

Building adaptive business continuity plans: Practical tips on how to inject adaptiveness into continuity planning processes

Received (in revised form): 2nd February, 2021

Tracy Hatton*

Managing Director, Resilient Organisations Ltd, New Zealand

Charlotte Brown**

Managing Director, Resilient Organisations Ltd, New Zealand



Tracy Hatton



Charlotte Brown

Tracy Hatton has extensive experience leading research and consulting projects focusing on organisational resilience and disaster preparedness and recovery. Tracy works at the interface between research and practice, ensuring that high-quality research is converted into real solutions for organisational problems. She is a skilled facilitator who delivers engaging and effective training and workshops relating to organisational resilience and disaster recovery.

Charlotte Brown enjoys tackling complex challenges facing organisations. Her key skills are in systems thinking, decision-making, risk management and organisational resilience. She is also adept at distilling and communicating complex ideas in an accessible and engaging way. Charlotte particularly enjoys working in cross-disciplinary teams and bridging the gap between physical and social science.

ABSTRACT

With the world becoming increasingly complex and uncertain, the disruptions that businesses face are becoming increasingly unpredictable. Traditional approaches to business continuity planning must therefore evolve to enhance organisational resilience. As this paper will

discuss, it is vital to ensure a balance between detailed planning and flexibility and adaptability. This can be achieved through: 1) creating closer links between business continuity and strategic management; 2) embedding a culture of resilience throughout the organisation; 3) decentralising business continuity planning and enabling teams and departments to design and own their own plans; 4) making planning principles-based; and 5) exercising more frequently. This paper argues that planning must be based on principles and outcomes rather than processes, and how it must, to be integrated within broader risk management and strategy functions to be inclusive of everyone, from the staff all the way up to the board. In short, preparedness and resilience must become part of their DNA.

Keywords: business continuity, organisational resilience, adaptive planning, business disruption

INTRODUCTION

COVID-19 has been another reminder that organisations cannot plan for everything. Although a pandemic would have featured in most risk registers and the impacts partly dealt with in continuity plans, the extent of restrictions on activity

Resilient Organisations Ltd,
2/188 Durham Street,
Christchurch 8011,
New Zealand
*Tel: +64 21 160 7707;
E-mail: tracy.hatton@resorgs.
org.nz
**Tel: +64 21 142 5420;
E-mail: charlotte.brown@
resorgs.org.nz

Journal of Business Continuity
& Emergency Planning
Vol. 15, No. 1, pp. 44–52
© Henry Stewart Publications,
1749–9216

and the closure of international borders were largely unforeseen. Business continuity (BC) professionals do their best to anticipate and plan for any event that will impact their organisation's ability to deliver its products and services, but this is a volatile, uncertain, complex and ambiguous world. Organisations are embedded in a complex global web of technological, social, political and environmental conditions. It is impossible to imagine every eventuality that will occur.

Planning for everything is also impractical. Not only would the planning be extraordinarily resource-intensive, plans would be unwieldy, and it would become even more difficult to get engagement in the planning process. Organisations must therefore strike a balance between detailed planning and flexibility and adaptability. They need plans and processes that staff can easily engage with and that help them to adapt to unique situations as they arise. How can this be achieved? How can organisations develop more resilient BC plans?

This paper summarises the authors' experience in supporting organisations to move towards adaptive business continuity. Although many of the ideas are not necessarily new, they have not been sufficiently embraced by organisations, many of which still have a process-focused and siloed approach to BC. This paper discusses how practitioners should link the planned process focused approach with the many ways in which adaptation could be introduced.

THEORETICAL FOUNDATIONS

A growing body of work examining organisational resilience highlights the need for more than just planning prior to a crisis.¹⁻⁷ These works recognise the key role that adaptivity plays in responding effectively. The journey of the present authors' research into what gets

organisations through a crisis began with examining organisations who had survived or even thrived following a major disruption, despite having little in the way of traditional tools such as risk or business continuity management. A series of projects, conducted over many years, led to the creation of an organisational resilience model that sets out 13 indicators of an organisation's ability to survive a crisis and thrive in a world of uncertainty (Figure 1).

