



**Company ABC (ABC)**

**Business Continuity Context,  
Requirements and Scope**

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**Document Review**

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## 1 Introduction

Company ABC is committed to ensuring the continuity of its business in the face of unwanted events and has implemented a Business Continuity Management System (BCMS) that is compliant with ISO 22301, the international standard for business continuity.

The purpose of this document is to describe the way the business operates, internal and external factors influencing it and to highlight in general terms the potential consequences of a business interruption. This will allow the most appropriate level of measures to be put in place to reduce the level of risk and to ensure that plans are available and tested to manage the impact of any interruptions that do occur.

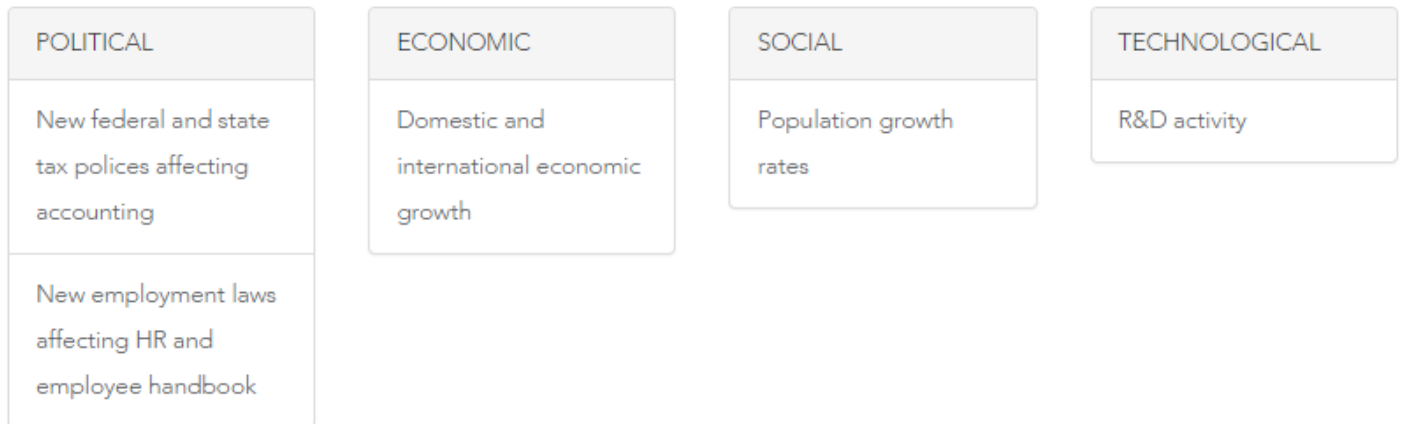
## 2 External Environment Analysis

Several methodologies exist to understand how an organization functions. The important outcome is to identify the characteristics of external environmental factors that will influence business continuity management: mission, main activities, internal organization, stakeholders, etc.

