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Building a bulletproof business

Companies whose core business relies on the availability of corporate information and data have come to accept business continuity planning (BCP) as a necessary part of life. However, when those plans are tested, many companies have learned the hard way that failing to consider disaster recovery in a broad organisational context can have catastrophic implications during the disaster recovery execution.

These shortcomings aren't always the result of a complete lack of vision. After the September 11 attacks in the United States, every business around the world thought long and hard about how it would respond to a similar situation. Although anecdotal evidence suggests many companies are now prioritising BCP and security solutions, without the right approach, those efforts can be futile.

Many businesses do not have a good understanding of what BCP entails. Whilst businesses believe they can evaluate disaster recovery scenarios and put in place plans to combat the situation, often these plans are ineffective and do not satisfy business needs, resulting in wasted time and money, and providing a false sense of security.

Technologically, disaster recovery solutions have evolved over time. Clustered servers are now so common, and built with so much internal redundancy, that downtime from an individual hardware outage is unlikely. Many companies have commissioned backup Internet connections with separate bandwidth providers. Additionally standardisation among Storage Area Network (SAN) products, along with a growing number of high-speed metropolitan area network (MAN) services, allow businesses to physically isolate backup nodes without compromising the performance of backup and data recovery solutions.

Despite the advances made in the technological sphere, technology remains only one aspect of a valid BCP strategy and cannot be considered in isolation.

A valid BCP is required to address and support the plethora of business process issues that stem from potential interruptions of service. These issues are often less distinct than the specific technologies involved, and need to be addressed from macro through to micro levels that consider both upstream and downstream business implications.

To accept the paradigm shift of thinking about disaster recovery, businesses need to firstly consider what all the business processes are, what each particular business process does, how this process supports the business and what the potential effects are on running the business if it's missing. Concurrently the business also needs to consider all the 'people' issues involved in the business processes and what technical environment is required to support that process.

For example, suppose a manufacturing business is irreversibly damaged by fire, resulting in a suspension of business for an unacceptable period of time. A disaster is declared and the business moves to a prepared secondary data centre. Although a secondary data centre might be able to take-over and keep key systems running with a data backup, damage to the primary facility will force the company to relocate dozens or hundreds of staff and the business processes to a temporary location.

Delays in such a massive move (people, processes and technology) could, in turn, affect the recovery of business order processing and order delivery processes, which could in turn impact the business manufacturing process. This will cause issues with product delivery, which will impact business accounts receivable and cash flow management. Ultimately the business' ability to survive will be at risk.

Organisations with formalised and proven procedures, processes and activities will rebound and recover from business disasters relatively quickly. However most organisations don't understand the pervasiveness of their formalised business processes and those businesses that have previously defined BCP are finding substantial deficiencies when called into execution.

This is due to the lack of formality, or the undocumented informal maturation and modification of business processes created by business growth.

Although these sorts of problems could seriously affect a company's viability, too many organisations still overlook them and assume that if their technology keeps running, their business can be sustained.

The most effective disaster recovery plans are those found in companies where the business functions and technology specialists work closely to build holistic business continuity plans that delve into the organisation's deepest recesses.

With most companies still struggling to integrate their technological and corporate visions, however, such unity is rare. That's why many companies now prefer to work with a consulting firm that can dovetail the two areas, helping customers paint a complete disaster recovery plan by providing both business acumen and technological competency.

The need for comprehensive business continuity plans has become even more urgent as banks and insurance companies refine their criteria for lending and providing liability coverage. Since cost-effective access to insurance cover and capital are critical to the functioning of any business, it's essential to demonstrate a well-documented and comprehensive strategy for business continuity.

Failure to meet an insurer's requirements could potentially lead to difficulties obtaining cover, and could also threaten a company's relationships with business partners who are not willing to risk the interruption to their own businesses.

Businesses will also need to consider issues such as logistical impact and the intangible damage that stems from lack of goodwill and market flow-on effects.

This potential fallout, paired with recent overall growth in concern over business continuity, led analyst firm IDC to name business continuity planning as one of the most critical areas of focus for businesses this year. As the events of the past year have illustrated, anything less, simply isn't good enough.

HP Services has worked with many organisations that have zero survivability in terms of a disaster. To help them requires ample effort. However, the key is to work with a partner who can guide the organisation in terms of the best practice that pragmatically suits their environment. The bottom line is simple: how much is your business worth, and do you want to survive?

Steve Cartland is a consulting manager for HP. He specialises in assisting organisations evaluate options for business continuity, including benefits, costs and risks.

About HP

HP is a leading global provider of products, technologies, solutions and services to consumers and businesses. The company's offerings span IT infrastructure, personal computing and access devices, global services and imaging and printing. HP merged with Compaq Computer Corp. on May 3, 2002. The merged company had combined revenue of approximately \$81.7 billion in fiscal 2001 and operations in more than 160 countries. More information about HP is available at www.hp.com.au

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