

NEW LAW SOCIETY PRACTICE NOTE – BUSINESS CONTINUITY

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The Law Society have recently released a Practice Note for Business Continuity, the weblink for which is <http://www.lawsociety.org.uk/productsandservices/practicenotes/businesscontinuity.page>

The Practice Note provides a summary of the areas that need to be addressed when implementing Business Continuity Management in solicitor firms. This includes the following areas that should be addressed:

Practices should do all of the following:

1. allocate overall responsibility for BCM to a partner, or staff members of equivalent seniority
2. conduct a risk assessment leading to risk improvement and increased resilience
3. create a written business continuity plan fully supported by necessary recovery provisions
4. conduct a programme of testing
5. implement a process of maintenance
6. communicate the BCM plan to staff

This represents a useful summary of the key areas to be addressed when developing Business Continuity Plans and against each point raised above we would make the following comments:

Responsibility Allocation

Experience suggests that Business Continuity needs to be managed and led by a senior member of the management team, with the status to get things done. This includes encouraging members of staff or departments to provide critical feedback and information. It also includes the authority to allocate staff time or financial resources to the Business Continuity Planning process.

Risk Assessment

It is important for all solicitor firms (and any professional firm) to understand the risks faced by the business and to take steps to shield the business from unacceptable risks and their commensurate exposure. To do this firms need to have clear procedures for the management of risks and ensure that all identified risks and the action agreed to mitigate individual risks, are properly documented and updated.

That said, it will be impossible to identify all the possible risks, or combination thereof, that could impact any firm. The Business Continuity Plan must therefore be sufficiently robust to cater for all kinds of unplanned disruption affecting staff, facilities, IT, communications, suppliers, clients and reputation.

Value Generation's Continuity10 service includes Risk Management and Business Continuity Planning SRA Accredited Workshops, Documentation Toolkits and Consultancy Support to Solicitors wishing to comply with the Risk Management and Business Continuity requirements of the 2007 Code of Conduct. Please refer to our company website for further information at www.valuegeneration.co.uk, or speak to Paul Johnson, Director responsible for Risk Management and Business Continuity, on 01420 540273.

Business Continuity Plan

The Business Continuity Plan (BCP), needs to be carefully prepared in a manner that management and staff can digest before an unplanned disruption and utilise effectively after a disruption occurs. In this regard the BCP should:

- be straightforward and understandable;
- be read and retained by all those who may need to use it;
- provide clear instructions on how the BCP;
- contain short term emergency measures to help protect staff, clients, premises, information, facilities and reputation, in the immediate aftermath of a disruption;
- contain short and medium term measures to recover business operations to acceptable levels;
- be a repository of key information (e.g. staff contact details, client information, supplier data, IT network data)

Testing

The only way to effectively ensure the BCP is well designed is to conduct test exercises. For very large companies this may entail shutting the main computer system down and transferring to a recovery site. For smaller organisations it may involve checking a specific part of the BCP (e.g. that staff contact details are correct) or perhaps a round table management discussion of what they would do in a given disruption scenario (and checking that the BCP provides them with the materials and information they need).

The Test process almost always reveals areas where the BCP can be amended and enhanced and is therefore a key element of the Business Continuity Management process.

Maintenance

The BCP is very much a live document, a reflection of the company at a specific point in time. For example, over a number of months staff details will change, products/services will be added and IT systems will develop.

It is therefore a necessity that the BCP is regularly updated and that this is undertaken as often as necessary to reflect the pace of change in the organisation.

Communication

It is always useful for staff, clients, suppliers etc to know there is a BCP in place in the event of disruption. This knowledge helps avoid knee-jerk reactions when a disruption arises. Also, particularly for staff, a major disruptive event can be a great concern and an awareness of their role in any recovery phase will enable staff to focus on the job in hand and support the recovery of the business.

The chance of a very major disruption is low, but that type of event can cause many businesses to fail, therefore preparedness is critical.

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