IS BUSINESS CONTINUITY CERTIFICATION RIGHT FOR YOUR ORGANIZATION?
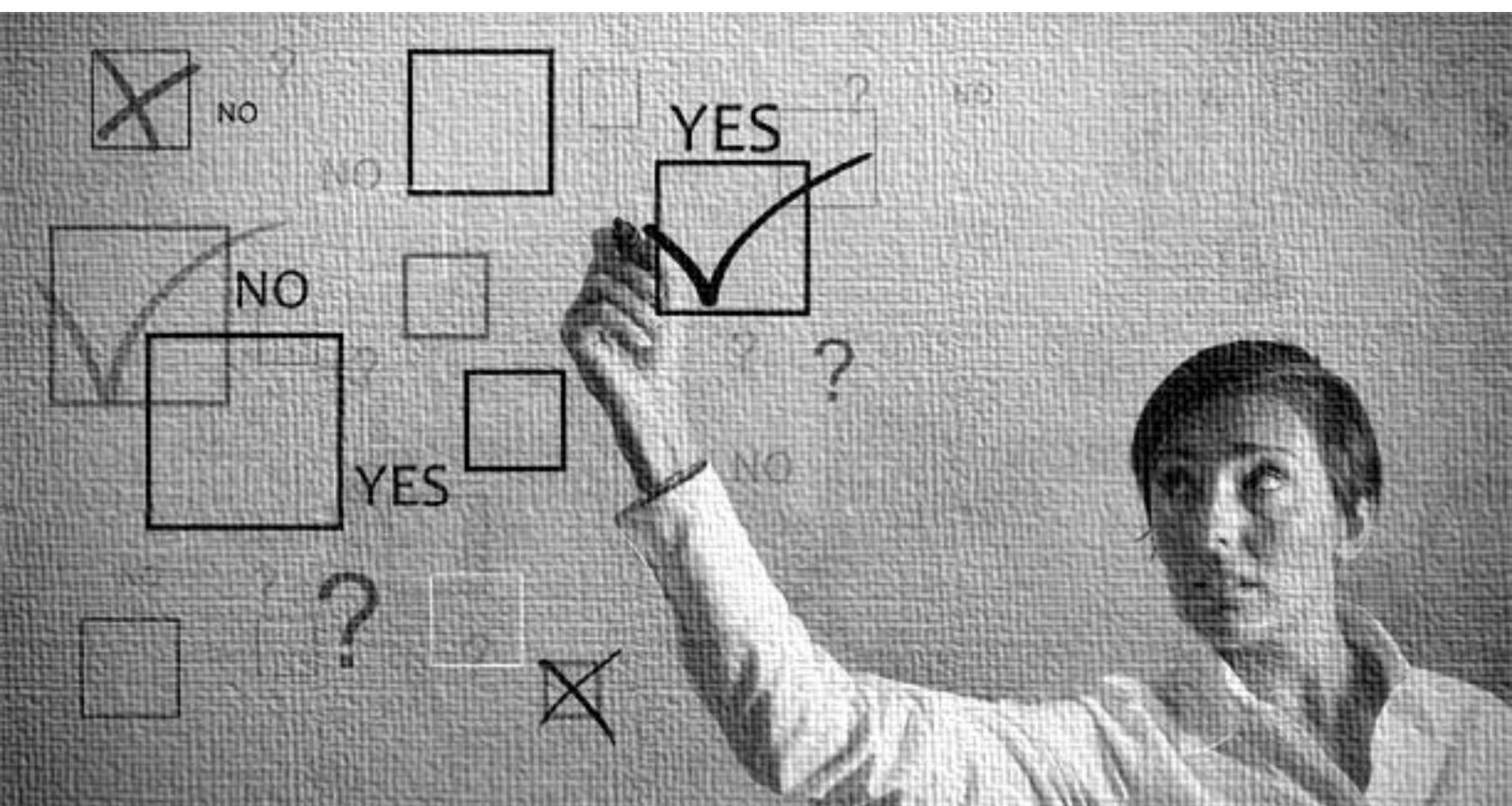
This white paper analyzes the business case for pursuing organizational business continuity certification, including what it takes to complete the certification process and how best to begin preparing.

