs (budgets & headcount).

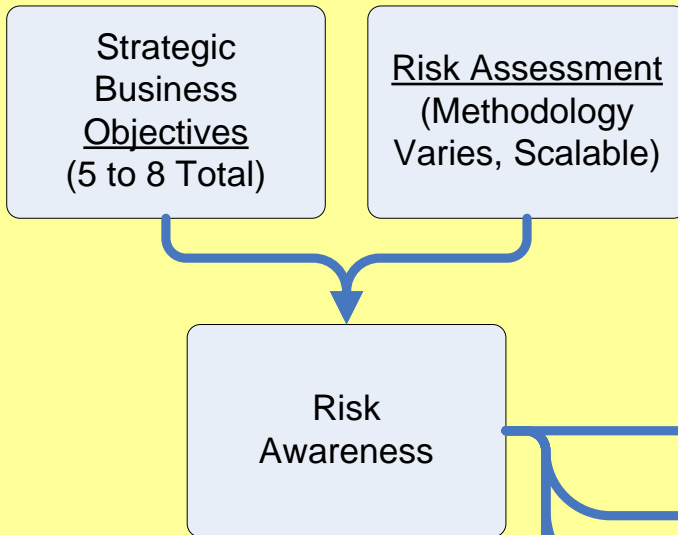
Q: Why is this happening in an environment of increased need for resilience solutions? And why have some programs thrived?

A: At the aggregate level of the profession, we bear some responsibility for the current situation:

- Accepting some risks as in-scope and not others
- Inability to demonstrate ‘radical relevance’
- Winning programs are inextricably tied to core strategic aims

Relevancy Testing

Phase I: Business Risk



Phase II: Business Resilience

General Comments:

- Programmatic, discrete scope of work
- Can be pursued singly or in combination

-
- Crisis Management
 - Bus Continuity Mgmt
 - Crisis Communications
 - Pandemic Preparedness
 - Scenario-Specific Plans
 - Information Assurance

Relevancy Testing

Conducting a “Relevance Test”

- Workshop format
- Steering Committee participation PLUS
- Map current program to core, strategic aims
- Examine real capabilities
- Solicit feedback and action it
- Keep your “relevance map” handy!

Business Continuity – Step #4

4. Participate in the PS-Prep Process

PS-Prep Process (Background):

- 9/11 Commission Recommendation
- Mandated by Public Law 110-53 (Title IX)
- Select One or More Standards to Enable Certification
- Does Not Enable or Call for the Creation of a New Standard
- Voluntary
- Supports Nationwide Resilience

PS-Prep

- Standards to include:
 - disaster management
 - emergency management; and
 - business continuity programs
- DHS criteria:
 - a “...common set of criteria for preparedness, disaster management, emergency management, and business continuity programs....”
- Proposed selections
 - NFPA 1600
 - BS 25999-2
 - ASIS SPC.1-2009
- Subject to public comment
- List can be expanded, if program administrators deem qualified

PS-Prep

Expected Process (Similar to BS25999):

1. Prepare based on auditable criteria
2. Establish a scope of certification through an application process
3. Participate in a multi-staged assessment process
 - Design audit
 - Functional / operational audit
4. Address non-conformities
5. Achieve certification
6. On-going surveillance audits throughout the certification period

Business Continuity – Step #5

5. Consider the Future

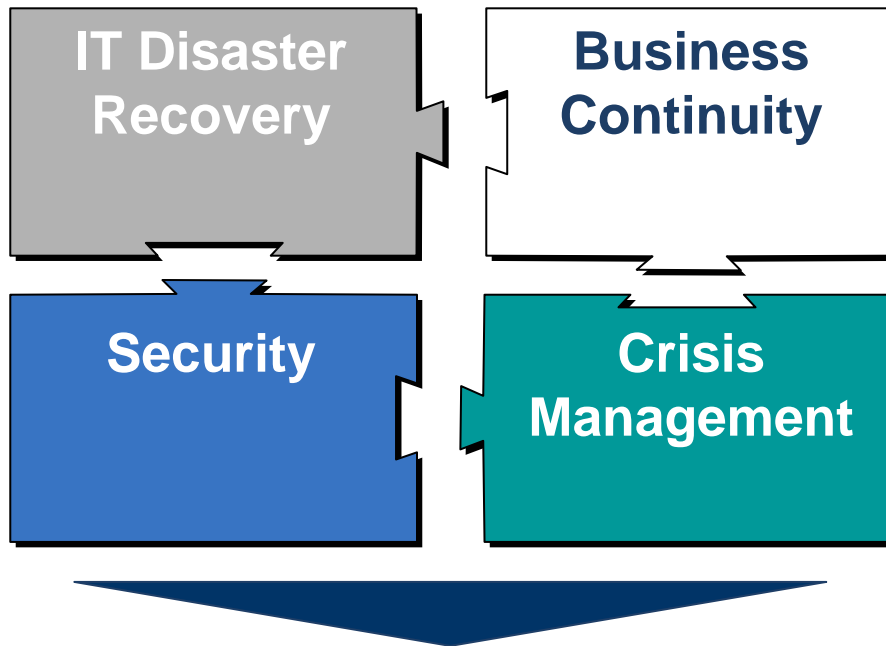
So much to safeguard:

1. Essential workers
2. Essential products, services & functions
3. Essential systems, assets & equipment
4. Essential materials & supplies
5. Essential interdependencies
6. Regulatory issues
7. Reputation and goodwill
8. And more...



Business Continuity

The Future?: Globalizing Business Continuity



Have focused silos helped us?

An Additional Layer to Risk Management Planning?



Business Continuity

Conclusion
&
Questions

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PS-Prep – Proposed Standards

- NFPA 1600- Standard on Disaster / Emergency Management and Business Continuity Programs, 2007 Edition
 - Establishes a common set of criteria for preparedness, disaster management, emergency management, and business continuity
 - Specifies the management and essential elements of a preparedness program for disaster management, emergency management, and business continuity
 - **Strength:** Flexibly focuses on planning and preparation in anticipation of a disaster without demanding one specific program development process

PS-Prep – Proposed Standards

- BS25999 - Business Continuity Management
 - Two parts: Part 1 dated 2006 (Code of Practice), and Part 2 dated 2007 (Specification)
 - **Strength:** Management systems approach to business continuity and enables the integration of other risk management disciplines, processes standards and regulatory requirements
- ASIS SPC.1-2009 Organizational Resilience: Security Preparedness & Continuity Management Systems – Requirements with Guidance for Use
 - Defines requirements for a management systems approach to organizational resilience unifying risk management in a Plan-Do-Check-Act approach consistent with ASO management systems standards
 - **Strength:** Applies a management systems approach to organizational resilience (emphasizing risk mitigation)