

Business Continuity Planning

Preparing for a Disaster

**CESSE Mid-Winter Meeting
Phoenix, AZ
February 27, 2004**

**Bob Mellinger
President
Attainium Corp**

“Everyone has a plan
until they get hit with a punch.”

Mike Tyson



Here's what we'll cover...

- ▲ The Basics of Emergency Management
- ▲ Threats & Hazards
- ▲ The Planning Process
- ▲ Getting Started
- ▲ Q & A
- ▲ Hot Topics
- ▲ Resources



Emergency Management

Preparation

- ▲ Activities performed in advance to reduce potential loss or damage

Mitigation

- ▲ Activities aimed at eliminating or reducing the impact of disruptions.

Response

- ▲ Activities occurring during or immediately following a disruptive event.

Recovery

- ▲ Activities taken to return systems to "new" normal.

Types of Plans

- ▲ Evacuation
- ▲ Emergency Response
- ▲ Disaster Recovery
- ▲ Business Resumption
- ▲ Crisis Communications
- ▲ Testing, Training and Exercising
- ▲ Maintenance

Inside The Numbers

- ▲ **25**: Percent of daily revenue lost by a company in the first six days of a disaster
– *University of Texas-Arlington Disaster Study.*

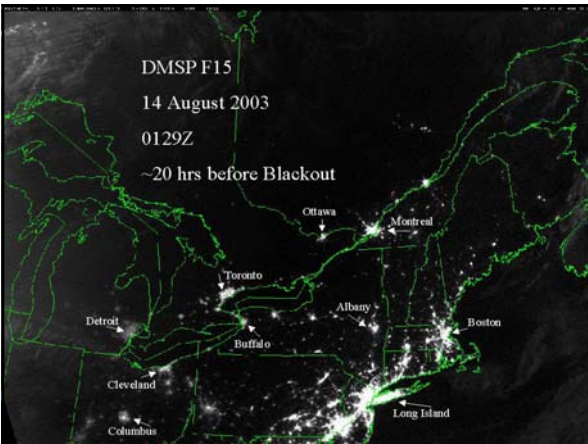
- ▲ **68**: Percentage of business that never reopen after losing their computers
– *Beyond Computing.*

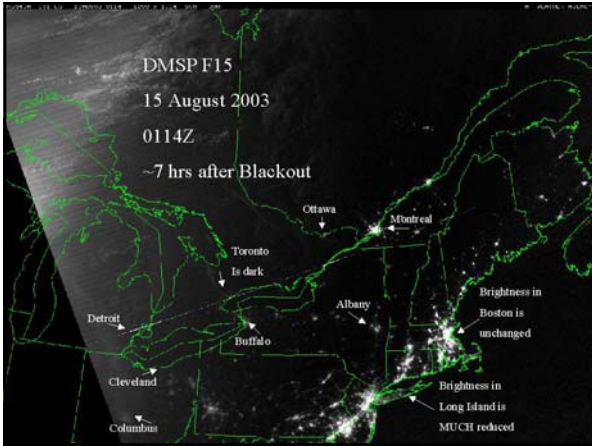
Threats & Hazards



Blackout – August 14, 2003







Threats & Hazards

- ▲ Natural
- ▲ Accidental / Technological
- ▲ Man-made / Human-caused

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Natural

<ul style="list-style-type: none"> ▲ Hurricane / Typhoon ▲ Tropical Storm ▲ Earthquake ▲ Floods ▲ Tornado ▲ Winter storm ▲ Hailstorm ▲ Landslide 	<ul style="list-style-type: none"> ▲ Avalanche ▲ Wild land Fire ▲ Volcanic Eruption ▲ Solar Storm ▲ Drought ▲ Wind storm ▲ Tsunami ▲ Epidemic
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Accidental or Technological

- ▲ Cyber outages
- ▲ IT System Crashes
- ▲ Supply Chain Failure
- ▲ Hazardous materials
 - ✓ Stationary source
 - ✓ Transportation
- ▲ Major Fire
- ▲ Building collapse
- ▲ Dam failure
- ▲ Infrastructure
 - ✓ Communications
 - ✓ Sewer
 - ✓ Water
 - ✓ Power
- ▲ Transportation
 - ✓ Air
 - ✓ Highway
 - ✓ Pipeline
 - ✓ Rail
 - ✓ Water

