UCAR Business Continuity Update

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Brief History of Business Continuity at UCAR

Mid-1990’s: Deloitte and Touche recommend Business Continuity Plan for UCAR

2000: UCAR develops first plan

2001: UCAR changes plan

2002: UCAR changes, changes to plan-response to 9/11

2003: UCAR Changes, changes to changes to plan-automated plan updates

Spring 2004: Plans tested, some worked/some failed

2005: Plans revised more test scheduled

2006: Third Party Audit
Third Party Audit?

- 2004 test was the “disaster”
- A lot of internal motivation and resistance
- Previous consultant “indisposed”
- Cancelled 2005 tests at requests of plan holders
- Plans updated but not tested
- Decided to audit current program by third party
- Selected local firm with “hi-tech” background
Audit Scope

• UCAR tasked Mercury with:
  – Evaluating the state of UCAR’s BC program.
  – Identifying improvement opportunities commensurate with UCAR’s preparedness needs.
  – Providing recommendations for implementing program improvements.

• All reviews focused on the following considerations—
  - UCAR program status vs. common practices.
  - Perceived program strengths & improvement opportunities.
  - Alignment of BC activities with organizational priorities.
  - Consistent program implementation across the organization.
Summary Observations – The Good News

- UCAR has developed a sound foundation for its BC Program; improvements can be made, but the sky is not falling. UCAR can build on its successes rather than engaging in re-work.

- BC Program owners have demonstrated clear commitment beyond the minimal “keep the auditors happy” standard.

- UCAR Leadership is routinely informed of BC activities.

- BC is not a foreign concept to Division leaders and a viable BC Council is in place.

- UCAR understands its risks, priorities, and general risk tolerance.

- UCAR has avoided many common BC pitfalls…
  - UCAR recognizes that BC software programs aren’t necessary.
  - UCAR realizes that large organizations can’t plan for every possibility.
  - UCAR uses a simple and standard planning approach.
Summary Observations – Opportunities

• BC training and testing can be enhanced to better confirm the viability of individual plans.

• Some plan owners struggle to keep plans current; UCAR can simplify plan maintenance through streamlining & guidance.

• UCAR can strengthen crisis management capabilities through the definition of roles, responsibilities, and standard processes.

• UCAR can implement distinct (but integrated) training and testing for crisis management.

• While UCAR is not a high-risk organization, some threats warrant crisis communications planning. (e.g., travel incidents, aviation incident)

• A measure of BC governance appears warranted (policy statement, standards).
Preliminary Recommendations

• Transition from plan-focus to a program-focus including BC & Crisis Management planning, training, testing, maintenance, and crisis communications.

• Continue the use of text-based plans; planning software is not recommended.

• Perform a *limited* Risk Assessment to account for emerging global threats; a formal BIA is not recommended.

• Design a BC training/exercise program that escalates in complexity & scope according to the organization’s level of BC maturity.

• Develop a cross-functional Crisis Management Plan that adds definition and structure to existing capabilities.

• Directly involve senior leadership in UCAR preparedness activities through training and targeted exercises.
Next Steps

• Implement recommendations…