

CLA #3 BIA & disruption scenario planning

Question 1: Crisis versus Disaster (3 marks)

(a) How does HB 292-2006 distinguish a *crisis* from a *disaster*? (1.5 marks)

HB292-2006 is a guide that provides a summary of both currently accepted and emerging practices in managing disruptions. According to it, both crisis and disaster are considered to be unexpected events that result in disruption of daily operations of either a part of or full organization (as it requires diverting attention, energy and time from normal operations). The difference between them is that:

Crisis	Disaster
Management can cope	Management has been overwhelmed
Occurs more often	Occurs rarely
Can resolve internally	Need help from external agencies to resolve

(b) How would this type of distinction inform crisis management in your role at Nike. Consider the information presented in figure 2 in chapter in giving your response (1.5 marks)

My role in Nike is that of a Senior Crisis Management consultant who would need to perform several tasks, including performing crisis management exercise, translating business requirements into technical recovery plans, etc. Thus, knowing whether it is a crisis or disaster would help me properly prioritize, plan and prepare for it (like amount of resources to use and whether or not to take help from external agencies). Furthermore, it would also ensure I don't ignore any common organizational crisis like harassment or discrimination as it can escalate into a disaster.

Question 2. BIA and disruption scenarios (5 marks)

(a) What is a business impact assessment and why are disruption scenarios helpful in planning for a business impact assessment? (3 marks)

According to HB292-2006, it's a process that analyses how certain disruption risk scenarios effect an organization's operations and notes the resources and capabilities that are needed to manage them. This helps the organization identify areas of improvement and develop ways to protect it from those disruption's consequences.

Thus, disruption scenarios are extremely helpful here as they help determine the different sources that lead to the same disruption, critical resources that are directly affected by the disruption and the other resources or areas that they are linked to. This, in turn, helps the organization understand the value these resources hold (in terms of organizational objectives), estimate the impact of their disruption and also find the ways to manage them. Basically, disruption scenarios lead the organization into developing BIA.

(b) Please provide your Nike interviewers with a relevant example of a Disruption Scenario. Your example should describe the benefits of disruption scenario planning in your answer (2 mark)

An example of a disruption scenario would be loss of service of Nike.com (digital platform of Nike). It can be due to several reasons like overloading of server due to DDOS attack, earthquake damaging datacenter of server, etc. But no matter, it would result in preventing customers from accessing products and services, causing company to lose out on potential sales, potential new customer, business reputation, etc. Hence, by planning for it, Nike would know which resources are connected to nike.com, the full level of impact the disruption will have to Nike's organizational objective and also realize the impacts of similar attacks on its other digital platforms.

Question 3. Recovery Objectives (2 marks)

(a) What is a recovery objective / metric (1 mark)

It basically sets the maximum tolerable downtime by stating the level of capability that the organization aims to recover in a certain time after a disaster occurs. It is divided into two parts, recovery point objective (point in time by which entire system, data and operations must be recovered) and recovery time objective (maximum time taken to recover it).

(b) how would it apply in the context of the disruption scenario and impact assessment you have just described at 2b above? (1 mark)

It can be used to set a time limit in bringing system back to pre-disaster condition, like aiming to ensure 100% of the resources used for the nike.com are functional within 12hrs of loss of service.