

Business Continuity Planning: The Art of Keeping Your Business Alive



Imagine for a moment that your business is about to be hit with a disaster. Let's say there's a city-wide power outage or a building fire. Do you know what trades are settling today and at what broker? How much cash needs to be moved to settle those trades? Whose signatures are required, how to get them, and how to get paperwork to the broker? Who will handle that margin call when no one is manning the phone?

Now imagine that some of your key employees have been injured, kidnapped, or killed. How will you notify their next of kin? Respond to the press? Cover their absence?

These scenarios may be difficult to contemplate, but all point to the utter necessity of having a plan that keeps your business responsive and operational under any and all circumstances.

Business Continuity Planning is the art of keeping your business alive. It's not a dusty document that you break out and review from time to time. It's a way of thinking that has to be woven into nearly every business discussion. Your fiduciary responsibility to your clients and staff may be motivation enough, but then there are also compliance requirements to meet.

Our increasing reliance on technology has expanded our efficiency and potential for growth, but our vulnerability as well. You don't want just any plan; you want a really good plan. So how do you devise one?

Some underlying principles to apply:

- **Identify your key resources.** Specify your decision makers and a recovery team whose members can wear multiple hats.
- **Have a communication routine.** Institute a rally point during the business day, regular conference bridges, and information dissemination standards.
- **Take it from the top.** Infuse your culture from the top down with the importance of this.
- **Script you first 10 moves.** Know exactly what you'll do in the immediate aftermath to ride out the storm.
- **Prioritize based on the needs hierarchy.** Your plan should look at sustaining or restoring the most critical functions first, then moving out from there.
- **Plan and plan again.** Continuously think, test, and rethink your plan.



Some steps to take:

- 1) **Lay out scenarios.** They should be simple and sensible. Start with a small set and grow them as needed.
- 2) **Focus on reaction.** Don't spend days discussing the causes; instead, focus on what you're going to do about them to protect your business, staff, and clients.
- 3) **Know your timelines.** Specify the functions that must be performed and at what times after an event. Know what personnel and systems are needed to perform those functions.
- 4) **Map out processes.** Conduct interviews to understand the roles, actions, responsibilities, and process flows of business units as well as the interactions among them.
- 5) **Have an actionable plan.** The end result should be a plan that applies limited resources to the most critical functions in the right sequence.

While we all share many of the same considerations, every business has unique needs. Your business continuity plan may be one page or one hundred. It all depends on what region of the world you operate in, your size (e.g., headcount, assets under management), and your operational climate.

Regardless of the specifics of your plan, the challenge is to keep it as current as possible, at the least expense, while still ensuring that your team fully understands and is able to execute it, starting with the script of your first 10 moves.

The financial world is all about confidence—real and perceived. You want your confidence in your own business continuity plan to be the genuine article.

General Safety Tips

- Check your insurance policies.
- Check the limits on your credit cards.
- Know the names and home numbers of your key credit bankers.
- Leverage your asset portfolio offices.

About Gravitas Technology, Inc.:

Gravitas Technology has been providing a broad range of integrated IT services to start-ups and established U.S. financial services firms since 1996. Gravitas customers include an impressive portfolio of financial services firms, including hedge funds, brokerage firms, investment banks and asset management firms. Over the last year Gravitas' main business focus has moved specifically into the Hedge Funds community providing a range of specialized services and solutions ranging from:

- Infrastructure and Integration
- Custom Software
- IT Consulting
- Disaster Recovery
- Compliance Technology

As part of its white glove service and holistic view of technology, Gravitas is considered an industry leader in BCP consulting. We have a team of professionals, formerly from large financial institutions and hedge funds who are available to consult with clients on BCP and any other relevant disaster recovery needs.

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