

Executive Level Needs Assessment

Many organizations find it difficult to conceive an approach towards development of a Business Continuity Plan, however virtually every organization is in need of some form of plan to limit the impact of outages. These impacts can be defined in terms of negative operating results, shareholder discontent, legal and regulatory considerations, and most importantly degraded levels of customer service.

Exacerbating organizational perceptions of contingency concerns may be a reduction in available resources resulting from consolidation of operations, and a general lack of contingency options and flexibility as a result of the elimination of redundancy of operational capability.

In the past organizations may have been able to rely on an intuitive approach toward implementing contingency arrangements. In most cases today the intuitive approach will no longer work due to a lack of an inherent infrastructure to support an effective reaction at the time of a disaster.

Rather than considering the development of a Business Continuity Plan (BCP) as a plan to approach recovery of individual critical portions of a business, the BCP should be developed as a strategic organizational operations plan. By addressing the issue on this basis the recovery produced by the plan will effectively protect your most valuable asset – your customer base.

With these precepts as a backdrop how does an organization's Management approach the process of identifying, and approaching the most pertinent and compelling issues that will drive the planning process?

- Address the easily understood business exposures?
- Rely on anecdotal evidence on criticality from within the organization?
- Past experiences with outages?

- Potentially disjointed approaches that may have been suggested by recovery industry service providers?
- Best attempts to define criticality and priority without an in-depth analysis?
- Use of risk evaluation and reduction measures designed to mitigate the potential for outages?

The most efficient way to start the organization on the right path is to conduct an Executive Level Needs Assessment that will allow management to identify the primary areas of concern, and properly prioritize the planning activities.

The following steps will provide a framework for a high level organizational review that will identify the most efficient approach towards planning for outages. These steps form the Needs Assessment process.

Define the Organization

There may be a tendency to omit the process of identifying all portions of the organization, and their functions with respect to criticality. On the contrary! In many cases the very reason for conducting a planning project is a “feeling” that all of an organization’s criticalities are not being addressed.

The best way to begin the process of determining the scope of needs is to define all of the components or segments of the organizations operations, how they operate on a normal basis, and how the organization utilizes each segment to produce its output whether that output is a product, or a service.

This analysis should define the following for each major segment of an organization:

- What is performed, and where is it performed?
- Who is it performed for?
- What is the output?
- How does it support the overall organization?

Analyze the Organization

The next step is to expand upon the operational aspects of each business segment. In doing so each operational segment should be challenged to view themselves in the context of the companies overall service goals.

- What is their specific output to internal and external customers?
- What input is needed for them to operate effectively?
- What outputs do they provide to other parts of the organization?
- Is there reliance upon outside suppliers or resources to support their operations?
- Where do critical interdependencies exist?
- Where are the process bottlenecks?
- What portion or portions of the technology infrastructure are critical to their operations?
- Are upcoming operational changes going to create additional exposures to impact?
- Can an interruption be quantified in terms of shutdown impact?
- What critical resources are needed to accomplish their goals (technology, equipment, utilities, raw materials, critical components, etc.)

Identify Criticality

Once the organizational analysis is underway the concept of criticality can begin to be considered. As a starting point management should establish boundary conditions that define the degree of criticality of a function. For example, the following designations could be used when evaluating criticality.

- Having a wide reaching or geometric impact if lost.
- Critical to supporting the basic operation of the business.
- Necessary to maintaining the overall normal operations, and customer service levels of the organization.
- Needed to support the value added service levels of normal operations, but acceptable to suspend for a defined limited period of time.
- Acceptable to suspend without major impact for a defined, extended period of time.

- Acceptable to suspend for the duration of an emergency operations period without major impact.

To accomplish a degree of quantification of outages each segment of the organization should be challenged to briefly identify the impact of a shutdown of specific duration e.g. 1 day, 5 days, 10 days, etc. While this may seem to be a lot of detail the commentary should attempt to identify a “global” view of impact. The goal of the process at this point is to begin to identify the most critical segments of the business, and the most compelling reasons why a segment of an operation needs to have a defined recovery strategy.

Consider Geometric Impact

While the goal of the assessment should be to determine the criticality of all functions and operations, specific attention should be focused upon functions which will cause impairment of multiple portions of an organization if lost, or curtailed. The importance of these multi user functions will dictate their being given priority attention in the planning process, and their recovery will result in the maximum return on the investment in planning.

As an organization begins to identify its vulnerabilities there will undoubtedly be difficult decisions surrounding prioritization of recovery. In all likelihood some degree of “must have” vs. “nice to have” will enter into the decision making process. Considering loss of functions that could cause a geometric impact provides an effective first step in the prioritization of functions or operations to be recovered.

Solidify Consensus

One of the most difficult aspects of the planning process is achieving an organizational consensus on recovery priorities. The proper prioritization of functions to be recovered will ultimately determine the most appropriate allocation of funding for alternative resources, and largely determine the sequence of recovery.

The Needs Assessment will allow the organizations management to make informed decisions on a concerted basis prior to starting the entire organization on a “witch hunt” for critical functions that involves a massive amount of data being analyzed.

By analyzing the studies findings at a senior management level, involving representatives from all portions of the organization, the proper focus on recovery priorities will be maintained. This focus will be understood by all those involved with the assessment process, and resolve questions or conflicts within the organization that revolve around the identification, and prioritization of recovery needs.

This consensus building approach differs significantly from the approach many organizations take towards planning.

Identify Existing Plans

Many companies feel that they have no contingency plans in place. This is very unlikely, and prior to embarking upon a far reaching planning program the organization must determine where plans exist. Plans may exist at an “intuitive” level, be a part of normal operations planning, or may even be formally documented.

Conversely, plans may have been developed to address recovery of an obviously critical function such as information technology in a financial institution environment. Having a limited plan for a specific albeit critical portion of a business should not be mistaken for having a comprehensive plan that deals with strategic recovery of operations.

The goals of this portion of the Needs Assessment should be to:

- Determine where plans exist
- Identify where plans are Intuitive vs. Documented
- Determine the recovery that will be produced by the plans and judge how effective this recovery will be in limiting impact

- Identify ways that existing plans can be made more effective in terms of supporting the organizations recovery, or where integration of individual plans is needed to produce a desired recovery result
- Determine where plans need to be developed

This activity is very valuable in determining where your company stands regarding recovery planning. It is very possible that plans already exist for the most critical areas of concern, and that refinement is all that is needed.

Formulate Approach

Having made a determination with regard to organizational criticality, functions that produce geometric impact if lost, and where plans already exist the Executive Steering Committee will be in a position to suggest a specific approach towards developing recovery plans for the most critical portions of the company.

Specific planning goals can be established, and the staffing of a Business Continuity Planning Steering Committee can be determined. The scope of the entire process can be agreed upon, and a specific project outline and schedule can be drafted along with timeframes and responsibilities for completion of project milestones.

Conclusions

By completing an Executive Level Needs Assessment an organization will efficiently determine their needs for planning. Conducting this level of analysis will allow the company to approach planning without “false starts” that can disillusion both Senior and Line Management.

Perhaps the most important by-product of the Assessment will be to achieve Senior Management consensus, and support for the planning process. Planning can be a daunting task when a complex organization is viewed monolithically as being exposed. By systematically reviewing who you are, what you do, customer service support requirements and criticality issues, and where plans already exist an organization will conceive the most efficient process, and approach towards developing effective strategies, and documented plans for recovery.