



Government of **Western Australia**
Department of **Health**

Business Continuity Management

Requirements and principles for WA Health

Introduction

This document outlines the requirements and principles of Business Continuity Management (BCM) within WA Health. It details the step-by-step process for undertaking BCM within a hospital or health service and links the process into the specific tools and templates for undertaking BCM within WA Health.

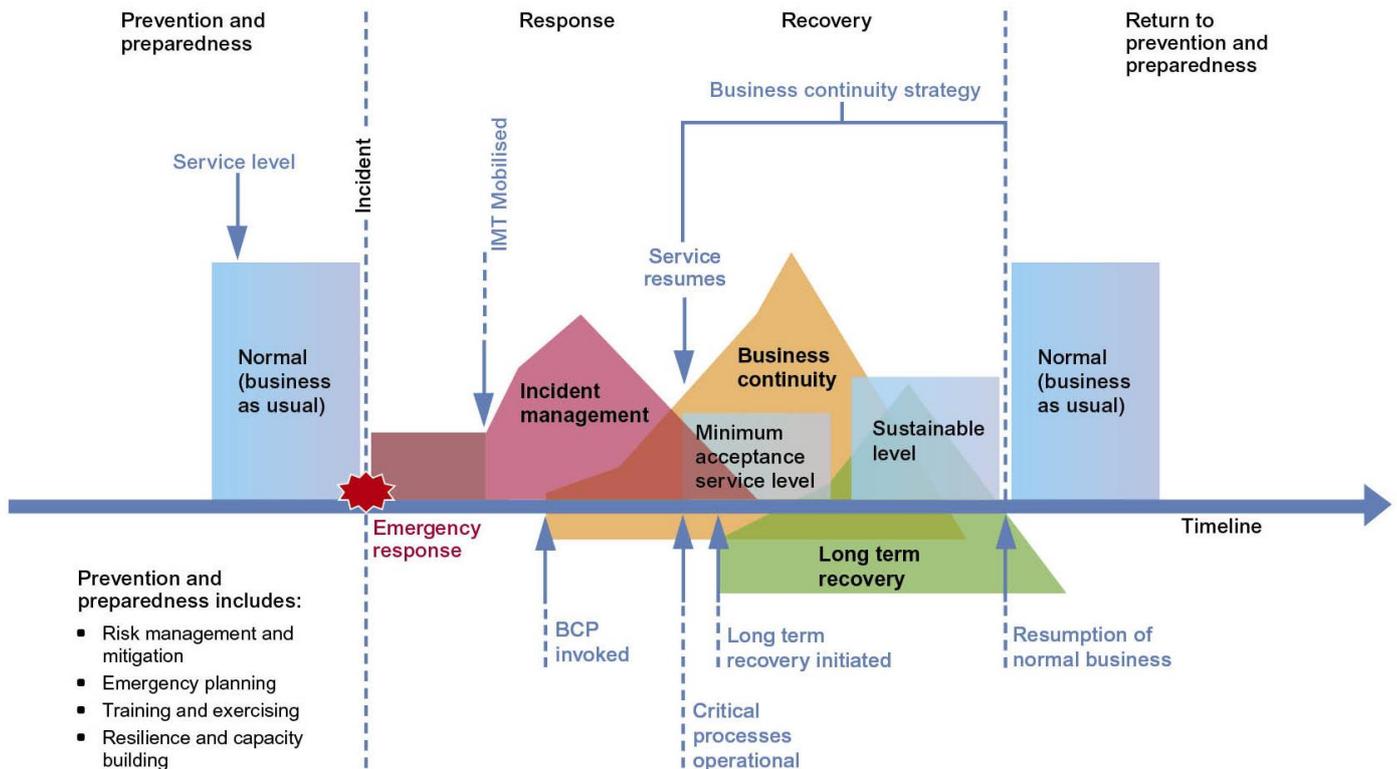
What is business continuity management?

BCM is a holistic management process that allows organisations to continue the delivery of critical services and / or products at acceptable predefined levels following a disruptive event.

The key objectives of BCM are to:

- Minimise the impact of a disruption
- Resume priority services within pre-defined timeframes
- Restore full business capabilities as quickly as possible.

The below diagram highlights the relationship between business continuity, emergency response, and recovery.



The response continuum

Why do we practice business continuity management?

