Agility Recovery®

The Ultimate Guide to Business Continuity Testing

A Complete Set of Practical Methods

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1. Introduction

Formulating a business continuity plan (BCP) is only half the battle. A solid BC strategy needs more than just a well-laid out theory. How well does your plan hold up in a real-world disaster?

Can your backup systems withstand a cyberattack? How efficient is your recovery time objective (RTO) for restoring data? Are your employees familiar with emergency procedures? Do you have an emergency communication strategy to let everyone know about an incident immediately?

Business continuity plan testing is the most reliable way to find out, and it is a critical component of continuity planning. By skipping regular testing, you won't know if your organization is prepared for a disaster—until it's too late.

Company-wide testing

provides organizations with the highest degree of confidence in the effectiveness of their BCP.[1]

Testing in Numbers

Testing your business continuity program allows you to validate your BC plan and manage risks. In fact, 88% of companies test BCP's at their companies to identify gaps, and 63% of them do that to validate their plans.[2]

Business continuity testing isn't about pass or fail. It's about continuous improvement by learning from findings uncovered in a live exercise.

57% of companies

say that semi-annual or quarterly (consistent) testing helps to gain buy-in throughout the organization, making it more likely to be prepared for an interruption.[3]
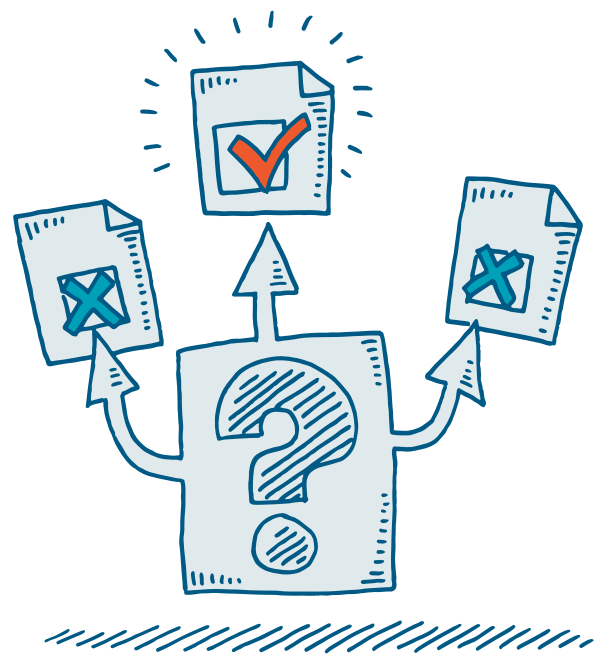
1. BC Benchmark Study, 2019
2. Make Your BCP Tangible with Testing, Online poll, 2019
3. BC Benchmark Study, 2019

2. Testing Your BCP: How Often is Enough?

If you already have a BCP, it may be filled with procedures for various events. But do you need to test everything? And how often do you need to do that? The answer to that depends on your organization's unique risks that could be identified in a business impact analysis (BIA).

A company that has more at stake in the event of disruption—loss of revenue, operational downtime, damaged reputation—will typically require a greater variety of BCP testing scenarios, as well as running those tests more often. Every organization is a unique entity, and its BCP will differ in scope and priority.

When Was the Last Time you Tested your BCP?[4]

It's Been Over a Year
25%

In the Past Year
40%

In the Past 6 Months
35%
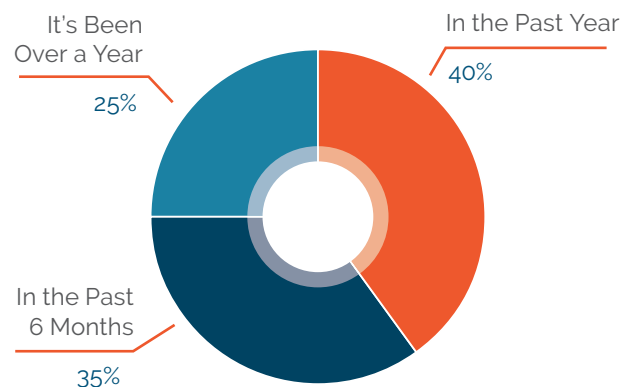
EXPERT'S ADVICE

Some scenarios, such as an active shooter, are more critical and need to be tested frequently. Tim Mathews, a business continuity practitioner, D. Sc., MBA, MBCI, suggests an approach of "working from the headlines." When various emergency events take place across the country, it's a potentially good exercise to include those scenarios in your test plan.

