

Business Continuity Planning

A Project Management Approach



Ralph L. Kliem, PMP, CBCP
Gregg D. Richie, PMP, CNP



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To mom, Philomena, who now rests forever with my dad, Arnold—RLK

To my soul mate, Dena, who helped me become who I am today—GDR

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Preface

We live in an unpredictable world—nothing new about that. What is new is the business environment. The complexity of global finance, advancements in technology from computing to transportation to medicine, and the rise of outsourcing and transnational companies have created an integrated and interdependent web of complexity, manifesting itself in what chaos theory would call the Butterfly Effect, a seemingly innocuous event occurs someplace on the globe and has profound impact elsewhere on the globe, possibly on the other side. Integration and interdependence have bred immense complexity with vulnerability. True, this environment affords some flexibility in response; however, the response to an event can also result in unanticipated, seemingly uncontrollable consequences.

Take, for example, the global growth and complexity of the supply chain of an aerospace firm. As complexity grew, so did the problems and events affecting it. The supply chain for aerospace products now spans the globe—the 777 and the 787 are two specific examples. Thanks to the application of Lean and Just-In-Time principles to production, immense gains have been made in simplifying flow, while at the same time increasing the interdependence and complexity of its supply chain. A hiccup, like an earthquake in Japan, can interfere and disrupt the supply chain due to the consequences of such an event. If the company is not prepared to respond, the financial, political, and social impacts can be immense. Such a company must be resilient, that is, have the ability to respond and recover from the impact of events. Business continuity (BC) is the discipline to become resilient.

Companies in aerospace, of course, are not the only ones that need to respond to and recover from an event. Much smaller companies must be resilient, finding themselves dependent on this complex business environment, being vulnerable, too, to unanticipated and even anticipated events. Unfortunately, small and middle size companies find themselves woefully vulnerable, lacking even the basics of BC.

In this book, we show how to apply project management to implement and maintain BC with a major emphasis on building business preparedness (BP) plans, enabling companies to recover their business processes from an event.

Ask yourself this simple question: If a major event such as a terrorist attack or a 7.2 earthquake hit your region, is your company prepared to recover from such an event? What if the event significantly disrupts the supply chain? Could your firm recover from such an event? Do your people understand what they have to do and what resources, for example, information, are needed to recover? Do they even know the priorities? Will your company survive or collapse like 80% of the businesses do after a significant event impact?

Only you know the answer and only you can make resiliency a way of doing business within your company. Survivability is the key, occurring only through preparation. BP is the key and PM is the door to allow your company to step into the world of resiliency.

Regardless of the size and complexity of your company, ask yourself this fundamental question: Is your company prepared to recover from a serious event?

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