For information specific to ISO 22301 organizational certification, check out our new white paper: **Implementing ISO 22301**.

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As the business continuity management discipline matured over the past twenty years, governmental and standards development organizations created and introduced numerous regulatory requirements and standards – some with optional certification offerings. Private sector organizations develop business continuity solutions based on these regulatory requirements and standards to gain business advantages ranging from compliance and competitive positioning to satisfying aggressive customer demands.

Whether responding to a customer inquiry or request from internal management, most business continuity professionals struggle to clearly demonstrate their organization's competency. A potential solution to this problem is an organizational certification based on a comprehensive and generally-accepted standard.

This white paper analyzes the business case for pursuing organizational business continuity certification, including what it takes to complete the certification process and how best to begin preparing.

KEY TERMS DEFINED

While business continuity certification is relatively new, many organizations are familiar with other forms of value-adding certification that commonly focus on quality, security, and safety (i.e. ISO 9001 and ISO 27001). No matter the focus, certification is centered on consensus-based standards that almost always leverage management system concepts. So what do all these terms really mean?

A **standard** is a collection of best practices and guidelines developed collaboratively in a consensus-driven process, which is overseen by an accredited standards development organization (SDO). Standards are evolutionary, meaning they are created based on a formal process and revisited and revised at regular intervals. Although compliance with standards is voluntary, meaning organizations can choose to model programs based on the content, some are written for certification and known as "technical specifications" or "requirements documents". By adopting recognized standards, like those outlined in this white paper, organizations demonstrate that they are committed to operational excellence that can help stimulate industry competition and market leadership.

> Numerous business continuity standards and regulations exist, including those authored by the following organizations:
>
> - British Standards Institute (BSI)
> - International Organization for Standardization (ISO)
> - ASIS International
> - National Fire Protection Association (NFPA)
> - Federal Financial Institutions Examination Council (FFIEC)
>
> Learn More About Business Continuity Standards & Requirements

Unlike standards that organizations may voluntarily choose to adopt, **regulations** (a.k.a rules) exist in nearly all industries in order to ensure consistency in product/service delivery and protect stakeholders. Typically created and enforced by a government or trade association, regulations specify mandatory requirements that must be met under specific laws in order to legally operate and engage in business activity.

Numerous organizations, including BSI, NFPA, ASIS International, and ISO, embrace **management systems**, which is a concept relatively new to the business continuity profession. A management system is the framework of processes and procedures used to ensure that an organization can fulfill all tasks required to achieve a set of related business objectives. Management system standards provide a model for setting up and operating a management system that focuses on several characteristics specifically applicable to business continuity: accountability, repeatable processes, competencies, resources, performance measurement and review, and cultural change. Check out this short video for more information: Business Continuity Management Systems.

WHAT IS THE VALUE OF CERTIFICATION?

Business continuity remains a fragmented discipline, with solutions implemented based on diverse business requirements and influenced by numerous standards, regulations, and other obligations. Certification to an accepted standard provides an objective measure of an organization's approach to preparedness and removes doubt concerning the quality of business continuity planning efforts. Certification may add value to your organization in the following four ways:

1. Certification provides organizations with a strong competitive differentiator and potential customers with the means to make a solid, straightforward comparison between organizations. For existing customers, certification can provide a degree of assurance, which is critically important if the organization is operating as a single or sole source provider of a critical product or service and customers have expressed concern and are evaluating secondary sources.

2. Related to competitive differentiation, certification provides a convenient and efficient response process to frequent business continuity surveys and inquiries from customers, as well as regulators, investors, and insurance carriers. With the existence of a third-party registered certification, there is less of a need to share proprietary planning information to satisfy continuity inquires and concerns. Certification may soon begin to offer direct cost-savings opportunities on a recurring basis. Industry associations are in the process of debating the direct benefits of "viable" business continuity planning approaches and solutions on credit ratings and business interruption insurance premiums.

3. The organizational certification process also introduces discipline, holding the organization accountable to consistent focus and participation in a life-cycle oriented business continuity planning effort. With employee turnover always a concern, organizational certification (and the inherent requirements that mandate management system documentation, accountability, repeatability, continual improvement, and evidence) will enable an effective knowledge transfer process.

