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Time matters: Proactively prepare for and respond faster to business disruptions and disasters

Break down barriers, increase visibility, and accelerate recovery with ServiceNow Business Continuity Management







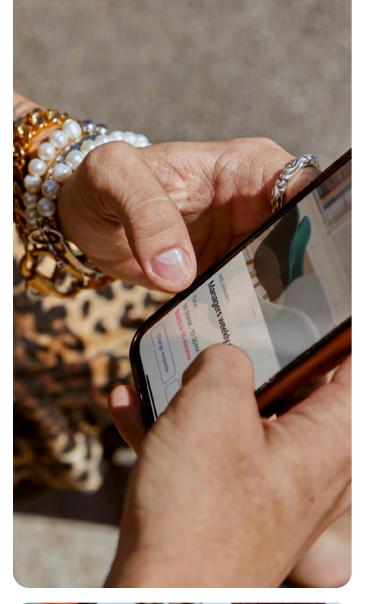
Business continuity is an immediate and growing problem

Business continuity and operational resilience are top-of-mind issues for organizations across the globe. Severe weather, earthquakes, fires, cyberattacks, and other disasters all have the potential to bring business operations to a screeching halt. And that potential impact is growing every day.

Crippling ransomware attacks are increasing in frequency and escalating damage as businesses undergo digital transformation. Climate change is resulting in more hurricanes, floods, and other destructive weather events that are also more intense. And, as recent events have shown, expanding global supply chains are more vulnerable than ever to pandemics, geopolitics, and escalating regional conflicts.

Unless you understand the risks you face, have effective plans to recover, and can quickly and reliably activate those plans when disaster strikes, the impact can be enormous. Consider that 91% of organizations say that a **single hour of downtime costs \$300,000** on average, and **44% say it costs more than \$1 million**.¹ Scale that to a multiday disruption, and we're talking \$10 million or more. And, of course, that's just an average. Imagine the financial impact if your company lost a week's worth of revenue because of a catastrophic disruption.

Can you afford that type of impact?





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Business continuity management is a huge challenge for enterprises

Most organizations understand that it's critical to implement effective business continuity plans that span people, processes, facilities, digital infrastructure, and other key resources. However, turning intent into action is an almost insurmountable challenge for many businesses.

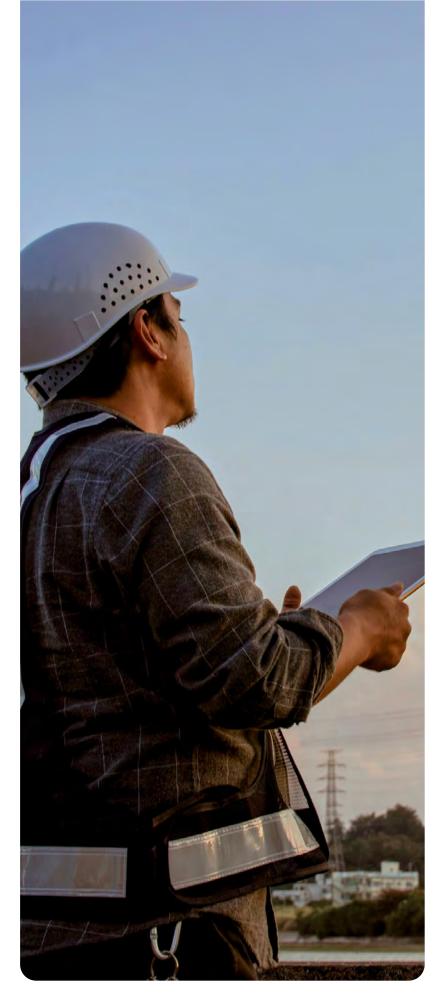
Here's why:

