

**IDRiM 2009**

**How to Diffuse BCM in Japan**

# **Policies of the Japanese Government and Role of NGO**

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# 1 Present Status of BCP/BCM in Japan

# 1.1 Diffusion of BCP/BCM in Japan

- Diffusion rate of BCP for large companies is around 30-40% in Japan, and the rate is increasing rapidly.
- Fire protection : World top level
- Earthquake preparedness: Advanced in buildings and facilities. But seismic strengthening are not enough for houses and public buildings even now
- Awareness of Disaster prevention is high, but introduction of BCP/BCM are rather late

## 1.2 Main Incidents for BCP/BCM in Japan

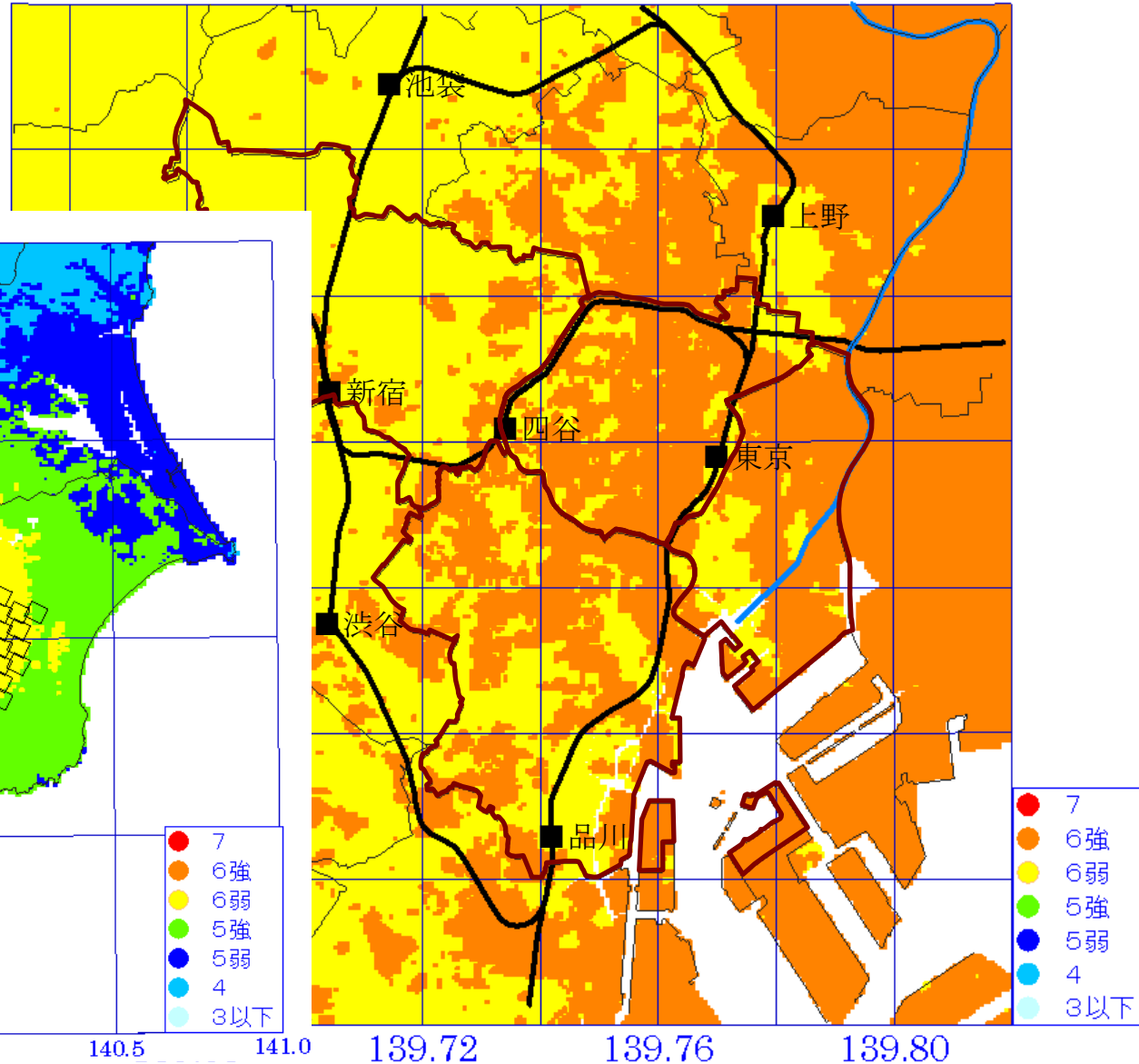
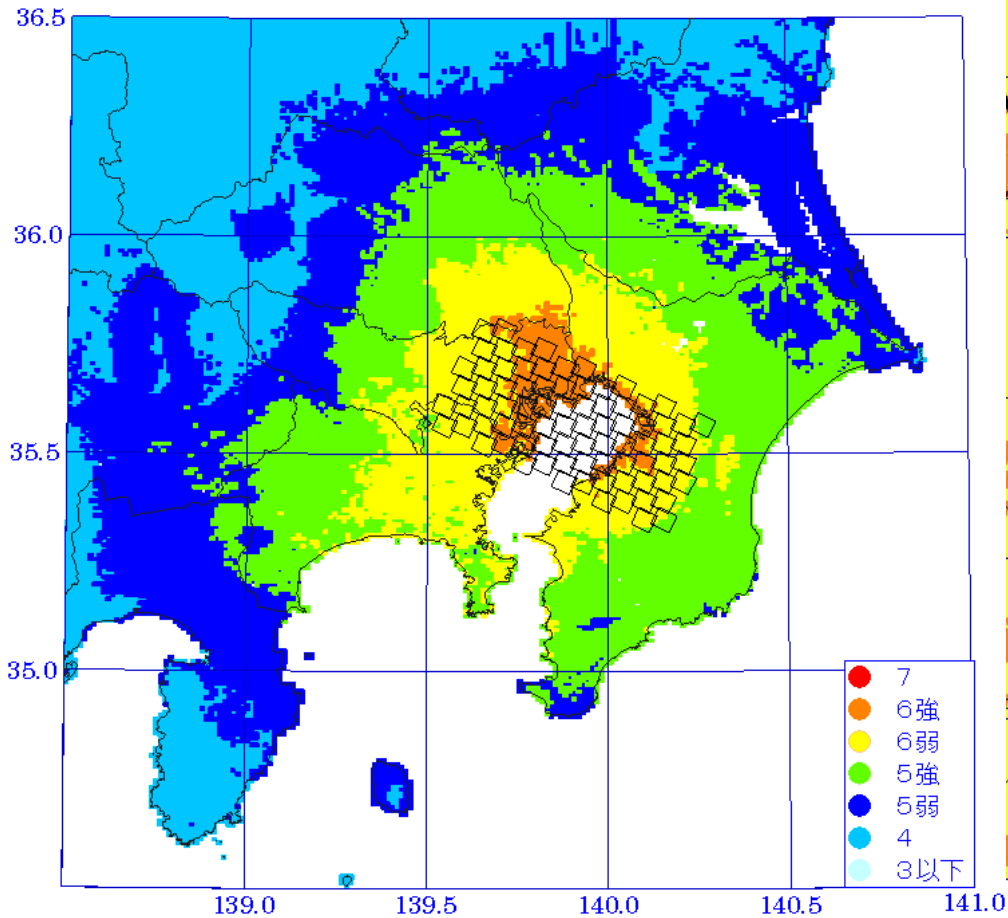
- BCM is, in principle, for multi-incidents. But in each country, organizations have substantially their main incidents targeted in BCM
- For Japanese organization:
  - 1) Earthquake and Tsunami
  - 2) Typhoons and Intensive Heavy Rainfalls
  - 3) Fire and Accident in Workplaces
  - 4) ICT Troubles
  - 5) Pandemic Influenza