4. Make Your BCP Tangible with Testing, Online poll, 2019

3. Reasons to Test Your BCP

A well-orchestrated test strategy helps protect the brand, its promise, the workforce, and its value proposition. If your competitors had a poor test performance or made a critical mistake in a real-life situation with a client, your company can shine by demonstrating its reliability and advance its business forward.

Here are the most common reasons to test your BCP:

- To protect your most valuable asset—your workforce.
- To help identify interdependencies, gaps, and areas for improvement.
- To demonstrates to your clients a higher degree of commitment.
- For suppliers to other firms, you rise among competitors, taking on more projects, and potentially winning new business due to your resiliency.
- To continually test and validate plans, while improving outcomes.
- To satisfy compliance requirements and regulations.
- To reduce recovery time and cost.

Barriers for BC Testing

Conducting a business continuity test isn't about failing or passing it, and it certainly shouldn't be taken as a personal failure if anything goes wrong during the test. That's why having the courage to initiate the process of testing may be the biggest obstacle. Overcoming this internal struggle will bring immense value to the entire organization.

80% of businesses

rate employee safety as a high-priority BC objective.[3]

SCENARIO EXAMPLE

A call-center experienced a network outage, and all the phone lines were down. A 24-hour RTO isn't acceptable in this instance, as losing communication with their clients for so long will have a lasting negative effect. As a business resiliency solution, management can split their center representation geographically to have backup lines in their workplace recovery location, such as ReadyOffice. Often, finding such solutions is only possible through testing.

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A business continuity manager or person responsible for this process may be too timid about exposing the imperfections of plans in place. However, no strategy or plan is ever perfect or complete. Finding gaps is what will drive your work to perfection; stagnancy won't.

4. Supply Chain Resilience

Every company can find itself somewhere in the supply chain eco-system. And it's typically a supplier that becomes a weak link in the chain. Even though it may seem reasonable to ask your supplier for a detailed BCP plan, along with an explanation of their RTO and RPO, they may not be willing to share it. Your supplier's management may allow for a week-long RTO. However, such a timeframe may not be acceptable for your business. Will this be a deal-breaker for your organization if you have an established and long-lasting relationship with that supplier?

How to Identify Critical Vendor Resilience

- Get started by shortlisting your top critical vendors.
- Engage with them via a supplier-resiliency survey, a letter, or by asking them to fill out a spreadsheet.
- Score your suppliers based on 4 essential elements: planning (BCDR), physical recovery, approach to testing and exercising, compliance with ISO 22302 Standards.
- For SMBs, when inquiring about your supplier's resiliency plan, make sure it's specific to their industry. A generic BC plan won't cut it.
- When reviewing your supplier agreement, make sure to add a requirement for your vendor to have a BCP and to show validation of testing it annually.
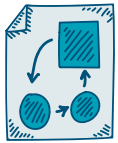
EXPERT'S ADVICE

Offer this supplier some latitude and suggest working on improving their RTO. Alternatively, this supplier could provide you with updated pricing for their products and services to mitigate the difference in your expectations from them.
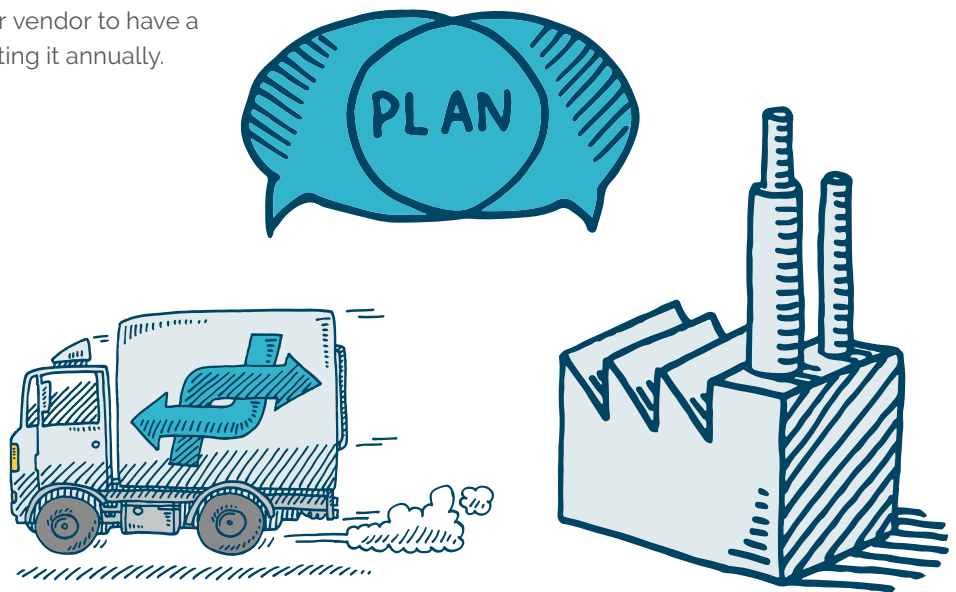
5. Types of Tests and Scenarios

