

# Business Continuity Management

Following a serious operational disruption, it can be difficult for service providers and businesses to resume core functions or normal operations. The inability to continue critical functions during an operational disruption severely impacts the level of service provided and in some cases the viability of the business. While some disruptions are unavoidable, they can be anticipated, assessed and prepared for. This fact sheet will provide a brief overview of business continuity management and why it is important for all service providers and a necessary component of good business practice.

## What is Business Continuity Management (BCM)?

Business Continuity Management (BCM) is an organisational initiative that, if correctly implemented and managed, allows an organisation to continue critical functions in the event of a significant incident impacting the organisation internally. BCM is the overarching methodology that guides Business Continuity and IT Recovery preparation, planning, response, recovery and resumption, ensuring links to Emergency Management, Risk Management, and Evacuation processes and procedures.

According to Standards Australia, BCM should not be thought of as a static printed document but as a framework of flexible and robust processes. Basically, BCM should answer the questions:

- What could happen?
- What does it mean to me?
- What is critical to continuing our business?
- What do we have to do before, during and after an incident/event/crisis/emergency?

BCM forms part of effective preparedness, along with Risk Management and Emergency Management. When correctly planned, implemented, and managed, BCM will help service providers to carry on delivering assistance to the community.

Remember that your business continuity may not only be threatened by a direct crisis, it could be as a secondary effect from a local threat, such as availability of staff with children should schools in the area are closed.

## Benefits of Business Continuity Management

- The ability to proactively identify the consequences of a business disruption.
- Having in place a response to a business disruption to minimise damage to the organisation.
- Costs of operating during a disruption are reduced.
- Management of uninsurable risks and compliance with insurance policies.
- Compliance with regulatory requirements (where applicable).
- Enhanced reputation by demonstrating to stakeholders a credible response.
- Improved efficiency and effectiveness of business-as-usual operations.

## What should be included in BCM?

There are various methodologies in BCM and whichever is most relevant to you will depend on the size of your business and the industry it lies within. The stages in Figure 1 were obtained from Standards Australia.

Each stage of the process should contain various activities to build the resilience and promote Business Continuity.

To ensure your organisation's resilience, consideration needs to be given to involving internal and external stakeholders at key stages of the business continuity program. This could include involving them in planning, exercising, and educational activities.

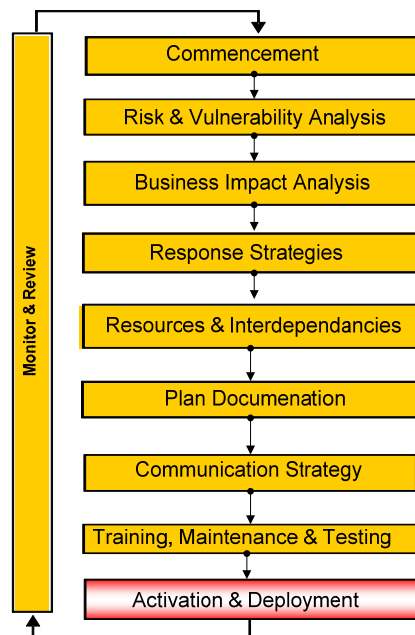


Figure 1 the BCM Process, Standards Australia HB 292: 2006

## BCM at the Department of Human Services and the Department of Health

The Department of Human Services and the Department of Health take an 'all hazards' approach to business continuity. This approach looks at all risks and focuses on the impact of an event rather than its cause. This approach identifies the Departments' dependency on key resources (personnel, IT and facilities) and the impact on service delivery if they are not available. Events where BCM may be invoked includes, but is not limited to:

- denial of access to building
- loss of vital records
- loss of IT systems and telecommunications
- loss of key personnel or high absenteeism.

All Victorian government agencies, including DHS and DH, are required to comply with:

- Standards Australia Risk Management AS/NZS 4360:2004.
- Australian Standards Handbook 221:2004, *Business Continuity Management*.
- Victorian Government Risk Management Framework, Department of Treasury, July 2007.
- Whole of Victorian Government Standard, ICT Policy: ICT Disaster Recovery Policy, Department of Treasury, September 2005.

## Useful contacts

The Department of Human Services and the Department of Health recommend the following online resources to assist you with BCM.

- Standards Australia - [www.standards.org.au/default.asp](http://www.standards.org.au/default.asp)
- Victorian Managed Insurance Authority - [www.vmia.vic.gov.au](http://www.vmia.vic.gov.au)
- Australian National Audit Office - [www.anao.gov.au](http://www.anao.gov.au)
- Business Continuity Institute - [www.thebci.org.au](http://www.thebci.org.au)
- Emergency Management Australia - [www.ema.gov.au](http://www.ema.gov.au)

If you would like to receive this publication in an accessible format please email [preparedness@dhs.vic.gov.au](mailto:preparedness@dhs.vic.gov.au)

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