Business Continuity Planning (BCP) Survey Results and Analysis for the APEC Region

Submitted by: Asian Disaster Reduction Center (ADRC)
BCP Survey Results and Analysis for the APEC Region

APEC Workshop on Private Sector Emergency Preparedness

Asian Disaster Reduction Center (ADRC)
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Background

Object
– Understand current situation of Business Continuity Planning of Private Sector in the region

Expected Outcome
– Know current situation by the economy, industry sectors and size of the company.
– Identify and clarify the bottlenecks and problems for the development and implementation of BCP
– Gathering the information needed for future enhancement strategy to policy makers
– Share the knowledge and better practices in the region
The Questionnaire

Q1-Q6 General Information
Q7-Q8 Potential Threats and Disaster Experiences
Q9-Q10 About their BCP
Q11-Q12 Reasons for BCP
Q13- Public supports
Q14- How to build BCP
Q15-Q16 Coordination with Suppliers
Q17- Difficulties of BCP development
Q18- Related Plans
Q19- Coordination with Community
Q20 Standards and Certification
Q21 Risk Control / Finance
Q22-Q23 Checking BCM
Q24 Difficulties of BCM review
Methodology

– APEC Business Advisory Council (ABAC)
– The Japan Chamber of Commerce and Industry (JCCI)

Contributed Organizations

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Responses from the member economies
267 Answers from 17 Economies as of 27th July

The data used for the analysis
229 Answers from 17 Economies as of 15th July

More or Less than 300 Employee?
Less, 128, 56%
More, 101, 44%
Industry Sector

Agriculture, forestry and fishery
Mining and quarrying
Manufacturing
Electricity, gas, steam
Construction
Wholesale and retail trade
Transportation and storage
Accommodation and food service
Information and communication
Financial and insurance
Real estate
Professional, scientific and technical
Administrative and support service
Education
Human health and social work
Other service
Extraterritorial organizations
Other

Potential Threats and Disaster Experiences

Earthquake 150
Fire 124
Flood 109
Blackout 108
Terrorism 102
Pandemic / Epidemic 86
Tsunami 82
Hurricane / Wind storm 64
Nuclear 50
Volcano eruption 48
Drought 28
Insect Infestation 21
Wild fire 17
Snow 16

Earthquake 29
Flood 27
Tsunami 16
Hurricane / Wind storm 16
Fire 16
Terrorism 14
Blackout 11
Pandemic / Epidemic 9
Drought 6
Nuclear 6
Volcano eruption 5
Snow 4
Wild fire 3
Insect Infestation 1
# Potential Threats and Disaster Experiences

## Economies more than 5 answers

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## Adaptation and Awareness Situation

### Do you have written BCP?

- **Yes, 65, 28%**
- **No, 59, 26%**
- **In progress, 21, 9%**

- **Don't know about BCP, 84, 37%**
Adaptation and Awareness Situation

Large Scale
- Don't know: 19%
- Yes: 48%
- In progress: 33%
- No: 18%

Listed
- 12: 30%
- 9: 15%
- 33: 54%
- 6: 15%

Unlisted
- 12: 40%
- 6: 15%

SME
- Don't know: 51%
- Yes: 12%
- In progress: 5%
- No: 32%

Listed
- 17: 52%
- 9: 27%
- 5: 15%
- 2: 6%

Unlisted
- 48: 50%
- 32: 34%
- 11: 12%
- 4: 4%

Adaptation and Awareness Situation

- Australia: Yes
- Brunei Darussalam: In progress
- Hong Kong, China: No
- Indonesia: Don't know
- Japan: Yes
- Republic of Korea: In progress
- Malaysia: No
- New Zealand: Don't know
- Peru: Yes
- The Philippines: In progress
- Russia: No
- Singapore: Yes
- Chinese Taipei: In progress
- Thailand: No
- The United States: Don't know
- Viet Nam: In progress

0 10 20 30 40
Adaptation and Awareness Situation

Past Experiences

Has your company ever been seriously disrupted by a disaster?

YES 29%  NO 71%

Adaptation and Awareness Situation
**Prepare for What?**
Which threats does your BCP address?

- Earthquake: 61
- Fire: 56
- Pandemic / Epidemic: 48
- Blackout: 43
- Flood: 37
- Terrorism: 31
- Tsunami: 28
- Hurricane / Wind storm: 24
- Other: 18
- Volcano eruption: 14
- Snow: 7
- Wild fire: 4
- Insect Infestation: 3
- Nuclear: 3
- Drought: 1

- Chemical Leaks
- a few of the above + others
- Business Disruption
- civil unrest or insurrection
- Aircraft accident, Hijack
- any disruption to business
- civil disturbance, public rallies
- System disruptions
- All threats that affect the ability of our branches or head office to operate
- Any causes of interruption
- Loss of Facility

**Benefits of BCP**
Did your company have a BCP in place during the past disasters and how was it useful? (28 answers)

- Getting back to supply service and products quickly
- Continue stakeholders’ confidence
- Stabilizing your company’s workforce
- Avoiding enormous loss and saving revenue
- Ensure safety of employees as first priority
- Commitment to social responsibility
- People knew what to do
Drivers for BCP

What are the reasons or trigger events that motivated your company to develop a BCP?