- Functional silos: Responding to disasters and other business disruptions requires a coordinated effort across business functions. For example, if a manufacturing site catches fire, the response involves many departments, including manufacturing, facilities, IT, and HR. And the legal, public relations, and sales teams may also need to get involved to mitigate reputational damage. But with functional silos, teams won't be able to create a unified plan–leading to ineffective, inconsistent responses driven by multiple processes, fragmented tools, and sets of incompatible documentation stored in numerous online folders.
- Lack of visibility: Ultimately, planning for and responding effectively to disasters involves quickly restoring crucial business services against well-defined recovery time objectives (RTOs). But to do this, organizations need to understand which resources underpin these services—the facilities, people, and digital and other infrastructure that make services work. But many organizations lack this visibility, with information stored in multiple disconnected repositories (if it's documented at all). This makes business continuity planning both laborious and error-prone, leading to critical gaps and radically increased risk. As organizations undergo digital transformation and strive for agility, this lack of visibility is becoming worse due to rapid changes in business services delivery and an inability to quickly detect service availability issues.
- Manual processes: Instead of implementing automated business continuity workflows that span and connect the entire enterprise, many organizations continue to rely on time-consuming, labor-intensive manual processes. The result is escalating costs, inadequate best-effort business continuity planning, an inability to regularly exercise plans to uncover issues, and sluggish responses when disasters actually strike. This leaves organizations exposed and unable to allocate the significant investment that these manual processes demand. Organizations become reactive and event-driven, relying on as-needed emails and last-minute phone calls to try to bridge the response gap. And, because these processes are manual, there's little visibility or transparency due to manual tracking and ad hoc reporting.

ServiceNow strengthens and streamlines business continuity management

At ServiceNow[®], we work with organizations around the world to help them strengthen business continuity and recover faster from disasters. Based on the experiences of our customers, we've identified four key areas that are critical for effective business continuity management (BCM):

- **Business impact analysis (BIA)**: Evaluating the effect when business processes are disrupted, including establishing clear RTOs based on the criticality of these processes and acceptable downtime, and identifying key assets that need to be recovered.
- **Business continuity planning**: Establishing actionable recovery plans based on BIA, including identifying key recovery tasks, who needs to perform these tasks, and how quickly they need to be completed to meet RTOs.
- **Exercising plans**: Carrying out plans in a real-world environment to verify they work and will meet RTOs. This increases confidence in plans and allows you to identify gaps and issues and take remedial action.
- **Crisis management**: Putting plans into action when a disruption or disaster strikes, ensuring fast recovery through consistent, coordinated execution.



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It's also critical to recognize that BCM is only one element of managing risk. Effective BCM is about recovering when a crisis occurs, but it doesn't mitigate the underlying risks that lead to the crisis. Because of this, BCM needs to work seamlessly with overall enterprise risk processes. For example, with BCM you can recover from flood events, but other risk management activities—such as locating facilities outside floodplains or strengthening flood defenses—are needed to reduce the likelihood and potential impact of these events.

ServiceNow provides best practices for effectively addressing these four key pillars, bringing them together with structured endto-end workflows that connect the entire BCM lifecycle. We help organizations overcome their key BCM challenges—functional silos, lack of visibility, and time-consuming manual processes that don't scale—by encompassing business functions, automating processes to lower effort and accelerate recovery times, and providing a unified, real-time view of BCM activities across the enterprise. As part of the ServiceNow risk products portfolio, BCM works seamlessly with other risk processes to lower both the likelihood and impact of disruptions and disasters.

Let's look at the four key BCM pillars in more detail.



REAL-WORLD EXAMPLE



Aegon creates cohesive BCM across global operations with ServiceNow

Aegon is a multinational insurance, pension, and asset management company with 299 million customers and 22,300 employees. It implemented ServiceNow Business Continuity Management globally to provide cohesive BCM processes across the enterprise. Now, digital workflows are saving time and dollars while increasing efficiency.

Read More

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For me, the major benefit has just been developing a more consistent methodology and global structure for our business continuity. We have already seen time saving and automation and, as we start connecting more things inside the Now Platform[®], that is going to increase."

