IBM business continuity management position paper
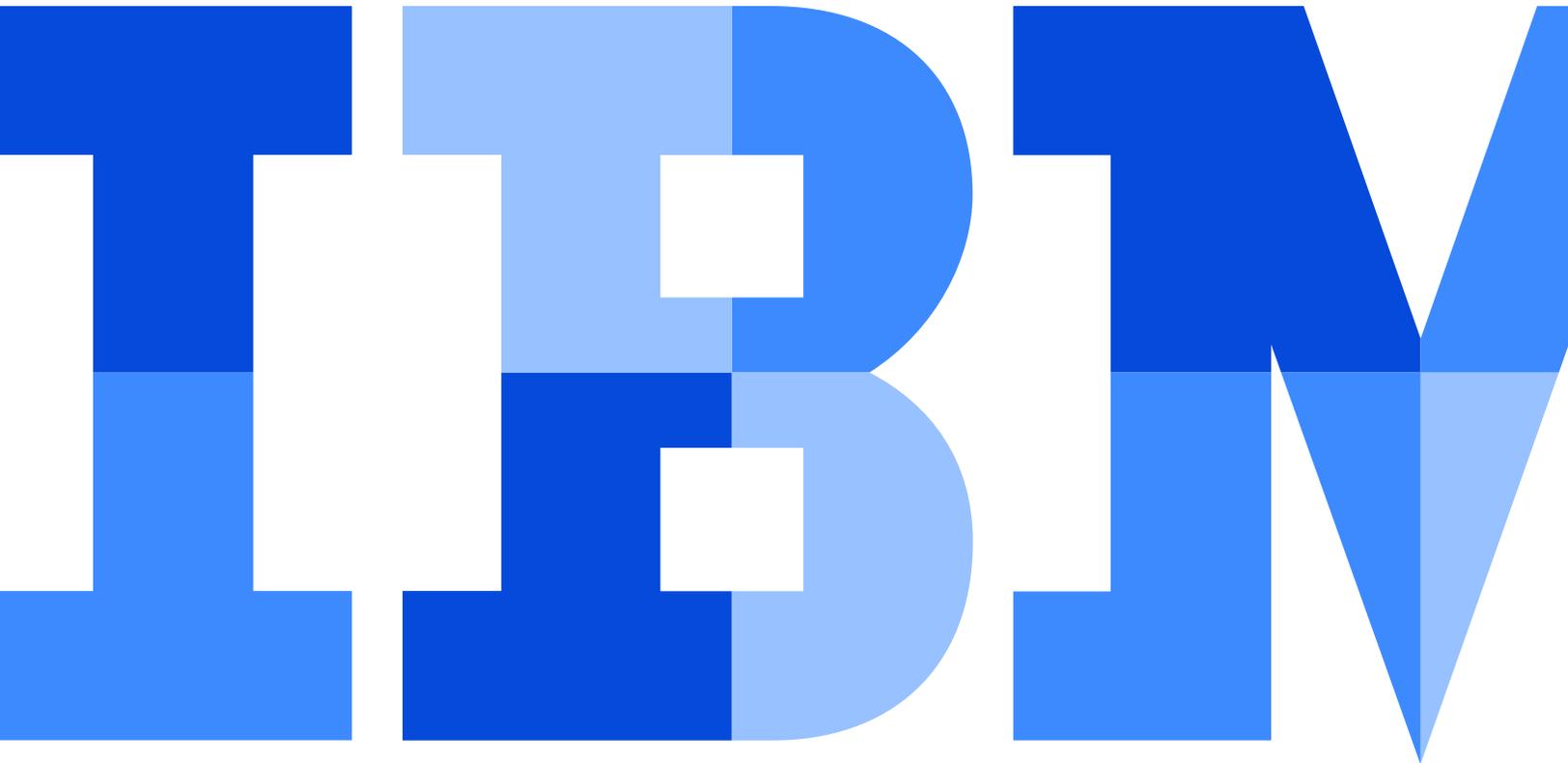
Contents

Overview

IBM has plans and processes in place globally that help sustain its business by assessing potential disasters. It defines business continuity as an organization's ability to continue critical business operations, at predefined levels, throughout a disruptive event. IBM has spent years developing methodologies and practices designed to help maintain the continuity of commercial operations. This paper provides an overview of the business continuity measures used by IBM to help prevent or reduce the impact of potential threats.