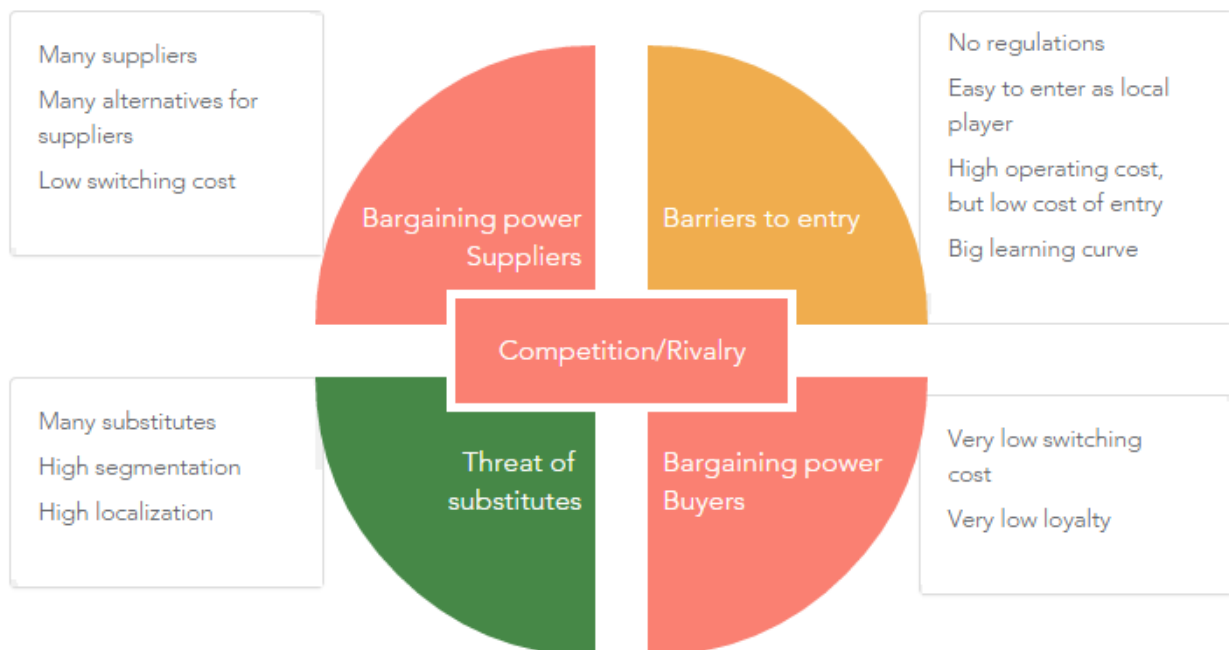
### SWOT Analysis



## PEST Analysis



## Five Forces Analysis



### 3 Organizational Context

The organizational context of Company ABC is set out in the following sections. Given the fast moving nature of the business and the markets in which it operates the context will change over time. This document will be reviewed on an annual basis and any significant changes incorporated. The BCMS will also be updated to cater for the implications of such changes.

#### 3.1 Activities

Company ABC undertakes a wide range of business activities within its target sectors and is constantly developing new products and services to bring to market.

Describe:

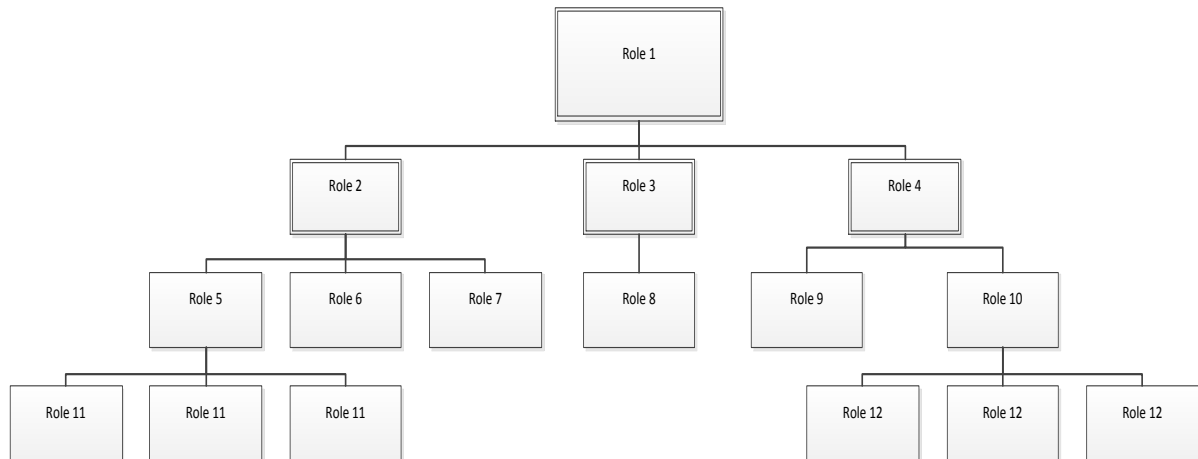
- What does the organization do?
- When was it formed?
- What is its structure e.g. group of companies?
- What is its main industrial sector?
- Who are its main customers?
- In which geographical regions does it operate?
- What is its annual turnover?

#### 3.2 Functions

Company ABC consists of the following organizational functions:

- Sales and Marketing
- Finance and Accounting
- Human Resources
- Operations
- Logistics
- Product Research and Development
- Project Management
- Risk and Compliance
- Consulting
- Information Technology

An organization chart is shown below:



[Describe where the various functions are based e.g. HR, Finance and Marketing are in a corporate headquarters whilst Operations is in a regional structure spread across x offices nationwide/internationally.]