3 Types of Tests

A. Plan Review

A plan review is much like an audit of the BCP. The BCP team, along with the c-level management or department heads, get together to review the plan and to decide if any components are missing or need revision. This type of test is beneficial for training new members of the BCP team, or in regular onboarding.

B. Tabletop Test

During a tabletop—a scenario-based, role-playing exercise—employees participate in an actual exercise. Everyone involved practices their roles and responsibilities during an emergency, such as an earthquake, hurricane, or an active shooter.

C. Walk-through/Simulation Test

A BCP simulation test is a more hands-on type of tabletop exercise. Scenarios for this test can range from data loss and restoring backups, to live testing of redundant systems, network outage, physical recovery, emergency notification, and other relevant processes. In addition to critical personnel, all employees would be involved in this BCP event testing process.

EXPERT'S ADVICE

Test a BCP around a particular scenario, rather than something too broad. Doing so will help your organization become more nimble and resilient and less dependent on huge commitments.

6 Common Test Scenarios

As your team is prepping for those tests, you need to agree on how realistic and detailed you want a test to be. Testing can present challenges for companies: it requires investing time and resources. With that in mind, it may make more sense to conduct a tabletop test at a conference room, rather than involving the entire organization in a full-blown drill.

1. Emergency Communication

Being able to communicate during a disaster or an emergency can provide a lifeline. Yet, the most disruptive events—hurricanes, floods, tornadoes—are very likely to leave you with no traditional means of staying in contact.

Regularly update the contact information of everyone in your contacts database, so that all employees receive timely notification. Additionally, create templates for every disaster scenario to streamline to process.

2. Workplace Violence

Many workers become victims of violence at work throughout every year. If it's not stopped, there are often repeat offenders until drastic steps are taken. That's why it's so important to have workplace violence prevention in place to keep your workforce safe. Consider the following:

- Raise awareness of the plan among all employees and establish a zero-tolerance policy.
- Find a backup office location to relocate your employees in case your current workplace is no longer suitable to conduct business.
- Incorporate Incident Management and Emergency Notification software.
- Conduct safety training in the form of drills, walk-throughs and tabletop exercises.
- Actions to be taken before, during and after an emergency, specifying persons or departments responsible for those steps.
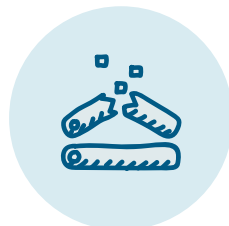
3. Data Loss/Breach

One of the most prevalent workplace disasters today. The cause of data loss or breach could vary:

- Ransomware and cyberattacks
- Unintentionally erased files or folders
- Server/drive crash
- Datacenter outage

The goal is to regain access to that data as soon as possible. Restoring backup is the solution. Some of the elements you'll need to evaluate will include your RTO, and whether your team met its objectives. However, who's responsible for that? What's the communication plan in this case? What are the priorities? Who needs to be contacted right away? Are there any vendors involved?

These and many other questions will be answered during a test.

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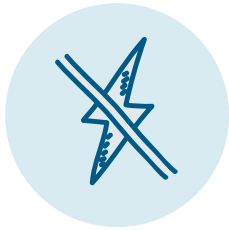
4. Power Outage

In this scenario, your incident response team needs to coordinate among themselves and communicate with the rest of the company. How will you notify your workforce about the incident? Who's expected to come in the office, and who's able to work remotely? Which departments get affected the most and thus need immediate relief (e.g., accounting, logistics)? Do you have a backup power generator? Do you or anyone on the team know how to use it? Do you have an arranged office or mobile recovery location?

Answers to these questions must be covered in your BCP.

5. Network Outage

Power outage inevitably leads to a network outage. However, network outages can happen with electricity still being on, and they could last indefinitely. In such scenarios, many businesses rely on a work from home strategy that isn't effective long-term. So, during your test, verify the following points:

- Does everyone have access to their work systems?
- Is everyone aware of the security measures to take while working remotely (VPN, safe network connection, etc.)?
- What is the plan for network restoration?