Planning (encompassing risk, strategy and business continuity) is just one of the 13 indicators. The model is an over-simplification of a complex connected web of organisational traits, behaviours and attitudes, but it does illustrate that planning alone is not sufficient. Analysis of these 13 resilience traits or indicators suggests that they tend to fall into two categories: planned and adaptive (see Table 1).^{8,9} The planned elements are the processes and resource set in place prior to an event; the adaptive elements are the capabilities that will enable an organisation to respond well to any type of disruption.

Adaptability is not a new concept; it has been identified as important in a number of post-disaster reviews. A review of how useful organisations found their plans following the 2011 Christchurch New Zealand earthquakes concluded that organisations should 'plan to be adaptable — in some circumstances and in parts of the plan, general principles may be more useful than detailed plans'.¹⁰ Similarly, Rapaport found that employees' adaptive behaviours were more central to effective response than planning in response to rocket bombardments in Israel.¹¹

Intuitively, a planned approach and an adaptive approach to crisis preparedness may seem mutually exclusive. The two concepts can, however, be integrated. Organisations can develop plans that are adaptable and can also use a planning process to build adaptability.

FROM THEORY TO PRACTICE

From a practitioner perspective, adaptive business continuity emerged in 2015, suggested by David Lindstedt and Mark Armour¹² as a new paradigm to ensure that business continuity achieved its aims rather than focusing on process or compliance. While their ideas have promoted discussion and potentially small changes by

practitioners, there has not been any great paradigm shift in the mainstream concept of BC best practice.

There are a number of consultants and practitioners who work with their clients and teams to build adaptable plans by modifying their processes and methods to ensure a focus on outcomes rather than process, and creating frameworks, plans and

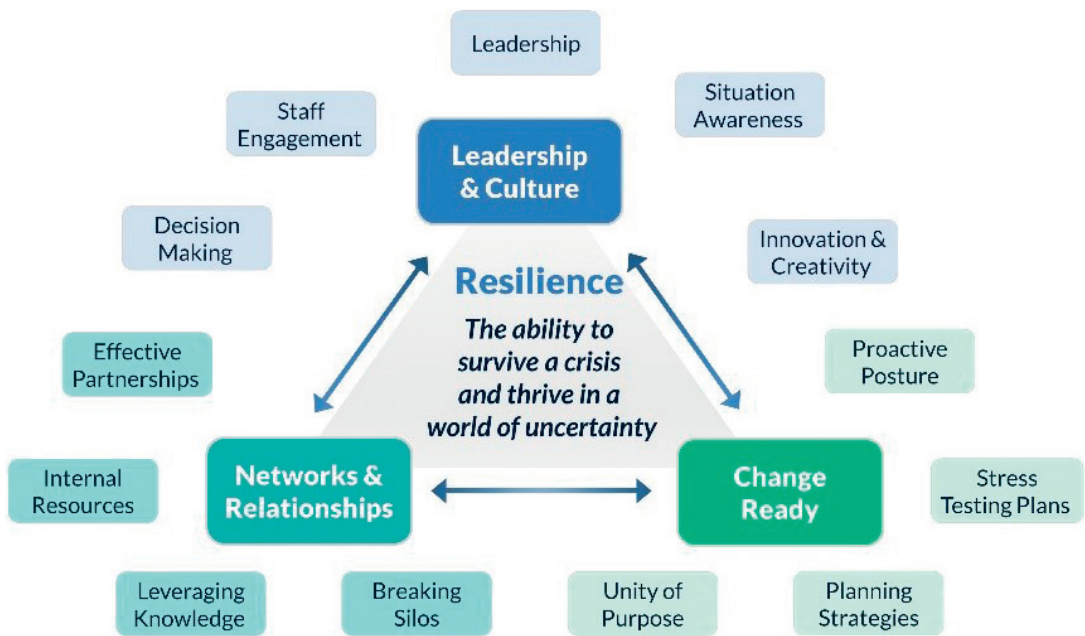


Figure 1: Indicators of resilience

Table 1: Resilience indicators categorised by their planned and adaptive capacity

Planned resilience indicators	Adaptive capacity resilience indicators
Planning strategies	Breaking silos
Stress testing plans	Staff engagement
Proactive posture	Leveraging knowledge
Effective partnerships	Innovation and creativity
Unity of purpose	Decision making
	Situational awareness
	Leadership
	Internal resources