### 3.3 Services

Company ABC offers the following major services to its customers:

- [List the main services]

Specify:

- Are all services offered to all customers?
- Which services create the most revenue and profit?
- Are any services dependent on others (prerequisites)?
- Which services are the most high profile?
- Are any of the services subject to external regulation?
- Do any of the services have a health and safety aspect?

### 3.4 Products

Company ABC offers the following major products to its customers:

- [List the main products]

Specify:

- Are all products offered to all customers?
- Which products create the most revenue and profit?
- Are any products dependent on others (prerequisites)?
- Which products are the most high profile?
- Are any of the products subject to external regulation?
- Do any of the products have a health and safety aspect?

### 3.5 Partnerships

Company ABC has a policy of forming partnerships with other organizations which complement its own offerings and bring increased benefits to its customers.

The following major partnerships are currently in place:

For each partnership specify:

- Organization name
- Location(s)
- Nature of partnership
- Which products or services are affected by the partnership
- Which/how many customers are involved
- How long the partnership has been in place
- Any other relevant information

### 3.6 Supply Chains

In order to provide our products and services to our customers a number of important supply chain routes are in place. The major ones are:

Describe for each supply chain:

- The products and services affected
- The links in the supply chain both in terms of organizations involved and geography
- How established the supply chain is
- Revenue and profit value that relies upon the supply chain
- Any other relevant information

### 3.7 Relationships with Interested Parties

In addition to our partners and suppliers, Company ABC has several other interested parties it deals with. These include:



Interested Party

Stakeholder 1

Internal or External

Internal

Nature of Interest

Degree of Influence

Considerations

Notes

Interested Party

Stakeholder 2

Internal or External

Internal

Nature of Interest

Degree of Influence

Considerations

Notes

### 3.8 Potential Impact of a Disruptive Incident

The impact of any specific incident will obviously depend upon its nature and a comprehensive risk assessment is maintained to assess and mitigate those

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that can be reasonably identified. In general terms the potential impact of an inability to perform normal business processes will be shown in one or more of the following key areas:

- Loss of sales revenue
- Risk to life on health and safety grounds
- Loss of reputation/customer confidence
- Inability to meet our legal obligations
- Breach of contractual obligations
- Loss of business opportunity

[Explain which of the above apply to your organization and to what extent. Identify any other impacts that are specific to you].

## 4 Objectives and Policies

The purpose of the BCMS is to ensure that Company ABC is still able to meet its defined business objectives and comply with its policies in the face a potentially disruptive incident. This section sets out what the major business objectives and policies are for the current financial year so that a clear relationship can be established between these and the objectives of the BCMS.

### 4.1 Business Objectives

For the financial year 20xx/20yy Company ABC has set the following major business objectives:

- List the major business objectives – reference to business planning documentation may be made here

### 4.2 Business Policies

Policies have been set by the organization in a variety of areas and these must be taken account of during the business continuity planning process to ensure that they are met. The main relevant policies are:

- Corporate Risk Management Strategy
- Human Resources Policy
- Home Working Policy
- Flexible Working Policy
- Equality and Diversity Policy
- Internet Acceptable Use Policy
- Information Security Policy
- IT Access Control Policy
- Legal Responsibilities Policy
- Other relevant policies

### 4.3 Business Continuity Objectives

Based on the requirements and factors set out in this document, the following major objectives are set for business continuity:

Define the main priorities that the BCMS must address, particularly in terms of the potential impacts described in section 2.8 of this document.

For example:

- Objective 1 - Comply with health and safety legislation at all times
-

- Objective 2 – Maintain shareholder confidence
- Objective 3 – Maintain customer service levels
- Objective 4 – Minimise loss of revenue

The success of the BCMS will be judged on its ability to meet these overall objectives.

Responsible Party	Applicable Law, Regulation or Standard	Impact	Urgency	Consequences	Options
New item	HPAA	✓	✓	✓	✓
Party 2	NIST	✓	-	✓	-

## 5 Risk Factors

### 5.1 Risk Appetite

The BCMS is designed to address the major risks that are identified to the business continuity of Company ABC. In identifying, assessing and managing these risks there are a number of options open to the organization according to its appetite for risk.