# 1.3 Earthquake in North Area of Tokyo Bay

(M7.3)  
Distribution  
of Intensity

jma intensity

35.72



# 1.4 Traditional Disaster Prevention and BCM

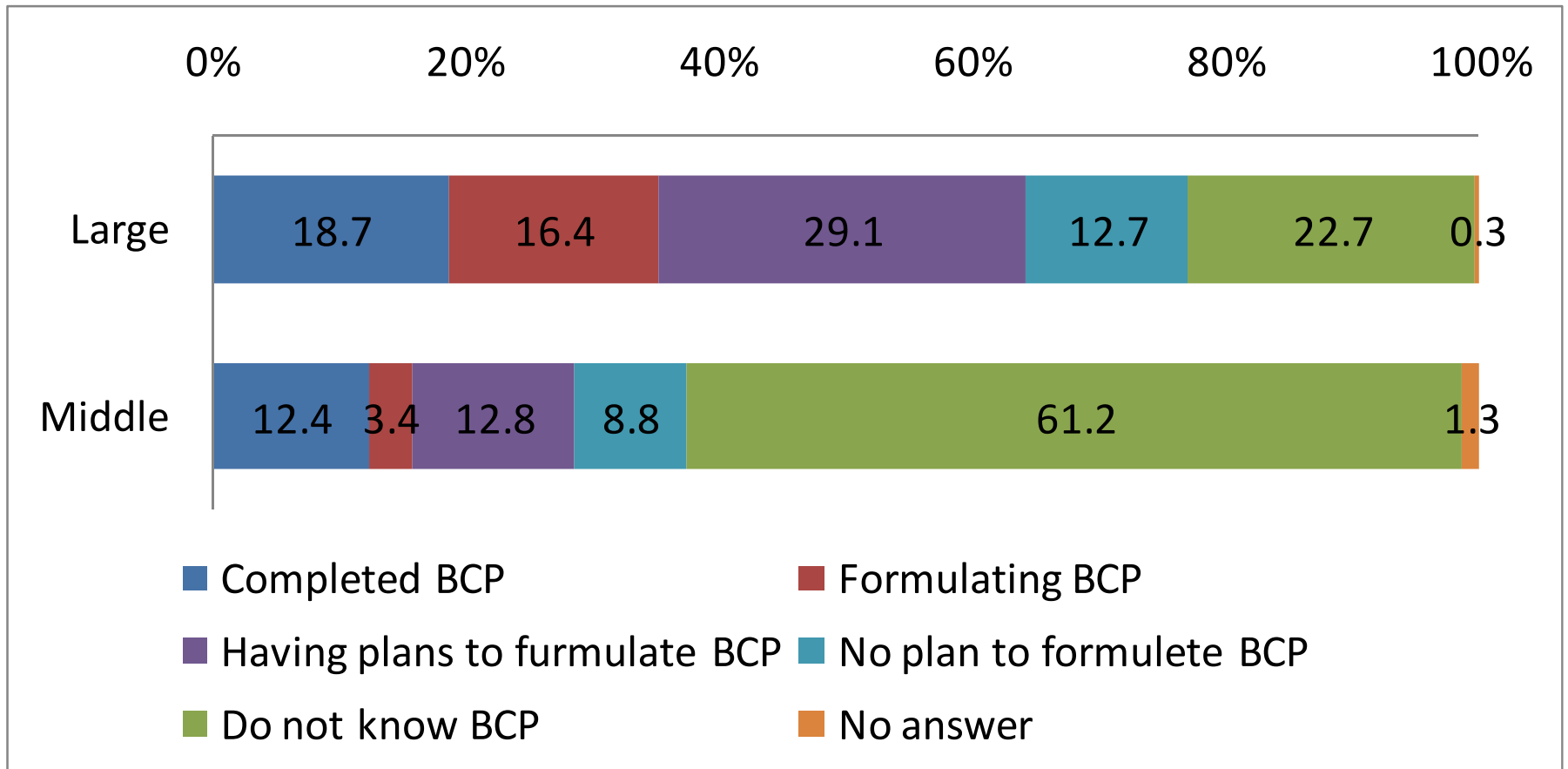


	Disaster Prevention	BCM
<b>Point of view</b>	<ul style="list-style-type: none"> <li>◆ Safety of life</li> <li>◆ Reduction of material damage</li> <li>◆ Reaction in each business base</li> <li>◆ Mainly done by safety-related/facility department</li> </ul>	<div style="border: 1px solid red; padding: 5px; color: red; text-align: center;"> <b>Additional new points of view</b> </div> <ul style="list-style-type: none"> <li>◆ Continuity or early recovery of the critical operations                      &lt;management view&gt;</li> <li>◆ Countermeasures in supply chain</li> </ul>
<b>Index</b>	<ul style="list-style-type: none"> <li>◆ Numbers of casualties</li> <li>◆ Amount of material damage</li> </ul>	<ul style="list-style-type: none"> <li>◆ Recovery time/level</li> <li>◆ Management, Effect to stakeholders</li> </ul>

