

Business Survival Newsletter“

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BUSINESS SURVIVAL:
A BUSINESS CONTINUITY NEWSLETTER FOR DECISION MAKERS
FROM ROTHSTEIN ASSOCIATES INC.

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We tend to learn geology after an earthquake. ... Ralph Waldo Emerson

WELCOME!

Welcome to this first issue of the Business Survival tm Newsletter from Rothstein Associates Inc. !Our mission in this and future issues is to enlighten, challenge, stimulate and inform business leaders of issues, events and resources concerning business continuity.

"WHERE DO YOU SEE INFORMATION ASSET PROTECTION IN THE YEAR 2000?"

Ross Kinkade, Sales Manager for Safe, Inc., an information asset protection and off-site storage provider in Connecticut, observes:

"The trend among top business management is toward increasing awareness of their direct liability for protection of mission-critical information assets. They are coming to realize that while anybody can send a box of tapes off-site, this does not guarantee integrity, usability or recoverability of vital corporate information, particularly in distributed or client/server environments. Increasingly, information will be viewed as a strategic corporate asset, to be nurtured and protected by the entire organization, not MIS alone."

SOMETHING TO THINK ABOUT . . .

After the bombing of the Murrah Office Building in Oklahoma City, a 16-block area was cordoned off. Many businesses were unable to enter their offices for several days. How would you handle the inability to enter your buildings? A few of our clients have experienced disruptions where their facilities were unharmed but employees could not gain access. Most common frustrations: handling incoming telephone calls and faxes; obtaining information on computer disks or paper documents from the office which were not backed up off-site.

Continued

BUSINESS IMPACT ASSESSMENT: WHY BOTHER?

The classic contingency planning process starts with the Business Impact Assessment (BIA): an objective evaluation of threats, vulnerabilities and potential exposure to loss from business disruption. A recent study of service and financial organizations conducted by Rothstein Associates Inc. reveals that a significant percentage of companies embarking on continuity planning are bypassing the BIA entirely, or giving it only cursory attention.

Of organizations surveyed, well over forty percent have begun development or implementation of contingency programs without a BIA. The three most common rationales reported included:

- Limited budget risk of not getting to Continuity Plan (BCP) development if they spent too long doing a BIA.
- Concern over wavering top management attention if the BIA took too long without producing apparent, tangible results, fear that funding and resources would be diverted.
- A "quick and dirty" or mini-BIA was all they could accomplish with available resources.

The good news was that of those who had skipped the BIA, all but one have plans to go back and conduct a BIA within twelve months and then revise their contingency plans to reflect BIA findings.

FEATURED WEB SITE: THE EMERGENCY RESOURCE DIRECTORY

In each issue, we will highlight a site on the World-Wide Web valuable to the Business Continuity community. The Emergency Resource Directory provides comprehensive access to hundreds of emergency-related web sites worldwide, indexed by country:

www.clarknet.com/erd

Y2K: CONTINGENCY PLANNING INVOLVEMENT IN YEAR 2000 PROJECTS

Alan Freedman, Vice President of Major Systems for ADP in Roseland, New Jersey and former Vice President, Global Disaster Recovery and Business Contingency in the Technology Strategic Planning area of Bankers Trust Company of New York City, counsels:

"Applications and Systems Development and Support should lead one hundred percent on the issue of Year 2000 Compliance, not Contingency Planning. The Contingency Planner's role should only be to ensure that the work is getting done, and to put any specific concerns in writing totally objectively and dispassionately to upper management. Most important, they must emphasize business impact, not politics.

The Contingency Planner should not go any further than that. If the applications staff cannot handle the Y2K issue, they are out of business anyway!

At ADP, 77% of my staff is dealing with Y2K compatibility. We made the contingency planners aware of what we are doing, and of our concerns; they did not have to come to us."

Continued

Norman Meier, Jr., VP and Business Continuation Officer for The Prudential Insurance Company of America adds a provocative aspect to the Y2k scenario:

Typically, MIS as opposed to Information Technology (I.T.) has been handed the Year 2000 situation. I.T. also encompasses voice, video, audio, telecommunications which are probably just as critical as applications systems. Even voicemail, PBX and Automated Call Distribution (ACD) are going to be affected sooner than some might think.

For example, some telecomm switches and PBX's use a code '99' as an alarm feature. They may go into a 'fail-safe' or 'system lock' mode if the code is triggered in 1999, a year before the applications people hit their deadlines!

Bellcore, Lucent Technologies and AT&T are taking the lead in this issue, but it is amazing how few corporations are factoring telecommunications into the Y2K scenario."

WWW FORUM

Rothstein Associates Inc. and the Rothstein Catalog on Disaster Recovery announce a new service to the Business Continuity and Disaster Recovery Community: our new World-Wide Web Forum a valuable vehicle for sharing information, inviting opinions and feedback, or learning from others!

Recent posts have discussed:

- Just-in-time manufacturing
- Management Psychology after the "Ultimate Test"
- ISO/9000 and Total Quality Management
- Constructing a Hot Site Request for Proposal
- Enrolling Senior Management in Business Continuity
- Justifying Investment in an Automated Notification System
- Small Business Issues in Contingency Planning
- Evaluating and Acquiring Disaster Recovery Software.

We invite you to take advantage of this exciting new Internet resource at:
www.rothstein.com .

PROFESSIONAL CREDENTIALS

Business continuity and Disaster Recovery professionals have an increasingly powerful ally in convincing top management, in The Business Continuity Institute (BCI). BCI provides recognition and assesses professional competence for practitioners.

Awareness of the value of BCI credentials appears to be growing: a recent telephone survey conducted by Rothstein Associates Inc. revealed that 26% of senior management and 78% of contingency planning practitioners queried were aware of BCI.

A unique aspect of the BCI designation Fellow (FBCI), is a "significant contribution to the Business Continuity industry or profession." Beyond core competence and experience, professionals aspiring to this level of recognition must proactively share their knowledge and experience.

Contact the Editor for information about BCI, or go to www.TheBCI.org.

ABOUT ROTHSTEIN ASSOCIATES INC.

Rothstein Associates Inc. is principally an international management consultancy focusing on business continuity and disaster recovery, founded in 1985.

Our education division, The Rothstein Catalog On Disaster Recovery is the industry's principal source for hundreds of books, videos, research reports and software tools, since 1989.

Many resources valuable to business continuity practitioners, risk managers, auditors, executive management and others, including the extensive library of The Rothstein Catalog On Disaster Recovery, may be found at <http://www.rothstein.com>.

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