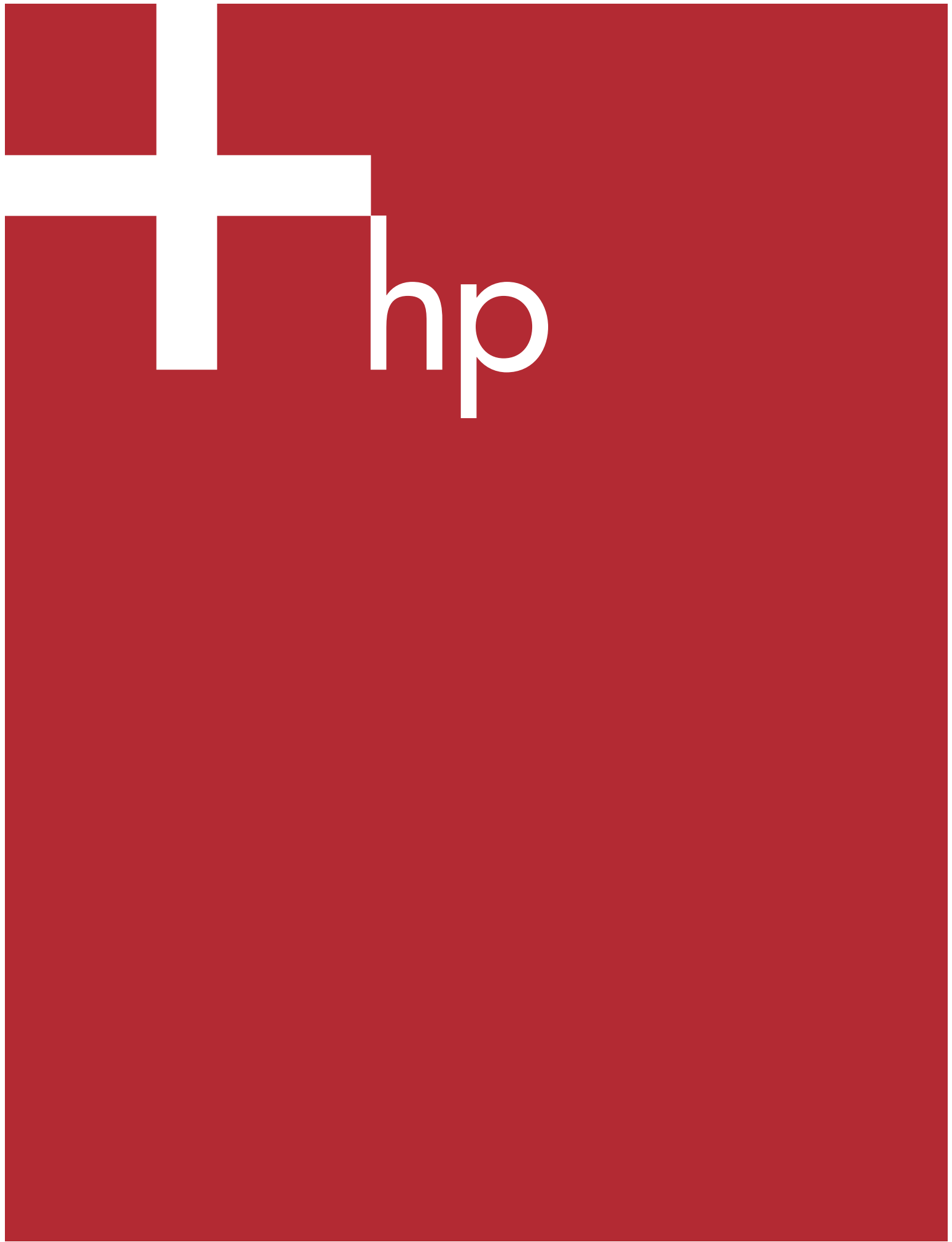# Integrating HP business continuity and availability solutions into business processes

A strategic imperative for averting risk and improving business performance

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With business continuity as a solid foundation, enterprises gain assured compliance with regulations, improved business performance, increased competitiveness, and greater business agility.

Introduction

Businesses today are exposed to an ever-growing number of risks, threatening everything from operating efficiency and competitive position to the stability and integrity of the corporation itself. There are many factors exposing a business to risk, including government and industry regulations, shifts in the marketplace or competitive landscape, technology downtime and data corruption, as well as increasing customer demands and expectations.