Adapted from: Lee, A., Vargo, J. and Seville, E. (2013) ‘Developing a tool to measure and compare organizations’ resilience’, *Natural Hazards Review*, Vol. 14, No. 1, pp. 29–41; Whitman, Z., Kachali, H., Roger, D., Vargo, J. and Seville, E. (2013) ‘Short-form version of the Benchmark Resilience Tool (BRT-53)’, *Measuring Business Excellence*, Vol. 17, No. 3, pp. 3–14

processes for their specific context. These frameworks and processes may adhere to the intent, but not necessarily the prescribed process set out in the best practice guidelines published by the Business Continuity Institute (BCI) — the most prominent organisation in the practitioner space, which not only sets the guidelines for good practice but also provides training and accreditation. The BCI's Good Practice Guidelines set out a cycle of six business continuity management processes:¹³

- Policy and programme management;
- Analysis;
- Design;
- Implementation;
- Validation; and
- Embedding.

The present paper discusses opportunities for building adaptability at each stage of the BCM life cycle, with the aim of helping BC practitioners work within existing processes to improve their organisations' ability to work in any situation. The suggestions are based on the authors' practical experience working with clients and their research into what makes organisations get through crises.

POLICY AND PROGRAMME MANAGEMENT

BC has often been treated like the ambulance at the bottom of the cliff. BC managers design plans to get operations moving following disruption, often with a focus on a 'return to normal'. But what if the event dramatically changes demand for services or necessitates a dramatic change to an organisation's business operating model?

COVID-19 has done just that. The path taken to return to operations has been intertwined with strategic questions around future operating models, how to minimise expenditure, and how to seize

opportunities. To work effectively, BC plans must be closely linked to strategic decision-making so that BC actions can be designed and managed to transition seamlessly to new ways of working. This is achieved by closely aligning BC management processes with other strategic and operational risk processes *prior to* an event. This alignment must also be maintained when responding to an event. In short, BC is a function that spans boundaries. When a crisis unfolds, it must integrate with an organisation's crisis management decision-making team rather than the secondary role that the BC manager often plays.

This has implications for where BC should sit in an organisation's structure and hierarchy. To have the necessary influence, the BC manager must be close to, or championed by, senior-level management. This is not just a function of the organisational chart, but the way in which the BC manager seeks to build their influence and contribute to the overall organisational function. Leaders need to understand the strategic advantage that resilience thinking can bring and be the organisation's key resilience champion. Those working at the coalface in BC can work to influence that mindset — but only if their focus is on outcomes rather than process compliance.

Correspondingly, while technical capability is still vital, networking, influencing and system thinking become equally important skills for BC managers. The 2020 Business Continuity Institute Competency Framework recognises this in part with the inclusion of leadership and working together capabilities.¹⁴ Leadership is also an essential ingredient for effective and adaptive crisis response (as shown in the 13 indicators of organisational resilience).

EMBEDDING

In recent decades, a culture of health and safety has infiltrated the workplace.

Organisations now have health and safety officers, incident reporting templates, risk registers and a directive to view everything through a health and safety lens — in some cases even thinking about water temperature when making a cup of tea. This kind of ethos needs to evolve. Organisations need to embed a culture of resilience. This means a culture that is continually asking questions, such as ‘what if our base assumptions change?’, ‘what if we need to do this business-as-usual process quicker?’, and ‘what if someone else has to do this role?’. When this kind of thinking is part of business-as-usual, an organisation develops its ability to innovate and adapt in a crisis. It also means that processes and policies get developed with adaptability in mind.

For example, a new procurement system or process should be reviewed through a lens of resilience to assess how it might work or be adapted in extraordinary circumstances. When resilience champions are involved in designing business processes, adaptability and resilience thinking are built in from the outset instead of having to design a BC plan to cope with the consequences of a new process or plan being disrupted.

This resilience mindset needs to occur at all levels of an organisation. Resilience champions help to embed resilience thinking in operational teams, but senior management and governance have to be engaged too. If the executive team and the board of directors are not engaged in preparedness and resilience, exercise scenarios that pose a strategic threat to an organisation can be a great way to capture their hearts and minds. Scenarios must incorporate the things that keep the executive and board awake at night. This could include being on the front page of the newspaper, becoming a viral meme, or an event that impacts the health and wellbeing of staff. True disruption preparedness requires

buy-in all the way from the top to the bottom of an organisation. Exercising the response to these strategic risks also helps to build the decision-making capability of the executive during a crisis (one of the 13 organisational resilience indicators).