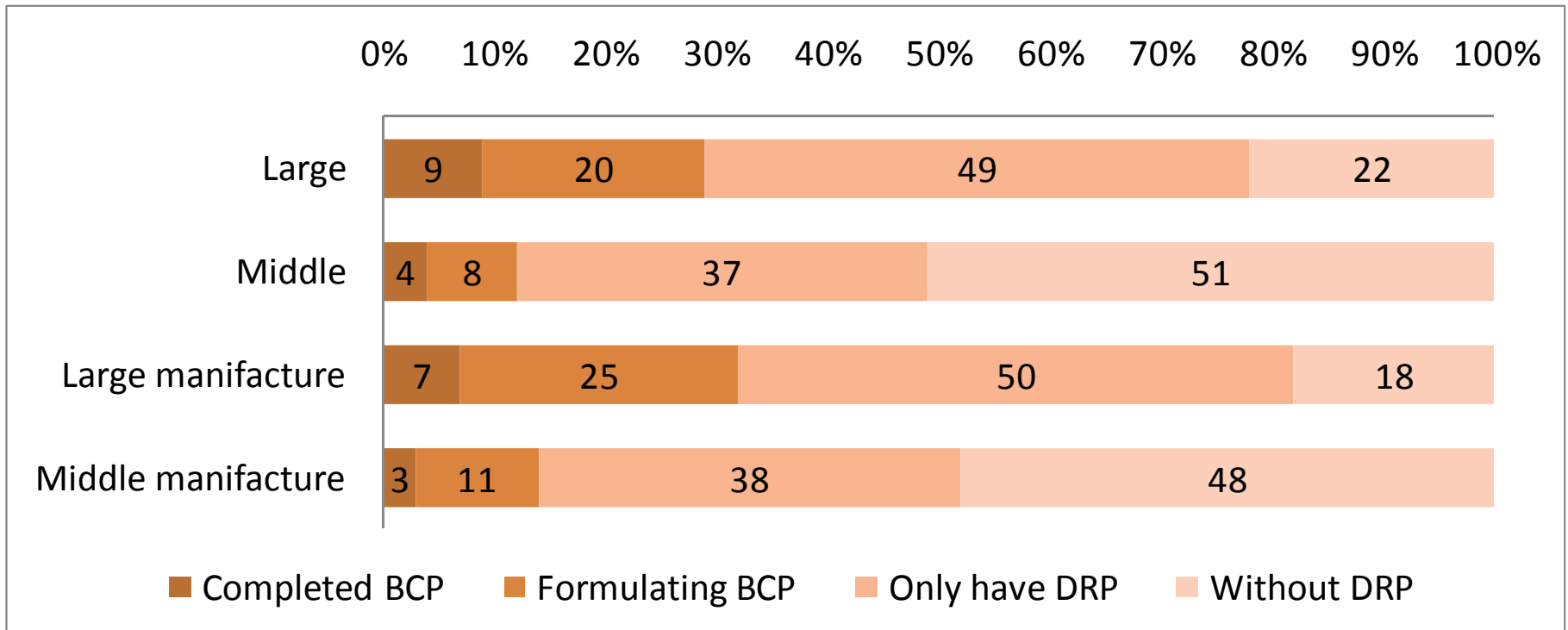
# 1.5 Diffusion Ratio of BCP for Large and Middle-sized Companies (No.1)

Source: Survey by Cabinet Office, June 2008

No. of answers 1,134 companies



# 1.6 Diffusion Ratio of BCP for Large and Middle-sized Companies (No.2)



Note: “DRP” stands for Disaster Recovery Plans

No. of Surveyed: 3,470 with capital more than a billion Yen, 10,101 with less than a billion yen. Not included agriculture, forestry, financial and insurance, and medical.

