As a result of today's ongoing environmental and business risks, a comprehensive business continuity effort should be a critical part of every corporation's operations.

Ensuring Business Continuity for Future Success Economically

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Introduction

As corporations' critical functions — such as product development, manufacturing, order fulfillment, finance, and customer support — rely on greater internal and external interdependencies in today's global economy, the corporations themselves are increasingly vulnerable to a wide range of natural and manmade threats and possible disruptions. An event can be isolated (e.g., the loss of a datacenter in a local area or business campus, the 2018 Merrimack Valley gas explosions in Massachusetts, and the 2019 New York City blackout) or protracted (e.g., the ongoing fires in California, Hurricane Katrina, or the 2019 city of Albany government ransomware attack). Regardless of the extent of the event, few companies can afford long-term negative business exposure with their customers, partners, and supply chain. The associated impact of an event can seriously affect profitability, stock price, customer confidence and trust, liability, and the potential for government intervention or fines.

Why should business continuity be on every CEO's and COO's agenda today? The ongoing concept of business continuity deals with the prevention of and recovery from potential threats. As noted in the ISO 22301 standard, a business continuity management system (BCMS) is much more than IT-related incidents. The term is really a reflection of a company's ability to deliver continued excellence and value to both customers and partners.

This IDC Technology Spotlight describes the scope of the threat, discusses what is needed for preparation in response, and identifies criteria for highly qualified suppliers of business continuity IT systems.

AT A GLANCE

KEY POINTS

Top reasons to create and maintain a robust business continuity program are as follows:

» Demonstrates a company's commitment to deliver continued excellence and value to both customers and partners

» Ensures a comprehensive approach to evolving global business requirements

» Reduces financial exposure through a proactive versus reactive approach

» Establishes a proactive business continuity approach versus a reactive approach, which exposes a company to greater risks

Why Make Business Continuity an Ongoing Priority?

A comprehensive business continuity program should be a critical part of any corporation's operations due to the various ongoing environmental and business risks. The impact that natural threats and other business disruptions can have on a company is significant. Consider the following:

» NOAA has calculated the total cost of 2018 disasters at approximately $81 billion. Neither FEMA nor any other U.S. government agency provides any insurance or restoration assistance for businesses.

» Direct or indirect noncompliance with GDPR can expose a company to significant regulatory and civil law investigations and significant fines amounting to up to 4% of a company's annual global revenue per the GDPR EU.org site.

» Downtime due to local ongoing network disruptions or simple human error can exceed tens of thousands of dollars per hour, according to a 2018 IDC study.

Various business disruptions can seriously impact a company's IT systems and the IT department's ability to support ongoing operations. In fact, IDC research estimates that from an IT perspective:

» Up to half of all organizations would be unlikely to survive if hit by a disaster that rendered their datacenter unusable. In part, this is because, on average, less than half (48.4%) of applications are covered by a disaster recovery plan.

» Ad hoc disaster recovery efforts can take 30 days or more. Based on observations following disasters such as Hurricane Sandy and 9/11, IDC estimates that organizations taking longer than 30 days to resume normal business operations have a less than 20% chance of surviving — and the chances further diminish over time.

» Due to the reliance on hybrid and multicloud environments as well as related cloud applications in the digital transformation era, there is a greater need for business continuity planning to address multiple points of failure and related business impact due to downtime, according to IDC's *Worldwide Data Loss Prevention Forecast, 2019–2023*.

» In today's business environment, a company's partner ecosystem is a growing necessity in the execution of ongoing business operations. As companies collaborate and leverage their global ecosystem for research and development as well as supply chain management, a disaster can delay product introductions, impact product fulfillment, impede customer support, and increase possible exposure to regulatory and compliance risks.

Benefits of a Business Continuity Program

With a comprehensive plan in place, a company can realize a wide range of benefits via the following capabilities:

- » Develop greater confidence, trust, and satisfaction with partners, customers, and overall supply chain.

- » Reduce risk and exposure from financial, legal, compliance, insurance, and service-level agreement (SLA) attainment viewpoints.

- » Generate ongoing critical data and analytics to make informed decisions.

- » Establish a comprehensive workplace approach that can reduce downtime and recovery-related activities while improving reliability and performance.

- » Create a positive leadership philosophy across the company by providing a common understanding of potential threats and response approaches to all levels of the organization.

- » Introduce technology improvement methodologies and related processes to ensure readiness to address and, in some cases, mitigate or prevent disasters.

Potential Barriers to Success

While many benefits are associated with business continuity planning, undertaking steps to create a comprehensive approach can present many companies with a variety of challenges or barriers to success, such as:

Lack of Ongoing Commitment and Business Focus

- » Limited overall senior executive–level understanding of the variety, scope, and scale of threats and of the options and necessary investment for preparedness, prevention, and mitigation support and commitment

- » Lack of an identified and committed corporate executive who can ensure ongoing cultural focus and acceptance and embrace of the program

- » A reactive versus proactive corporate approach to business continuity

- » No standard methodology and process that provide clear specific internal roles, charters, or engagement process at all levels of the organization

- » Inadequate ongoing funding for necessary systems, processes, and staffing

Lack of a Trusted Advisor

- » Pressure by current vendors/partners to adopt a "one size fits all" approach versus obtaining alternatives that offer a tailored, scalable, interoperable approach and solutions that will address specific end goals as well as specific business requirements, financial constraints, and operating environment

- » No logical performance optimization methodology and process

Inadequate Internal Continuity Response and Readiness Preparedness

» Absence of realistic business operations, situational evaluations, and planning activities; no established operational response program to anticipate, test, and undertake necessary corrective methods in a timely manner