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4. From an internal perspective, developing business continuity processes and capabilities in accordance with a standard provides the business continuity planning process owner with the ability to easily and confidently answer management questions regarding the state of the preparedness effort. Questions such as "What's everyone else doing?" or "Are we doing everything we should be?" can be clearly quantified and answered through reference to the standard. Business continuity weaknesses and non-conformities will be highlighted during initial and continuing certification audits, which can then be addressed to show progress toward a higher level of preparedness. Additionally, for organizations with decentralized business continuity planning processes, audits will encourage compliance, ensure conformity across the organization, and act as a catalyst for continual improvement.

While certification can add value to an organization, it may not be the appropriate choice for your organization. Review Table 1 to determine if your organization should consider business continuity certification.

Table 1 – Determining if Certification is Right for Your Organization

✔	Criteria Influencing The Certification Decision-Making Process
❑	**Customer Demand** You are a single or sole source provider and wish to retain that status.
❑	**Differentiation in the Marketplace** Your business development team feels that business continuity capabilities may be a competitive differentiator in your marketplace, and your leadership team desires to increase market share.
❑	**Cost Savings Opportunities** A proven business continuity management capability may provide business interruption premium savings or influence more favorable credit ratings.
❑	**Senior Leadership Inquiries** Management displays a strong interest in business continuity readiness or requests benchmarking data or third-party attestation to confirm the viability of the investment made to date. They may also want answers to the following questions, which alignment to a standard or certification may help answer: • What is everyone else doing? • Are we doing everything we should be doing? • What are our primary program weaknesses?

Certification can add value, but, more importantly, adopting and leveraging standards can contribute to improved performance in most cases. By simply adopting standards, even without certification, organizations will realize value in three key areas:

- **Maintain Focus**
  The business continuity planning team will achieve continuous commitment (and improvement) where the business participates in planning and plan maintenance efforts.
- **Manage Risk**
  In a prioritized manner and consistent with organizational strategy, the business will proactively manage risk instead of simply reacting to it.
- **Integrate Processes**
  The organization will benefit from a greater understanding of business continuity as it integrates preparedness into all critical business processes.

WHAT ORGANIZATIONAL CERTIFICATIONS ARE AVAILABLE?

Several business continuity-related certification programs are currently available. Determining which certification is right for an organization depends on the organization's industry and operational goals. *Table 2* highlights three standards or programs that offer an optional path toward organizational certification. The table also provides guidance on which would be the most appropriate, depending on an organization's characteristics and business objectives.

Table 2 – Current Organizational Certification Options

Title	Description	Status	Application	Reason
ISO 22301	The first international standard focused exclusively on business continuity.	Available as of May 2012	All organizations, regardless of industry, size, or location	Organizations looking to establish, operate, and continuously improve a business continuity management system (BCMS).
Emergency Management Accreditation Program (EMAP)	Certification process focused on assisting local governments with developing and measuring the effectiveness of emergency management strategies.	Available as of September 2007	U.S. state and local governments	Government leaders are interested in measuring progress toward an actionable response and recovery strategy.
ISO 27001	Information security management system certification program which includes content that addresses business continuity and disaster recovery.	Available as of April 2006	Organizations seeking certification of security processes, with a "minor" in business continuity	Primary business driver is an interest in security program enhancement and certification (BS 25999 was originally written to offer a more expansive look at business continuity as an extension of ISO 27001).

In addition to the standards or programs listed above that could lead to organizational certification, one additional U.S. government-charted program is available that could lead to certification: Private Sector Preparedness Accreditation and Certification Program, or PS-Prep.

