



Driving Change Through the Downturn



Mike Osborne
Managing Director
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Comprehensive Coverage

Around the country, around the clock



> Facilities:

- 18 Business Continuity Centres
- 1 hour from all major business areas
- 8,000+ positions for Workarea Recovery
- 55,000 sq ft Datacentre for hosting and comms

> Connectivity:

- National Gbit Ethernet backbone
- Long-haul transit between all ICM sites and via Customer locations



Datacentre

Business Continuity Centre

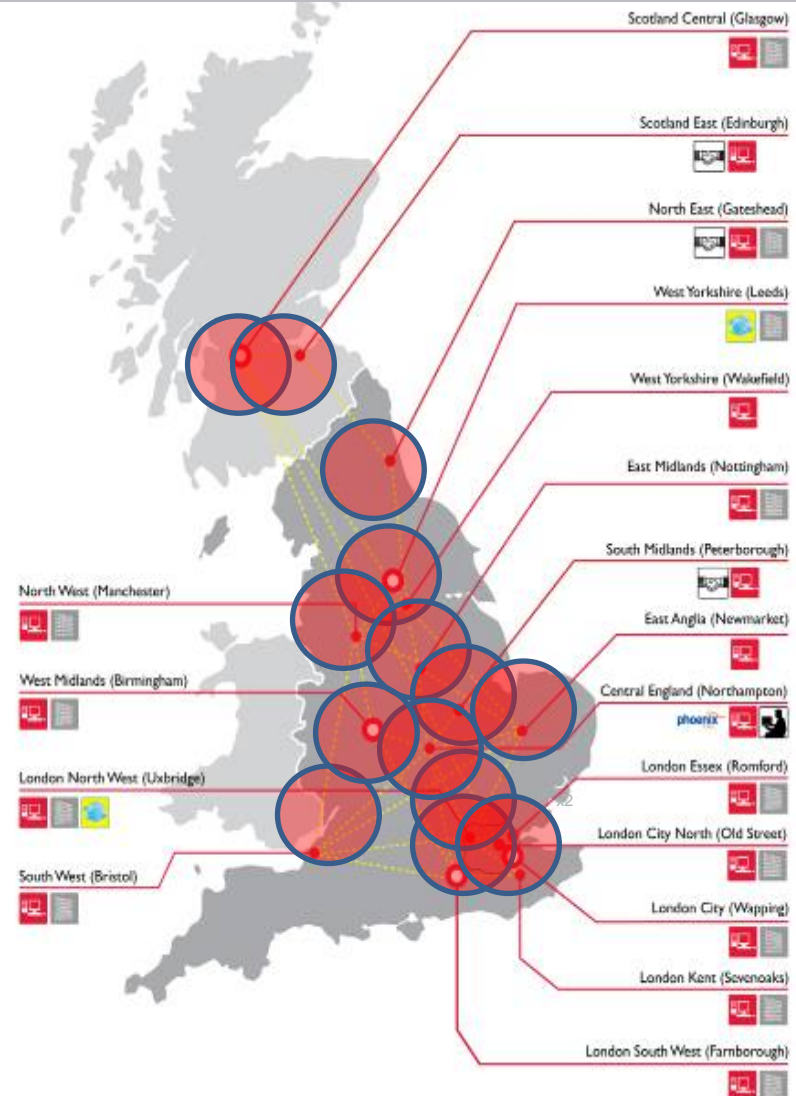
Incident Management Centre

Network Management Centre

Ethernet Network linking all centres

Hosting Centre

Service Alliance Centre



Key Themes



> Move from:

- Recovery to Resilience
- Insurance to Assurance



Driving Change Through the Downturn



John Sharp FBCI (Hons) FCMI MCIM

Senior Industry Advisor to ICM

'Interesting Times'



Financial meltdown

Recession or depression?

Swine flu

Climate change

Political instability!!!

...what chance the Board is
focused on BCM?

