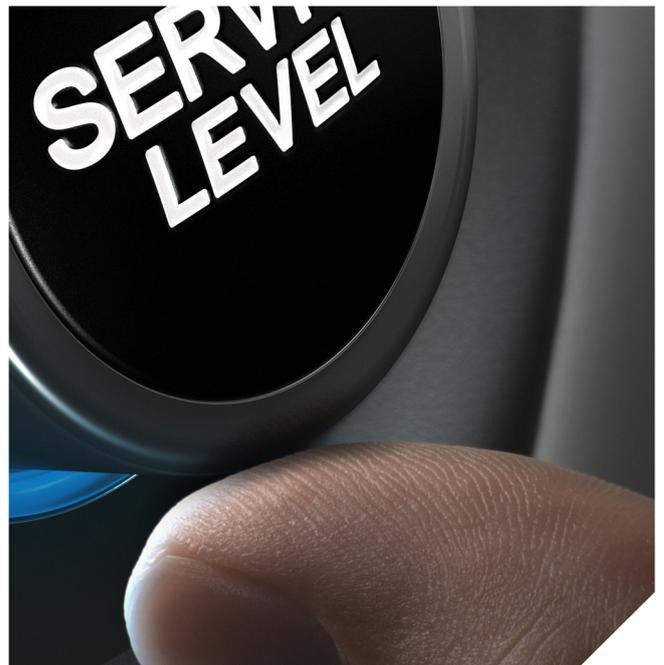


Coromatic

Operations
Secured

24/7

Business Impact Analysis (BIA)





Executive Summary

What happens if your most important business processes are interrupted and how can the risks be quantified and prioritized? One of the main concerns of an organization can be to decide the relevant level of investment in business-critical infrastructure and the process surrounding it. A Business Impact Analysis (BIA) is a tool to continually evaluate business risks and their impact on the organization.

A BIA is an essential component of an organization's business continuance plan. Its objective is to reveal any vulnerabilities and it contains a plan to develop strategies for minimizing risk. The result is a Business Impact Analysis Report, which describes the potential risks specific to the organization. One of the basic assumptions behind BIA is that every component of the organization is reliant upon the continued functioning of every other component, but that some are more crucial than others and require a greater allocation of funds in the wake of a disaster. For example, a business may be able to continue normally if the cafeteria must close but would come to a complete halt if the information system crashes.

The BIA is a most valuable insight and risk report of business dependencies - no matter if you are running your IT Operations outsourced, in the cloud, at co-location, on-premises or a mix of your IT Operations.

Business Impact Analysis (BIA)

– What is it?

A BIA is a statement of requirements for recoverability, a hierarchy of priorities, and the value proposition to support senior management's investments in data backups, alternate facilities, duplicate equipment and other resources. It demonstrates an organization's vulnerabilities, and what needs to be done before a disaster to meet the needs of the business and what can be deferred until a disaster occurs.

BIA forms the basis of Recovery Planning by assuming that the worst-case scenario has happened. The BIA is an important aspect of the Disaster Recovery Plan and the Business Continuity Plan. The BIA considers aspects of the business that includes but are not limited to, financial loss, loss of confidence from customers/vendors/partners, legal compliance and capital costs and operating expenses of a reconstruction.

How is the BIA performed?

The scope for the BIA is the widest possible. It should focus on business functions rather than specific applications. Important in the analysis is to assess components in

The results of the BIA are identification of prioritized business functions to be invested in and in which order to recover them, if a catastrophe occurs.



the infrastructure which will affect the functions. One example may be power, operating systems or specific equipment for applications that are necessary to prioritize. For example, applications for logistic operations might be considered more important than a restart of a server for analytical functions, which seemingly is less business critical.

The analysis is conducted by assessing severities when the business function no longer can be run. The work must include responsible persons from each activity and a Business Continuity Coordinator need to explain the background for the assessment to secure that all scoring is done correctly. Also, the context should be a catastrophe scenario. For example, the answer to questions like “How will clients react to downtime?” will be a score based on the length of downtime.

The Coordinator should receive a severity score for 2-4 hours that likely will be lower than the score for 24 hours. By going through criteria from Negligible to Catastrophical, severity scores will be calculated, and criticality determined. The qualitative analysis will be complemented by quantitative analysis of loss factors i.e. contractual penalties, repair expenses and loss of cash flow and/or profits.

When severity scores are decided, and costs/losses are quantified, decisions and recommendations for Business Continuity

can be made. In the example above, depending on the score, recommendations can be made to take backups every 2, 4, 8 or 16 hours and details about the backup processes goes into the Disaster Recovery Plan and Business Continuity Plan.

What are the results of BIA?

The results of the BIA are identification of prioritized business functions to be invested in and in which order to recover them, if a catastrophe occurs. In addition, the analysis builds the foundation for how robust and resilient an organization needs to design critical infrastructure. Both qualitative and quantitative analysis will impact decisions for recovery planning.

These will be the factors determining whether to build in extra components into critical infrastructure or the decision to replicate a whole business process in real-time. A BIA is the answer to how robust and how resilient the business-critical infrastructure should be designed and built.

Coromatic strategic advisor

Coromatic is committed to providing strategic advice to its customers regarding critical infrastructure. In a yearly survey by Coromatic, 77% of respondents’ state that they are exposed to increased business risks after only one hour of downtime. This underlines the importance of linking investments in new technology with investments in critical infrastructure.

Coromatic’s advice includes, among other things, risk reduction, performance improvements, lower costs and energy saving strategies. Through the combination of business focus and technical expertise, critical infrastructure can be built and supplied without interruptions, which ensures our customers business processes.

Find more information on coromatic.com

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Delivery to more than **50%** of the largest Nordic corporations

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Coromatic ensures that organizations can keep their business operations running without disruption. As the leading provider of Critical Facilities Solutions, such as data centers, we safeguard power and data communication supply.