Too often, professionals in the risk, resilience and business continuity fields forget that the rest of their organisation does not think of what might go wrong on a daily basis. BC professionals need to make a case by telling stories that bring people along on a journey, rather than trying to sell a solution where no one else sees a problem. COVID-19 has provided a golden opportunity where suddenly everyone ‘gets it’. BC professionals must be ready to take advantage of the window of opportunity after a crisis when the organisation is open to learning and improving preparedness for the next time.

This may include updating plans, but crucially should also include considering how to harness staff’s new awareness about risk and disruption. Are staff encouraged to be vigilant about the organisation, its performance and potential problems? Are staff rewarded for sharing good and bad news about the organisation, including early warning signals, and are these quickly reported to organisational leaders? Building this capacity will increase the organisation’s situational awareness (one of the 13 organisational resilience indicators) and its ability to identify potential threats before they become a crisis.

ANALYSIS

Business impact analysis (BIA) is complicated, particularly in larger organisations with diverse functions. It is often where the desired outcomes of increased preparedness get lost in the complexity of BIA processes. The reality is that some organisations’ operations do not always fit with suggested processes. For example, in a

healthcare system where substitutability is a key feature, an insistence from a process-oriented BC professional on providing a maximum outage or period of tolerable disruption is challenging. However, equally challenging for the BC professional is how to adapt their processes to fit the context. Often it is the business unit/department head who must bend, when really it is the BC process that should adapt to ensure outcomes are achieved. To truly achieve the aims of BC, the needs of the business should always be at the forefront of process and interactions.

One of the main opportunities to improve the adaptability of BC plans is to analyse organisational risks and readiness now and under a range of future conditions. Business impact analysis is usually static, based upon the organisation's current priorities and operating environment. However, business is continually evolving — with changing technology, customer preferences, regulatory constraints etc. Often these changes are dealt with reactively. For a well-resourced organisation, the impact of these changes on its risk profile and BC plan may be identified and enacted fairly quickly. Others may wait until their annual or bi-annual BC plan update, meaning that there will be a lag in identifying emergent risks, creating a period of increased risk for the organisations.

Business impact analysis must consider the potential for changes in the business operating environment so that business continuity plans are more robust and adaptive to changing conditions, particularly in an organisation where a continual and reactive response to business changes is not feasible. Organisations can do this in a number of ways including using future scenarios with different operating conditions when they do their BIA or by assessing the sensitivity of their business to disruption caused by changing operating

conditions. Considering how an organisation's vulnerabilities may be different in the future encourages broader thinking around potential priorities and developing vulnerabilities. This may result in priorities and clear sequences of activities, rather than specific time objectives. It will result in more robust plans that are inherently thinking of multiple adaptive options, rather than single workaround solutions.

DESIGN

Centralised creation and control of BC, or a one-size fits-all approach, can be a disabler of adaptation. It can create a perceived reliance on 'someone else' to create crisis solutions or a fear of acting outside of what is expected, ie deviating from the plan. Some standardisation and measure of control is needed, but this must be balanced with empowerment, engagement and broad ownership. This may be a great deal harder than working alone, but, if done well, will have an enormous impact on the effectiveness, suitability and usability of a plan. It also contributes significantly to the embedding of 'what if' thinking across the organisation (as discussed above).

A useful place to start can be thinking about the types of decisions or actions that must be made at an organisational level and what rests with departments/business units. For example, an organisation does not need every department to identify a secondary location as this is likely to occur at a whole of premise level. Figuring out who plans for what is a key starting point to creating a BC framework that suits the context and feels real to those asked to contribute to it.

This is a crucial area where wins can be made in improving staff engagement (which reinforces overall resilience) as well as the embedding of resilience mindsets. Problem solving also helps to build

innovation and creativity that also reinforces resilience.

