

# SPOTLIGHT ON... BUSINESS CONTINUITY



## Brian Davey, Davey Continuity Limited

“Ask yourself... If faced with a loss event... how long would it take you to recover the situation and start servicing your customers again?” Brian Davey, founder of Davey Continuity Limited explains the importance of business continuity strategies.

**H**aving had a successful 20 year IT career, Brian Davey moved into operational risk in 1996. Over the last 17 years, 10 of these as a consultant, Brian has had real-world, hands-on experience of managing business continuity, information security, Data Protection Act compliance, fraud investigations and operational risk reporting (RCSA; a genuine “risk hybrid”).

“As a consultant I have covered most industry sectors and have travelled around the world to assist clients. To complement my experience I have a Masters degree in Security Management, a Postgraduate Diploma in information security, I am a member of the Business Continuity Institute (MBCI), a Certified Information Systems Security Professional (CISSP) and have lead auditor qualifications for both business continuity and information security.”

### Q What more can you tell us about your company?

I founded Davey Continuity in 2011 when I decided to go solo having been with another consultancy firm for 7 years. The goal is for Davey Continuity to become one of the top five firms in its field within the next 7 to 10 years. We aim to do this by providing peace of mind to senior management teams

through high quality, expert consultancy, auditing and training services covering both business continuity and information security.

### Q What is the importance of business continuity?

Let us set aside any legal, regulatory or contractual imperatives or auditor pressure to implement business continuity. Sadly these are often the only drivers and business continuity becomes no more than a box ticking exercise to please stakeholders.

The way I see it, any company directors who don't take business continuity seriously are managing risk by doing little more than crossing their fingers! In today's uncertain world it is folly to imagine that disruptive events will never occur.

However the finger crossers could in fact be correct, a major incident may never befall them, their luck may well hold. But is it worth taking that chance? How would you maintain your hard earned credibility, retain your customers and your market position; and keep your share price unaffected if you suddenly found you were faced with a “loss event” resulting in the extended unavailability of one or more of the following - people; buildings; IT systems and services; data communications; telephony;

machinery; specialist equipment; information in all its various forms; and supplies of goods or services?

Ask yourself the following questions. If faced with a loss event as described, how long would it take you to recover the situation and start servicing your customers again? Would customers wait that length of time before taking their business elsewhere or claiming liquidated damages from you or cancelling their contracts, or all three? Indeed could you ever recover from such a major loss event? Do you have fit for purpose, tested contingencies in place? Do you understand how vulnerable you are to unplanned operational downtime or how much of an impact a major loss event would cause you? How would your cash flow position be affected? Would you still be able to receive payments and issue invoices? Could you still pay your major suppliers and your employees? Would your bankers be supportive? Are your insurances up to date and at an appropriate level?

Remember also that business continuity is not just about being prepared for major incidents like fire, severe weather or global pandemic. Rather continuity of business also means trying to prevent unplanned downtime for those activities critical to your business and limiting the negative impacts when bad situations do happen. If

we use a combination of business continuity management and risk management to understand the risks we face as a business and...

- either prevent bad things from happening, where it is possible, practical and cost-effective to do so;
- or else limit the resultant negative impacts if we cannot stop the bad things from happening, such as severe weather events,

...then we get immediate, tangible benefits. We gain what is termed business resilience. We maximise the “uptime” for the organisation. Result is less money spent on rework, fixes and compensation claims and we get happier customers and employees. Stakeholders see us as dependable and professional. Our reputation for service is enhanced. We can use our business continuity preparedness as a marketing tool.

### Q How does a company establish and implement an effective business continuity strategy?

The business impact analysis (BIA) provides a clear understanding of which activities are most crucial based on the negative impacts that would result if these activities were disrupted. Impacts to worry about include direct financial loss; breach of laws or regulations; loss of contract; loss of opportunity and so on. The BIA also identifies the resources required over a timeline to get the disrupted activities restarted and keep impacts within the risk appetite.

So from the BIA we understand which resources we require, when and in what quality and quantity, to be available over a timeline from the point that the disruptive event happens. Coping strategies therefore need to be agreed, implemented and tested

to cover loss of the crucial resources required by the organisation. Or else we accept the risk.

A common failing is to focus purely on IT systems and services or to try and think of every scenario that could cause a loss event and write a plan for it rather than focus on the effect that the loss event has i.e. always focus on effect, not the cause. Once we have coping strategies in place we can then aim for true business resilience through using risk management techniques to try and identify the potential causes of business continuity disruption and try and prevent these happening or keep the resultant impacts within risk appetite levels.

So we need to be able to cope with any loss event that results in loss of the people, or premises, or technology, or information or supplies required to support our critical activities. Taken together these resource types provide us with the capabilities to do things. For example strategies for loss of people include succession planning, shadowing, training, job sharing, documenting of knowledge, splitting expertise over more than one site where possible and so on.

### Q With businesses and risks developing all the time, how can a company ensure that their continuity plans remain intact?

Through visible director level management commitment and oversight. Through delegating ownership of plans and their maintenance to relevant managers and with those managers formally signing off at least annually that they have reviewed and tested their plans. Through keeping a watchful eye out for new threats by engaging with external agencies, forums and experts. Through learning from real incidents and near misses within the organisation, within local communities and within other organisations. Through exercising

response teams and their plans regularly to validate that the strategies and plans remain fit for purpose.

### Q Is there anything else you would like to add?

One of the most important parts of business continuity management is having an incident escalation, alert and invocation process in place and with a senior management team ready, trained and authorised to respond efficiently, effectively and professionally to manage the situation and oversee continuity of business. The response team must be supported by a clear and effective stakeholder communication plan. There is little point in having a great business continuity plan if, when disaster hits, nobody takes charge and nobody communicates. Mayhem will result!

I will leave you with one strong recommendation that could make an immediate difference in your organisation. Few people expect a major incident to happen during the working day. So next time you have a management meeting, talk through how you would respond to the following scenario: “It is 11am and your main building has just been evacuated on Police instruction. You have been told to clear the area and you cannot return to the building.” Ask your management team – how would we maintain continuity of business, how prepared are we for such a scenario to happen tomorrow and what do we need to do to be prepared just in case it does happen? I suspect you will have an interesting discussion!

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