

Business continuity planning pros and cons



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Advantages and Disadvantages of Business Continuity Planning In a Financial Organization under the Incident Command System

Abstract

This research paper is primarily focused on highlighting the specific pros and cons of a business continuity plan that is used in a financial organization under the incident management system. The advantages associated with the use of incident command systems in a BCP in any financial organization are paramount including being able to install preventive and corrective measures that can either reduce partial or complete impact in cases of disruptions. However still there exist some cons associated with its usage i. e. fast amounts of time required for its implementation, asset acquisition and in most cases the size of the organization might hinder the implementation of an incident command system.

Introduction

A business continuity plan is very critical in the facilitation of the smooth running of the organization or guidelines that can help recover from disruptions hence ensuring the provision of services even in cases of disturbances. The process focuses on assessment and identification of all the potential threats that might disrupt service delivery and their potential impacts with the aim of creating measures to ensure the resilience of the system. Technology should enable recovery of applications from disruptions and other critical data through the disaster recovery plan. An incident command system is the technical developments for a given company that entails its main functionality being to mitigate the impacts of the unforeseen

incidents that can result in loss of critical data. Business continuity planning are corrective measures established in an organization or an institution to govern the daily and future activities within it (Ramakrishnan et al., 2015).

These measures are for ensuring that there is smooth running of the necessary activities. Failure to establish the plan could lead to the company collapsing, low profit in the day to day sales or even shut down of the business which is a big loss to the business. Business continuity planning should be done to any organization that takes its customers or clients seriously. Continuous planning takes the owner of the business miles ahead of the other competitors within the same field (Heng, 2015).

Advantages

- I. During planning the potential of the business booming up is established plus the possible weaknesses and challenges the company might face are outlined and effective solution are established in advance.
- II. The main advantage that any financial institution stands to gain from the use of an incident command system is the ability to identify potential threats and plan in advance hence avoiding suspension of critical financial operations. The threats might range from natural epidemics, cyber-attacks or just computer failures as a result of hardware or software issues.
- III. The financial organization has increased abilities to maintain effective coordination and to maintain the response directions. Besides, the organization can gain insights on the importance of coordination of resources and the ability to identify the incident priorities.

IV. The financial institution has a good platform for testing and reviewing the most likely threat hence allowing for coordination of BCP with external stakeholders.

V. The long-term use of incident command systems is an advantage in itself as it leads to gaining of experience hence in the long run will lead to higher efficiency in restoration and fast recoveries. However, the full implementation becomes a disadvantage as it is time-consuming.

VI. The financial section of the organization if it implements the recovery systems well can work as a competitive advantage as it safeguards against financial losses of the organization

VII. Although this is later on stipulated as a disadvantage, it can still be an advantage. Incident command system can be used to accomplish tasks that people couldn't do in disaster-prone areas hence preventing payment disorder whereas reducing the risks associated with miscommunication between the responder.

VIII. Embracing the current evolution computing technology brings efficient fast and timely delivery of the service given by the organization. This can help in record keeping and monitor the business activities.

IX. Business continuity planning helps one in marking the best insurance cover that matches the criteria of business. The cover is of great help in case of disasters like fire or thefts or any other disaster that could strike the organization.

X. Business continuity planning helps one building best platforms for marketing and branding of the business and products. one is in a position to establish the effective and most suitable mode of reaching out that is fault tolerant and can assure customers of uninterrupted service delivery.

XI. The target audience is created. He/she is in a position to outline the reach people or group one is aiming at. This helps one avoid going out of the set individuals.

Disadvantages

Failure to do business continuity planning one is at a significant risk of either:

I. The implementation process is often considered as tedious hence requiring professionals to handle it. Besides the organization has to employ qualified personnel to handle that. No business intends to invest heavily in preparing for unknown threats as they rather wait for it to happen then defend (Systems, 2012).

II. The process of using incident command systems as a business continuity planning tool is both costly and time-consuming. This may lead to over investment of funds that could have otherwise been dedicated to other business operations.

III. Business collapsing or failure that is as a result of poor management skills, techniques, and evaluation techniques. Hence, one is not in a position to establish the coming danger and ends up regretting the already outcome.

IV. The death of individuals could occur after the fire, building collapsing where the insurance covers have been ignored, have not been implemented by professionals or due to lack of adequate testing of the possible scenarios.

Conclusions

The implementation of a business continuity plan through incident command systems has been faced with numerous advantages and disadvantages. Some of the benefits include; response, recognition of threats, competitive benefits, coordination mechanisms, experience and an excellent testing platform with the option testing and reviewing. The main disadvantages include the need for specialized skills in handling the recovery systems. In addition to this, small businesses cannot implement the system as this may result in losses through maintenance cost. However, analysis of the pros and cons suggests that the advantages outweigh the disadvantages. All this indicates the importance for all financial institutions to implement the incident command system as part of the business continuity plan (Drennan, 2014).

References

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