Business continuity management and governance

IBM follows a business continuity management (BCM) system that aligns with generally accepted industry guidelines and standards. Written corporate directives define and establish the framework, and business units enact directives that help them maintain operations, even when a natural or man-made event threatens. The framework includes guidelines for understanding IBM, business continuity roles and responsibilities, responding to business continuity risk, plan documentation, testing and maintenance. A corporate business continuity group distributes these planning guidelines across IBM, oversees risk management and regularly communicates with senior management regarding business continuity preparedness.

Business continuity planning

Each business unit is responsible for developing and executing their business continuity plans and mitigation strategies. IBM considers a broad range of risks that may impact delivery of services, company reputation, stakeholders or personnel when classifying a process as critical. Once a business operation or business process is classified as critical, a business continuity plan is required. These business operations are critical to the success of the company and are also identified by financial contributions, internal and external risk factors, and operational impact if the operation were disabled.

Also, there often is an array of IT applications which operate in support of these critical processes. It isn't uncommon to find multiple IT applications supporting a single critical process.

Critical IT applications are required to establish an IT data backup and disaster recovery strategy which fits the operational profile of the critical business process. Technical strategies include highly available systems, systems leveraging automated cloud orchestration with air gapped data, and critical systems that can meet recovery time objectives using less expensive solutions.

The third major element of the program is the crisis management team (CMT). These teams are found at the corporate level and at each location level. CMTs, led by location leaders and composed of senior leaders from each business at their location, will assemble for emergencies and work to reduce the impact of a potential threat, protect people and property, and maintain or restore business activities. CMTs test their response programs at least annually.

Maintenance and testing

The business continuity testing program mandates that business continuity plans be regularly tested and improved as appropriate, and that business areas test and maintain their plans at least once annually. A corporate business continuity leadership team provides training for key personnel and makes educational materials available to all IBM employees worldwide.

BCM frequently asked questions (FAQs)
General business resiliency

- Do you have a business continuity program?
  Yes, IBM has an established BCM system for critical business processes. This system includes establishment and review of business continuity requirements based on impact and risk; creation, implementation and operation of business continuity plans; and regular monitoring and reporting of business continuity preparedness through testing and maintenance.

- What's your business continuity strategy?
  The business continuity program provides a readiness state that protects the top priorities of IBM. This BCM strategy includes prioritizing critical processes and supporting infrastructure and applications based on business impact and risk assessments. Critical processes and applications have business continuity plans that provide instructions on how to restore business operations. The BCM strategy calls for the regular review and update of business continuity plans, and that they be tested and maintained at least annually.

- Do you have a formal governance body for business continuity?
  Yes, IBM business continuity governance is led by the dedicated BCM team, which is supported by a global leadership team composed of business and technical representatives from every IBM division. The governance team also maintains ties to the IBM enterprise risk committee, security and crisis management teams, and the chief information officer. One of the responsibilities of the BCM team is cross-functional governance, which helps ensure corporate-wide adherence to the IBM BCM strategy.

- Do you have a team focused on business continuity and disaster recovery?
  Yes, IBM has a dedicated BCM department within IBM® Global Technology Services® and it's organizationally tied to the company's chief risk officer. Among this department's responsibilities are risk management and governance of the global BCM program and management of the global BCM leadership team. The BCM leadership team is comprised of a group of professionals from across IBM with business continuity, disaster recovery, cyber and network security, and incident and crisis management responsibilities. Additionally, IBM leverages expertise from IBM Business Resiliency Services®, a globally recognized business continuity, disaster recovery and cyber resiliency leader, which provides business continuity consultation and services to IBM clients.

