Rules – Business Continuity Management and Administration

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RULES - BUSINESS CONTINUITY MANAGEMENT AND ADMINISTRATION

1 Purpose
The purpose with the set of rules is to give effect to paragraph 6 of the NWU Policy on Business Continuity (approved by Council on 18 March 2021) By providing rules for the management and administration of business continuity at the NWU.

The UMC has approved this set of institutional rules on 19 May 2021.

2 Objectives
At principled level, the NWU views business continuity management (BCM) and enterprise risk management (ERM) as complementing one another, and both are necessary in today's high-risk business environment (as per the view expressed in KING IV).

Enterprise risk management and business continuity management share the common goals of identifying, assessing, and managing interruption risks that could serve to prevent achievement of their strategic objectives.

Therefore, the objective with the institutional rules included below is to ensure synergy and focus in the organisational pursuit towards the integration of risk and business continuity management into day-to-day organisational and decision-making and business processes so as to enable an optimal risk-management environment.

The NWU Rules on Business Continuity Management Depart broadly from the principles laid down by ISO 22301 Security and resilience – Business Continuity management systems – Requirements.2

The aim of BCP is to provide for restoration and continuation of the University’s core processes and environment when a disaster occurs. This is accomplished by developing and maintaining a detailed Business Continuity Plan (BCP)1 that will organise and govern continued operation.

The objectives of BCP are to:

- Keep people safe;
- Reduce the University’s vulnerability to future business continuity;
- Protect vital assets earned by the University and those assets belonging to others for which it carries responsibilities;
- Protect intellectual assets and contracts that place the University in a value chain through suppliers and distributors;
- Preserve the ability to meet stakeholder expectations in a wide range of circumstances, including meeting 3rd party arrangements;
- Reduce reliance on key personnel; and
- Provide for an orderly and expedited recovery after a disruptive event.

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1 The NWU Business Continuity policy defines business continuity as follows: “means the capability of the NWU to continue the delivery of products and services within acceptable time frames as predefined capacity during disruption”. King IV (2017) reference to BCP forms part of principle 11 on risk management: “The governing should exercise ongoing oversight of risk management and, in particular, oversee that it results in … the establishment and implementation of a business continuity arrangements that allow the organization to operate under conditions of volatility, and to withstand and recover from acute shocks.”

2 Management System standard published by International Organisation for Standardisation specifies requirements to plan, establish, implement, operate, monitor, review, maintain and continually improve a documented management system to protect against, reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise.

3 Business Continuity plan is defined as “the documented information that guides the NWU to respond to a disruption and resume, recover and restore the delivery of products and services consistent with its business continuity objectives” by the NWU BCP policy.
The key functional elements of BCP are:

1. To know the business.
2. Define response options.
3. Compilation of business continuity plans.
5. Training on business continuity plans.
7. Maintenance

3 Rules

3.1 Establishment of a business continuity culture in the operational management environment

3.1.1 Responsibility matrix\(^a\)

1. All UMC members and their directory reports as well as operational managers, heads of departments, supervisors and section heads take the responsibility to ensure the establishment of an appropriate environment for the management business continuity in the relevant area. They must ensure the adequacy and relevance of their respective management environments’ business continuity planning; improvement of the competency of their key staff to implement plans\(^b\); and ongoing awareness regarding the university’s business-continuity expectations.

2. Task allocation in regard to business continuity management takes place and is monitored officially during the annual performance management process.

3. Where appropriate, a line manager may identify a so-called business continuity champion in the relevant environment to act as point of liaison with the NWU Risk and Compliance Coordinator to optimise and align the administration of business continuity.

3.1.2 Business Continuity Committee (BCC)\(^c\)

1. The UMC will establish a Business Continuity Committee as sub-committee of the UMC to advise the UMC on all relevant matters regarding ensuring ongoing business continuity at the university.

2. The BCC will advise the UMC on the ongoing progress made with the implementation of the Rules for Business Continuity Management and advise changes to or adaptations of the Rules as may be required.

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\(^a\) ISO22301: Section 5: Leadership
\(^b\) ISO22301: Section 7.2: a) determine the necessary competence of person(s) doing work under its control that affects its business continuity performance;

b) ensure that these persons are competent on the basis of appropriate education, training, or expertise;

c) where applicable, take actions to acquire the necessary competence, and evaluate the effectiveness of the actions taken;

d) retain appropriate documented information as evidence of competence.

