

## **BIA: Building the Foundation**

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You wouldn't dream of building a new house on a foundation that was not created especially for the given size, layout, environment, and plot. Starting with the wrong foundation leaves you with a house that falls short of your expectations or worse yet, is dangerous. You don't want the foundation to be too big or too little – but just right! In order to do this, the construction team depends on the accurate information from the architect in order to make informed decisions on how to proceed. This is analogous to building an organization's resiliency program. The architect is equivalent to the business continuity professional in charge of the resiliency program. An organization's "foundation" is based upon the results of a study called a Business Impact Analysis (BIA). Management depends on the information from the BIA and the business continuity professional to make informed decisions on how much financial risk it is willing to assume and how much it should invest in the resiliency strategies suggested as an outcome of the BIA.

According to Disaster Recovery Institute International (DRII), the goals of a BIA are to:

- Establish the value of each organizational unit or resource as they relate to the function of the total organization;
- Provide the basis for identifying the critical resources required to develop a business resiliency strategy; and
- Establish an order of priority to restoring the functions of the organization in the event of a critical incident.

The BIA is designed to ensure a thorough understanding of all the organization-critical processes and resources that support them, including technology. It considers a full range of internal and external factors, including interdependencies. The impact of loss or degradation of each process is identified, evaluated, and prioritized according to the required time frames for recovery of the process. The BIA report provides a gap-analysis between the current organization (what you have) versus future state (what you need) to achieve the resiliency goals that management has identified during the BIA process.

The findings of the BIA raise management's awareness of the consequences of a critical incident in terms of financial, operational and reputational losses, as well as additional expenses necessary to recover. By participating in the BIA meetings or workshops, staff will enhance their knowledge of the business and appreciate the importance of resiliency planning.

The findings enable the organization to determine the extent of the overall effort needed to prevent or recover from a potential critical incident, thereby paving the way for developing the resiliency strategy and plan. In other words, the BIA forms the foundation for the entire resiliency program.

The bigger the building you are constructing (think "high-rise") the deeper the foundation that is needed. The same is true for a resiliency program – the more complex the organization, the more comprehensive and time-consuming the BIA project. If you wish to learn more about who should be involved in a BIA, methods for data gathering, identifying critical processes, establishing recovery time requirements, assessing impacts, and creating workable resiliency strategies, sign up for the R&A ["Navigating the Unexpected with Confidence – Business Impact Analysis"](#) three-part webinar series.