- Have you gained ISO 22301 certification or is there a timeframe for achieving it?
  The IBM BCM framework is aligned with ISO 22301:2012 and widely accepted industry guidelines and standards. Several locations within select geographies have certified to ISO 22301, however, IBM has no current plan to globally and formally certify to ISO 22301. The list of groups or countries within IBM who are ISO 22301 certified can be found at https://www-01.ibm.com/support/docview.wss?uid=ibm10744473.

- How do you evaluate business continuity risk?
  The IBM approach to identifying and managing risk is based on the ISO 31000 enterprise risk management (ERM) standard. In deploying this standard, IBM assesses potential financial, operational, regulatory and other risks, and these may be determined by various factors, such as where and how business is being done, and the nature of the offerings involved. Senior management is responsible for assessing and managing the company's various exposures to risk daily. Business units own the BCM risk for their area and are responsible for implementing the business continuity management system (BCMS) that meets minimum global standards.

- How do you conduct a business impact analysis?
  Business units are responsible for identifying and prioritizing critical processes based on impact and risk, identifying the maximum acceptable outage (MAO), and critical dependencies, such as stakeholders or interested parties, site, resources, IT, suppliers non-IT services and process interdependencies. IBM takes a comprehensive approach to impact analysis that includes identifying interdependencies across organizational and location boundaries. Also, a horizontal end to end process view is examined, which may involve a program's supply chain, to create an enterprise view of the critical interdependencies. As a result, IBM is able to obtain a more robust and complete view of its business that allows for a more vigorous examination of business continuity risk.

Business continuity plans

- In the event of a disaster or significant disruption to critical business processes, do you have documented plans for recovering critical business processes and IT?
Yes, IBM business continuity plans are designed to recover critical business processes and functions with priorities determined by assessing business impact and risk. Additionally, IT disaster recovery plans that guide recovering IT services and applications that support critical business processes are prioritized by business criticality. IBM processes and supporting IT are prioritized to help ensure the most critical services have documented plans in place.

- What type of scenarios or business interruptions do you plan for?
Each IBM organization formulates an appropriate response to the potential impact of an event. These responses focus on potential impacts to the workplace and workforce, and from the unavailability of IT or a widespread regional event. This approach helps deliver a flexible and effective method of capturing the relevant recovery and risk mitigation elements, regardless of the event's cause.

- In the event of a disaster or significant disruption, do you have documented emergency plans?
Yes, IBM maintains emergency plans that help with preparation and appropriate reaction to external events that could disrupt business. On a global scale, the IBM corporate CMT provides direction, coordination, resources and policy guidance. Local or country CMTs are responsible for taking actions that help prevent personal injury, minimize property damage and protect company assets. CMTs work with affected businesses to respond to a crises and support their efforts to continue operations.

- Have you incorporated any specific guidelines or provisions for pandemic influenza in your business continuity plans?
Yes, IBM has been preparing for a potential influenza pandemic since 2005, when worldwide concerns about avian influenza surfaced. IBM monitors current conditions and preparedness plans in accordance with official alerts and recommendations issued by the World Health Organization. Business continuity plans include provisions for the impact of losing 50 percent or more of a workforce, including, but not limited to, the onset of a health-related emergency or pandemic.

- What is your process for reviewing and signing off on business continuity plans?
IBM business continuity plans are reviewed and approved by the appropriate line management of the business organization for which plans have been implemented.

- How often do you update or review your business continuity plans?
  It's the responsibility of each business plan owner to complete an annual review and make appropriate updates. If a significant material change occurs in business operations, business continuity plans must be updated upon implementation.

- Will you provide clients with copies of current business continuity plans?
  No, due to the confidential nature of the material, IBM doesn't share its business continuity plans with individuals outside the organization.

