1. Overview

A Business Impact Analysis (BIA) is a process that identifies and evaluates the potential effects (financial, life/safety, regulatory, legal/contractual, reputation and so forth) of natural and man-made events on business operations.

1.1 Identification of Possible Business Disruptions and Impacts

Business continuity planning should begin by identifying events that can cause interruptions to business processes (e.g., equipment failure, vendor failure, floor or fire). Analysis should be performed to determine the impact of those interruptions in terms of damage (e.g., monetary and reputation) and recovery period and should include key stakeholders.

For business processes that have been identified that support key services:

An assessment should be performed to determine the effects to the business operations over time if the process was disrupted.

A maximum tolerable period of disruption should be identified for each process identifying the maximum time period after the start of a disruption within which the activity needs to be resumed, the minimum level at which the activity needs to be performed on its resumption and the length of time within which normal levels of operation need to be resumed.

Interdependencies between processes, assets, infrastructure and resources should be identified.

For the assessment of possible business disruptions and impacts, multiple factors should be considered including personal wellbeing of employees and the public, damage to the company's reputation, brand or service delivery and environmental concerns.

1.2 Business Impact Analysis Determines Continuity Requirements

A Business Impact Analysis should be performed on business processes to determine the criticality of the information resources that support those processes. Criticality levels in turn should be analyzed against the identified interruption events to determine the business recovery controls that should be in place, the availability requirements those recovery controls should meet, and the frequency that business plans should be tested. A Business Impact Analysis is designed to identify the business continuity requirements for business process. The Business Impact Analysis should take into consideration threats that may disrupt the business operations such as:

1. Malicious activity (criminal or deliberate actions)
2. Natural disasters (flood, earthquake, tornado, blizzard)

3. Technical issues (loss of service, hardware failure, software failures)

4. Human resources issues (pandemic, labor disputes/strikes)

5. Geographic factors

6. Geo-political factors

The analysis shall evaluate the potential effects of regional, national, or international incidents that could have cascading impacts.

1.3 Business Impact Analysis Determine Continuity Requirements

Business continuity plans should be developed to maintain or restore business operations in the required time frames following interruption to, or failure of, information resources that support critical business processes. The Agency’s business continuity plans should be focused on restoring specific services to customers, both internal and external, in the acceptable amount of time. The services and resources that are needed for this recovery process to occur should be carefully considered, including technical fail-over equipment, staffing requirements, backup requirements, as well as fallback arrangements for information processing facilities.

At a minimum, business continuity plans should include:

1. Method of invoking the plan and who is authorized to invoke the plan
2. Identification and agreement of all responsibilities and emergency procedures
3. Contact information including emergency contact information for participants
4. Resource (personnel, facilities/premises, technologies and communications, information, legal documentation, supplies) required for restoration of business services
5. Schedule of principle tasks to be completed and responsibilities for each task
6. A list of services to be recovered in prioritized order
7. Implementation of procedures that allow recovery and restoration of business services in the required time frames
8. Detailed documentation of procedures and processes
9. Applications and data criticality analysis
10. A data backup plan  
11. A disaster recovery plan  
12. An emergency mode operation plan  
13. Testing and update requirements/procedures for the plan  
14. Financial data for future cost recovery

1.3 Business Impact Analysis Determine Continuity Requirements

Agency Management is responsible for ensuring that an annual inventory of business continuity plans is completed and referenced against an inventory of information resources and applications that support critical business processes to ensure that all critical processes are adequately protected. Business Continuity Plans should be reviewed to ensure the information within the plan adequately documents the processes necessary to restore business operations within the agreed upon time frame and are compliant with any relevant regulatory requirements.

Any changes to the business operations or changes necessitated by results from testing or exercises should be reflected in the plans and approved by management.