

# **Business Continuity & Disaster Recovery ... towards a Holistic & Human Centred approach**

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# Presentation Agenda

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- **Defining Business Continuity & Disaster Recovery .**
- **Case Study – Air Studios .**
- **Introducing The Human Perspective .**
- **Health .**
- **Security .**
- **M3 .**
- **Case Study – VERSACE .**
- **Human Threats .**
- **Case Study – Barings Bank .**
- **Disability & Special Needs .**
- **Consequence Analysis .**
- **Solutions .**
- **The BCI ` Good Practice Guidelines ` 2007 .**

# Business Continuity Management ( BCM )

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- **“ ... A Holistic Management Process that identifies potential impacts that threaten an organisation and provides a framework for building resilience with the capability for an effective response that safeguards the interests of its key stakeholders , reputation brand & value creating activities . ”**
- **The Business Continuity Institute ( BCI ) 2001**
- **[www.thebci.org](http://www.thebci.org)**



## The British Standards Institution ( BSI )

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- “ But ... ultimately , no matter how much effort or resource is invested in Business Continuity Management , an organisation could still be faced with an incident , or combination of incidents , that were not foreseen ! ”
- From : The British Standard on Business Continuity Management no : 25999-1 ( BSI 2006 ) .
- BS 25999-1 ... establishes the **PROCESS PRINCIPLES & TERMINOLOGY** of BCM .
- BS 25999-2 ... ( publication pending ) is a **SPECIFICATION** dealing with the *SHALL* , rather than the *SHOULD* !
- [www.bsi-global.com](http://www.bsi-global.com)

# Disaster Recovery

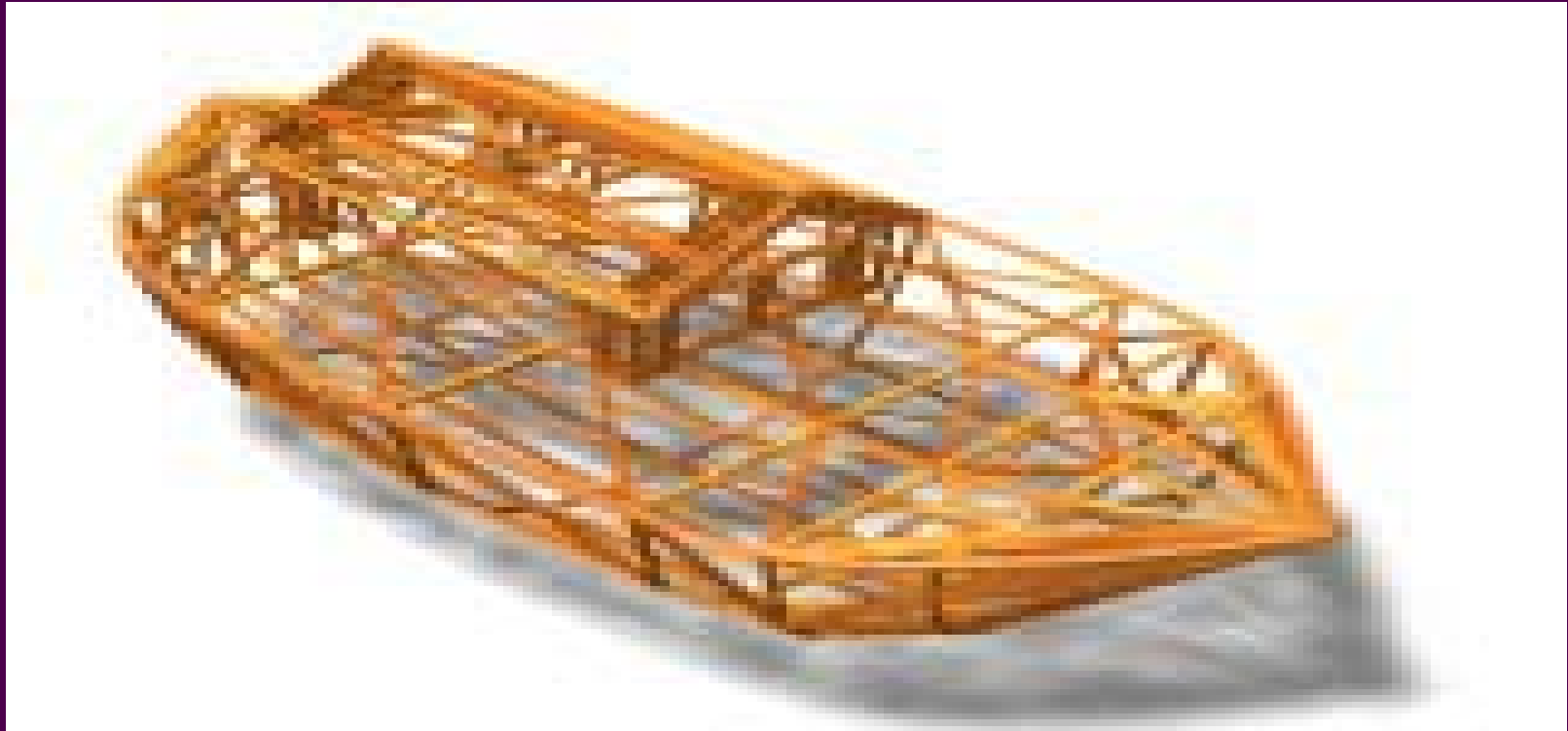
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- “ ... is the ability of an organisation to respond to a disaster , or service interruption , by implementing a **DISASTER RECOVERY PLAN** to stabilise and restore an organisations critical functions ” .
- Disaster Recovery Institute International ( **DRII** ) – 1988 .
- [www.drii.org](http://www.drii.org)