Man-made

- ▲ Bomb incident
- ▲ Civil Disorder
- ▲ Extortion
- ▲ Arson
- ▲ Funds missing
- ▲ Kidnapping
- ▲ Protests
- ▲ Contamination
 - ✓ Chemical, Biological or Radiological
- ▲ Cyber attack
- ▲ Deliberate Disruption to Basic Infrastructure
 - ✓ Communications
 - ✓ Sewer
 - ✓ Water
 - ✓ Power
 - ✓ Transportation
- ▲ Chemical, Biological or Radiological Attack
- ▲ Epidemic

Man-made

Federal, State, Local and Foreign

- ▲ Regulatory
- ▲ Legislative

Question?

What one natural disaster does the Metropolitan DC area NOT have to plan for?

VOLCANOES

The Planning Process

“While preparing for a crisis, it is instructive to recall that Noah started building the ark BEFORE it began to rain.”

*Norman R. Augustine
in the Harvard Business Review*

The Planning Process

1. Project Initiation
2. Risk Assessment
3. Business Impact Analysis
4. Emergency Response
5. Recovery Strategies
6. Formal Plan Development
7. Training & Awareness
8. Exercising the Plan
9. Keeping the Plan Current

1. Project Initiation

- ▲ Disaster Recovery vs. Business Continuity
- ▲ Commitment of the Senior Leadership
- ▲ Goals and Objectives
- ▲ Scope, Cost and Management
- ▲ Project Team

2. Risk Assessment

- ▲ Identify Threats and Hazards
- ▲ Determine the probability

3. Business Impact Analysis

- ▲ Key Business Functions
- ▲ Processes that support these Functions
- ▲ Infrastructure that supports the Processes

- ▲ Develop Recovery Time Objectives

- ▲ Determine weak links and critical paths

4. Emergency Response

- ▲ Should a disaster occur, what will you do?
 - ✓ Preserve life and personal safety
 - ✓ Evacuation or shelter in place
 - ✓ Communication

- ▲ Emergency Response Team (ERT)
- ▲ Response differs from Recovery

5. Recovery Strategies

- ▲ How do you get back in business?
- ▲ What is your "New Normal"?
- ▲ Based on Impact Analysis...

6. Formal Plan Development

- ▲ Write it all down
- ▲ Layout should be easy to use
- ▲ Include plans for:
 - ✓ Before an event
 - ✓ How an event could be prevented
 - ✓ Response to an event
 - ✓ Recovery after the event

7. Training & Awareness

- ▲ Make ALL stakeholders aware of the plan
- ▲ Include as part of new staff orientation
- ▲ Frequently refresh staff's knowledge

- ▲ Training & Awareness should be continuous
- ▲ Make participation mandatory

- ▲ Provide CPR, First Aid and other training

8. Exercising the Plan

- ▲ Table top and live exercises:
 - ✓ Develop participant skills
 - ✓ Increase Awareness
 - ✓ Locate problems and issues with the plan

Why Exercise?

- ▲ Validation
 - ✓ Response capability
 - ✓ Existing plans and procedures
- ▲ Team Building
- ▲ Evaluation of performance
- ▲ Improves decision making & communication
- ▲ Uncovers areas in need of improvement
- ▲ Regulatory, environmental & legal obligations
- ▲ Demonstrates a commitment to preparedness


9. Keeping the Plan Current

- ▲ A living document
- ▲ Keep it up to date
 - ✓ Human Resources
 - ✓ Information Technology
 - ✓ Facilities and Security
 - ✓ Contacts – internal and external
- ▲ Chain of Command
 - ✓ Emergency Response Team
 - ✓ Crisis Management Team

The Planning Process


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Getting Started



“Next week
there can’t be any crisis.
My schedule is already full.”


