

To be continued...

Business continuity planning is high on the agenda for financial services firms. For the first time, *OpRisk & Compliance* has surveyed the market to identify the leading BCP providers.

Victoria Pennington presents the results

Business continuity in today's interconnected and global world has become a concern that extends far beyond IT and permeates every aspect of an organisation in all business sectors, none more so than the financial services industry. Increased regulation, such as Basel II and Sarbanes-Oxley, and the continual threat of terrorist attacks have kept business continuity planning (BCP) programmes at the top of the agenda for financial services firms.

"The business continuity industry continues to go from strength to strength, and this growth has not just been driven by regulation or audit issues. Companies have recognised that having a good business continuity plan in place is essential to its success," says Keith Tilley, UK managing director and senior vice-president for Europe at SunGard. "It is also encouraging to see so many companies looking at BCP, and the high level at which it resides within organisations demonstrates its higher profile."

The profile of BCP has been growing since the terrorist attacks on New York and London, and more recent concerns about pandemics and flooding.

"People are increasingly seeing business continuity as an essential part of the business rather than just a compliance exercise," adds Tilley. "They are recognising that, to operate a successful business, they need to be aware of the flow of information throughout the business and ensure every area it touches – from IT and telephony to staff – is protected in the business continuity plan."

Firms that provide BCP services promote the automation of the process to ensure plans are kept up to date and that any regulatory obligations are met. And this is not restricted to Europe and the US – globalisation is forcing corporations to take a worldwide view of business continuity.

Every country is at varying stages of the maturity process of business continuity, but BCP firms are

seeing faster uptake in business continuity systems in the Middle East and Asia, where many firms still rely on paper documents for their BCP planning.

Jostling for first place

Two companies dominate the top of the *OpRisk & Compliance* first annual business continuity service provider rankings. IBM and SunGard jostle for first and second in all the relevant top five categories. IBM just pips its rival to the post in three of the six categories – data continuity services (including back-up site provision), resilience plans validation services and business continuity training services – but the two BCP giants draw level in business continuity planning software, and crisis and emergency management planning services. And SunGard was ranked the number one provider of business continuity strategy and planning services, with IBM a close second.

BUSINESS CONTINUITY STRATEGY AND PLANNING SERVICES

| | |
|----------------|-----|
| SunGard | 33% |
| IBM | 30% |
| Strohl Systems | 14% |
| HP | 13% |
| Protiviti | 10% |

DATA CONTINUITY SERVICES (INCL. BACK-UP SITE PROVISION)

| | |
|----------------|-----|
| IBM | 33% |
| SunGard | 26% |
| HP | 20% |
| EMC Solutions | 13% |
| Strohl Systems | 9% |

RESILIENCE PLANS VALIDATION SERVICES

| | |
|-----------------------------|-----|
| IBM | 30% |
| SunGard | 25% |
| HP | 17% |
| Strohl Systems | 16% |
| Business Protection Systems | 12% |

BUSINESS CONTINUITY PLANNING SOFTWARE

| | |
|-----------------------------|-----|
| IBM | 29% |
| SunGard | 29% |
| Strohl Systems | 22% |
| Network Disaster Recovery | 11% |
| Business Protection Systems | 10% |

CRISIS AND EMERGENCY MANAGEMENT PLANNING

| | |
|-----------------------------|-----|
| IBM | 28% |
| SunGard | 28% |
| HP | 18% |
| Crisis Solutions | 14% |
| Business Protection Systems | 13% |

BUSINESS CONTINUITY TRAINING SERVICES

| | |
|---------------------|-----|
| IBM | 31% |
| SunGard | 26% |
| HP | 17% |
| Strohl Systems | 16% |
| Eagle Rock Alliance | 10% |

Number-one ranked brand

According to *OpRisk & Compliance's* survey, IBM is the first port of call for many users when thinking about business continuity services.

"Financial institutions need enterprise-class solutions and standards to help define and enforce corporate policies, manage risk, enable regulatory compliance and improve business performance," says June Yee Felix, general manager, global banking solutions and strategy at IBM. "These systems must provide access to information for collaboration and decision-making within a secure environment. IBM governance, risk management and compliance solutions are designed to enable security-rich information sharing, enhance risk awareness, enable policies and procedures, apply controls wisely, and more easily demonstrate outcomes. In this way, firms can cost effectively meet Basel II, Sarbanes-Oxley and other regulatory requirements and achieve business performance objectives through acquisitions and other growth initiatives."