## Case Study 01 – Air Studios

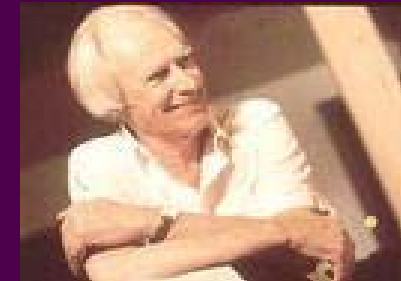
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# Air Studios

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- In 1969 , George ( Later Sir George ) Martin , famous for producing recordings by The Beatles , established Air Studios in London .
- In 1979 Air Studios relocated to the Caribbean Island of Montserrat .
- Martin believed that the peace & tranquillity of Montserrat would enhance musical creativity ...



# Montserrat

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## Hurricane Hugo & The Soufriere Hills Volcano

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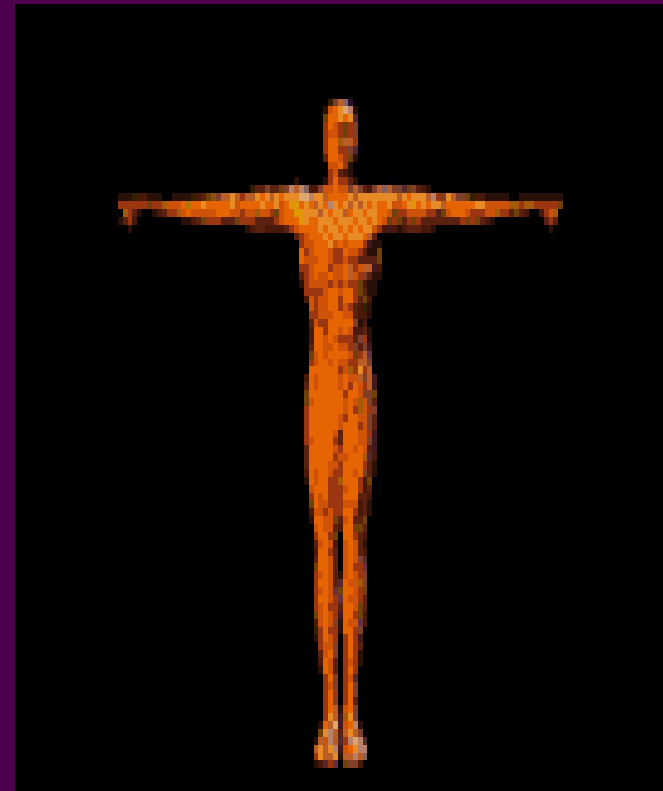


- **Montserrat`s peace & tranquillity were rudely interrupted by Hurricane Hugo in 1989 and the ensuing devastation forced the relocation of Air Studios back to London .**
- **Further Socio – economic devastation revisited Montserrat in 1995 when the Islands Volcano erupted devastating the capital Plymouth and adjacent Sea & Air Ports .**
- **It is estimated that some two thirds of the Islands population have now left .**

