

News

(q&a)

Outsourcing BC/DR-let experts handle it!

ATUL HEMANI, MD, OMNITECH INFOSOLUTIONS, explains why outsourcing BC/DR makes sense, in a conversation with Rajendra Chaudhary.

Is outsourcing BC/DR to a third party better than having it in-house?

Outsourcing is always a better proposition. Especially in the current troubled financial times where companies are moving from a Capex based model to an Opex based model. From a savings perspective, customers are likely to save anywhere from 37% to 54% of annual recurring costs by subscribing to BC/DR services rather than making their own DR facilities. Also, outsourcing to someone like us would mean getting the complete benefits of a one-stop-shop.

When evaluating service providers for BC/DR what are the things a CIO should take into account?

- CIOs look for the following elements while evaluating service providers:
- Service provider's expertise and experience in providing BC & DR services
 - Professional qualifications and certifications of key personnel of service provider
 - BC Sites & Data Centers made to *globally accepted benchmarks and standards* such as SS507, ISO 27001, BS 25999, etc.
 - Ability to provide end-to-end solutions - Consulting, IT Solutions, Alternate Sites
 - Demonstration of high level of maturity of people management as BC is more about people and processes than about IT and facilities
 - Ability to help in testing and maintaining BC & DR plans-measuring RTO & RPO-deviation from these-RCA-and ways of improving these.

How critical is it to update the BC/DR plans to adjust to the constantly changing business environment? Do you allow auditing

of the BC/DR plans if the customer wants to make sure that the provisions stated in the plan are actually used in practice?

It is of utmost importance that the BC & DR plans are reviewed at pre-terminated periods. There cannot be any one fixed interval set for all customers and will depend on the dynamics of the industry in which one operates.

It's a known fact that environmental factors - political landscapes, socio-cultural impacts, economic conditions (both Micro & Macro level), and technological innovations will happen at their own pace. The immediate surroundings also keep on changing at their own pace. And all these may significantly alter the risk profile and hence threats and possible business impacts. For example, a hazardous waste chemical factory near you may relocate to another city but the new airport may get planned or a new mall or metro station may come up nearby. These need to be taken into account and the BC & DR plans need to be updated accordingly.

Omnitech carries out third party audits of BC/DR plans developed by our customers or their consultants. Likewise, we encourage clients following our designed plans to get a third party and independent audit done from any other qualified firm/service provider/consultant.

Such audits and drills will ensure provisions stated in the plan are actually used in practice.

Can there be an instance of 'overkill' when planning for BC/DR? How does a CIO make sure that he doesn't go overboard when planning for business continuity or disaster recovery?

The chances of overkill are slim. Most of the CIOs and other decision-makers we meet know very well that resilience and redundancy will end at a certain stage and beyond that one has to accept risk or invoke Force Majeure and avoid penalties.

Also, 'overkill' for one may be



playing it 'foolproof for another. It's common practice to have secondary data centers and sites but uncommon to have tertiary centers/sites-i.e. backup of backup! Fact is, most professionally managed BCP initiatives have tertiary and beyond in place!

The best way of ensuring that one doesn't go overboard in planning BC/DR is to compare the cost of redundancy and resilience vs. the business impact or revenue loss due disasters-most would agree to keep their expense on BC/DR initiatives lower than such projected losses!

How does the role of a business continuity manager change in an outsourced environment?

BCM managers are generally a happy lot in an outsourced environment. Commonly, BCP teams are small in numbers-typically two to three and in large enterprises or even for SME businesses as result they get stretched-whether it's planning or updating or getting them audited. Outsourcing will help BCM to focus and spend more time on key areas:

- Such as identifying key changes in Risk Profile
- Creating advisories - flood, pandemics, terror threats, etc.
- Coordinating multi-departmental efforts
- Keeping the management abreast with all developments
- Trends analysis and measuring impacts of newer threats

—Rajendra Chaudhary