Another possible resilience enhancement for BC design is the addition of triggers in BC plans. The earlier analysis section described the importance of understanding how the organisation's vulnerabilities might change under different operating conditions. If changing business conditions is going to impact organisational risk profile or preparedness for disruption, then it is important to design a BC system that can sense these changes coming as early as possible. Identifying potential triggers or indicators that might precede a crisis (eg change in supplier behaviour or increased IT security incursion) will help to build situational awareness in order to avoid or mitigate the impact of the crisis.

IMPLEMENTATION

Some BC plans can be almost impenetrable, with pages and pages of dense text. The defence given is that it is the planning process that is important. This is true. But it is not an either/or. The planning process is important, but the plan itself can also be useful. BC professionals should be using user-focused design principles to create plans that are useful and usable. For example, if only the front page of the plan is looked at, what do readers need to know? What are the principles that guide everything in the plan? What are the minimum tools needed to respond to a situation? When does a detailed technical process need to be documented and when is a simple process flow needed to guide a decision process?

Principles are a key part missing from many plans. An example of a key principle might be 'prioritise the health, safety and wellbeing of your staff and community'. A set of guiding principles is useful for three reasons. First, plans will never be able to cover every situation

that might happen. Guiding principles can help even where the specific plan does not. Principles provide a reference point(s) for teams to assess actions and decisions and provide something to fall back on if questioned about decisions made in the midst of a crisis. Guiding principles affirm that adaptation and innovation are encouraged — and do not mean the plan is being thrown out.

Secondly, plans need to be usable by any or all of the members of the team — even those who are new and have not had a chance to familiarise themselves with the plan. The principles will help solidify what their core aims are.

Thirdly, principles can help focus responses in the right areas, particularly in the immediate response period. People do not always perform their best thinking in a crisis situation, with research highlighting the cognitive disruption that can be caused by significant events such as earthquakes impairing memory, problem solving and decision making skills.^{15,16} A much cited work, suggesting that psychologists have underrated the ability of many people to cope with extreme events, notes that even the most resilient individuals exposed to loss and trauma will have a brief period, potentially several weeks, where their normal concentration and sleep patterns may be disturbed.¹⁷

In a crisis, people's brains are overloaded. What may seem obvious on a normal day is not always obvious when the adrenaline is running. Plans must be written with the cognitive load of a crisis in mind.

The business continuity process may identify key individuals within the organisation who have the skills or knowledge required to operationalise workaround actions. It is vital that actions are taken to ensure key knowledge is accessible even if key people are not and that effective cross-training occurs to provide backup

resource for key roles, thus enhancing internal resources — another key indicator of organisational resilience. Too often, the planning processes may identify key individuals but fail to ensure actions are taken to reduce reliance upon them.

VALIDATION

Exercising and stress-testing plans are consistently poorly done.¹⁸ BC professionals know that validation is essential and that it is where the step changes in improvement are generated, but still struggle to get time or buy-in to conduct exercises. Making the time and engaging as many people as possible within the organisation is vital for both staff engagement and plan improvement.

Some organisations also wait to run exercises until their plans have been through a couple of iterations, ie until there is a sense of completeness or maturity to planning. Simple desktop exercises are a useful engagement tool and have a key place at the beginning of the planning process rather than the end.

Exercises do not have to be complex. Exercising is all about practising and building the cognitive skills necessary to adapt and respond when the time comes. Running more regular short sharp and focused desktop exercises with different teams or departments is an effective way to make progress. People will often make time in their calendars for the experience if they hear from others that they were fun, interesting and they could see clear outcomes.

CONCLUSION

Current BC practices could be further enhanced to enable adaptation to the increasingly complex and unpredictable disruptions the world is facing. There is a need to transition BC planning from

a standalone function within organisations to an ethos that pervades everything the organisation does. BC must be integrated into risk management and strategy processes so that there is a seamless transition from a disruptive event to the new normal that follows. Planning processes need to be inclusive and decentralised so that everyone in the organisation is part of the planning and maintains ownership of it. Planning processes also need to be engaging and based on clear principles that can guide an organisation no matter what disruption it faces. BC managers need to tell better stories so that BC becomes acknowledged as an imperative in business performance, rather than a compliance activity that simply has to be checked off.