Denny Hodge, Business Continuity Manager Global Technology Services, Aegon

50%

increase in BCM administration efficiency

83%

reduction in time to create and maintain BIA

79%

reduction in time to create and update BIA plans

Business impact analysis

Accurate and efficient BIA is the crucial starting point for BCM. By providing a consistent approach to assessing the impact of potential disasters and other disruptions on your business processes, BIA creates a solid, scalable foundation for effective and reliable business continuity planning.

Best-practice BIA needs to:

- Provide a structured framework for impact analysis across your business. By consistently evaluating different business processes, you break down functional silos and create a level playing field to prioritize your business continuity planning efforts and investment.
- Evaluate multiple impact categories, such as financial losses or customer satisfaction, so you can understand the total impact on your business rather than focusing on just one aspect.
- Clearly establish targets such as recovery time objectives (RTOs) and recovery point objectives (RPOs) based on acceptable downtime and other factors. This guides business continuity planning and helps you identify and address gaps between targets and actual recovery performance.
- Automate time-consuming activities such as identifying process dependencies on IT, facilities, personnel, and other critical assets, so you can create visibility and scale impact analysis across your business.
- Enable collaboration across business functions by encouraging business owners and subject matter experts to easily and effectively contribute to analyses.

THE SERVICENOW DIFFERENCE

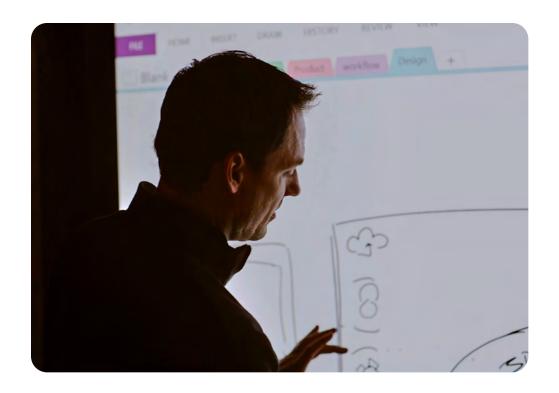
- Track and consistently manage BCM activities across your business with intuitive, unified workspaces and structured workflows.
 - Intelligently assess the impact of disruptions across multiple categories such as revenues and reputation.
 - Automatically calculate RTOs and RPOs based on service criticality and impact assessment.
- Prioritize recovery plans by identifying critical dependencies, including single points of failure and high-risk assets.
- **Easily include critical assets** such as facilities, people, vendors, IT applications and infrastructure, and other operational infrastructure by leveraging information already maintained in ServiceNow.
- Keep business impact analyses up to date and reduce manual effort by automatically mapping business services to underlying applications and IT infrastructure using discovered information in the ServiceNow[®] Configuration Management Database (CMDB).
- **Drive collaboration** by empowering contributors across your business to update elements of the impact assessment using familiar self-service tools.

Business continuity planning

Business continuity and disaster recovery plans help you quickly and effectively respond to crises when they occur, rather than relying on ad hoc responses that miss key recovery actions and create confusion, slowing recovery.

To be effective, business continuity plans need to:

- **Span your entire business**, addressing all the key business functions that need to be involved for a fast recovery.
- Align with business needs and priorities by building on established BIAs that identify clear recovery targets and critical assets that need to be restored.
- **Be actionable**, clearly identifying specific recovery tasks, which teams need to perform these tasks, and how quickly the tasks need to be completed to meet recovery objectives.
- Avoid surprises by addressing a range of loss scenarios for critical business processes, rather than adopting a one-size-fits-all approach that fails to respond effectively to the specifics of each scenario.



THE SERVICENOW DIFFERENCE

Create actionable business continuity plans spanning all critical business functions, assets, and required actions, aligning your entire organization to respond to crises.

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Streamline plan creation and promote consistent best practices with plan templates that capture key elements such as scope, documentation, assets, policies, recovery teams, and recovery tasks

Link plans to BIAs, ensuring consistency and eliminating duplicate effort by automatically incorporating key impact analysis elements such as critical asset dependencies, RTOs, and RPOs.