Corporations have addressed these risks through a variety of initiatives, including corporate governance, risk management, and disaster recovery. Corporate governance—the system by which companies are directed and controlled—has gained particular attention in the wake of recent scandals. The reality, however, is that all these initiatives are linked. Risks flow across business processes, requiring a solution that can address the underlying requirements of managing information in a way to protect the corporation regardless of where the risk is centered.

Business continuity and high availability solutions play a vital role in helping enterprises support their corporate governance, risk management and disaster recovery initiatives—not only averting risks, but also adding value to enhance the business. By developing and implementing business continuity and availability strategies, companies can protect their most critical business processes from the negative effects of application failures, unexpected glitches, security breaches, vandalism or full-scale disasters. With business continuity as a solid foundation, enterprises gain assured compliance with regulations, improved business performance, increased competitiveness and greater business agility.

HP understands the complex issues that corporations face in managing risk. This white paper illustrates how business continuity and high availability contribute to comprehensive risk mitigation and business enhancement. In addition, it presents an overview of the HP portfolio of solutions available to help businesses maximize the value of business continuity and availability—to transform challenges into opportunities for success.

Managing risks tied to corporate governance

The risks associated with corporate governance provide strong motivation for implementing business continuity and high availability solutions within the corporate infrastructure. Most notably, recent corporate scandals have revealed how improper controls can lead to business disaster. Misappropriation of assets, and subsequent subverting of information, undermined the confidence of customers and stockholders alike. As a result, legislators reacted with strict government regulations.

Now the burden is upon corporate managers to be accountable for the accuracy of financial information reported, for protecting corporate assets in general and for ensuring individual privacy. They must be sure they have controls in place to ensure data integrity and availability, even in the event of outages, data corruption or total facility loss.

Auditors and regulators will determine if a company is compliant or not—whether the proper controls and safeguards are in place. And they are under the same scrutiny. For example, auditors must use well-defined methodologies to review both the presence and effectiveness of corporate governance controls.

Risk: inadequate business continuity
Risk methodologies have changed dramatically in recent years. Once considered purely an add-on cost within IT, business continuity has become an integral part of business processes. As a result, an inadequate business continuity strategy now represents a significant risk to the business.

Without an effective business continuity strategy in place, a corporation is severely limited in its ability to manage corporate information. For example, deficiencies in business continuity practices can affect availability for a number of important financial-related processes and functions, including capturing and authorizing transactions, processing cut-offs, rolling up disclosure data, fair-value information pricing, trading position and current market exposures. According to new regulations governing these functions, failure to deliver timely and accurate information may result in fines and/or imprisonment. No one is immune—even corporate officers can be held personally responsible.

The new role of business continuity

Corporations require proof that they can provide accurate information whenever requested. Processes throughout the enterprise are affected, from the point where information is first recorded, to how it is processed and reported. And management is responsible for ensuring that these processes continue regardless of internal or external forces affecting operations—whether human error or natural disaster.

Business continuity formalizes the controls necessary to protect the integrity of information throughout its lifecycle, and ensure its availability under dire circumstances. It is critical to:

• Protecting and maintaining the integrity and availability of financial data

• Providing the internal controls that ensure both integrity of data and timeliness of reporting

• Proving to auditors and regulators that appropriate business continuity and disaster recovery programs are in place

It is important to understand that there is no leeway in these requirements. No exceptions are made for delays, lost information or temporary solutions. Formal, functional, and reliable business continuity programs must be in place to meet regulatory requirements and avoid detrimental consequences for the business.

Responding effectively to increased customer demands

Businesses today are also governed by the requirements of an increasing demanding customer environment—often driven by the ability to meet or exceed service-level agreements (SLAs). Failure to deliver can have far-reaching impact—lost customers, reduced revenue and damage to brand equity. While the loss of a single order is bad enough, the permanent loss of a customer can be devastating.

The fact is, customers can switch brands and services quickly and easily. Mobile phones are a good example. If a customer is dissatisfied with service, he or she can change service providers in a matter of minutes, with very little effort, without changing phone numbers. Therefore, retaining customers with the highest levels of service is critical—the incentive for staying must be kept high, because the disincentive for leaving is now so low.