Private Sector Preparedness Accreditation and Certification Program (PS-Prep)
Title IX of Public Law 110-53 details the Voluntary Private Sector Preparedness Accreditation and Certification Program. Title IX mandated that the U.S. Department of Homeland Security (DHS) develop and implement a voluntary preparedness certification program that promotes private sector preparedness. On June 15, 2010, DHS published a notice in the Federal Register noting the selection of three standards for initial inclusion in the PS-Prep Program (PS-Prep does not include a provision to develop any new standards, but rather to adopt existing or newly-developed standards that meet certain criteria):

- ASIS International SPC.1-2009
- British Standard 25999-2:2007
- National Fire Protection Association 1600: 2007/2010

With these selections, the ANSI-ASQ National Accreditation Board (ANAB) worked to structure an organizational certification program. In order to launch the organizational certification effort, ANAB finalized the audit/certification approach (which included a public comment period) and identified qualified audit firms that could evaluate private sector organizational readiness for certification. PS-Prep certification is now available for each of the three selected standards, and Avalution expects that DHS will eventually add ISO 22301 (Societal security – Business continuity management systems – Requirements) and possibly other American National Standards and ISO Standards that meet the original selection criteria. Such additions may include ASIS/BSI BCM.01-2010 (Business Continuity Management Systems: Requirements with Guidance for Use) or ISO 22320 (Societal security – Emergency management – Requirements for incident response).

WHAT TO CERTIFY?

Generally speaking, most certification registrars offer specific guidelines as to the scope of the certification process. For example, an organization can achieve ISO 22301 certification for any of the following:

- The organization as a whole;
- A location; or
- A business unit.

However, in this context, a specific product or service cannot be the scope of a certification effort. *Table 3* outlines the three certification scope options mentioned above and the suggested criteria to assist in decision making.

Table 3 – ISO 22301 Certification Scope Options

✓	Scope	Criteria To Influence Scoping
❑	Enterprise Wide	The organization is tightly integrated and it is nearly impossible to differentiate or remove less critical locations or lines of business from the certification process. Additionally, all aspects of the organization follow the spirit and intent of the standard consistently.
❑	Location	Senior management (or a customer) is able to pinpoint specific locations deemed critical to product or service delivery and/or are material to the organization's well-being. Select locations are chosen if a finite number of facilities offer competitive differentiation and align to a stakeholder's specific expectation.
❑	Line of Business	Senior management (or a customer) is able to pinpoint specific lines of business where competitive differentiation is possible or where certification should be pursued.

Overall, careful consideration should be given to not only the value of working toward organizational certification, but also to what the scope of the certification should be. This decision-making process impacts the value of the certification, as well as the cost associated with obtaining the certification. Starting with a smaller scope may be a way to begin exploring the value of certification with lower costs.

View Scoping an Organizational Certification Effort for more information on this topic.

WHAT'S REQUIRED TO COMPLETE THE CERTIFICATION PROCESS?

For most standards, preparing for certification requires time, effort, focus, and commitment – no matter how ready one may feel their organization is for disruptive incidents. Avalution identified five key success factors that can ease the preparation process. These success factors are:

- ✓ Management commitment to develop, operate and continuously improve the business continuity management system
- ✓ Time and resource commitment necessary to meet the requirements noted in the standard

- ✓ Time commitment to participate in the audit process, providing documentation and answering examiner inquires
- ✓ Time and resource commitment necessary to address audit issues (non-conformities)
- ✓ Budget commitment for audit fees, which includes the first assessment, as well as recurring surveillance audits throughout the certification period

The success factor that most organizations underestimate is the time commitment to prepare documentation for the audit process. Although it is not typically the most time-consuming activity, it is rare that an organization developed this type of documentation thoroughly or in line with the requirements noted in a specific standard. In order to prove compliance, the certifying entity requires detailed, descriptive documentation. This documentation must show how the organization meets the spirit or intent of the standard, how the organization delivers repeatable outcomes when compared to its unique BCMS, and how management approves analyses, strategies, and test results (to name a few).

HOW TO BEGIN PREPARING FOR CERTIFICATION?

For some organizations, particularly those new to business continuity, preparation will take time and resources. However, whether your organization is new to business continuity or one that maintains effective response and recovery solutions, consider each of the following ten points as you prepare for organizational certification.

