



# 2005 Benchmark Study Results

## Exclusively For Business Continuity

### Current Business Continuity Program by Industry

Industry	No BCP Plans	Currently Developing BCP Plans	IT BCP Plans Only	Only Select Departments	Full Corporate-wide BCP Plans	Total
Financial/ Banking	0%	6%	3%	29%	62%	34%
Utilities	0%	8%	8%	56%	28%	3%
Healthcare	2%	25%	17%	49%	8%	7%
Insurance	0%	7%	4%	42%	47%	12%
Consulting Services	1%	11%	14%	34%	40%	8%
Manufacturing	6%	8%	17%	47%	22%	4%
Telecommunications	0%	8%	3%	46%	43%	4%
Transportation	0%	17%	25%	50%	8%	1%
Government	2%	16%	10%	43%	29%	7%
Retail	8%	4%	21%	50%	17%	3%
Education	8%	17%	0%	50%	25%	1%
Information/ Data Processing Services	4%	8%	38%	28%	22%	6%
Computer Services/ Systems	6%	12%	24%	35%	24%	4%
Petroleum/ Chemical	0%	20%	0%	80%	0%	1%
Other	2%	11%	15%	50%	22%	5%
Total*	1%	10%	10%	39%	40%	100%

\* This total is a percentage of all survey respondents. For example, 1% of respondents answered "No BCP Plans" for their current Business Continuity program.

### Current Business Continuity Program by Company Revenue

Company Revenue	No BCP Plans	Currently Developing BCP Plans	IT BCP Plans Only	Only Select Departments	Full Corporate-wide BCP Plans	Total
Under \$15M	6%	17%	17%	20%	40%	4%
\$15 – 50M	2%	19%	9%	34%	36%	5%
\$50 – 100M	0%	18%	21%	36%	24%	4%
\$100 – 500M	4%	14%	12%	32%	38%	9%
\$500M - \$1B	0%	9%	9%	38%	44%	11%
\$1 – 5B	3%	8%	13%	47%	29%	19%
\$5 – 10B	0%	10%	9%	37%	44%	13%
Over \$10B	0%	5%	6%	36%	53%	27%
Not Applicable **	1%	12%	9%	51%	27%	8%
Total *	1%	10%	10%	39%	40%	100%

\* This total is a percentage of all survey respondents. For example, 1% of respondents answered "No BCP Plans" for their current Business Continuity program.

\*\* "Not Applicable" refers to government and non-for-profit organizations.

### Business Continuity Budget by Industry

Industry	Under \$250K	\$250 – 500K	\$500K - \$1M	\$1 -5M	\$5 -10M	\$10 -50M	Over \$50M	Not Separately Budgeted	Total
Financial/ Banking	16%	16%	14%	21%	8%	6%	4%	16%	34%
Utilities	28%	24%	20%	16%	0%	0%	0%	12%	3%
Healthcare	28%	15%	20%	20%	5%	0%	0%	12%	7%
Insurance	18%	18%	22%	26%	4%	4%	0%	9%	12%
Consulting Services	15%	13%	21%	14%	3%	3%	3%	29%	8%
Manufacturing	22%	8%	22%	14%	3%	8%	0%	22%	4%
Telecommunications	11%	14%	11%	25%	8%	6%	3%	22%	4%
Transportation	42%	17%	17%	17%	0%	0%	0%	8%	1%
Government	28%	12%	9%	22%	3%	5%	2%	19%	7%
Retail	33%	17%	21%	29%	0%	0%	0%	0%	3%
Education	75%	8%	0%	8%	0%	0%	0%	8%	1%
Information/ Data processing Services	6%	6%	16%	32%	10%	6%	2%	22%	6%
Computer Services/ Systems	18%	21%	12%	9%	9%	3%	0%	27%	4%
Petroleum/ Chemical	0%	40%	20%	20%	0%	0%	0%	20%	1%
Other	30%	20%	9%	9%	4%	0%	0%	28%	5%
Total *	20%	15%	16%	20%	6%	4%	2%	17%	100%

\* This total is a percentage of all survey respondents. For example, 20% of respondents answered "Under \$250K" for their BCP budget.

### Company Revenue by Business Continuity Budget

BC Budget	No Answer Given	Under \$15M	\$15 -50M	\$50 -100M	\$100 -500M	\$500M - \$1B	\$1 -5B	\$5 - 10B	Over \$10B	Total
Under \$250K	12%	9%	10%	12%	16%	10%	11%	10%	10%	20%
\$250 – 500K	5%	7%	6%	14%	12%	27%	7%	17%	6%	15%
\$500K - \$1M	2%	3%	2%	9%	14%	24%	14%	24%	8%	16%
\$1 – 5M	1%	3%	2%	6%	10%	23%	18%	32%	5%	20%
\$5 – 10M	0%	0%	0%	2%	10%	18%	20%	44%	6%	6%
\$10 – 50M	0%	3%	0%	0%	0%	9%	21%	59%	9%	4%
Over \$50M	0%	0%	7%	0%	7%	0%	0%	73%	13%	2%
Not Separately Budgeted	3%	7%	1%	7%	5%	22%	13%	32%	9%	17%
Total *	4%	5%	4%	8%	11%	20%	13%	27%	8%	100%

\* This total is a percentage of all survey respondents. For example, 5% of respondents answered “Under \$15M” for their company revenue.