All businesses face this risk. Because the Internet culture has created 24 x 7 expectations, any downtime—whether it's when buying a book online or completing a derivatives trade—is unacceptable. Simply put, inefficient operations that cannot keep up with customer demands will result in dissatisfied customers and, therefore, lost revenue.

Loss of competitive advantage and reputation is another serious risk. Inefficient processes—i.e., those unable to sustain continuity and availability—weaken a company's ability to deliver goods and services as quickly or as inexpensively as its competitors. This becomes critical not only for a company's internal processes, but also extends throughout the supply chain. Vendors that cannot deliver, create a ripple effect. Many large merchandisers define

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their supply chain requirements for this very reason. Therefore, suppliers also depend on effective business continuity and availability strategies to meet the demands of their customers.

There is much more at stake in this environment than simply lost productivity—and the impact cannot be measured in just dollars. For example, when it comes to brand equity, poor public perception is much more damaging in the long run than the loss of a few sales. A tarnished brand can take years to turn around and, in some cases, may never be recovered. Therefore, business continuity and availability become critical not only as enablers of business efficiency, but also as governing factors in business viability.

Taking a holistic approach to business continuity and availability

Business continuity and availability can no longer be viewed as an add-on expense within IT. Old static models in which business continuity and availability are positioned as point solutions—for disaster recovery and to minimize downtime for system maintenance—fall well short of meeting the larger business requirements described above. Today, business continuity and availability solutions are business imperatives for averting risk and improving business performance. They are integral to the business infrastructure, not just the IT infrastructure. And they play a central role in building an Adaptive Enterprise, where business and IT are synchronized to capitalize on change.

By designing business continuity and availability into an Adaptive Enterprise strategy, information systems are better able to respond to changing business requirements. For example, new or expanded regulations will affect corporate governance policies and procedures. Business continuity and availability—as part of an Adaptive Enterprise—enable organizations to manage change by ensuring that information can be accessed where and

when it is most needed regardless of the dynamic forces surrounding the business. This is a vital element in responding to a whole range of outside influences on corporate direction, including fluctuating market conditions, competitive shifts, and increasing customer demands. By taking a holistic view of business continuity and availability, enterprises gain the ability to redistribute business processes in the midst of change to:

• Respond faster to trends

• Meet changing regulations

• Deliver goods and services as demanded

• Protect revenue, customer loyalty, and brand equity

• Maintain and build competitive advantage

Today, enterprises can make business continuity and availability an integral part of an Adaptive Enterprise strategy by taking advantage of new technologies designed for performance, agility and ease of management, leveraging the three pillars of the HP Adaptive Enterprise strategy:

• *Standardization*—leveraging industry-standard architectures, reusable components and a consistent implementation to reduce cost and simplify change

• *Virtualization*—pooling and sharing resources to optimize utilization and enable IT supply to automatically meet business demand

• *Management*—automating the dynamic link between business process and IT resources

As part of an Adaptive Enterprise, business continuity and availability can now be viewed as added value for the business, rather than added expense. The ability to avert risks and improve business performance within an Adaptive Enterprise can bring real bottom-line benefits, including:

• Reduced cost and complexity with better integration of resources

- Improved business processes to accelerate time-to-market
- Greater flexibility to leverage resources for innovation
- Increased revenues and profitability and a stronger competitive advantage

Ultimately, enterprises gain simplicity, agility and value.

HP solutions for business continuity and availability

HP recognizes the integral part that business continuity and availability play in long-term business success, and offers integrated service and technology solutions to meet the full range of an organization's needs.

Architecting for business continuity and availability
Organizations that address business continuity and availability requirements up front and from an end-to-end perspective, lay the foundation for quickly and smoothly deploying new mission-critical applications or reengineering current applications to meet business requirements. This is the key to reducing the risk of lost revenues, dissatisfied customers or a drop in employee productivity. What's more, by architecting business continuity and availability into the business infrastructure, enterprises can save time and money by avoiding redesign and changes down the road. And it is much easier to integrate new and revised businesses processes into a comprehensive and practical business continuity plan.

HP helps companies look beyond the bounds of simply implementing an application or consolidating an environment. HP Services consultants can work closely with corporate IT staff to plan, develop, and deploy end-to-end solutions that help meet availability, continuity and performance requirements.