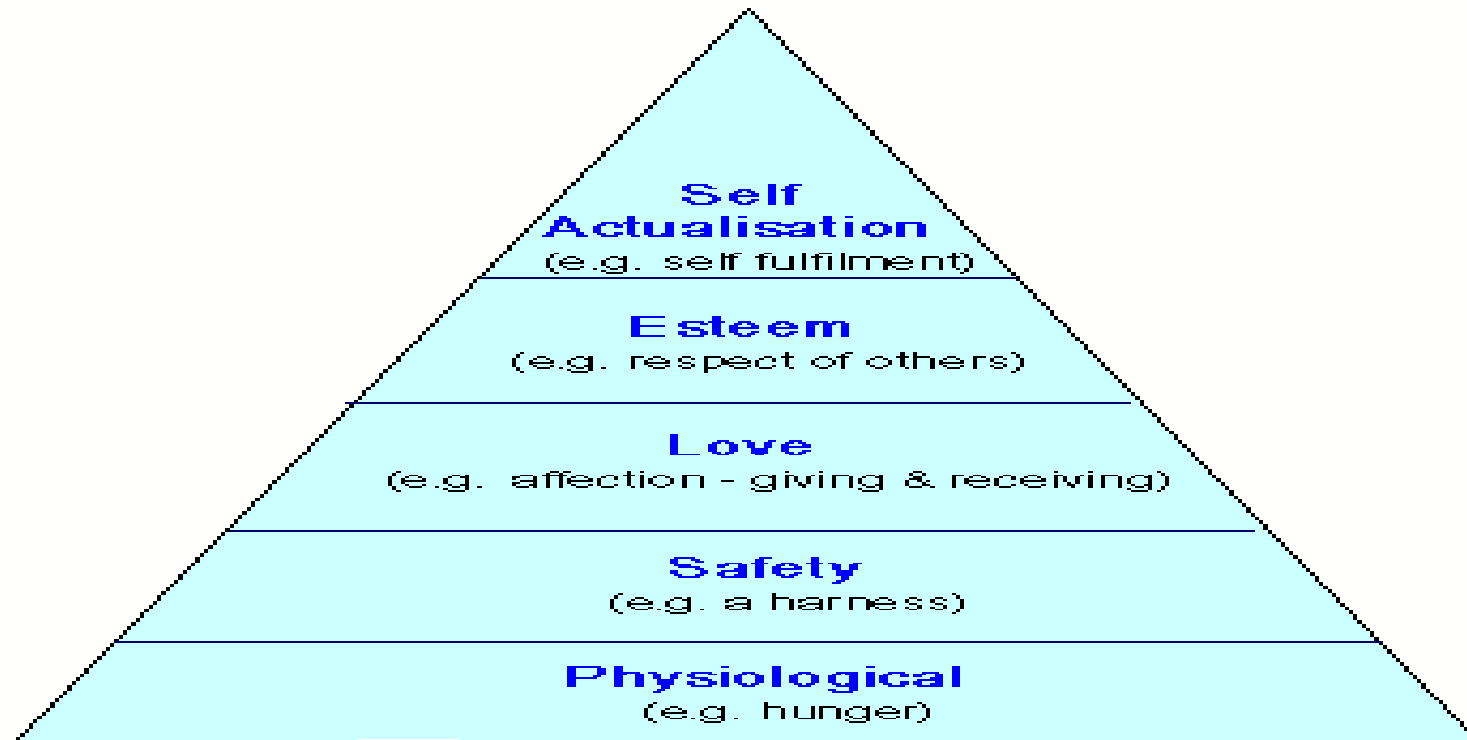
# The Human Perspective

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- An entirely *Mechanistic* approach to Business Continuity & Disaster Recovery is not enough . In order to have a truly Holistic perspective of an organisation one must consider PEOPLE !
- People should be viewed from both a HEALTH & SECURITY Perspective .
- &
- As part of a Holistic Business Model " M3 " .