IBM business continuity and regulatory compliance services help users to develop business continuity plans aligned to their specific risk tolerance and individual business needs. Its availability services and data continuity services also help users prioritise critical data and ensure the ongoing availability of infrastructure.

The sunny side of disaster recovery

SunGard, which is celebrating its thirtieth anniversary next year, was one of the first providers of disaster recovery services in the industry and since then has expanded its suite of solutions to encompass every aspect of business continuity.

"We are seeing a growth of investment in business continuity services in Europe, Asia and Australia. As corporations expand globally, business continuity also needs to be implemented worldwide to ensure consistency of information flow," says Tilley. "Besides the sound business benefits, firms are realising that they have a moral obligation to their stakeholders to have business continuity systems in place."

SunGard offers end-to-end business continuity systems to ensure uninterrupted access to critical data and systems from crisis management to technical support. Its business continuity services include: recovery services, network services, software tools, and testing services (which reduce revenue losses, enhance access to critical data and systems, reduce downtime

BUSINESS RESILIENCE/ INTERRUPTION INSURANCE

| | |
|----------------------|------------|
| AIG | 24% |
| Zurich | 22% |
| AXA | 20% |
| Chubb | 18% |
| Royal & Sun Alliance | 16% |

BUSINESS CONTINUITY REGULATOR

| | |
|---|------------|
| UK Financial Services Authority | 13% |
| Federal Reserve Bank of New York: Payments Risk Committee | 12% |
| Australian Prudential Regulatory Authority | 11% |
| Bank of England | 11% |
| Financial Services Sector Coordination Council for Critical Infrastructure Protection and Homeland Security (FSSCC) | 9% |

and improve employee productivity), 99.9% hosting availability as well as advanced HVAC controls, security systems and physical security barriers.

Although already thought a leader in the sector, SunGard is looking ahead and is developing advanced recovery services that use high-level availability systems such as virtualisation to help engage the user and keep pace with the evolution of IT systems.

Solid performers

Another well-known consumer brand, HP, scored a consistent third in all the categories it operates in. Since 1986, HP has offered a range of business continuity services, from consulting to data recovery and people recovery, across more than 40 countries. Its life cycle of BCP capabilities includes analysing and defining the client's business needs; designing the solution; building and integrating the solution into their existing arrangements; and managing that system.

"We also offer individual services depending on the client's requirements. For example, some companies may have already implemented a plan but require assessment of that plan against a standard such as the new British Standard BS 25999, which, although British, is being adopted throughout the world. We advise them on any improvements they need to do to pass an audit," says Bill Crichton,

business continuity consulting manager EMEA at HP. "Financial companies also have to comply with other legislation, such as Sarbanes-Oxley and Basel II, and there has been a huge surge in requests from the Middle East, where its banks are proceeding with Basel II compliance."

Another long-time player in the business continuity sector is Strohl Systems, which has provided BCP services for almost 20 years. Strohl Systems was a consistent performer in all categories and, with over 3,000 customers worldwide, many of which are Fortune 500 companies, its main focus is on software solutions. But the firm emphasises that it also provides scaleable solutions for small and medium-sized businesses.

Strohl Systems' sales are predominantly from software, but the company also offers consultancy services that cover all the areas included in the survey. It also provides support for its software systems.

Strohl Systems' suite of products allows users to analyse their organisation to understand their financial and operational risks, and build business continuity around those areas. Its flagship product, LDRPS, guides planners with a smart built-in methodology while giving users the opportunity to customise their continuity programmes to match their personal approach. BIA Professional guides users through the process of designing a business impact analysis survey, organising the data and presenting the results. Meanwhile, its web-based Incident Manager product is a virtual emergency operations centre that has an emergency notification system so that users can track and resolve issues as they arise, allowing information traditionally collected using white boards or sticky notes to be collected and organised electronically.

Strohl Systems' consultancy services offer a five-phase programme to guide clients through BCP, from initiation, business impact analysis, and strategy and plan development, to testing and maintenance. The firm also provides a number of training courses.

Protiviti, Network Disaster Recovery, EMC Solutions, Crisis Solutions, Business Protection Systems and Eagle Rock Alliance also scored well in the survey. AIG topped the business resilience/insurance rankings.

The ever-popular UK Financial Services Authority took the top spot as the best business continuity regulator, with the Fed Payments Risk Committee coming a close second. □