

Business Survival Newsletter“

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BUSINESS SURVIVAL:

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

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AMONG OUR FAVORITE QUOTES:

Everyone has a plan until they get hit - Mike Tyson

Poet W.H. Auden wrote, "It takes little talent to see clearly what lies under one's nose, a good deal of it to know in which direction to point that organ."

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BUSINESS CONTINUITY/DISASTER RECOVERY CRYSTAL BALL

Under the humble subheading of Sticking My Neck Out, the following four fearless predictions for the coming decade are excerpted from the article BC/DR Crystal Ball which I had the privilege to write for the September, 1999 issue of Information Security Magazine (www.infosecuritymag.com).

Management Commitment

Will knee-jerk reactions to events or crises which today lead to halfhearted BC commitments play more or less of a role in the 2000s? Might an uncertain business or economic climate, or the Y2K aftermath, shift interest and investment away from BC to short-term survival as happens in every business downturn? Conversely, will emphasis on BC increase during periods of adversity?

Informed decision-making is the key. In 1990 I wrote in the inaugural issue of Contingency Journal, "Top management bears the mandate to fulfill their organization's business mission. Are those top executives unprofessional or incompetent if they are not prepared to handle a disaster? Of course not. More likely, they do not have the information to make an informed decision."

Continued

I predict over the coming decade a fundamental paradigm shift from bottom-up to top-down BCM will occur for business continuity management. For most enterprises, justifying BCM will become a non-issue as top management raises the bar.

Business Integration and Visibility

Will BC remain a staff function, relegated to the operational side of Information Technology, or will it be placed in a strategic role? Will it be viewed as a "necessary evil" (even worse, as a cost center), or will BC be viewed as a strategic advantage? At best, business line executives will pursue BCM because it adds competitive, strategic and operational value. At worst, BCM will get lip service and remain fragmented as IT disaster recovery, departmental contingency plans, emergency management, crisis response plans, safety and building evacuation plans and other components of BCM remain haphazard and inconsistent.

I predict that BCM will be widely accepted as an integral - and integrated - practice over the coming decade, not as an optional, piecemeal add-on. BC will be built into any business endeavor at the analysis and design stage. BCM accountability will, for most enterprises, be elevated to an enterprise-wide stance - I foresee the growing role of the "CCO" - Chief Continuity Officer - as vital to the corporation of the 2000 as today's CFO or CIO.

Technology

Must technological advances and paradigm shifts, along with changing business models, obsolete much of what the BC industry has accomplished so far, or will they present new and exciting possibilities for mature BC implementations? Will the red three-ring-binder remain the pervasive symbol of BC, or will BCM thrive amidst accelerating technologies?

I predict that technology will not only facilitate BCM in the 2000s, it will a driving force. Growing Internet and intranet usage will stretch BCM demands and expectations. At the same time, intranets and the Internet will provide new frameworks for the technical side of BCM, such as data backup and recovery, and the operational side, such as automating the more tedious aspects of plan maintenance.

Credibility and Professional Recognition

Can the BC industry pull together and prevail over sometimes haphazard, inconsistent methodologies and processes, or will the inconsistencies proliferate? Will BC practitioners be viewed as trained professionals with specific skills, in the same manner as lawyers, accountants or engineers - or will they be relegated to the depths of IT suborganizations?

I predict that the 2000s will at long last see BC practitioners achieve a level of recognition and stature appropriate to their ability to protect the enterprise from misfortune. The reporting level of BC will rise near the highest levels of the corporate hierarchy.

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YEAR 2000 OBSERVATIONS - - SOME TIMELY NOTES

Edward Yardeni, Chief Economist and Global Investment Strategist for Deutsche Bank Securities, stacks the odds for worldwide Year 2000 economic scenarios (as of August 10, 1999):
10% Minor disruptions, business as usual
20% Same impact as a natural disaster, business as usual within a few weeks
25% Multiple problems cause modest six-month recession

Continued

40%Major global recession lasting 12 months

5%Depression lasting two to five years, blackouts, and social and political upheaval.

Computerworld: August 9, 1999 (www.computerworld.com): Get Ready for Y2k False Alarms, Panic

The stage is set for irrational consumer behavior and media sensationalism, so companies need to be prepared for public relations disasters as well as computer disasters... Already, Y2k is replacing El Niño as the national scapegoat for anything that goes wrong.