## HEALTH ... and Maslow`s ` Hierarchy of Needs Model ` .



### **Maslow's Hierarchy of Needs**

Some psychologists have added a further layer for Beliefs and Spirituality

## **HEALTH ... and Roper`s `Activities of Living ` Model .**

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- COMMUNICATING
- CONTROLLING BODY TEMPARATURE
- EATING & DRINKING
- ELIMINATING
- EXPRESSING SEXUALITY
- MAINTAINING A SAFE ENVIRONMENT
- MOBILISING
- PERSONAL CLEANSING & DRESSING
- SLEEPING
- WORKING & PLAYING

## **HEALTH ... and the WHO .**

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- **Both of the previously shown models form the basis of what we understand as HEALTH !**
- **HEALTH is simply and eloquently described as :**
- **“ A State of PHYSICAL , PSYCHOLOGICAL & SOCIAL Wellbeing .. not just the absence of Disease ( Dis – ease ) ! ” .**
- **World Health Organisation ( WHO ) 1988 .**
- **Health will only occur when there is a BALANCE between the PHYSICAL PSYCHOLOGICAL & SOCIAL components !**

# Security

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**Like HEALTH - SECURITY is also a 3 Component Model .**

- **It is described by Manunta ( 1999 ) as follows :**
- **“ SECURITY is A FUNCTION of the Presence & Interaction of ASSET , PROTECTOR & THREAT in a given Situation . ”**
- **... and expressed as :**
- **$S = F ( A P T ) Si .$**

# The ` M3 ` Business Model

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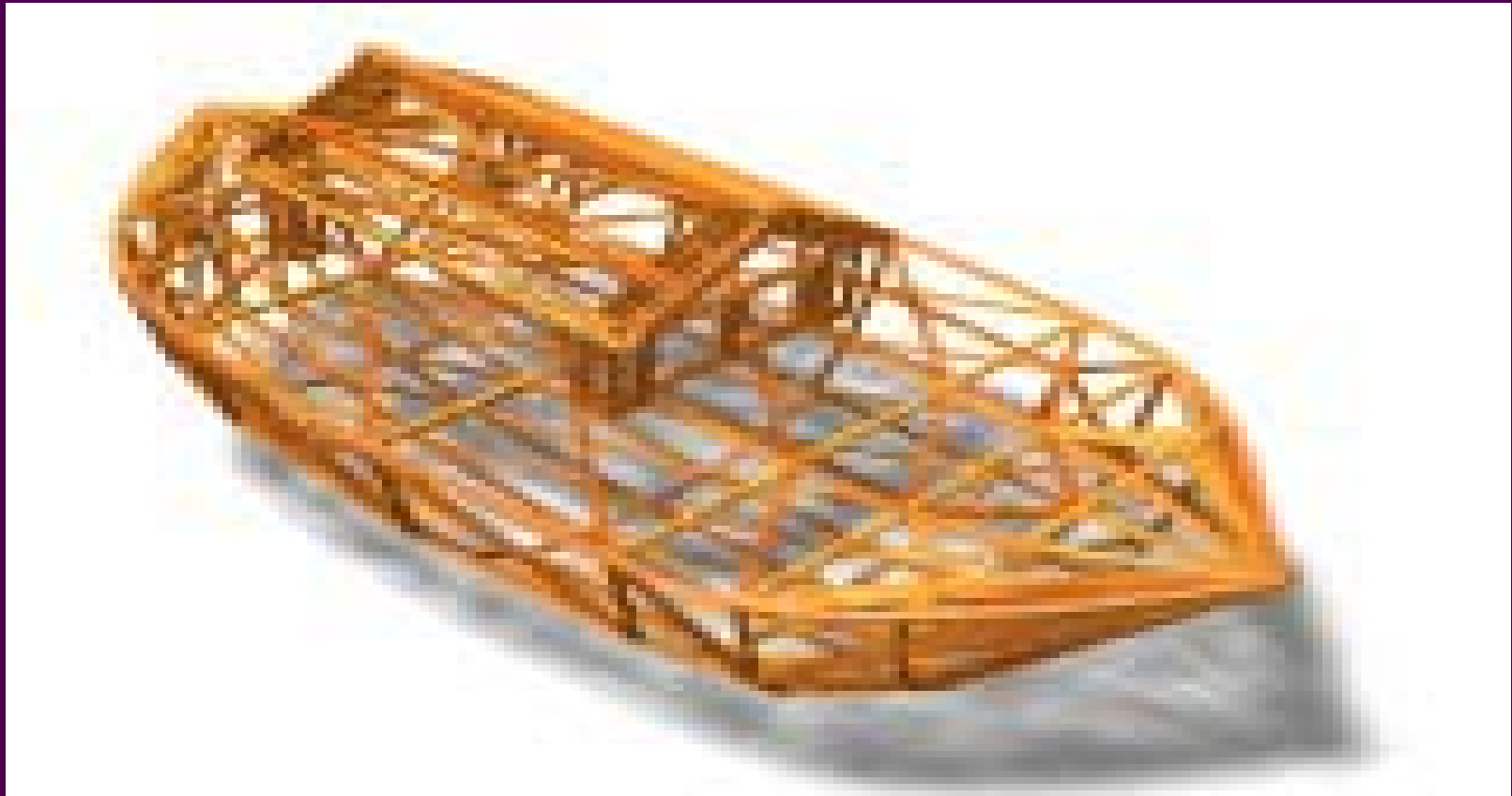
**` M3 ` ... is an attempt to produce a Holistic & Workable 3 Component Business Model that compliments the aforementioned descriptions & definitions of HEALTH and SECURITY ! ... The 3 ` Components ` are :**