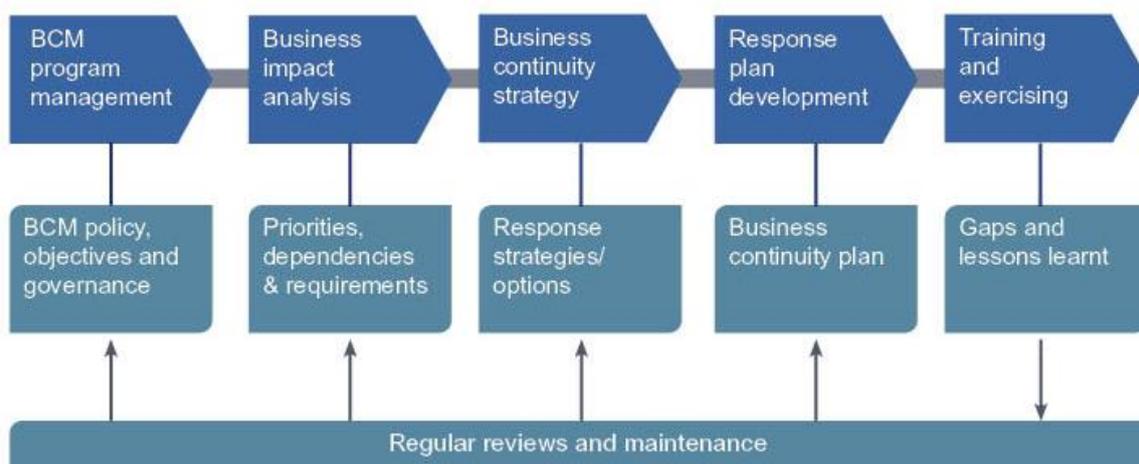
WA Health provides many critical services to the public of Western Australia. Hospitals and health services are resource-intensive services susceptible to many natural and man-made risks. When these risks materialise into a disruptive event the effects of the disruption may impede WA Health's ability to continue providing these critical services leading to unacceptable outcomes.

BCM allows decision-makers to delineate between essential business activities that must be re-established within set pre-defined timeframes, and less critical business activities which may be temporarily suspended and its resources redirected to higher priority areas.

WA Health has an obligation to practice BCM and is regularly audited to ascertain its compliance to best-practice standards. This requirement is reinforced by [Public Sector Commissioner's Circular 2015 – 03 – Risk Management and Business Continuity Planning](#).

Elements of the business continuity management process

There are five main elements of BCM:



1. BCM program management

Executive leadership is required to establish governance over the BCM program and entrench an organisational culture that is proactive to organisational resilience. The key outputs from BCM program management are the establishment of a BCM Committee (however titled), the development of a BCM Policy, and endorsement of a BCM implementation schedule.

A BCM Committee should be established that is charged with responsibility for the ongoing maintenance, governance, education and training for BCM. This committee can be absorbed into pre-existing emergency or risk management committees, or established as a separate BCM-focused committee. The committee should be chaired by the executive sponsor.

Planning scope and assumptions

The scope of the BCM program should determine the extent of planning. For hospitals and health services, the scope is to be based on a localised single function or departmental-wide disruption.

Assumptions should also be documented and include considerations, suppositions and inferences on which the BCM planning is based.

The scope and planning assumptions should be approved by the executive sponsor.

Communication and consultation

A stakeholder analysis should be performed prior to the commencement of the BCM planning process. Communication and consultation with internal and external stakeholders is essential in ensuring that staff, relevant stakeholders and interdependencies have input to the BCP and are aware of their role when the BCP is activated. A communication plan should be formulated to ensure all relevant parties are identified and actively involved in the BCP development, implementation and maintenance process.

2. Business impact analysis

A Business Impact Analysis (BIA) should be performed for each business unit within the health service. The BIA is the systematic process of analysing activities and the effect a disruption may have upon them. The BIA assesses two key elements:

1. The impact of a disruption to a business activity; and
2. The resources (people, systems, equipment, premises and services) the business activity depends upon to successfully function.

A BIA template and handbook have been developed to guide BCM program managers through the process. The template and handbook are available in [Operational Directive 0595/15](#).

