

# Raising Business Continuity Management Awareness in Malaysia

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**Abstract:** *An effective Business Continuity Management (BCM) framework guarantees information availability and plays an important role in ensuring an organisation's survivability. Such a framework is critical as it will also provide reliable assurance on ensuring continuity of critical business functions in the event of crisis or disasters. Despite its importance, the level of awareness regarding BCM in Malaysia is still at its infancy in many industries. Therefore, this paper will propose steps that can be taken to significantly increase the level of BCM awareness in Malaysia and thus enable organisations to better prepare themselves to manage crisis or disaster situations.*

**Keywords:** *Business Continuity Management, critical business functions, awareness, crisis, disaster*

## I. INTRODUCTION TO BUSINESS CONTINUITY MANAGEMENT

Business Continuity Management (BCM) has grown in importance significantly over the years and a survey conducted on IT managers by Gartner in 2000 revealed that over 60% of the businesses surveyed did not have a basic plan to mitigate the effects of a disaster [1]. More worryingly, other Gartner surveys [2] found that:

- Half of all businesses that are impacted by a disastrous event are out of business for two weeks following the event.
- Two out of five enterprises that experience a disaster will no longer be in business five years after the event.

Thus, based on the survey results above and many other surveys done on business continuity, it is difficult to play down the importance of having a comprehensive BCM framework in organisations. The ability of organisations to operate normally after experiencing a crisis or disaster situation, and in some cases even its survivability, hinges on whether or not they have an effective BCM framework in place. This goes on

to show that any organisation will find it very difficult to resume normal operations in the event that they are hit with a crisis or disaster if they do not plan and manage their business continuity process properly.



**Diagram 1: Planning Cutbacks**

The diagram above highlights a worrying statistic whereby there is a decrease in the number of organisations in 2003 as compared to in 2002 agreeing the notion that business continuity planning (BCP) is a key business priority for their IT organisation [3]. This goes on to show that many organisations are not placing more importance on developing strategies to ensure business survival.

The following is a definition of BCM obtained from Spring Singapore's website [4]:

*“Business Continuity Management (BCM) is the process of identifying potential incidents that threaten an organisation, formulating and implementing viable continuity strategies, and the development of a plan to ensure continuity of operation. It covers a broad spectrum of business and management disciplines, including risk management, disaster recovery and crisis management.”*

As described in the definition above, BCM involves identifying the various threats and risks that are faced by organisations, formulating viable continuity strategies to mitigate those risks and develop plans to ensure that the business continues to operate in the event of a crisis or disaster. In addition, BCM should focus on restoring the critical business operations as defined by the management, and not only concentrating on Information Technology (IT) systems recovery only.

## **II. IMPORTANCE OF BCM IMPLEMENTATION IN MALAYSIA**

The implementation of a comprehensive BCM framework is vital to any organisation that places importance on ensuring that the business will continue to operate in the event of a crisis or a disaster. Based on the organisation's recovery strategy plan and depending on the amount of budget and resources that the organisation can afford to allocate, they can ensure that at least their critical business functions that has been pre-defined by the management team will be able to continue operations as usual, even though it might not be at 100% capacity as per normal. This will enable the organisations to minimise disruptions to their business operations that could cost them huge losses in not only monetary terms, but also in other aspects such as losing potential business opportunities and clients' trust as well as affecting their image and reputation.

Following is a diagram depicting the level of Disaster Recovery Planning (DRP) and BCP implementations in Malaysia according to NISER's ISMS Survey in 2003 [5]:



**Diagram 2: Security Procedures Currently Practised**

The diagram above shows that only 52% of Malaysian organisations are currently practising DRP and only 37% are implementing BCP. This survey however does not include measuring the effectiveness of the stated DRP and BCP plans and thus the number of organisations having a comprehensive and fully tested BCM framework might even be less than the ones stated. The diagram above basically shows that the level of BCM implementation in Malaysia is still at a relatively early stage and more work needs to be done to increase the awareness on the importance of BCM implementation.

As Malaysia is focusing on building a knowledge-based economy and becoming more and more dependent on IT to spearhead its drive to be in the information age, the need to ensure continuity of business operations in the event of an unplanned crisis or disaster becomes more important than ever. All organisations from both the public and private sectors need to be prepared for any emergencies and ensure that any disruptions to their operations and business is kept at a minimal. Therefore, strategies should be put in place so that they will be able to continue operations swiftly after the

event of a crisis or a disaster.

### **III. RAISING BCM AWARENESS IN MALAYSIA**

In order to raise BCM awareness in Malaysia, strategic steps need to be taken to increase the number of organisations implementing BCM in the country. The following are the recommended steps to be taken by the relevant authorities in the field to significantly increase BCM awareness in the country:

#### **A. To develop a fast-track national BCM standard to be used as a guide by organisations in the country**

It is recommended that a localised version of a BCM standard is to be made available for public consumption in order to make it easier for them to implement BCM. By having a standard, they will have a set of best practices and guidelines for them to follow and this will also hopefully improve the level of effectiveness of their BCM implementation. Currently there are works going on to develop such a standard and this project was proposed by NISER. A working group has been established by NISER together with the national certification body, SIRIM and the members consist of a panel of BCM experts from around the country.

#### **B. To integrate BCM materials into colleges and universities degree and post-graduate level courses such as MSc and MBA programmes**

It is necessary to have more BCM-focused research being done in higher learning institutions in the country. By integrating BCM-related materials into degree and post-graduate level courses, it will enable the lecturers, students and eventually the general public to be more aware and knowledgeable on such topics and this will in turn lead to more awareness on the importance of BCM and thus hopefully will increase the number

of BCM implementations in the country.

**C. To increase BCM awareness and training programmes that leads to certifications**

NISER on its part has contributed to make improvements on this step by providing BCP awareness and training programmes since early 2004 which have been well received by the public. At the moment though, the training programmes that are being conducted does not lead to any particular certification. There are however other training institutes from around the region that have begun offering recognised certification courses in BCP for the Malaysian public and it is expected that the demand for certifiable courses in BCP to increase in the future.

**D. To increase the number of certified BCM professionals in the country**

By having more certified BCM professionals in the country, it will help to push the level of BCM awareness and implementation as these professionals will be able to impart their knowledge in the field not only to their respective organisations, but also to their business partners, suppliers and customers. Thus, this will lead to more awareness regarding the importance of having competent BCM professionals in organisations so that they will be able to assist their respective organisations and other related parties in developing their BCM framework.

**E. To push for a greater collaboration regarding BCM programmes between the public and private sectors**

This step is critical to ensure a successful level of acceptance of BCM implementation in the country. It will be quite difficult to build up a strong BCM culture in the country if

either the public or private sector is not fully involved in its development. Therefore, by having a strong relationship on the development and running of various BCM programmes between the public and private sectors, it can lead to a wider level of coverage on BCM issues to organisations in the country.

#### **IV. CONCLUSION**

The importance of BCM should never be underestimated. With the increasing number of threats and risks faced by organisations today, it is imperative that they put in more focused efforts in preparing effective BCM plans to ensure that their business operations will continue without much disruptions in the event of a crisis or a disaster because their reputation and survival as an entity depends on it. Thus, it is hoped that by highlighting the issues regarding the importance of BCM and recommending a number of strategic steps that can be taken to raise BCM awareness in the country in this paper, it will help to contribute for further developments to be made in the field by the relevant authorities.

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