- **MISSION**
- **MEANS**
- **MANPOWER**

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## Case Study 02 - VERSACE

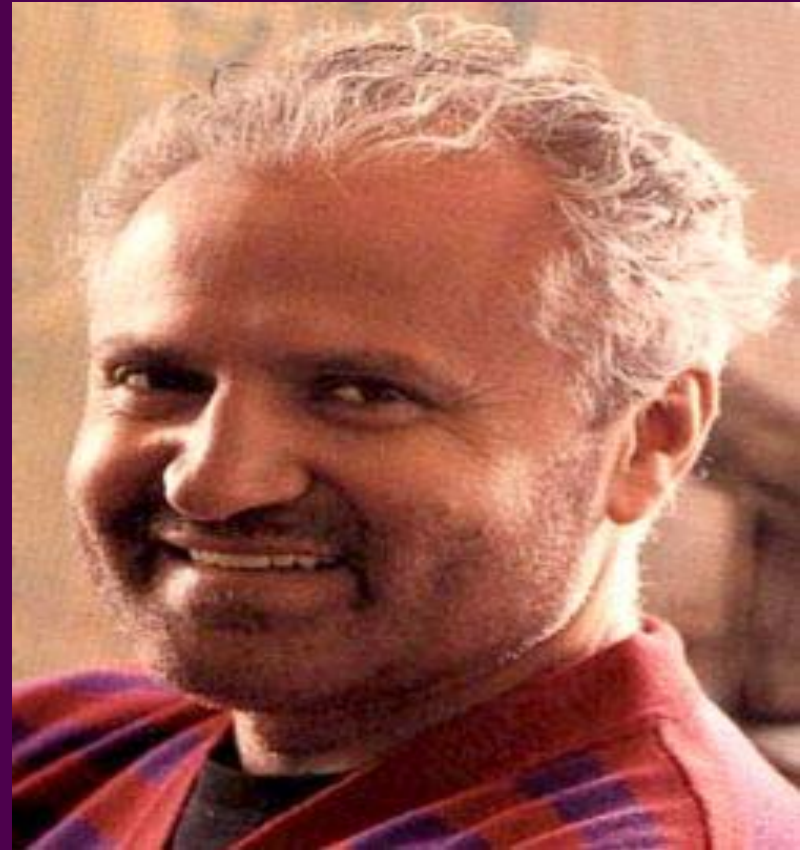
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# VERSACE

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- ... is a cutting edge International Fashion & Lifestyle House , based in Milan ITALY .
- It was founded by the designer Gianni Versace in 1978 .



## Gianni Versace

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- ... was shot dead in July 1997 !
- His murder was a great personal tragedy for his family & friends !
- ... an artistic loss for the fashion world !
- and ... a potential disaster for a major business ... the Versace Corporation was about to go public ; but , the stock offering had to be suspended !
- Gianni`s murder ( by a known Serial Killer ) highlighted the vulnerability of high profile individuals and raised questions as to the effectiveness of their personal security !