Addressing full-site outages
As we have all seen, the threat of total site loss is very real, whether through acts of terrorism, natural disaster or widespread power outages. In fact, some regulations are requiring certain business continuity measures to address these potential worst-case scenarios. Some of the concerns that must be addressed include:

- How to mitigate loss of stockholder value, corporate reputation, revenue, and profits
- How to protect critical IT and business functions
- How to meet or improve recovery time objectives and recovery point objectives
- How to design and implement a comprehensive business continuity and recovery plan or enhance an existing plan
- How to better and more cost-effectively address continuity needs as business processes, personnel and IT environments change

HP provides a comprehensive portfolio of technologies and services to meet a company's full range of business continuity and availability requirements. Our business continuity and availability solutions enable companies to:

- Reduce the risk associated with a wide range of natural and man-made disasters, such as long-term power outages, burst pipes, floods, epidemics or terrorism
- Establish recovery plans that address the requirements of new regulations and laws mandating business continuity
- Protect people-based business processes, such as call centers, trading floors and data entry
- Address the need to protect a distributed, multivendor IT environment cost-effectively

While business continuity and availability affects nearly every corner of an enterprise, HP also understands that companies must operate within budget constraints. Therefore, we offer a business impact analysis service that provides management and boards of directors with guidance regarding spending choices to protect their fundamental business processes.

Reducing downtime

Reducing the effects of planned and unplanned downtime, while improving utilization of the IT infrastructure, is central to meeting service level agreements and demanding customer expectations. Business continuity and availability solutions can meet this need effectively, but often companies require assistance and resources to determine the best approach. HP can address critical concerns, such as:

- How to set up ongoing processes to proactively meet the availability objectives of the business
- How to continually improve on the ability to meet service levels
- How to better manage costs—both in terms of asset utilization and staffing
- How to develop world-class IT management practices

By working closely with a company's IT staff, HP business continuity and availability experts can uncover the root cause to availability issues and respond with solutions that enable the organization to:

- Continually improve service levels
- Reduce the business risk caused by downtime
- Manage IT operations more cost-effectively
- Improve staff productivity and asset utilization
- Improve customer satisfaction by making ensuring consistent application availability

Since the vast majority of downtime is caused by issues related to IT processes and people, HP takes a comprehensive view of the enterprise, employing industry-recognized ITIL-based IT Service management practices to help organizations address these issues and meet their business objectives.

HP addresses business continuity and availability as an integral part of the business infrastructure and an enabler of continuous business improvement. Rather than offering point solutions, such as disaster recovery for specific applications or specific servers, we take a holistic approach and view business continuity and availability within the context of the entire enterprise—not just as a solution to a known problem, but as a proactive solution to drive ongoing business success.

Conclusion

As we have discussed, the value of business continuity and availability within the enterprise has changed dramatically in recent years. It can no longer be considered simply a way to reduce data loss, or measured purely in terms of recovery point objectives or recovery time objectives. The fact is, old metrics no longer apply now that the true impact on business is measured in lost customers, litigation, and brand erosion.

Today's competitive marketplace demands that enterprises maintain operations that are stable, available, secure and agile to avert risk and improve business performance. Since risk takes many forms—including regulatory compliance, changes in the marketplace or competitive landscape, and growing customer demands—initiatives such as corporate governance, risk management and disaster recovery cannot stand alone, but must be addressed holistically.

What is required is an approach to business continuity and availability that helps organizations manage information in a way that protects corporate assets regardless of where the risk is centered. That means a business continuity and availability strategy must be inextricably linked to corporate initiatives addressing risks such as corporate governance, risk management and disaster recovery—not just to avoid problems, but also to proactively improve business performance.

To address these needs, HP offers a wide range of integrated service and technology solutions to help companies mitigate operational risks, improve efficiencies in their operations, enhance their ability to meet service levels, and develop agile IT environments that can easily support changes in their business processes. These solutions are an integral part of building an Adaptive Enterprise in which business and IT are synchronized to capitalize on change.

By approaching business continuity and availability as a strategic part of generating business value, and drawing upon the solutions and expertise of HP, enterprises can manage the risks facing their businesses today, while gaining the agility to handle new risks as they emerge.

For more information

For more information on HP business continuity and availability solutions, please contact your HP representative or visit **www.hp.com/go/businesscontinuity/**.

To learn more, visit www.hp.com/go/businesscontinuity/

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