The key output from the BIA is the determination of the Maximum Tolerable Period of Disruption (MTPD) for each business activity. The MTPD is a prioritisation indicator that determines the length of time a business activity can be disrupted before the consequences of not performing that activity become unacceptable to the organisation. Business activities with a MTPD of two weeks or less are considered time-critical, whereas business activities with a MTPD of greater than two week are considered non-critical for business continuity purposes.

3. Business continuity strategy

Once the MTPDs and dependencies have been determined, the next step is to identify Business Continuity (BC) response strategies to support the business functions. The strategies should take into consideration the resource for people, systems, infrastructure, premises, information and work processes.

BC strategies don't necessarily imply the resumption of full service activities. A reduced, but tolerable, activity level may be enough to ensure critical elements of the activity are fulfilled. Strategies should include a minimum acceptable level and sustainable level of activity.

Examples of BC response strategy include:

- temporarily suspending the business activity
- workarounds
- transferring the activity to another health facility (eg: going onto bypass/diversion)
- transferring staff and resources to an another facility, department, or health service

- working from home (generally non-clinical activities)
- relocating the service and/or resources to a back-up location.

Unless previous agreements or Memorandum of Understandings have been formalised between health services, relocation strategies should be generalised rather than specific to allow for flexible arrangements to be implemented. For example: relocate to alternative tertiary facility.

Once the strategies have been determined, the resources required to implement the strategies need to be mapped. Resources include people, systems, specialist equipment, key consumables, premises and services.

In some clinical settings, the list of key consumables may be extensive. Rather than detail an exhaustive list, the consumables may be referred to as 'supply' or 'pharmaceutical imprest' lists.

4. Documentation of the plan

The Business Continuity Plan (BCP) is simply the documentation of the outputs from the BIA, and the listing of business continuity strategies, resources and interdependencies. A series of BIAs for different service streams may feed into one BCP for the health service. The plan should detail how it communicates with internal and external stakeholders, and outline the roles and responsibilities of key responders. A sample BCP template is available under Attachments in [Operational Directive 0595/15](#).

The BCP is to be endorsed by the health service executive and dovetail with existing emergency response, contingency, and recovery arrangements and plans. A BCP is an iterative document that should be tested, maintained and updated to reflect changes in the organisation. The plan should be readily available on HealthPoint and in hard copy.

5. Training and exercising

Once the BCP has been endorsed by the organisation's executive, training should be provided to staff members. This may vary from awareness training for new staff, to response training to those with a pre-identified role when a BC response is required.

BC training should include an annual exercise which tests the arrangements detailed in the health service's BCP. An exercise may include:

- A discussion exercise
- A simulation exercise
- A walkthrough or familiarisation exercise
- A live test.

Regular reviews and maintenance

Health services are to ensure the maintenance over the BCM program. This includes ensuring the BCP remains current and relevant. Maintenance should be undertaken:

- When new business activities are undertaken or existing business activities are discontinued

- Following a restructure or change in governance arrangements
- Where there are major changes to the health service's location and / or technology
- Following an exercise or real event
- Following an internal or external audit where gaps have been identified
- Periodically, in accordance with BCM Policy.

More information

More information on BCM can be found on the Community of Best Practice for BCM HealthPoint page.

Definitions

Business Activity	An activity, process, or function that is undertaken by a business area of an organisation that produces or supports the delivery of products or services
Business Continuity Management	A holistic management process that allows organisations to recover and re-establish the delivery of services or products at acceptable predefined levels following a disruptive event
Business Continuity Plan	A documented procedure that outlines the strategies and resources required for the recovery & re-establishment of business activities (according to pre-determined priorities) following a disruptive event
Business Impact Analysis	A systematic analytical process that analyses activities undertaken by a business area and estimates the effects a disruption may have upon them. It includes assessing dependencies and preparing strategies to respond and recover and to determine the priorities for those processes
Dependency	A process, service, supplier, or resource which is essential in order for a business activity to successfully function.
Disruption	An event that results in an interruption to business activities
Impact	The consequences that result from an adverse event or disruption
Maximum Tolerable Data Loss	The maximum period of time that data can be lost before the impact becomes intolerable or unacceptable to the organisation
Maximum Tolerable Period of Disruption	The period of time it would take for adverse impacts, which arise from not providing a service or activity, to become intolerable or unacceptable to the organisation
Strategy (business continuity)	A response option, based on the business impact analysis, for how an organisation will respond to a disruption to a business activity



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