Recessionary effects



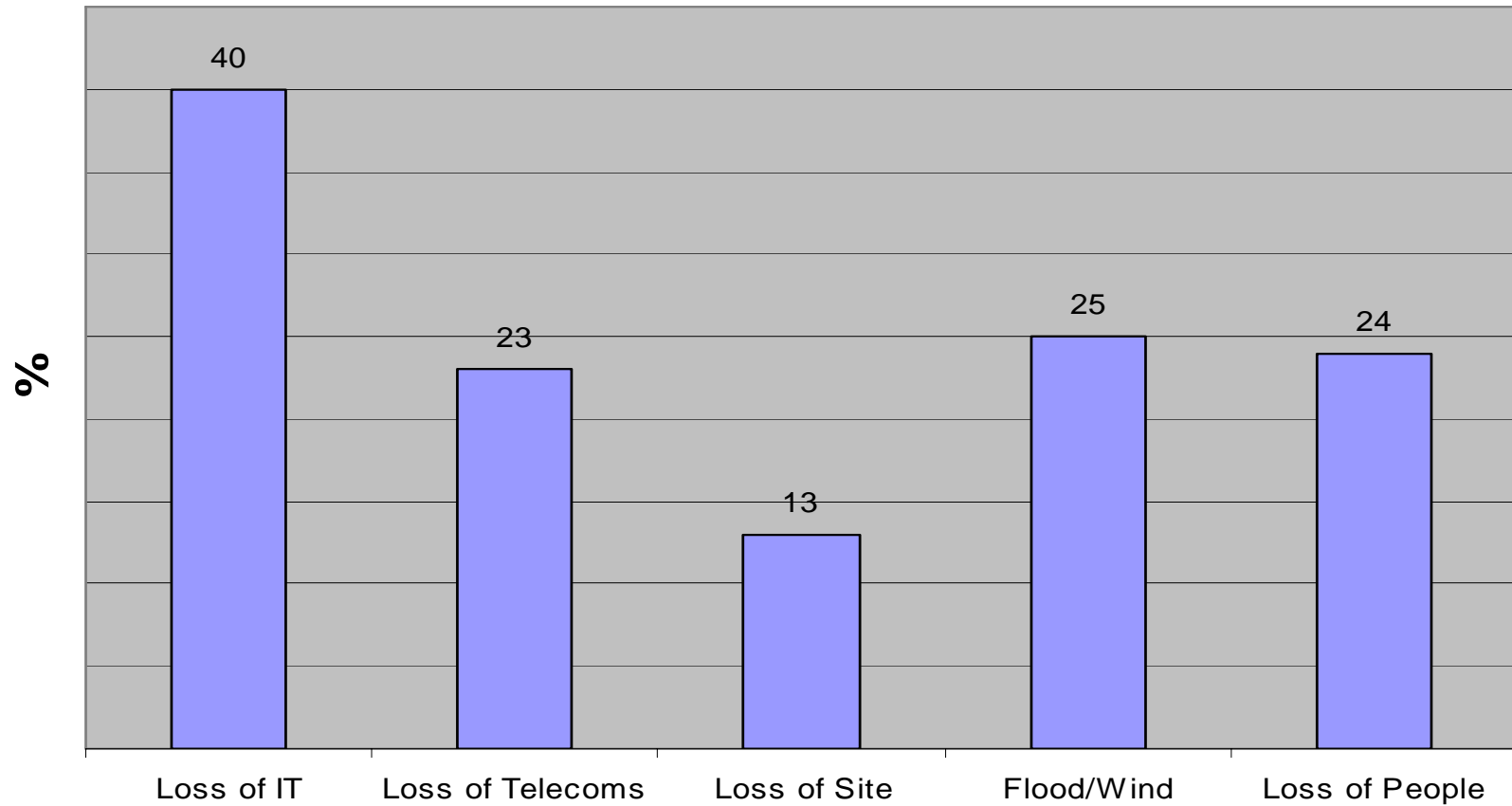
On Business

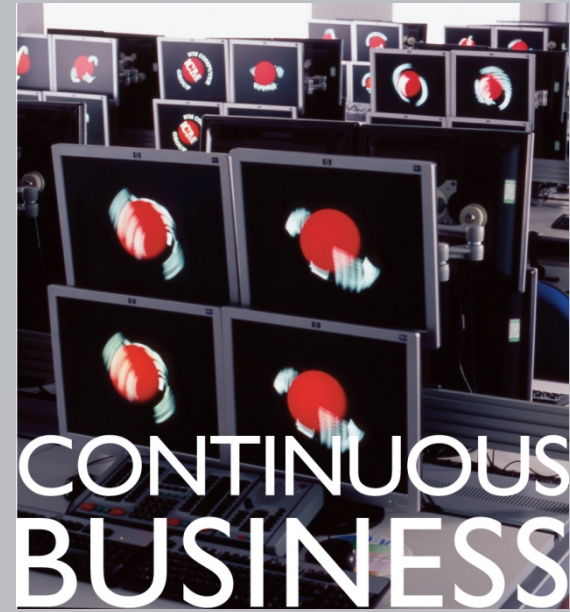
- > Credit squeeze
- > Market uncertainty
- > Financial uncertainty
- > Supplier uncertainty
- > People uncertainty
- > Turbulence
- > Unfamiliar territory
- > Downsizing
- > More...

On BCM

- > Budget freeze or cuts
- > Delays and cancellations
- > Dilution of capability
- > Staff distraction
- > Moving target
- > **Less time to respond**
- > **New risks**