Effectively plan for a range of disruptive

events by defining multiple loss scenarios for a business process and establishing recovery strategies in each scenario.

Drive coordinated plan execution by defining runbooks and associated recovery tasks for each loss scenario, specifying task completion times aligned with RTOs and RPOs, and assigning tasks to appropriate recovery teams.

Create plan visibility with role-based workspaces and scorecards so program managers, planners, and other stakeholders can track the overall status of planning activities, see individual plan summaries at a glance, and drill into details for deeper insights.



Ensure effective governance with workflows that let stakeholders review and approve business continuity plans before they go live.

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Exercising plans and managing crises

Business continuity planning can't be just a paper exercise. To verify that plans actually work and that your organization is ready to execute, it's critical to test and run through plans regularly. You can confirm recovery objectives are being met in a real-world environment, identify gaps, and take remedial action when there are issues.

And when a crisis strikes, effective crisis management capabilities help you respond quickly and accurately:

- Automated workflows that accelerate your response by notifying recovery teams that they must perform specific recovery tasks. These workflows should also track recovery tasks to completion, giving you critical visibility to take corrective action if there are issues or delays.
- **Tools that create situational awareness** by letting you know which of your critical assets are under threat, so you can prioritize recovery resources to address issues with the highest impact. For example, disaster recovery for facilities in the direct path of a storm is more important than focusing on facilities at the periphery.
- **Multichannel communications tools** that create visibility beyond your core recovery teams. For example, you may need to alert employees or keep customers up to date on recovery efforts.
- Flexibility to adapt to rapidly evolving situations, including responding to crises in real time with no existing business continuity plan and adding recovery tasks to established plans to address unforeseen circumstances.

THE SERVICENOW DIFFERENCE

Verify that business continuity plans work and drive continuous improvement by regularly exercising plans. Identify gaps and usability issues and confirm whether plans are meeting RTO and RPO targets. ServiceNow automatically creates test results and identifies required remedial actions.

Respond faster to crises by initiating crisis events with just a few clicks, activating existing business continuity and disaster recovery plans to drive your response.

 Automatically assign and track completion of recovery tasks by recovery teams, using automated workflows to instantly notify teams that action is needed and drive consistent, coordinated execution.

Respond to unanticipated crises by adding recovery tasks and affected assets to realtime crisis events if no existing business continuity plan is available.

Create situational awareness during crises with real-time maps that incorporate the latest satellite imaging and threatinformation feeds, including severe weather events, earthquakes, floods, wildfires, civil unrest and riots, and more. Visualize the potential impact of crises by seeing their proximity to your critical assets.

 Drive effective communications during crises through more than 25 channels, including text, email, and phone. ServiceNow has out-of-the-box integration with Everbridge Notifications, an industry leader in crisis communications.



Why ServiceNow?

- **Faster time to value**. Build a service-aware and resilience-focused organization with BCM workflows embedded in daily work activities and executive and management dashboard reporting.
- More confident decision-making. Business continuity and disaster recovery workflows and reporting are integrated across the enterprise.
- Ability to scale. We can meet you where you are in your journey and then help you safely and profitably grow and evolve.
- Automation. Continuously monitor and intelligently respond to evolving situations with automated cross-functional workflows integrated across your enterprise.
- **Real-time information.** Understand how underlying infrastructure and processes support your business services and manage and track your work across business functions.



To find out more about how ServiceNow Business Continuity Management helps you minimize the impact of disasters and other business disruptions, visit us at <u>servicenow.com</u>.

REFERENCES 1 Tech Channel, "T<u>he cost of enterprise downtime</u>," Sept. 2021

About ServiceNow

ServiceNow (NYSE: NOW) makes the world work better for everyone. Our cloud-based platform and solutions help digitize and unify organizations so that they can find smarter, faster, better ways to make work flow. So employees and customers can be more connected, more innovative, and more agile. And we can all create the future we imagine.