

# The evolution of a continuity plan

Tricia Munday explains how the need for disaster recovery led to the successful implementation of a complete business continuity plan at Omnicom Finance.

Since 1996, Omnicom Finance plc has operated a disaster recovery plan (DRP), upgraded it to a business continuation plan (BCP) and maintained the sites required for their invocation.

It is now planning a more sophisticated solution for 2001. This article describes the processes undertaken, and the rationale behind them, for the European treasury centre of one of the world's largest advertising and marketing services groups.

## The initial DRP

By 1995, OFP had recorded exponential growth for the fourth year running with over \$15bn of funds flowing through it. The interest costs associated with settling these funds just one day late demonstrated the need to consider a DRP. During 1996, OFP implemented a plan and constructed a disaster recovery site (DRS). As an initial DRP, its scope was limited to running down the OFP operations, ie all maturing deals would be settled, none would be rolled over. The theory was that the Omnicom companies would have to revert to their local banks for many of the services that had been offered by the treasury centre until an alternative location was available.

The original DRS was basic but functional and could accommodate six of the fourteen members of OFP. It was situated in a remote corner of a group company's building three miles away from the main site. The facilities available relied on OFP using manual procedures for processes such as payments. Thankfully this site was only ever used when it was being tested. Twice a year (on a quiet day!) OFP would divide its resources between its two sites and conduct a test at the DRS whilst running the operations in parallel at the main site.

## The BCS upgrade

Although the original DRS and DRP

## Omnicom Finance plc

Omnicom Finance plc (OFP) was established in 1990 as part of the in-house bank focusing on European/Asia-Pacific operations for the Omnicom Group. The group operates in a decentralised environment with OFP operating as an independently run service centre available to all of the group companies. The core functions it offers to its clients are foreign exchange, cash management, consulting services, working capital management and intercompany netting. Although the office is limited to London office hours, with the assistance of technology, these services are accessible by companies in all time zones. ■

served their purpose, two years later OFP took the decision to upgrade the plan and the site to a business continuation plan and site (BCS). Funds flowing through OFP in 1998 were estimated to be in excess of \$34bn, this indicated a high level of dependency on the treasury centre. OFP had become a business critical function for the Omnicom companies. With this in mind OFP could no longer afford to wind down its business in the event of a disaster. In conjunction, an increase in the volume of work undertaken meant that a fall back to manual processes was no longer a realistic option. The addition of electronic banking packages and confirmation matching software, to enable OFP to mirror the straight through processing (STP) relied on at the main site, was imperative.

The objective of the BCP was to enable OFP to continue operating as a going concern in the event of a disaster, thus minimising the interruption suffered by its clients. The BCS is located in a larger office situated in the same building as the DRS. It can accommodate the majority of OFP personnel and includes upgrades in technology that enable the STP at the main site to be

mirrored. Testing of this site has proven to be straightforward and does not require a team to run in parallel at the main site. OFP has also been able to make use of the site for y2k system testing and off-site training.

## The future

In 2001, further enhancements in the technology available to and used by the treasury centre, primarily pertaining to web site utilisation, have made it necessary to consider a more sophisticated technological solution to the current BCS. As a result, OFP is planning a significant upgrade of its disaster recovery/business continuity solution. New accommodation options are also being investigated – recent issues with travel restrictions, power grids and internet service provider links have all indicated that maintaining the main operating site and the backup site in the capital may not be ideal. As a result, an external specialist partner is being considered as an alternative providing both technology and accommodation solutions in one package.

The key lessons learned through this exercise are:

- the three-phased approach enabled OFP to implement successful disaster recovery/business continuation planning consistent with its levels of business;
- the strategic importance of the treasury centre to the group; and
- the significance of technology in delivering the DRP/BCP solution.

OFP will not become complacent – experience has demonstrated the evolutionary nature of disaster planning. ■

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