

## BUSINESS CONTINUITY – MIAMI SUMMARY OF RESULTS

### Priority of Business Continuity Planning

- ◆ Over half of Miami company officers who have responsibility for business continuity planning at companies with annual revenues of \$25 million or more (57%) say business continuity has always been a priority for their company, while 16% say it has only become a priority in recent years due to security and terrorist threats. About one in five (21%) say business continuity planning is important but not a high priority, while 3% admit it isn't important at their company.
  - Companies with 500 or fewer employees place about as much importance on business continuity planning as those with more than 500 employees.
  - Not surprisingly, far more companies which have a plan in the event of a disaster say business continuity has always been a priority (62%) than those at companies without a plan (27%).
  - Business continuity planning is not a higher priority at companies which have suffered a business disaster (68%) than at those which haven't (73%).
- ◆ Of the one in four Miami company officers who have responsibility for business continuity planning who say business continuity is not a high priority, the most common reasons they cite for it's lack of importance are the low probability a major disaster will hit their company (54%), they consider the systems in place sufficient (46%), expense (42%), other issues taking priority (29%) and unfamiliarity at the company with the process required to ensure business continuity (21%).

### Having a Business Continuity Plan

- ◆ More than eight in ten Miami company officers who have responsibility for business continuity planning (84%) say their organization has a business continuity plan.
  - Companies with 500 or fewer employees are as likely to have a plan (81%) as are larger companies (87%).
  - Nearly two in three companies where business continuity is not a top priority still have a plan (63%), while almost all companies where business continuity is a priority have one (92%).
- ◆ Most organizations with a business continuity plan have updated it within the last six months (38%) or the last six to twelve months (31%). About one in four (26%) say it was last updated more than a year ago.
  - Companies with more than 500 employees are more likely to have updated their plan within the past six months (52%) than companies with fewer employees (31%).
  - Only half of companies where business continuity is rated as a high priority (46%) say their plan has been updated in the past six months.
  - Companies which have suffered a disaster in the past are not more likely to have updated their plans in the past year (67%) as those at organizations which haven't suffered a disaster (71%).

- ◆ At only half of the companies with a business continuity plan (50%) has the plan been fully tested within the past year, with 27% saying it was tested within the past six months and 23% in the past six to twelve months. Thirty-six percent say their plan was last tested more than a year ago and ten percent concede their plan has ever been tested.
  - Six in ten companies with more than 500 employees (61%) say their plan was fully tested within the past year, compared with 46% at companies with fewer employees.
  - Only 52% of companies where business continuity has always been a priority have fully tested their plan within the past year, while 43% say it was last tested more than a year ago or never.
  - Companies which have suffered disasters in the past are not more likely to have tested their plans in the past year (50%) than those which haven't suffered a previous disaster (51%).
- ◆ The most common ways business continuity plans are communicated to employees are via meetings or conferences (67%), e-mail (64%), the employee handbook (37%), internal newsletters (37%) and web postings (20%). Only five percent admit they haven't communicated their plan to employees.
  - Companies with more than 500 employees are more likely than smaller ones to communicate their plans via the employee handbook (48% vs. 29%), internal newsletters (55% vs. 25%) and web postings (39% vs. 8%).

### **Monitoring Public Alert Systems**

- ◆ Eight in ten Miami company officers who have responsibility for business continuity planning (80%) say they monitor public alerting systems for warnings about terrorist threats or other potential disasters, with network or cable TV (63%), NOAA weather radio (44%) and the Emergency Alert System (31%) the most common systems monitored.
  - Company size has little influence on the probability a company will be monitoring these systems.
  - Companies which have a business continuity plan are more likely to monitor warning systems (85%) than organizations without a plan (60%).
  - Companies which have suffered from a previous disaster are not more likely to monitor warning systems than organizations which haven't suffered from a disaster previously (73% vs. 83%).
- ◆ Only 14% of Miami companies implement specific protective actions when the federal terrorist alert level rises. Even at companies which have suffered from a previous disaster, only 23% implement specific actions.

### **Implementing Business Continuity Measures**

- ◆ The vast majority of Miami companies have implemented (76%) or plan to in the next six months (10%) Internet security measures such as firewalls, intrusion detection, hacker protection and/or password authentication, while 68% have established redundant servers and/or backup sites or plan to in the next six months (9%) in the event of a disaster. About one in three (32%) have used a service provider for outsourcing and another eight percent plan to in the next six months.
  - Even at companies where business continuity is not a high priority, 58% have already implemented Internet security measures and another 17% plan to implement them in the next six months.

- Companies with more than 500 employees are more likely to be using or plan to use a service provider for outsourcing (53%) than companies with fewer employees (32%). Otherwise, smaller companies are based as likely as larger ones to have implemented Internet security measures and established redundant servers and/or backup sites.

### **Suffering from a Disaster**

- ◆ About one in four Miami companies (22%) have suffered from a disaster which resulted in their organization having to cease operations for a period of time. Companies with 500 or fewer employees are as likely to have suffered from a disaster (20%) as larger companies (24%).
- ◆ The most common disaster suffered was weather-related (55%), followed by computer and/or server problems (27%), flooding (9%) and fire (9%).
- ◆ Nearly half of companies which suffered a disaster lost business because of it (45%), generally less than \$100,000 a day (32%), although 9% say it cost their organization \$100,000 to \$499,999 a day and one says it cost their organization more than a million dollars a day. Only 14% say the stoppage cost the company nothing, while 41% admit they don't know how much it cost the company per day.
- ◆ Nearly all companies which have suffered from a disaster (86%) took actions as a result of it to reduce business interruptions in the future. The most common change was server-related, mostly obtaining a back-up server (37%) and/or moving a server off-site (21%). Other changes included better planning for power sources and/or generation (11%) and upgrading the communications system (11%).

### **Methodology**

*These results are based upon 100 telephone interviews conducted by Opinion Research Corporation among officers at companies with annual revenue of \$25 million or more in the Miami/Ft. Lauderdale/Palm Beach area who have responsibility at their organization for business continuity planning, particularly when it comes to telecommunications, websites and data networking. Interviews were conducted April 6-22, 2004.*

*The bulk of the respondents provide oversight and project management of their business continuity plan (43%), while 33% are part of the project team designing and/or evaluating the plan and 22% recommend the purchase of IT or security products and/or services for the plan. The most common job titles interviewed were IT managers/directors (26%), MIS managers/directors (11%) and CIOs (8%).*