

Categories that might be used are:

Category 1- Services that need to be restored immediately after the disruption.

Category 2 - Services that need to be restored within one day of the disruption.

Category 3 - Services that need to be restored within one week of the disruption.

Category 4 - Services that need to be restored within one month of disruption.

It is worth noting that the BIA, as well as being an essential component of BCM, is now recognised as an important aspect of general management; it is seen to provide managers with an opportunity or tool to review their services and undertake an 'audit' of whether these are being delivered in the most effective manner.

Producing a Business Continuity Plan prior to any emergency occurring, will raise business continuity awareness within that organisation and help business to help themselves when an incident occurs.



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What is Business Impact Analysis?

Business Continuity Management



Understanding the Business Impact Analysis Process

In order to undertake the process of business continuity management (BCM), business managers need to begin by identifying the essential services they are responsible for delivering and the functions that are critical to the delivery of those services. This approach, coupled with consideration of other influencing factors, such as 'peaks and troughs,' immovable delivery deadlines, etc., is known as **Business Impact Analysis (BIA)**.

The **BIA** process is a crucial step, it enables business managers to develop a strategy to maintain their essential services (albeit possibly at a minimal level), and/or identify how long the delivery of such essential services could continue when a critical support function has failed, (e.g. the suspension of essential supplies).

A BIA explores and analyses the impact of a disruption to the delivery of a service and focuses on the effect the disruption will have on all stakeholders.

When undertaking a BIA the following steps should be taken.

- Clearly define the business process
- document what is provided, by whom, how, when, where & why.
- Include the resources (IT, accommodation & Personnel) required to deliver the service.
- Identify the potential consequences of disruption to each service, which may be categorised as having a financial, or 'hard' impact on the service or a non-financial, or 'soft' impact, as follows:

Financial 'Hard' Impact

Reduced income

Increased cost of working

Loss of operational capability

Breach of contract/financial penalties

Non Financial 'Soft' Impacts.

Loss of goodwill

Loss of credibility

Breach of the law

Risk to personnel safety

Key Steps

- Identify potential failure points for each function essential to ensure the delivery of critical services.
- Identify the dependencies and other processes that each service relies upon.
- Identify and define time frames for the recovery of those functions that are crucial for the continuation of services.

REPUTATION.
Years to build.
Seconds to destroy.



**Preparing for
Emergencies**