# Donatella & Allegra Versace

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- **In 2004 Gianni`s sister & successor Donatella checked into Drug Rehab !**
- **Whilst she addressed her Cocaine Addiction .. VERSACE teetered on the brink of Bankruptcy !**
- **When She checked out – CLEAN ! .. VERSACE began a return to profitability !**
- **Daughter & VERSACE heiress Allegra ( 20 ) is currently battling with Anorexia Nervosa !**



# Human Threats within the Financial Services Sector

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- **Police believe that 1 in 10 ( of 300 ) Financial Call Centres in Glasgow has been infiltrated by Criminal Gangs seeking to procure sensitive customer details ( October 2006 ) .**

**Indian Police have charged a Data Operator , at an HSBC Call Centre with stealing money from Customer Accounts ( June 2006 ) .**

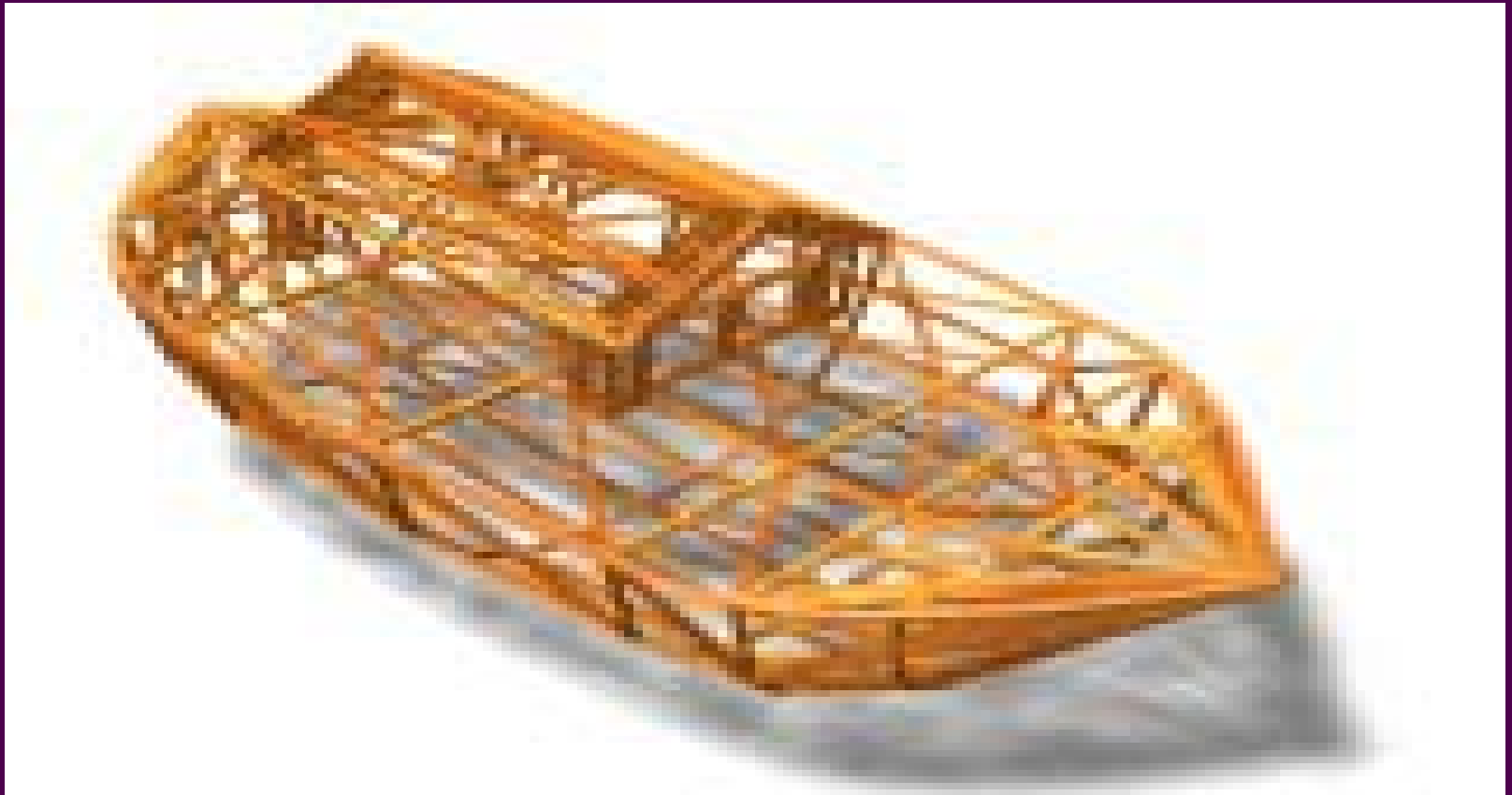
**It is suggested that these ` insider attacks ` are under-reported because of :**

- \* An insufficient level of damage to warrant prosecution .**
- \* A lack of evidence or insufficient information to prosecute .**
- \* Concerns about negative publicity .**