Source: Survey by Development Bank on Japan, June 2008

## 2 Japanese Policies for BCP/BCM

## 2.1 Basic line of BCP/BCM Policy

- ① Formulation of BCP for organizations is not legal obligation by Laws.
- ② The Basic Disaster Management Plans (based on the Disaster Countermeasures Basic Act) prescribe that companies should make effort to formulate BCP.
- ③ Government has urged companies to introduce BCP by BCP Guidelines.
- ④ Government has target diffusion rates in the area where large scale earthquakes are concerned: Almost 100% for large companies, more than half for middle-sized companies in ten years.

## 2.2 Guidelines of BCP/BCM

- ① “Business Continuity Guidelines 1st ed.” by Cabinet Office in 2005, extended in 2007
- ② “Guidelines to Formulate and Operate BCP for Small and Medium Enterprise” by the Small and Medium Enterprise Agency in 2006
- ③ “Guidelines of Operational Continuity for Ministries” by Cabinet Office in 2007
- ④ “Guidelines on the Functions of Governmental Buildings for Operational Continuity” by Ministry of Land Infrastructure Transport and Tourism (MLIT) in 2008
- ⑤ “Guidelines of Operational Continuity for Ministries tackling fore Pandemic Influenza” by Cabinet Secretary in 2009

## 2.3 BCP of Government Organs

### ◆ Ministries

- All ministries formulated its BCP for the Tokyo Inland Earthquakes
- Underway for Pandemic Influenza BCP

### ◆ Prefectural Government

- Several Prefectural Gov. have BCP for earthquakes and Pandemic Influenza, and some are preparing
- However, many have no schedule to introduce

### ◆ Municipality

- 20 and more cities “formulated” or “formulating (web site)”
- Most of them have introduced for pandemic influenza
- The level of their BCPs seem to be not enough ??

# 3 Role of BCAO

## 3.1 Business Continuity Advancement Organization (BCAO)

- ◆ Activities: to educate companies; to promote adoption of BC; to foster BC specialists; standardization; awards; research; information dissemination; seminars
- ◆ About 20 study committees, Kansai Regional Branch
- ◆ “Certified BC Specialist Grade 1, 2 and 3
- ◆ “BCAO Award” from FY2006
- ◆ Cope with Government: Guidelines, explanation materials, advices, etc.

## 3.2 A Sample Page of BCAO TEXT



Frequent Disasters & Accidents

Movement toward Domestic/Overseas Standardization

Increasing Complexity of Inter-Corporate Relations

Social Responsibilities of Companies, Corporate Compliance, CSR

Now is the time for Japanese enterprises to move forward with BC under the governance of strong managerial leadership!