- For risk management of your company
- For good business practice
- From the disaster experience of your company
- Parent company or holding’s requirement
- Customers’ requirement
- Share holders’ requirement
- Legal requirement
- Other
- Bank/creditor’s requirement

- Protect reputation of the company
- For SARS
- Assure business continuity to customers
- For Political Demonstration
- Requirement from the Government
- Governance requirements and staff wellbeing

Public Support

Does central / local government or emergency management/public safety organization have a public support systems for building a BCP?

- Providing disaster information
- Training support
- Providing toolkit
- Funding support
- Sending experts
- None in particular

✓ All Singapore companies answered “Yes” (National BCM Program)
How to Build BCP

- Government guidelines
- Sector specific guidelines of industrial association
- Refer to guidelines of BCP standards, e.g. BS25999, NFPA1600, etc.
- Refer to text books
- Advised from consultants

- Existing expertise
- Recruit BCP practitioners
- Leveraged internal experts to build practical BCP
- Group guidelines
- Fine tuned from other operators
- TR 19, SS 540
- Examples from other organisations
- Refer to guidelines from customers
- Used experience from existing staff and other business piers

Barriers for BCP Development

What are the obstacles for building BCP or what was the reason for not building BCP?

- Lack of company BCP knowledge and expertise
- Lack of human resources
- Lack of information for building BCP
- None in particular
- Management’s awareness is low
- Difficulties coordinating within the company
- Lack of budget
- Employee’s awareness is low
- No need for written plan
- Other
**Towards Effective BCP  Supply Chains and Value Chains**

Does your company coordinate with your suppliers on emergency operations?

- **NO**, 24, 28%
- **YES**, 62, 72%

Does your company know your suppliers’ BCP situation?

- **NO**, 49, 57%
- **YES**, 37, 43%

  - **All have done**: 6
  - **Some have done**: 25
  - **All in progress**: 4
  - **All no plan**: 0

**Towards Effective BCP  Communities**

Does your company coordinate with the community in preparation for a wide area disaster?

- **No**: 43%
- **Yes**: 57%

**Towards Effective BCP  Standards and Certifications**

Does your company have or have a plan to be certified by BCP guidelines and standards e.g. BS25999, NFPA 1600, etc?

- **None in particular**: 69%
- **Yes, BS25999**: 13%
- **Yes, NFPA1600**: 6%
- **Yes, other guidelines and standard**: 12%
  - SS 540 and other applicable international standards
  - Group requirement
  - OHSAS 18001, ISO 14001, Local Health,
  - ICAO Convention Annex 13,etc
  - Already certified in SS540
  - Once a comprehensive plan is developed
  - Certification of MLIT Japan (Kanto Office)
Towards Effective BCP  Risk Controls

What risk finance mechanisms does your company utilize?

- Insurance for Property
- Insurance for employee
- Insurance for profit losses
- Derivatives
- Commitment lines
- Other loans
- Other
- None in particular

Monitor and Review

How does your company educate and drill itself?

- Evacuation drill
- Awareness lecture
- Emergency Gathering drill
- System recovery drill
- Safety confirmation drill
- Table top drill
- Other
- None in particular

How often does your company monitor and update BCP?

- Annually
- When business environment changes
- After exercise and training
- Semi-annually
- Other
- None in particular
Barriers for BCP Maintenance

What are obstacles and problems monitoring and updating BCP

- Lack of company BCP knowledge and expertise
- Lack of human resources
- Lack of information for building BCP
- None in particular
- Management’s awareness is low
- Difficulties coordinating within the company
- Lack of budget
- Employee’s awareness is low
- No need for written plan
- Other

● Make exercise as real to ensure BCP will work
● Staff have other more pressing day to day priorities
● No approved BCP yet

Summary

Adaptation and awareness situation vary by the economy
Fill up the gaps in the region and improve the each levels
Share information on good practices and benefits of BCP

Public supports are used in the process of developing
Especially SME
Raise the awareness and enrich public support measures ex. Guidelines, Standards, Toolkits

Bottlenecks identified for developing BCP and BCM
• Lack of consciousness for BCP by board members
• Lack of Skills and Knowledge
• Difficult to secure proper human resources
• Low consciousness in each departments
• Lack of information for the contents of BCP
• Difficulty in preparation of sufficient budget for BCP

Need to remove these obstacles in the region for further promotion

Strengthen the idea of coordination with suppliers and communities
Thank You For Your Attention

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http://www.adrc.asia