In general terms the organizations appetite for risk may be said to be Low/Moderate/High (delete as appropriate).

[Low] The strategy of the organization is to avoid risk where possible and to invest resources in mitigating residual risk through effective business continuity measures.

[Moderate] The strategy of the organization is to accept reasonable levels of risk whilst making some effort to ensure measures are in place to handle risks if they occur.

[High] The strategy of the organization is to accept significant levels of risk as an integral part of the business it is in, on the basis that the resulting rewards will be sufficient justification.

This level of risk appetite will be applied to the risk assessments that are carried out as part of the BCMS and will determine the actions that need to be taken to mitigate risk to an acceptable degree.

### 5.2 Internal Uncertainty Factors

With regard to the Company ABC business itself, there are a number of internal factors that create uncertainty that gives rise to risk. These include:

[List any specific risk factors e.g.]

- Uncertainties in employee relations
- Significant organizational changes
- Location moves
- Company financial performance]

These general internal uncertainty factors will be considered in more detail as part of the risk assessment process.

### 5.3 External Uncertainty Factors

With regard to the external environment in which Company ABC operates, there are a number of external factors that create uncertainty that gives rise to risk. These include:

[List any specific risk factors e.g.

- Potential legislative or regulatory changes
- Political unrest in countries in which the organization operates
- Inherent environmental risks e.g. forest fire, floods
- Economic factors – supplier failure, lack of customer demand]

These general external uncertainty factors will be considered in more detail as part of the risk assessment process.

### 5.4 Risk Criteria

The criteria for assessing risk in the context of the organization's appetite for risk are defined in a separate document [MC08002 Risk Assessment Process](#).

## 6 Requirements

This section of the document sets out the interested parties that are relevant to the BCMS and their requirements. It also summarises the applicable legal and regulatory requirements to which the organization subscribes.

An interested party is defined as “a person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or activity”.

The following are defined as interested parties that are relevant to the BCMS:

- Shareholders
- Board of Directors
- Suppliers
- Customers
- Regulatory bodies
- Customer user groups
- Employees of the organization
- Contractors providing services to the organization
- National or local government organizations
- Emergency services
- Trade associations and industry bodies
- Trade unions

## 6.1 Applicable legal and regulatory requirements:

Healthcare	<ul style="list-style-type: none"> <li>• <b>HIPAA</b> (Health Insurance Portability and Accountability Act) <ul style="list-style-type: none"> <li>◦ Requires data backup plan</li> <li>◦ DR Plan</li> <li>◦ Emergency Mode Operation Plan</li> <li>◦ Requirements for Electronic Records</li> </ul> </li> </ul>	Government <ul style="list-style-type: none"> <li>• <b>FISMA</b> (Federal Information System Act 2002) <ul style="list-style-type: none"> <li>◦ Emphasis on data security</li> </ul> </li> <li>• <b>COG</b> (COOP and Community of Government July 1999) <ul style="list-style-type: none"> <li>◦ Establishes minimum planning considerations for federal government operations</li> </ul> </li> <li>• <b>NIST</b> (National Institute of Standards and Technology) Special publications (SP) 834, Contingency Planning Guide for Information Technology Systems, July 2002 <ul style="list-style-type: none"> <li>◦ Defines detailed recommendations requiring contingency, DR, and COOP plans</li> </ul> </li> </ul>
Finance	<ul style="list-style-type: none"> <li>• <b>FFIEC</b> (Federal Finance Institutions Examinations Council Handbook) <ul style="list-style-type: none"> <li>◦ Specifies accountability for organization-wide contingency plans and requires timely resumption of operations in the event of a disaster</li> </ul> </li> <li>• <b>BASEI II Accord, June 2004</b> <ul style="list-style-type: none"> <li>◦ Requires banks to implement BC and DR plans to limit losses and ensure continuous operation</li> </ul> </li> <li>• <b>Interagency Paper on Found Practices to strengthen the resilience of the US Financial System, 2003</b> <ul style="list-style-type: none"> <li>◦ Emphasis focus on systemic Risk</li> <li>◦ Requires testing of BCPs to incorporate Risk Discovery as a result of the WTC disaster</li> </ul> </li> <li>• <b>EFAA</b> (Expedited Funds Availability Act), 1939 <ul style="list-style-type: none"> <li>◦ Requires Federally Chartered financial institution to have a comprehensible BCP that ensures prompt availability of funds</li> </ul> </li> </ul>	Utilities <ul style="list-style-type: none"> <li>• <b>GASB</b> (Governmental standards Board) No. 34 <ul style="list-style-type: none"> <li>◦ Requires a BCP for agency mission continuity in time</li> </ul> </li> <li>• <b>NERC</b> (North American Electric Reliability Council 1200)</li> <li>• <b>FERC</b> (Federal Energy Regulatory commission) <ul style="list-style-type: none"> <li>◦ Mandates Recovery Plans</li> </ul> </li> <li>• <b>RUS 7 CSR Part 1730</b> <ul style="list-style-type: none"> <li>◦ Emergency Restoration Plan required as condition of continued borrowing</li> </ul> </li> <li>• <b>Telecommunication Act of 1996</b></li> <li>• <b>NERC Security Guidelines for Electricity Sector</b></li> </ul>