Disruptions Experienced



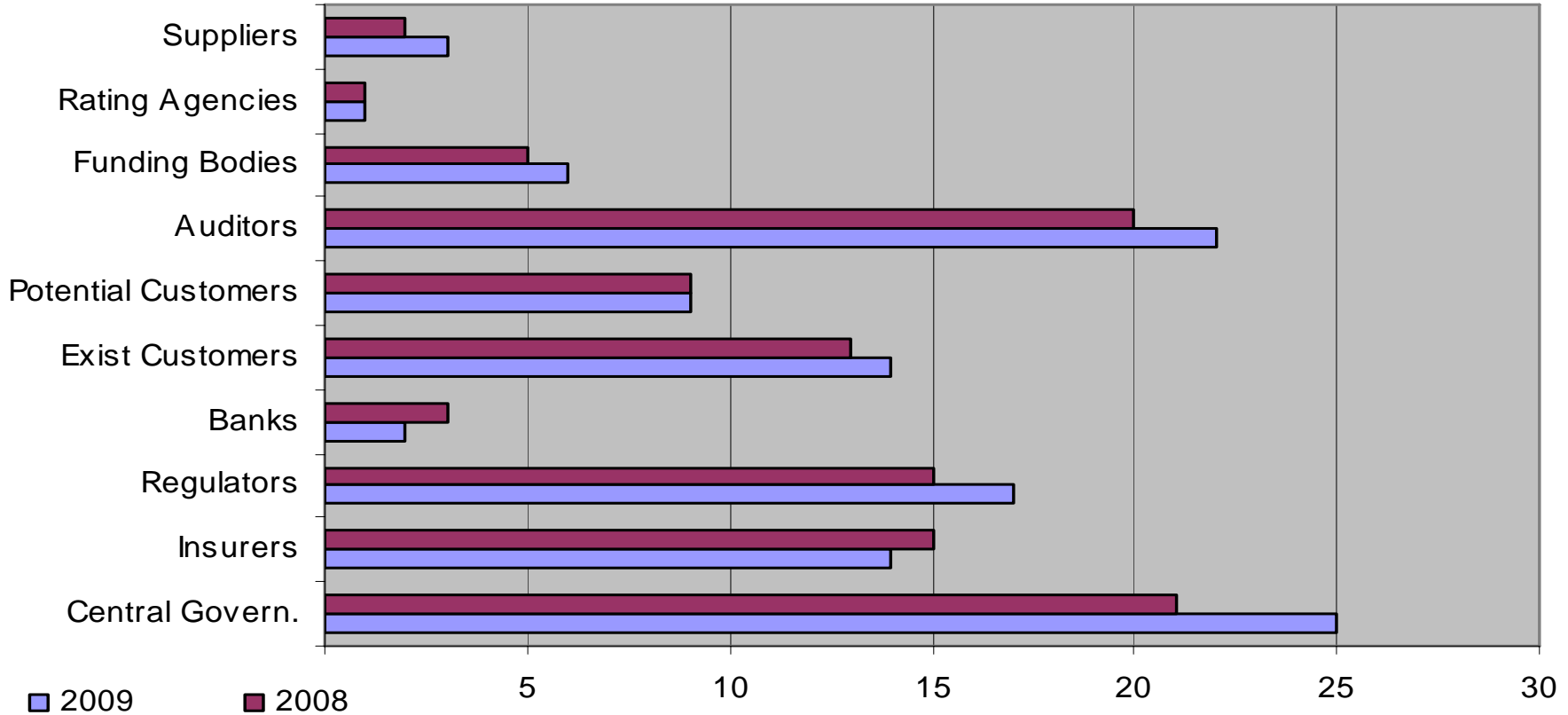




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Drivers for BCM



47% see Corporate Governance as major driver

Arguing the BCM Case



- > Prevention
- > Efficiency
- > Change
- > Economics
- > Social Responsibility
- > Assurance
- > Survival

Prevention - Building Resilience



- > Traditional thinking is about recovery
- > Need to move to resilient technologies
- > Virtualisation removes the dependence on single platforms and maximises use of resource
- > Must ensure that servers are spread across physical locations
- > Use of third parties to provide resilience

Case Study



Virtualisation of Tesco's Server Infrastructure

- > Utilisation from 6% to 70%
- > Capacity of Real Time Sales system up 75%
- > Power reductions
- > Carbon Footprint reduced by 20%
- > Simpler management of systems
- > Resilient system supports BCM

Prevention - Building Resilience



- > Flexibility of working practices
- > Remote working
- > Hot desking
- > Home working
- > Use of thin client and VoIP technologies
- > Need to address accessibility and security

Case Study



**Destruction of Melton
Council Offices
May 2008**

Prior to the fire

- Traditional Use of Office Space
- 200 Staff
- Fixed Desks – One Desk Per Person
- Fixed PCs and Telephones
- Little Home & Remote Working
- High Volumes of Paper Storage
- One Stop Shop Including Contact Centre

Case Study



**New Melton
Council Offices
May 2009**

After to the fire

- Flexible Working
 - Hot desking
 - Home working
 - Mobile working with laptops
 - Ability to work any where at multiple sites (VOiP)
- High utilisation of office space