*Henry Kissinger
while Secretary of State*



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Getting Started

- ▲ Define your key business processes
- ▲ Determine the levels of risk you’ll accept
- ▲ Decide what disruptions concern you most
- ▲ Assess your vulnerability
(risk, impact & probability of occurrence)
- ▲ Develop a formal, written plan
- ▲ Exercise & maintain the plan → regularly
- ▲ Educate, enlighten, and involve your staff



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Getting Started

Key Business Functions

- ▲ Delivery of products and services
- ▲ Critical IT and non-IT systems
- ▲ Customer services
- ▲ Communications
- ▲ Facilities
- ▲ Financial & Banking Systems

Getting Started

Collect available information like:

- ▲ Org chart - key personnel, major areas of responsibility, contact info.
- ▲ List of key products and services, channels for purchase and delivery, delivery time frames for each
- ▲ Emergency contact information for staff, customers and key suppliers
- ▲ Vital documents
- ▲ Insurance coverage

Getting Started

▲ **Technology Plans**

- ✓ backup AND recovery procedures
- ✓ technology support services
- ✓ other redundant / contracted capabilities
- ✓ facilities relocation options

▲ **Communication Plans**

- ✓ how to notify employees and customers of office closures, outages, etc.
- ✓ how will you deal with the media?

▲ **Chain of Command**

- ✓ Who's in charge if the "commander" is not available?

I've got my duck taped, now what?




Questions

“If you can keep your head when all about you are losing theirs, it’s just possible you haven’t grasped the situation.”


Jean Kerr, Humorist

What's Hot !!!



What's Hot !!!


- ▲ Ricin
- ▲ Workplace Violence



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Ricin

- ▲ Ricin is a poison
- ▲ Made from waste left over from processing castor beans.
- ▲ It takes a deliberate act to make ricin and use it to poison people. Accidental exposure is unlikely
- ▲ Mist, powder or pellets
- ▲ Breathed, injected or swallowed
- ▲ A dose about the size of the head of a pin could kill an adult
- ▲ No known antidote exists
- ▲ <http://www.bt.cdc.gov/agent/ricin/facts.asp>



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Terrorism

▲ A story in *The Wall Street Journal* noted that during 2001, when more than 3,000 people died in the World Trade Center and Pentagon attacks, the average person was 12 times more likely to perish in a highway accident than by an act of terrorism.

Workplace Violence

▲ An estimated \$36 billion annually is associated with workplace violence

-- *Pinkerton Consulting & Investigations*

Workplace Violence

Myth #1: It Can't Happen Here.

Myth #2: It Can't Be Prevented.

-- *Workplace Violence Headquarters*

Warning Signs

- ▲ excessive tardiness or absences
- ▲ increased need for supervision
- ▲ reduced productivity
- ▲ inconsistency
- ▲ strained workplace relationships
- ▲ inability to concentrate
- ▲ violation of workplace safety procedures
- ▲ changes in health or hygiene
- ▲ sustained change in behavior
- ▲ fascination with weapons
- ▲ substance abuse
- ▲ stress
- ▲ excuses and blaming
- ▲ depression

Resources

“Chance favors
the prepared mind.”

Louis Pasteur

Disaster Recovery Plan Outline

▲ Overview

- ✓ Objectives
- ✓ Strategy
- ✓ Assumptions

▲ Incident Response

- ✓ Disaster Declaration Procedures
- ✓ Crisis Management Team
- ✓ Notification Procedures
- ✓ Evacuation Procedures
- ✓ Emergency Telephone Numbers

Disaster Recovery Plan Outline (2)

▲ Critical Tasks to Business Resumption

- ✓ Day 1
- ✓ Day 2
- ✓ Days 3 -7
- ✓ Week 2
- ✓ Week 3
- ✓ Weeks 4 and beyond

Disaster Recovery Plan Outline (3)

▲ Plan Specifications

- ✓ Alternate Sites
- ✓ Hardware Requirements
- ✓ Software Requirements
- ✓ Office Equipment Inventory
- ✓ Vital Records Inventory
- ✓ Vendor Contacts
- ✓ Insurance Information
- ✓ Testing Procedures
- ✓ Training Procedures
- ✓ Maintenance Procedures
- ✓ Employee List(s)

▲ Appendices

- ✓ Floor plans
- ✓ Network diagrams
- ✓ Any other related documents

Resources

- ✓ American Red Cross
www.redcross.org
- ✓ Department of Homeland Security
www.whitehouse.gov/homeland/
- ✓ Federal Emergency Management Administration
www.fema.gov
- ✓ DRI International -- www.drii.org
- ✓ The Weather Channel -- www.weather.com
- ✓ Attainium Corp -- www.attainium.net

- ✓ Book: "Avoiding Disaster" by John Laye



"Preparation through education
is less costly than
learning through tragedy."

Max Mayfield
Director, National Hurricane Center



Thank You

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