This paper has described the elements of BC planning that can be enhanced to ensure businesses are resilient to disruption. It is linked to an established model of adaptative resilience and based on the authors' observations in their work with clients. There is little academic work in this area or research that evaluates the effectiveness of the BC planning process or quality of business continuity plans. There are little rigorous data that helps to understand what works and what does not. COVID-19 has impacted millions of organisations worldwide with a wide variety of approaches to BC planning and resilience maturity and hence provides an excellent opportunity for further research into crisis and business continuity effectiveness. More disruptions are inevitable, so it is important to take the present opportunity to learn and evolve organisational business continuity practices.

REFERENCES

- (1) Lee, A., Vargo, J. and Seville, E. (2013) 'Developing a tool to measure and compare organizations' resilience', *Natural Hazards Review*, Vol. 14, No. 1, pp. 29–41.

- (2) Seville, E., Van Opstal, D. and Vargo, J. (2015) 'A primer in resiliency: Seven principles for managing the unexpected', *Global Business and Organizational Excellence*, Vol. 34, No. 3, pp. 6–18.
- (3) Seville, E. (2016) *Resilient Organizations: How to Survive, Thrive and Create Opportunities through Crisis and Change*, Kogan Page Publishers, London.
- (4) Burnard, K. and Bhamra, R. (2011) 'Organisational resilience: Development of a conceptual framework for organisational responses', *International Journal of Production Research*, Vol. 49, No. 18, pp. 5581–5599.
- (5) Vargo, J. and Seville E. (2011) 'Crisis strategic planning for SMEs: Finding the silver lining', *International Journal of Production Research*, Vol. 49, No. 18, pp. 5619–5635.
- (6) Parsons, D. (2010) 'Organisational resilience', *Australian Journal of Emergency Management*, Vol. 25, No. 2, pp. 18–20.
- (7) Sutcliffe, K. M. and Vogus, T. (2003) 'Organizing for resilience', in: Cameron, K. S., Dutton, J. E. and Quinn, R. E. (eds), *Positive Organizational Scholarship: Foundations of a New Discipline*, Berrett-Koehler, San Francisco, CA, pp. 94–110.
- (8) Lee *et al.*, ref. 1 above.
- (9) Whitman, Z., Kachali, H., Roger, D., Vargo, J. and Seville, E. (2013) 'Short-form version of the Benchmark Resilience Tool (BRT-53)', *Measuring Business Excellence*, Vol. 17, No. 3, pp. 3–14.
- (10) Hatton, T., Grimshaw, E., Vargo, J. and Seville, E. (2016) 'Lessons from disaster: Creating a business continuity plan that really works', *Journal of Business Continuity and Emergency Planning*, Vol. 10, No. 1, pp. 84–92.
- (11) Rapaport, C. and Kirschenbaum, A. (2008) 'Business continuity as an adaptive social process', *International Journal of Emergency Management*, Vol. 5, No. 3–4, pp. 338–347.
- (12) Lindstedt, D. and Armour, M. (2016) 'Adaptive business continuity', available at: <https://www.adaptivebcp.org/about.html> (accessed 11th August, 2020).
- (13) Business Continuity Institute (2018) 'BCI Good Practice Guidelines', available at: thebci.org/training-qualifications/good-practice-guidelines.html (accessed 20th June, 2020).
- (14) Business Continuity Institute (2020) 'BCI Competency Framework', available at: thebci.org/resource/bci-competency-framework.html (accessed 20th June, 2020).
- (15) Helton, W. S. and Head, J. (2012) 'Earthquakes on the mind: Implications of disasters for human performance', *Human Factors: The Journal of the Human Factors and Ergonomics Society*, Vol. 54, No. 2, pp. 189–194.
- (16) Cardena, E. and Spiegel, D. (1993) 'Dissociative reactions to the San Francisco Bay Area earthquake of 1989', *American Journal of Psychiatry*, Vol. 150, No. 3, pp. 4–74.
- (17) Bonanno, G. A. (2004) 'Loss, trauma and human resilience: Have we underestimated the human capacity to thrive after extremely aversive events?', *American Psychologist*, Vol. 59, No. 1, pp. 20–28.
- (18) Brown, C., Seville, E. and Vargo, J. (2017) 'Measuring the organizational resilience of critical infrastructure providers: A New Zealand case study', *International Journal of Critical Infrastructure Protection*, Vol. 18, pp. 37–49.