 - Currently 80% utilisation
 - Typical office 20%-30%
 - 3.5 staff per desk
 - Long term cost saving

Sweating the Asset



- > Getting a better return on dedicated recovery locations can be achieved by:
 - Using the facility internally for:
 - Training
 - Campaigns
 - Specific work programmes

 - Sharing the facility with group companies, partners, etc

Insurance - Assurance



- > Peace of mind for the senior management
- > Provides stakeholder assurance
- > Maintaining market share
- > Reduction in the cost of business interruption insurance

Case Study



8 March 2007

**Fire destroys Annan
Scampi Plant**

- > Young's have 40% of UK scampi market
- > Thursday 08/03/07 fire breaks out at Annan scampi processing plant
- > Production resumes at Grimsby the following Monday 12/03/07
- > No impact on supply & market share
- > Business Continuity is 'zero-sum' as there are minimal business interruption insurance costs

Seizing the Moment



Swine Flu – potential pandemic

- > Current wave – low level
- > Threat of more serious wave in the Autumn
- > Senior management are concerned about the impact on their organisation
- > Good time to sell BCM
 - Flexible working
 - Remote/homeworking
- > Provide senior management with assurance

Driving Change Through the Downturn



- > Risk appetite is higher - tolerance to disruption is lower
- > Incidents will continue to occur
- > Sell the positives
 - Resilience
 - Greater efficiency
 - Achieving change
 - Reducing costs
- > ‘Piggy back’ on swine flu
- > Ensure your organisation survives



**Thank you for Listening
Questions ?**



Mike Osborne & John Sharp

ICM Continuous Business

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