

*"Under no circumstances can the Alliance be unable to execute its essential mission, nor can it afford loss of reputation by failing to ensure continuity of its critical outputs."*

**NATO Business Continuity Policy**

# BUILDING RESILIENCE

*through*

# RISK MANAGEMENT *and* BUSINESS CONTINUITY

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**R**ISK MANAGEMENT (RM) and business continuity are two sides of the same organizational resilience<sup>1</sup> coin, and both constitute the bedrock upon which the Joint Warfare Centre (JWC) accomplishes its mission in support of the Alliance. To live up to that responsibility, the Centre needs more than just expertise and resources: it also requires foresight, proactivity and, most importantly, credibility. That is why the JWC has begun implementing a new risk management

system<sup>2</sup> designed to predict challenges, secure resources and safeguard the reputation and integrity on which our effectiveness depends.

It is also why the Business Continuity Plan (BCP) and Directive are subject to constant review within the BC management system (BCMS)<sup>3</sup> cycle, always adapting to the JWC Commander's objectives, organizational changes, and NATO's transformation. RM concerns itself with minimizing the probability and/or effects of a negative event occurring (or exploiting opportunities that risk may present).



Not every event is preventable, so the complimentary activity to minimize the impact of a negative event is part of BC management. Risk management and business continuity are distinct but interrelated functions.

It is vital that culturally, both RM and BC are baked into, rather than merely sprinkled on, an organization's psyche. Both systems are decision support mechanisms and require full buy-in from the Command Group, as this is a precondition for effective management and it is this part of the organization that owns the assets and resources to deliver solutions. That said, RM and BC should not be continuously front and centre, but must be known and understood.

Car insurance provides a good analogy: everyone should have it and in the event of a crash or theft, it will prove extremely useful. Most know how to take out a policy and what to do in the event of an accident or damage, but it is not at the forefront of everyone's mind every time they drive their car. Similarly, drivers constantly conduct repeated risk assessment during a journey, but almost at a subconscious level.

The JWC has recently taken important steps to embed business continuity and risk management into its daily work. JWC's Busi-

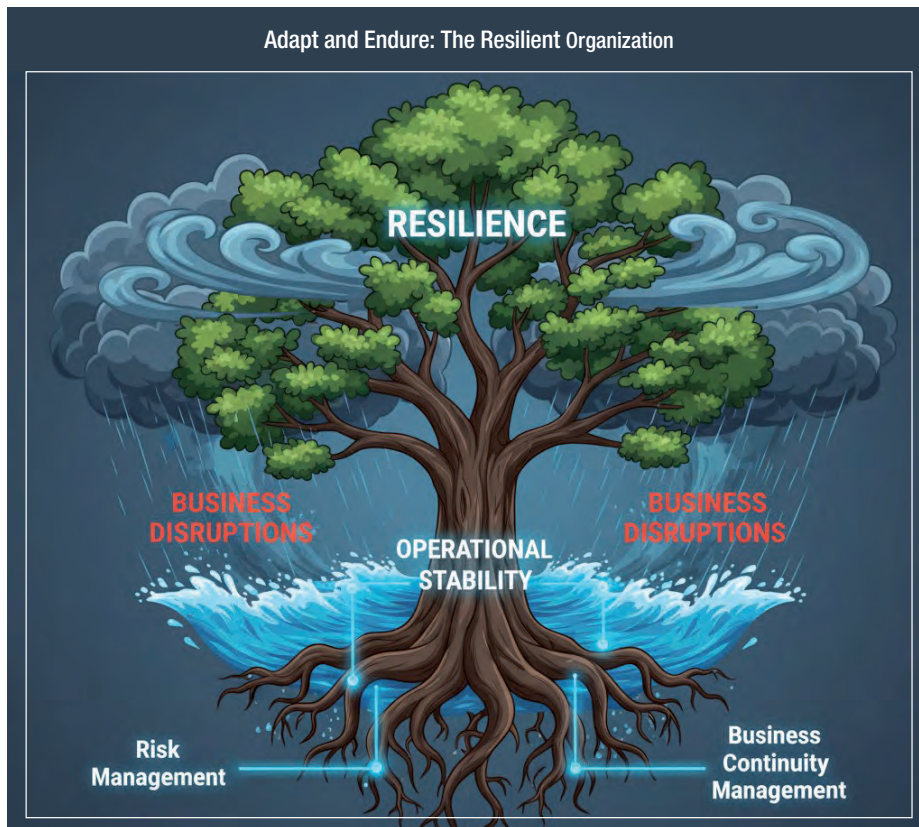
ness Continuity staff officer gave a presentation on BC at the all-hands call on September 25. It is expected that NATO job descriptions could soon include a requirement for all staff to undertake "introduction to BC" training. The existing risk register has been optimized and updated to track and monitor key vulnerabilities, ranging from operational continuity and security to reputational risks that stand at the centre of our concerns. Staff consultations and workshops have taken place, ensuring that the new processes reflect insights and experiences of JWC staff across different roles.

The Centre is now integrating RM into the planning cycle of upcoming exercises, so that the JWC can address potential disruptions before they can impact delivery. These efforts are part of a shift to optimize how proactively the JWC prepares for problems — rather than merely reacting to them.

Many benefits of this shift are already materializing: RM is supporting more informed decision-making that allows all levels of command to weigh competing priorities with greater confidence and transparency. It protects and optimizes our resources by identifying weak points and enabling focused efforts where they

will achieve the greatest effect. This is also a constituent part of BCMS, where prioritization of activities and processes results from the application of RM and business impact analysis to identify and implement solutions. Embedding and embracing RM and BC help protect the JWC's and NATO's reputations. However, good theory is insufficient; to be effective, RM and BC must be used and tested regularly. If we fail to meet our stakeholders' expectations (for example, if our exercise settings and scenarios do not reflect real-world threats), or if the JWC fails to continue to deliver warfare development during disruption, questions will be asked of us. By systematically building resilience, we reduce our vulnerabilities and reinforce the confidence placed in us by the Alliance.

This success is not attributable to a single office or individual, but depends on active participation of JWC staff at every level, in every branch, in every function. Working together to identify, share, and address risks and impacts of disruption and to prioritize outputs, activity and resources that deliver them, we will ensure that the JWC continues to fulfil its mission, standing as a cornerstone of the Alliance's collective preparedness and readiness. ✦



**Left**  
Illustration provided by the authors. The tree represents any organization that is capable of withstanding external challenges. Risk Management and Business Continuity are the roots of organizational resilience.

## ENDNOTES

- 1 Organizational resilience: an organization's ability "to absorb and adapt in a changing environment to enable it to deliver its objectives, survive and prosper." ISO 22316:2017 Security and Resilience
- 2 The JWC applies industry standards to risk management: management of risk (M\_o\_R©). Its ISO-compliant definition of risk is "an uncertain event or set of events which, should it occur, will have an effect on the achievement of objectives." "Threat" describes "an uncertain event that would have a negative impact on objectives," and "opportunity" describes "an uncertain event that would have a favourable impact on objectives."
- 3 NATO applies industry standards to BCMS: BC Institute Good Practice Guidelines. Its ISO-compliant definition of BC is "the capability of an organisation to continue the delivery of products and services within acceptable time frames at a predefined capacity during a disruption."