**Sources : BBC / US Secret Service / SECERNO Ltd .**

## Case Study 03 – Barings Bank

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# Barings Bank

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- **The Collapse of Barings Bank in February 1995 has been described as the quintessential tale of financial risk management gone wrong ... Certainly , here was a **BUSINESS** that *failed* to **CONTINUE !****

## Barings Bank ... continued

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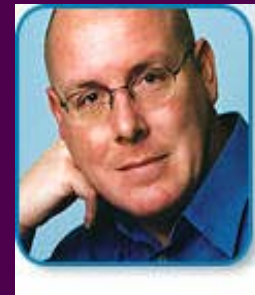
- ... in terms of the Human Perspective of the Barings Bank demise , the name of one man stands out ... Nick Leeson !
- He was BOTH a Manager & Trader for Barings Singapore operations on SIMEX , making huge losses which he hid in a secret error account ( 88888 ) until he fled in 1995 . The 223 year old Bank was unable to sustain losses of \$1.3 Billion & was sold to ING for £1.00 !



# Nick Leeson

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- The Mechanics & Consequences of Nick`s behaviour are well documented but what of his Motivation ?
- In 2005 he co wrote a book with Psychologist Ivan Tyrell entitled *Coping with Stress* !
- In a BBC Radio Interview in 2005 with Ned Sherrin something of Nick Leeson`s Motivation is , perhaps , revealed ?



## Ned Sherrin interviews Nick Leeson in 2005

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- **NED** : “ Ivan Tyrrell seemed to concentrate , not on Prison , Divorce & Cancer ; but , on loss of status as the Key thing ? ” .
- **NICK** : “ Yes , I often get asked *why* I did not stop .. the thing that Ivan highlights was my need for status .. never really been money driven .. success has always been the thing that attracted me .. if I had turned round to anybody and said that I was failing .. could not cope and exposed the whole situation .. my Status .. Relationships ... ” .
- **NED** : “ There was a Key Day that you could have got out of it .. on May 19 , 1993 .. the 88888 account was in profit ... ” .
- **NICK** : “ Yeah .. it was a Friday .. but , the same sort of mistakes occurred on the Monday .. and I , rather stupidly , put them back in the 88888 account ! ” .

# People with Disability & Special Needs

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- **On September 11 , 2001 , The Landmark Twin Towers of New York are hit by two hijacked airliners resulting in 2752 fatalities including Mr . E -21 Stones ( 133.36 kgs. ) who was in a Wheelchair and working on Floor 27 of one of the Towers .**
- **Plans for disabled evacuation established in 1993 were insufficiently rehearsed so when disaster struck many assigned helpers simply fled !**
- **Mr . E . declined help knowing it would take several people to move him . A friend stayed with him whilst another sought help ... alas , too late !**
- **Source : U S National Council on Disability**

## Consequence Analysis

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- **“ ... the relationship between threats , assets , the probability of loss and the consequence of the loss of that asset is examined to determine what resources should be used to protect the asset . If loss of an asset can be tolerated , or if risk can be transferred through Insurance then the asset will not require much protection ; but , if insurance or recovery actions will not provide for continued operations , then it becomes necessary to consider how best to protect that asset ! ”**
- **Garcia ( 2000 )**

# Solutions

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- **Must be part of a Proactive & Holistic Business Continuity Process !**
- **Business Continuity must be EMBEDDED within a Corporate Culture that encompasses Awareness Understanding & Care !**
- **Security is NOT just a matter for the Security Department – it is the responsibility of everyone . Managers should undertake regular security audits !**
- **Balance Trust with Responsibility & Accountability !**
- **Accept that Errors & Mistakes are part of Human Nature whilst ensuring that potential deliberate wrong do-ers believe that they will be caught !**
- **Acknowledgements : Walton ( RHUL ) & SECERNO Ltd .**

# The BCI Good Practice Guidelines 2007 .

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- **1 ) Understanding your Business .**
- **2 ) BCM Strategy .**
- **3 ) Developing a BCM Response .**
- **4 ) Exercising , Maintenance & Audit .**
- **5 ) Embedding BCM .**
  
- **“ ... if we fail to PLAN we plan to FAIL ! ”**
  
- **[www.thebci.org](http://www.thebci.org)**



# Further Reading

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Leeson . N [ with Tyrrell . I ] ( 2005 )  
“ Coping with Stress “ .

# QUESTIONS ?

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## **MY CONTACT DETAILS**

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