For details of how applicable legal and regulatory requirements are identified, accessed and assessed see the document “Legal and Regulatory Requirements Procedure, [document reference MC04002](#).”

The applicable requirements of interested parties and legal and regulatory bodies are summarised in the table on the following page.



## Business Continuity Context, Requirements and Scope

Interested Party / Legal or Regulatory Body	Reqt. Ref.	Requirement Summary	Source / link to supporting documents
Shareholders	R1	Value of share price should be maintained	Minutes of Annual General Meeting dd/mm/yyyy
Board of Directors	R2	Value of share price should be maintained	Minutes of Board Meeting dd/mm/yyyy
	R3	Organizational reputation must be protected	
	R4	Revenue stream must be maintained	
Suppliers	R5	Payment schedule must be kept to	Minutes of supplier meetings
	R6	Facility for receiving shipments must be available	
Customers	R7	Delivery schedule should not be affected	Customer meetings/focus group sessions
Regulatory bodies		Etc.	
Customer user groups			
Employees of the organization			
Contractors providing services to the organization			
National or local government organizations			
Emergency services			
Trade associations and industry bodies			
Trade unions			
Sarbanes-Oxley Act 2002 (USA)			
Health and Safety legislation			
Payment Card Industry – Data Security Standard compliance			

*Table 1 – Requirements Summary of Interested Parties / Legal and Regulatory Bodies*

## 7 Purpose and Scope of the BCMS

### 7.1 Purpose

The purpose of the BCMS is to:

1. Understand the organization's needs and the necessity for establishing business continuity management policy and objectives
2. Implement and operate controls and measures for managing the organization's overall capability to manage disruptive incidents
3. Monitor and review the performance and effectiveness of the BCMS
4. Continually improve the organization's business continuity based on objective measurement

This purpose applies to the scope of the BCMS as defined below.

### 7.2 Scope of the BCMS

The defined scope of **Company ABC**'s BCMS takes into account the internal and external factors referred to in sections 4.2 and 4.3 of this document and the requirements referred to in section 5. It also reflects the needs of interested parties and the legal and regulatory requirements that are applicable to the organization.

The scope is defined below in terms of the parts of the organization, products and services and related activities.

#### 7.2.1 Organizational

The BCMS includes the following parts of the **Company ABC** organization:

[Specify the parts of the organization included in terms of business function, geographical location or other organizational boundary e.g. individual companies within a group structure]

#### 7.2.2 Products and Services

The following products and services are within the scope of the BCMS:

[List the products and services at an appropriate level of detail. This is more likely to be in the form of product and service types rather than specifics which are likely to change rapidly over time. The products and services selected must be consistent with the organizational split given in the previous section]

### **7.2.3 Activities**

The following activities are within the scope of the BCMS:

[List the business activities at an appropriate level of detail. The activities specified must be consistent with the organizational and product/service split given in the previous sections]

### **7.2.4 Exclusions**

The following areas are specifically excluded from the scope of the BCMS:

[Detail what is excluded and why, in terms of organizational parts, products / services and activities. This must remain consistent with the overall approach and not compromise the ability of the BCMS to produce the desired results and meet its objectives.]