6. Physical disruption

This is one of the most critical company-wide drill that must be completed annually. There may already be a local fire code compliance in your area, but if not, it's vital to conduct a fire drill. Consider including an earthquake or a tornado as potential disruptors.

"Through testing our BCP at a Mobile Recovery Unit, we have accomplished two major objectives: minimizing disruption and measuring the time it took to set up and conduct our day-to-day processes."
— CAA Club Group (CCG)

"Through testing, our organization has strengthened the strategic side of the Incident Command Structure, allowing for more streamlined communications process between our Emergency Operations Center and the tactical teams."
— Empower Credit Union

6. Getting Leadership Involved

Direct involvement of senior executives is what makes your BCP mature. When determining your business's RTO, take this question to your leadership for input.

Role-Based Benefits of BCP

When talking about the benefits of business continuity planning, industry vendors and business continuity planners typically tout one overarching benefit. When affected by business interruption, having a plan drastically increases your odds of preserving revenue and keeping your doors open.

To make a compelling case for the diverse benefits of business continuity, emphasize how it helps each executive meet their specific goals, and alleviates their pain points.

Chief Executive Officer (CEO)

CEO Perspective
The CEO is under enormous pressure to promote the company's vision and outrank the competition in a marketplace fueled by rapid technology changes and compliance issues. On top of that, today's CEO is struggling to overcome a disconnect with employees, who want the CEO to communicate more often, criticize less, and celebrate successes consistently.

How Business Continuity Helps

- Encourages communication between the CEO and staff by requiring interdepartmental coordination.
- Helps unite various departments and locations for a common purpose.
- Gives the CEO a chance to evaluate whether the business's operations reflect the company's overall vision.
- Creates a competitive advantage for the organization.
- Identifies opportunities for improving process efficiencies and revenue streams.

EXPERT'S ADVICE

Include your management in different forms of test you plan to run. Whether it's inviting them to a Mobile Recovery Center you set up on your company's parking lot or sending them a test emergency notification message as part of the training. And always follow up with recognition. It will help them to feel part of the process and will be rewarding.

Chief Operations Officer (COO)

COO Perspective
"Work smarter, not harder" is the COO's motto. As the person responsible for doing things more efficiently and profitably, the COO is challenged with staying abreast of rapidly evolving technologies, processes, security concerns, and compliance requirements.

How Business Continuity Helps

- Allows the COO to become more familiar with critical business processes, products and services, supply chains, employee roles, and technology.
- Improves business resiliency by allowing the COO to identify interdependencies and single points of failure.
- Allows for innovation in everyday business activities and quick decision-making during an interruption, which gives the COO a chance to prove their value to the organization.
- Satisfies federal and industry regulatory requirements.

Chief Financial Officer (CFO)

CFO Perspective
The CFO role is changing, thanks to the influence of the global financial crisis, big data explosion, and widespread social media adoption. In addition to the traditional tasks, the CFO is becoming more active in working with the CEO on the company's strategic planning initiatives. In these different capacities, the CFO has to balance innovation with making sound decisions that protect the bottom line.

How Business Continuity Helps

- Protects the bottom line by reducing downtime and showing stakeholders the business will do what it takes to protect their interests.
- Helps mitigate property and profit losses.
- Provides an overall picture of business data and processes, which helps the CFO make business recommendations for improving day-to-day operations and avoiding lost revenue in the event of an interruption.

Chief Information Officer (CIO)

CIO Perspective
Rapidly changing mobile, social, and cloud technology are transforming modern businesses. As a result, the CIO has to think on their feet and collaborate with other executives to see how they can use technology to increase business performance while managing cybersecurity risks and mitigating downtime.

How Business Continuity Helps

- Gains other departments' cooperation in identifying key applications and interdependencies.
- Helps resolve both small- and large-scale IT threats.
- Improves the efficiency and security of day-to-day operations.
- Decreases frequency of outages and length of downtime.
- Improves response to cyber threats.

Chief Marketing Officer (CMO)

CMO Perspective
As the driving force behind the organization's brand image and customer experience, the CMO has to learn to align the company with the end customer and bring in the number of qualified leads and conversions required to meet projected revenue goals.