- In the event of a disaster, do you have business continuity plans for services and products provided to clients that meet business recovery requirements?
  IBM clients who have specific business continuity and recovery needs should work directly with their client representative to determine the mitigation or recovery actions that are applicable to their solutions or services. IBM doesn't provide a warranty for business continuity plans that it has for its own internal use, nor represent them in place of a client agreement for service.

- How are clients notified if a disaster at IBM affects their contracted services or products?
  Your IBM client representative is your primary point of contact and will be responsible for any communications regarding IBM business impairments that could impact you. Communications are initiated within the CMT and managed as part of the CMT's communications plan.

Training, testing and maintenance

- What's your approach to business continuity testing?
  Business continuity plans are tested as part of the maintenance process by each of the business areas. Once these tests are complete, action plans are established to close any observed inadequacies. Business continuity plan owners are expected to conduct a test at least once annually. Exceptions are made only when a team has responded to an actual event by invoking its business continuity plan.

- Do internal or external auditors review your business continuity and disaster recovery tests?
  Yes, internal and external auditors may review business continuity plan test results as part of their annual audit and compliance activities.

- How often do you test your business continuity plans?
  Business continuity plans are tested when they are first created and as part of their annual update and maintenance cycles. Due to the large number of business continuity plans at IBM, they are tested, throughout the year, as the operational schedule of each business allows.

- Will you share your test results or conduct joint tests with clients?
  Test results are confidential and not shared with external parties. IBM doesn't usually test jointly, but exceptions may be made for suppliers, vendors or when contractually required.

- What kind of training and awareness efforts are in place for employees?
  Training for key business continuity personnel is conducted through periodic testing performed at least once annually. The training is also available through educational and awareness materials available to all employees through internal communications, such as blogs, forums, newsletters, lectures and educational presentations. The BCM team hosts a global community that shares expertise and best practices with IBM employees and business continuity teams across all business lines. As part of the Business Continuity Institute global conference's Business Continuity Awareness Week, IBM conducts an annual, internal BCAW to advance capabilities and increase readiness in preparation for critical situations. The virtual IBM BCAW conference uses IBM social offerings and collaboration tools, such as IBM Connections, blogs, wikis and formal educational systems, to conduct multiple educational lectures and deep-dive sessions. With this shared expertise, IBM can increase its ability to support internal operations and clients.

Recovery strategy

- Do you have specific workplace recovery locations for your critical sites?
  Yes, IBM operates in 170 countries and over a thousand locations worldwide. Due to this dispersion of locations, our plans provide flexible relocation strategies and aren't dependent on a single site.

- Do your business continuity plans cover sites where client services and product support is conducted?
  Yes, IBM business continuity plans cover all critical processes, including client services and product support. IBM worldwide support operations uses a geographically dispersed model, a diverse workforce and global ticket routing to available centers and operators. This approach helps accommodate fluctuations in demand, including unplanned events, which could potentially interrupt business at one or more sites.

Third-party suppliers

- Do you assess the business continuity preparedness of your strategic suppliers?
  The IBM global procurement business continuity assessment program focuses on supplier preparation and successful execution in maintaining continuity of goods or services for IBM products, internal operations and clients. This approach helps IBM determine a supplier's ability to maintain a business continuity plan and business continuity testing procedures. IBM seeks to ensure its top suppliers have the ability to maintain continuity of goods or services in the face of a host of potential disruptions, whether natural or man-made.

- How do you understand proximity and impact to suppliers located in a disaster area?
  IBM uses a technology called IBM Operations Risk Insights to assess possible impacts to the IBM supply chain. Operations Risk Insights links to the Global Disaster Alerting Coordination System (GDACS), social media and other sources to assess problematic situations and crises, whether man-made or naturally occurring. From this information, Operations Risk Insights alerts IBM business leaders of any supplier who may be operating in an impact area and the potential effects to IBM supply chain.