1. Identify the most appropriate standard and certification process. Obtain a copy of the standard and any material that provides assistance with the certification process, and review carefully for organizational alignment.
2. Develop the certification value proposition and begin "selling" to those who may benefit most from organization certification (sales, strategic planners, supply chain, and executive management).
3. Determine the appropriate scope of certification.
4. Develop a project plan/program charter to prepare for certification. This activity will clarify the time investment and resources necessary to ensure a successful outcome. Gain approval and support from key management personnel.
5. Develop program documentation consistent with the standard, including a policy, standard operating procedures, scope statement, and objectives listing.
6. Perform required activities resulting from new processes outlined in the program documentation. Some organizations may be able to move forward to the next step, a self-assessment, prior to beginning any new program activities.
7. Perform a self-assessment or identify a qualified firm to perform a certification readiness assessment, specific to the scope of the certification you're planning to pursue.
8. Perform any or all aspects of your BCMS required to close the gaps identified during the assessment. For organizations with mature business continuity processes, this may include re-performing activities so they align with the standard's requirements or so the proper documentation is completed to prove compliance.
9. Ensure all major gaps have been closed, and ensure the organization has a strong corrective actions handling process to address future improvement opportunities or compliance issues.
10. Develop an RFP and submit to a registrar, confirming scope and resource requirements. Schedule the certification process with the chosen certifying body when management feels ready.

Note: We recently released a white paper focused on aligning or certifying to ISO 22301, the first international standard focused exclusively on business continuity. **Implementing ISO 22301** breaks the standard down section by section, discussing what each clause means, the value it delivers, recommended approaches for alignment, and items to consider before moving forward. You can download a free copy via the link above.

WHAT ARE ALTERNATIVES TO CERTIFICATION?

It is important to note that standards exist first and foremost to improve performance, and second to enable certification where it makes business sense. Organizations that choose not to pursue certification can still achieve value by embracing the standards outlined in this white paper. Additionally, internal and external program assessments or "audits" can provide organizations with actionable feedback related to program improvement and organizational preparedness.

Internal program assessments may be completed by management or other internal, "disinterested" (independent) departments, including internal audit, compliance, risk, or even the business continuity team. These assessments should ensure that the program is meeting identified organizational objectives based on one or more standards, including proper alignment, implementation, and maintenance.

External program assessments should be conducted by business continuity professionals who carry accreditation from a certifying organization such as the Business Continuity Institute or DRI International. In addition, some consulting firms have aligned themselves with particular standards and have received accreditation that certifies their knowledge of the standard and their ability to conduct external program assessments against that standard.

CONCLUSIONS

Organizational business continuity certification can offer opportunities for market differentiation, cost savings, and increased levels of program readiness for organizations of all sizes and in all industries. Upon certification, organizations may realize a competitive advantage within their industry by displaying this commitment to preparedness. Similarly, certified organizations should demand the same level of commitment from their supply chain partners and share preparedness standards, concepts, and techniques in order to achieve higher levels of preparedness.

Outside of business continuity certification, organizations that embrace the standards outlined in this document will be able to improve their processes and performance while increasing the value they deliver to themselves and to external business partners.

LET'S CONNECT

Avalution has been a longtime proponent of standards, and, if a business case exists, proceeding toward organizational certification. We encourage you to review the resources provided in this white paper and invite you to reach out to us with any questions, as our team always welcomes a conversation about how certification or alignment to a standard can benefit your organization.

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ABOUT AVALUTION CONSULTING

Avalution – the 2012 BCI North America Business Continuity/Disaster Recovery Company of the Year – is a U.S. based firm that specializes in business continuity and IT disaster recovery consulting, outsourcing, and software solutions for organizations in both the public and private sectors. Avalution maintains a contract on GSA Schedule 70, and in May 2011, officially achieved certification to the BS 25999-2 business continuity management standard (with plans to transition to ISO 22301 in April 2013). In addition to consulting services, Avalution offers two unique, web-based business continuity software solutions:

Catalyst business continuity software combines a simple user interface and on-screen guides with Avalution's industry-leading consulting methodology to make continuity planning easy and repeatable for every organization, regardless of size, industry, or geography. Features include policy & procedure development, business impact analysis, risk assessment, recovery strategy definition, plan development, and exercising. No long-term contracts are required, and a 30-day free trial is available via the website.

The Planning Portal – an enterprise level solution based on the simplicity of Microsoft SharePoint 2010 – delivers highly customizable tools and processes to assist in managing and executing business continuity and IT disaster recovery programs. Solutions address analysis, planning, awareness generation, exercise planning, notification, live crisis management, and continuous improvement. Demonstrations are available upon request.

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