



## DOES YOUR BUSINESS CONTINUITY PLAN STAND UP TO DISASTER?

*By Jorgen Nielsen, a Director of Continuity SA*

The ongoing disasters in Japan, including earthquakes, a tsunami and a nuclear meltdown, have turned the attention of the Business Continuity Management industry to the third largest economy in the world.

Located on an active fault line, Japan has the capabilities developed from years of experience to deal with earthquakes, but the triple disaster caught it off guard, as it would any country. However, its well-tested continuity plans have enabled it to deal with the unexpected in a calm, rational manner.

Jorgen Nielsen, a director of ContinuitySA says that while there is a lot Business Continuity Management practitioners can learn from Japan, there are two lessons that particularly stand out.

### **Distance is vital**

There are large South African corporations that claim to have Business Continuity Management plans in place and can show a large budget dedicated to IT continuity and disaster recovery. The problem is, these backup solutions are located in the same building or at premises close by. "When you have disaster recovery sites and alternative locations for your technology and people, these sites need to be a significant distance apart," explains Nielsen. "In the case of any incident occurring that affects an entire suburb for an extended period; the business needs to ensure it is able to resume operations in a location that is not suffering the same problem."

He provides examples of many local companies that split their head office and administration between operational sites and a third-party disaster recovery site. Should the operational site be unable to operate, backup offices and redundant ICT systems are ready to take over and ensure the rest of the business's branches can operate as normal, some even with recovery operations being undertaken by the third-party staff.

"It's not only technology and buildings BCM needs to take into consideration," Nielsen adds. "People are crucial to the running of a company and there must be a mechanism in place to deal with injuries and general confusion in a disaster zone, as well as see that critical tasks are undertaken by alternative employees, or by staff from a third-party service provider. You can't chase staff members in the middle of a trauma back to their desks and expect them to perform."

### **Take a bigger picture**

As events in Japan have showed, when a disaster strikes, the media's and almost everyone's attention is focused on the spectacular, the horrifying and the human aspects of the event. And while the events are traumatic and disturbing, a bigger picture needs to be viewed to prevent further economic disasters.

Already we've seen markets thousands of kilometres away from the Japanese disaster falling and food exports from the affected area have been cancelled. Realistically, there will be more fallout of this nature over time. However, what if the disaster has a broader effect?

Consider the consequences of an economic collapse after a disaster. Up to hundreds of thousands of people could be rendered unemployed. To implement recovery processes effectively, businesses must operate, food must be grown, factories must produce and taxes are needed to rebuild the economy. If none of this happens, the roll-on effect would see the country's trade partners also negatively impacted because they can no longer buy from or sell to the affected country.

A Business Continuity plan therefore needs to look further than the immediate emergency, taking into account what will be required to get the business running as soon as possible and keep it and its dependants running and contributing to the economy for the long term. The failure of Business Continuity Management affects the company as well as a number of people who will experience personal disasters when operations cease.