How Business Continuity Helps

- Assists the CMO in identifying new marketing angles by allowing them to collaborate with other teams.
- Reassures customers of the organization's ability to provide uninterrupted service, giving the business a competitive advantage and even gaining more conversions.
- Protects against reputation damage resulting from an interruption that would otherwise require remedial marketing efforts.

The benefits of business continuity extend beyond surviving an event (though that's part of it). By showing individual members of the C-suite that business continuity can help them meet their unique objectives, your organization as a whole can reap the benefits.

7. Post-Test Results and Actions

Finally, it's necessary to document the results of any testing conducted, along with any actionable findings from those tests. Doing so will help your workforce to learn what can and should be improved, and to visualize how much progress has been made. Following up on these items and consolidating recommendations from tests is the most crucial process in the BCP testing lifecycle. Testing, registering the results of your testing, and executing methods to improve your BCP is the most reliable way to strengthen your organization's response processes.

Tips to apply your findings:

Review
Review test findings with all participants.

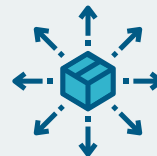### Conduct
Conduct a Business Impact Analysis.

Assign
Assign responsibilities for open action items.

Capture
Capture items for consideration on the next test.

Update
Update and distribute the written plan.

8. Modern Business Continuity Model

In a continuously developing environment, traditional "check the box" and reactive approaches focused solely on recovery make organizations much slower to adapt, respond, and improve their processes.

At Agility, we refer to a "resilient approach" as the one that focuses on anticipation rather than recovery. Resilient organizations establish alternative ways of servicing their clients in the event of disruption, beyond setting up the technological element (e.g., using recovery locations to provide critical business services when digital channels are down).

A maturity model demonstrates if an organization can achieve continuous improvement. It provides understanding if a business is being stagnant and what are the processes that need to be revisited. Organizational growth is fueled by creating review or auditing processes that need to be applied regularly to business processes to evaluate their effectiveness, identify improvements, and implement them.

Historically, most BC maturity models began with "Build" as the first step. However, no company can recover without securing their employees' safety first. That is why our model is highly relevant to the current market.

Building our industry credibility is what led to create this model. We involved multiple stakeholders, customers and prospects, analyzed our acquisition strategy and conducted market research. The result is an impactful tool that presents a thought leadership stance, a clear and unified message with a customer-centric market approach.

Our team of experts, technicians, and industry professionals with thousands of recoveries under their belts continue to provide our clients and community with unmatched expertise and the knowledge that can't be acquired in any other way.

We blend practical, innovational, and historical methods, nurtured over the past 30 years, to address tomorrow's resilience challenges. This is how this model was born.

Highly mature BCPs are
4.9x more successful
than early stage or immature programs.[5]

🛡 Protect People & Life Safety	⧉ Build Data & Assets	⚙ Refine Revenue & Operations	⟳ Resilient Reputation & Resiliency
Protect and prepare your people • Organizational awareness • Beginning to identify BC as important	**Build plan, protect data and assets** • Build formal BC process • Begin training, intermittent testing	**Refine plan and regular testing** • Company wide awareness, active exec involvement • Test BC process & iterate • Advanced training, readiness	**Resiliency as company strategy** • Cross-functional organizational buy-In • Progressive reputation • Part of company's DNA, not a separate strategy

5. BC Benchmark Study, 2019

9. Lessons Learned

Communicate disaster preparedness response efforts before, during, and after an incident.

Conducting a business continuity test isn't about failing or passing it. It's about improvement.

Understand the extent of BC testing done by your vendors.

Get your C-level management involved.

Don't spend time designing a plan for every unique scenario. Prioritize the risks and what gets impacted.

Ensure back-ups are available for data, personnel, worksites, equipment, vendors, and other resources.

Treat your BCP as "living documents" to be updated as circumstances change.

Summary

Organizations face continuous threats that can put lives in danger and disrupt operations. However, implementing a business continuity strategy that fits your organization is challenging. To help mitigate these threats, Agility offers an integrated business continuity solution that helps businesses plan, test, train, alert, and recover—all in one. It enables organizations to eliminate business impacts, make sure their workforce is safe and informed, and that the business is resilient in the face of any threats.

Before an Incident
We help you manage and generate emergency action plans, provide online training with expert content, and offer unlimited document storage.

During an incident
Agility keeps your workforce safe and helps you recover 4 times faster with an integrated solution of data, planning, testing, office space, incident management, power, communications, and technology.

After an Incident
Agility will make sure your business is fully operational and prepared to withstand the unexpected.