① Strengthen Corporate Competitiveness with BC



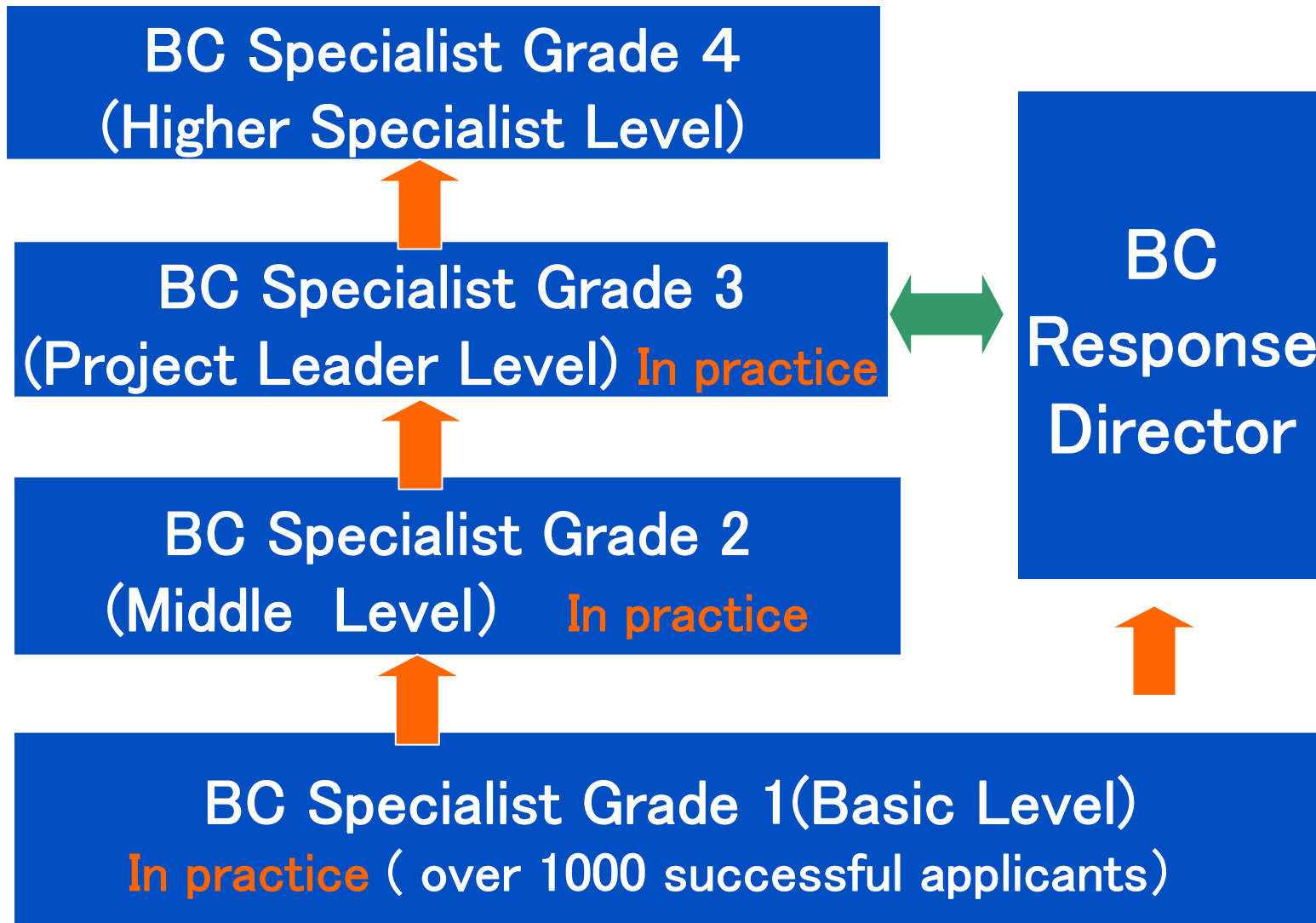
② Japanese Society Resilience Is Heightened & Reliable Society Is Realized

\* "Resilience" is the capability to realize business continuity.

## 3.3 BCAO Award Winners of FY2008



# 3.4 Certification System of BCAO



## 3.5 Promotion Method for SMEs

- “BCP Step-up Guide for Small and Medium-sized Enterprises (SMEs)” of BCAO  
Published: 2006, revised 2007 and 2008  
Free Download <http://www.bcao.org/data/01.html>
- Contents:
  - Part 1: Introducing Disaster Countermeasures as Basis of BCP
  - Part 2: Formulate Simple BCP Recognizing Critical Operations
  - Part 3: For the Full-scale BCP
  - Check Lists for every steps
- Officially used by Tokushima, Ehime, Wakayama, Shizuoka pref. , CCI Tokyo, Kanto Regional Development Bureau of MLIT

## 3.6 Difficulty to diffusion for SMEs

### From BCAO's Support Activity

- SMEs usually lack enough budgeted for BCP consultants
- They do not have enough time and staffs to formulate BCP; very busy for daily affairs
- Local study group by companies seems to be very useful. Reasons: 1) Low cost 2) Advices from members are very practical 3) Incentives to get forward in schedule
- Local advisers seem to be necessary. Reasons: 1) Low traffic cost and available to discuss frequently 2) Low fee level (Problems: to assure knowledge and skill level)
- "The Check list of BCP Step-up Guide" can be used as a Overviews of BCP, Criteria for giving awards, Certification systems, Financial supports and Priority procurements.

# Thank You

## Questions?



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