How can you prepare your company for a flood of media calls, whether a crisis is related to year 2000 or not:

Name a company spokesperson and a backup. Don't wait for the crisis to happen

Brainstorm possible crisis situations

Deal with your crisis head-on, and have all the facts

Don't lie, go off the record, babble or use business and technical jargon when talking to the press.

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FEATURED WWW SITE

The DISASTER RESOURCE GUIDE at www.disaster-resource.com offers a wealth of information for emergency managers and contingency planners.

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RECOMMENDED READING - CHECK IT OUT!

Many new titles have been recently added to THE ROTHSTEIN CATALOG ON DISASTER RECOVERY, along with a secure ordering mechanism. Check it out at www.rothstein.com!

THE DEFINITIVE HANDBOOK OF BUSINESS CONTINUITY MANAGEMENT

Edited by Andrew Hiles and Peter Barnes

"This new book provides a comprehensive guide for managers and businesses who want to develop a plan to protect their organization from disruption and/or disaster. With contributions from leading figures in the industry, and the guidance of Survive!, it has the potential to establish itself as the standard text for anyone involved in, or looking to gain a detailed appreciation of, the rapidly emerging area of business continuity and disaster recovery within the corporate environment. 1999, 391 pages. DR359, \$160.00

MANAGER'S GUIDE TO CONTINGENCY PLANNING FOR DISASTERS: PROTECTING VITAL FACILITIES AND CRITICAL OPERATIONS (2nd edition), by Kenneth N. Myers

"With the increased dependency of modern corporations on computer technology and special-purpose facilities, contingency planning is a rising priority on the agenda of senior management. This book provides cost-conscious executives with a structured process to address contingency planning needs. It provides guidance in approving and allocating funds for plan development and various methods and procedures as well as standards of performance." 1999, 256 pages. DR434, \$40.00.

CRISIS MANAGEMENT PLAN by Laurence Barton, Ph.D.

Now On CD-ROM, Diskette or via Email - a unique, editable template for your custom crisis management plan, exclusively available from Rothstein Associates Inc.

"Senior management dictates "Get Us A Crisis Plan!" and you're lost... where do you begin? What must be included to help your team effectively respond to an incident, and what should never appear on paper? What practical points should you remember when "it" hits the fan- and how do you avoid a lengthy book that no one will use as a reference guide? Who speaks to reporters, and what resources can help you on the path to employee and business recovery?

"Now the collected learning curve from hundreds of corporations worldwide has been distilled into a simple, "fill in the blanks" PC template in MS Word, written by Dr. Larry Barton. Former vice president of issues management at Motorola Inc., and crisis consultant to leading companies worldwide, Barton's crisis template dynamically guides your team through each step of crisis planning. The end result is a document of less than 30 pages that will assist with incident command planning, helping employees recover, relations with local officials, IT and Internet strategies and crisis communications." 1999, CD-ROM or email. DR456, \$95.00.

SERVICE LEVEL AGREEMENT FRAMEWORK (CD-ROM) by Andrew Hiles

"Previously, the thought of developing a Service Level Agreement was a daunting prospect. No more. SLA FRAMEWORK(tm) brings together the critical elements needed to build a Service Level Agreement. All you do is choose the plan elements you require, load them into a standard word processor, edit them to your specifications, and you're done! No programming experience required. 1999, CD-ROM, Order #DR399, \$675.00.

BUSINESS CONTINUITY PLANNING: A STEP-BY-STEP GUIDE WITH PLANNING FORMS ON DISKETTE (2000 Edition) by Kenneth L. Fulmer

"The new edition of this popular book gives you a comprehensive, step-by-step outline filled with precise instructions, risk and business impact analysis guidelines and forms for creating your business continuity blueprint. It serves as a workbook for those organizing a plan, and as a guidebook for those responsible for implementation. Clear and complete, Business Continuity Planning will prove an invaluable resource and guide for managers, owners and planning coordinators." 2000, 116 Pages. DR305, \$99.00.

WALTZING WITH THE RAPTORS: A PRACTICAL ROADMAP TO PROTECTING YOUR COMPANY S REPUTATION, by Glen Peters.

A good reputation in today s fast-paced world of financial and business communications is an essential asset for any company and its leaders. Glen Peters offers a sensible, disciplined guide to earning the respect of even your harshest critics. - Dana Mead, CEO, Tenneco. 1999, 285 pages. DR435, \$28.50.

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