\(^c\) NWU Policy on Business Continuity: paragraph 2 and 5.1.4
3.2 An enabling environment for the optimal management of business continuity at business-process levels

3.2.1 Knowing the business (compiling the Business Impact Assessment and the risk assessment)

1. Each line manager must have a thorough understanding of all the business process is performed in their environments (as also contained in the quality manuals of the environments). All line managers must define the business mission and time-sensitive objectives, identifying critical process inputs and outputs and functional dependencies, prioritising process and resource requirements and determine external supply and contractual arrangements.

2. Each line manager must undertake a BIA of all the business activities under his control. A BIA is simply put a means of identifying what’s critical to the university for purposes of building strategies and plans.

3. The BIA is drafted in accordance with the NWU template for business impact assessments or as per the software implemented by the NWU and as determined by UMC.

4. The Risk and Compliance Coordinator (CIGS) facilitates the capturing of the BIAs on the relevant electronic platform used for NWU business continuity.

5. Each line manager undertakes a Risk Assessment (RA) to estimate the likelihood and impact on specific functions from known threats.

   The following threats or risks are included in the assessments:
   - Fire and explosions
   - Pandemics
   - Strikes and riots
   - Chemical and hazardous exposure
   - Stakeholder withdrawal

6. The Risk and Compliance Coordinator (CIGS) will assist line managers with the RA to be captured on both the ERM system and as part of the BIA.

3.2.2 Develop Business Continuity Plans (BC Plans)

1. Business activities with a BIA categorisation of Critical will be facilitated in the BC Plans.

2. Mission-critical activity (MCA) will also be facilitated in the BC Plans.

3. A BC Plan is owned and developed by the relevant line manager.

4. Each critical process must have its own continuity strategy, which can be invoked individually, or en-masse as required, whilst all assumptions made through the planning life cycle will be captured and validated to ensure appropriate capabilities will exist if/when required.

5. The BC Plans set out (as relevant) the following:
   - Critical processes to be continued/recovered;
   - Defined roles and responsibilities and contact details;
   - Resources required to support the response;
   - Interdependency relationship details;
   - Critical supplier/vendor details and alternate arrangements;
   - A list of relevant vital records, storage and access details;
   - How to detect a disruptive event;
   - How to regularly monitor an event.

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7 ISO22301: Section 4: Context of the organization and Section 8.2 Business impact analysis and risk assessment

8 ISO22301: Section 8.4 Business continuity plans and procedures
6. These plans are captured in accordance with the NWU template for business continuity plans or as per the software implemented by the NWU and as determined by UMC.

7. The BC plans must be accounted for in the performance management of the functionaries responsible for the mitigation and management of the business activities with high and critical BIA categorisations.

8. The line manager shall implement and maintain a structure, identifying one or more teams responsible for responding to disruptions (departmental response teams).

8.1. The roles and responsibilities of each team and the relationships between the teams shall be clearly stated.

8.2. Collectively, the teams shall be competent to fulfil the following functions:

8.2.1. assess the nature and extent of a disruption and its potential impact;
8.2.2. assess the impact against pre-defined thresholds that justify initiation of a formal response;
8.2.3. activate an appropriate business continuity response;
8.2.4. plan the actions that need to be undertaken;
8.2.5. establish priorities (using life safety as the first priority);
8.2.6. monitor the effects of the disruption and the organisation’s response;
8.2.7. activate the business continuity solutions; and
8.2.8. report to the BCC on the disruptive event.

3.2.3 Communications\ and recordkeeping\[10]

1. A key part of managing any disruptive event is to develop a clear and effective communication and consultation strategy.

2. In accordance with the NWU Crisis Communication Plan, the UMC in cooperation with Corporate Relations and Marketing (per major disruptive event from a business activity with a categorisation of critical as per the BIA) determine the internal and external communications regarded relevant, including:

2.1. on what it will communicate;
2.2. when to communicate;
2.3. with whom to communicate;
2.4. what methods will be used to communicate; and
2.5. who will communicate.