» Lack of internal staff who possess industry certifications or a strong understanding of industry requirements, regulations, and issues

» An outdated or nonexistent formal comprehensive training and development program that includes business continuity topics such as business impacts, liabilities, financial exposures, regulations, and reporting as well as prevention and recovery efforts

» Minimal corporate level–related best practices and methodologies or business continuity governance

» Inability to collect, measure, and benchmark data as needed to assess risk and impact

Limited Partner Ecosystem, Technology, or Tools

» Minimal integrated tools and technology that can anticipate and address issues

» Absence of formal agreements with partners related to alternative and backup solutions that could minimize business continuity costs and exposure

» Inability to leverage emerging technologies such as cloud, artificial intelligence, machine learning, and Internet of Things in the design of a comprehensive business continuity architecture

What's Needed

To ensure that a successful business continuity environment is established, companies can take some initial and logical steps. As with any key corporate undertaking, companies need to weigh the benefits of attempting to accomplish all of the necessary activities in-house, utilizing a combination of internal or external resources, or turning to outsourcing. It is recommended that overall responsibility and management of the business continuity program remain in-house and select functions or activities be shifted to an outside expert resource. Recommended actions include:

» Appoint a chief trust officer to be the primary corporate advocate.

» Create a corporate recovery operations director-level position.

» Identify and select a business continuity planning expert to assist in a comprehensive audit and status of the current business continuity program for each business unit/product line. Through this effort, companies can develop an appropriate program that will best address their objectives and requirements.

» Collaborate with the internal alliance and ecosystem organization to interface with partners on best practices, evaluations, and monitoring efforts.

» Evaluate and adopt IT systems that support business continuity programs.

Considering Veeam and Lenovo for Business Continuity Solutions

Proven Track Record

» Both companies have specialized IT technology solution skills and expertise via internal bench strength.

» Veeam has a base of 365,000+ customers and a backup leadership role for Microsoft Office 365. Sixty-seven percent of the Global 2000 are Veeam customers, and Veeam has offices in over 30 countries supporting business in 160 countries.

» Lenovo is among the market leaders in both x86 servers (performance and reliability) and supercomputers.

Technology Supply Chain

» Veeam and Lenovo have a vibrant partner network that exceeds 70,000, including the top 3 cloud vendors, as well as proven formal multinational business relationships.

» Both companies have a strong desire to collaborate with vendors and partners to achieve desired business solutions.

Technology Expertise and Innovation Development Process

» Veeam has achieved 170+ industry awards, according to the company's website.

» Lenovo is a leading provider of x86 systems for the datacenter. Lenovo also offers a full range of networking, storage, and software solutions as well as comprehensive services supporting business needs throughout the IT life cycle.

Strong Partner Ecosystem and Alliances with Proven Expertise

» Veeam and Lenovo have internal bench strength worldwide that can offer specialized skills and expertise in leading-edge IT technology solutions. In addition, both companies can tap into the complementary solutions and integration and delivery capabilities of 70,000+ partners.

Business Continuity Ecosystem or Partners' Criteria

» Both Veeam and Lenovo have developed a business continuity IT solution that supports a wide range of customers with a comprehensive group of partners. With a combined workforce of almost 59,000 employees worldwide, as well as over 70,000 partners, the two organizations can address a multitude of requirements on a global basis.

Challenges

Veeam and Lenovo possess significant expertise in addressing the business continuity market. However, they also face certain challenges associated with supporting this evolving market.

» **Comprehensive knowledge of all aspects of business continuity.** As previously discussed, the business continuity market requires significant knowledge of a wide range of organizational issues, such as business operations, industry regulations, and risk management. Veeam and Lenovo will need to leverage existing in-house expertise and strategically hire individuals to maintain customer satisfaction, build a solid market reputation, and earn the trust of customers and partners. In addition, they will need to continue to strengthen their strategic partnerships with industry-leading services companies to leverage their expertise.

» **Global product and support portfolio.** As customers embrace various aspects of the continuity model, there will be a requirement for a consistent and global product and services offering. Veeam and Lenovo will need to continuously update their portfolio to properly address rapidly changing market needs and ensure serious consideration as a strong business continuity and cloud data management vendor.

» **Engagement model.** Because business continuity is an ongoing requirement for corporations, customers expect a high-level and consistent engagement model. Veeam and Lenovo will need to staff appropriately on a global basis with industry expertise and leverage their comprehensive ecosystem.

> Business continuity planning is a critical corporate function, and appropriate resources and focus are necessary for ongoing business success.

Conclusion

IDC believes that business continuity planning should be a priority for CEOs. As technology and the market evolve, and to the extent that Veeam and Lenovo can address the challenges described in this paper, both companies are well positioned for a strong leadership role and success.

About the Analyst

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Chris Webber is Research Director for IDC Strategic Alliances responsible for working with the Strategic Alliances Leadership Council (SALC) members to define and research key topics that affect strategic alliance investments, and he provides analysis into alliance trends, best practices, and benchmarking. In addition, Chris evaluates in-depth council discussions on cloud, economic pressures on alliances, key performance indicators, and alliance organizational best practices and provides key thought leadership related to future industry trends and market direction.

MESSAGE FROM THE SPONSOR

Veeam is a leader in backup solutions delivering Cloud Data Management, serving over 365,000+ customers globally. With a strong partner ecosystem and the breadth of integrations, Veeam has a complete software platform to meet today's new expectations for data protection. Lenovo is a leading provider of x86 systems for the data center. The portfolio includes rack, tower, blade, dense and converged systems, and supports enterprise class performance, reliability and security. Lenovo also offers a full range of networking, storage, software and solutions, and comprehensive services supporting business needs throughout the IT lifecycle.

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