3. Each line manager will record vital information about the event, actions taken, and decisions made as per the Records Management Policy of the NWU and manage the records created in terms of the said policy. Line managers will also receive, document and respond to communication from interested parties.

4. The line manager, in close collaboration with the Director: Corporate Communication and the Executive Director: Corporate Communications and Marketing will ensure and facilitate communication in regard to matters related to emergency responses.

5. Upon the advice of the Business Continuity Committee to the Vice-Chancellor, the Vice-Chancellor will declare a disaster and activate the disaster-recovery plan and communicate thereupon.

3.2.4 Training and awareness\[11]

1. Training will ensure that the relevant business unit is able to sustain critical business processes following a disruptive event and is founded in the principle that education and training are necessary components of the BCP process and require commitment from University personnel involved in planning, responding to disruptive events and recovery operations.

2. Training in the creation, implementation, testing and maintenance of BCPs for line managers are organised through the Office of Risk and Compliance under the guidance of the Registrar.

3. It is expected of line managers to ensure attendance of relevant staff members to training sessions.

4. All line managers and staff members shall be aware of:

4.1. the content of the NWU Business Continuity Policy;
4.2. their contribution to the effectiveness of the BCM, including the benefits of improved business continuity performance;
4.3. the implications of not conforming with the BCM requirements; and
4.4. their own role and responsibilities before, during and after disruptions.

5. To ensure awareness, the Risk and Compliance Office 9CIGS) will establish a BC webpage on the intranet where relevant information will be provided.

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\[9\] ISO22301: Section 7.4 Communication

\[10\] ISO22301: Section 7.5 Documented information

\[11\] ISO22301: Section 7.3 Awareness
3.2.5 Testing

1. As a critical indicator of success, all BC Plans should be tested (rehearsed) and evaluated on a regular basis, the result needs to be documented and improvements must be implemented.
   
   This will ensure these remain relevant, current and effective.
   
   Response and recovery actions are to be practised under simulation conditions.

2. Exercising of the BC Plan may take various forms including (but not limited to) the following actions:
   
   2.1. Call tree test – Test currency of listed contact numbers and role knowledge of persons in the tree;
   
   2.2. Desk check test – Review of document in-situ;
   
   2.3. Walk through test – Plan participants walk through the plan procedures in response to a scenario to validate their role knowledge and confirm viability of the plan against business objectives and risk environment.

3. The line manager is responsible for testing BC Plans.

4. The Risk and Compliance Office (CIGS) will assist line managers with testing exercises as planned in a three-year rolling plan approved by the BCC.

3.2.6 Maintenance

1. A maintenance schedule for BCP must be established and reported against as part of a quality assurance process. Schedule support will be provided through the Office of Risk and Compliance under the guidance of the Registrar.

2. When a disruptive event occurs and results in the activation of BC procedures, senior management and key personnel involved shall undertake a post-event debrief and record the observations and recommendations to inform subsequent action planning and present the report to the BCC.

3. In terms of an adequate evaluation and quality control of business continuity activities, the BCC will:
   
   3.1. evaluate the suitability, adequacy and effectiveness of its business impact analysis, risk assessment, strategies, solutions, plans and procedures;
   
   3.2. undertake evaluations through reviews, analysis, exercises, tests, post-incident reports and performance evaluations;
   
   3.3. conduct evaluations of the business continuity capabilities of the relevant partners and suppliers;
   
   3.4. evaluate compliance with applicable legal and regulatory requirements, industry best practises, and conformity with its own business continuity policy and objectives; and
   
   3.5. update documentation and procedures in a timely manner.

4. In terms of adequate evaluation of quality control of business continuity activities, the line managers will:
   
   4.1. evaluate the suitability, adequacy and effectiveness of its business impact analysis, risk assessment, strategies, solutions, plans and procedures, and
   
   4.2. update documentation and procedures in a timely manner.

5. As a monitoring mechanism, internal audits at planned intervals in accordance with a structured plan, will be conducted to provide information on whether the BCM in a particular management environment:
   
   5.1. is in line with the NWU Policy on Business Continuity;
   
   5.2. conforms to the department’s own requirements for its BCM;
   
   5.3. is effectively implemented and maintained.

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12 ISO22301: Section 8.5: Exercise programme

13 ISO22301: Section 8.6 Evaluation of business continuity documentation and capabilities