### How is Business Continuity Budgeted?

Department	Percentage of Respondents
Risk Management	3%
Information Security	1%
Information Technology	5%
Strategic Planning	1%
Facilities Management	1%
Shared Among Business Departments	1%
Other	2%
Not Budgeted	2%
BCP is Separately Budgeted	84%

### If companies do not budget Business Continuity as a separate budget, then to which department is Business Continuity’s budget applied?

According to the survey results (shown to the left), a small percentage of companies do not separately budget their Business Continuity Program. For example, 5% of respondents budget their BC program to Information Technology. The “Other” responses also included Finance, Corporate Business Continuity, Operations, Compliance and Corporate Security. Those companies that do budget their BC programs separately (84% of respondents) are highlighted in the two charts above (“Company Revenue by Business Continuity Budget” and “Business Continuity Budget by Industry”).

### Business Continuity Budget Revision

According to our survey results, companies that increased their Business Continuity budget did so by an average of \$183,579. Companies that decreased their Business Continuity budget did so by an average of \$28,511. The maximum increase in budget was \$12,500,000 and the maximum decrease was \$600,000. The minimum increase in budget was \$1,000 and the minimum decrease was \$2,000.

Of the respondents, 46% reported no change in their Business Continuity budget, 43% reported an increase, and 11% reported a decrease.

### Business Continuity Budget Change in 2003 by Industry

Industry	No Change in Budget	Budget Increased	Budget Decreased	Total
Financial/ Banking	42%	51%	7%	35%
Utilities	67%	29%	4%	3%
Healthcare	45%	38%	17%	7%
Insurance	43%	43%	14%	12%
Consulting Services	47%	44%	9%	8%
Manufacturing	44%	36%	19%	4%
Telecommunications	50%	31%	19%	4%
Transportation	67%	25%	8%	1%
Government	47%	40%	13%	6%
Retail	58%	29%	13%	3%
Education	75%	0%	25%	1%
Information/ Data Processing Services	39%	51%	10%	6%
Computer Services/ Systems	53%	38%	9%	4%
Petroleum/ Chemical	60%	40%	0%	1%
Other	44%	44%	12%	5%
Total	46%	43%	11%	100%

\* This total is a percentage of all survey respondents. For example, 46% of respondents answered “No Change in Budget” for their Business Continuity Budget revision.

### Number of Company Locations by Business Continuity Budget

Business Continuity Budget	0 – 5	6 – 15	16 – 25	26 – 50	51 – 100	101 – 300	301 – 500	501 – 1,000	1,000 +	Total
Under \$250K	40%	20%	6%	8%	9%	8%	2%	2%	3%	20%
\$250 – 500K	24%	17%	8%	15%	9%	15%	4%	4%	2%	15%
\$500K - \$1 M	14%	24%	10%	18%	11%	9%	5%	2%	4%	16%
\$1 – 5M	12%	24%	10%	13%	10%	10%	8%	7%	5%	20%
\$5 – 10M	9%	15%	6%	15%	6%	19%	6%	2%	11%	6%
\$10 – 50M	6%	19%	3%	6%	3%	19%	6%	22%	9%	4%
Over \$50M	13%	13%	0%	13%	13%	6%	0%	13%	19%	2%
Not Separately Budgeted	17%	15%	8%	9%	8%	18%	6%	3%	11%	17%
Total *	20%	20%	9%	13%	10%	13%	5%	4%	6%	100%

\* This total is a percentage of all survey respondents. For example, 20% of respondents answered “0-5” for the number of locations for their company.

### What Department does Business Continuity Report To by Industry?

Industry	Corporate	Risk Management	Information Security	Information Technology/ Network Operations	Strategic Planning	Facilities Management	Other	Total
Financial/ Banking	24%	25%	8%	26%	2%	6%	10%	35%
Utilities	20%	16%	8%	20%	8%	4%	24%	3%
Healthcare	26%	8%	12%	37%	2%	5%	11%	7%
Insurance	15%	15%	14%	27%	2%	10%	18%	12%
Consulting Services	42%	14%	7%	18%	5%	4%	10%	8%
Manufacturing	39%	14%	8%	31%	0%	0%	8%	4%
Telecommunications	24%	19%	5%	27%	3%	3%	19%	4%
Transportation	0%	0%	8%	75%	0%	0%	17%	1%
Government	29%	3%	12%	28%	5%	5%	17%	6%
Retail	17%	4%	13%	50%	4%	4%	8%	3%
Education	25%	17%	8%	17%	0%	0%	33%	1%
Information/ Data processing Services	16%	4%	16%	48%	2%	4%	10%	6%
Computer Services/ Systems	26%	6%	17%	29%	3%	11%	6%	4%
Petroleum/ Chemical	60%	20%	0%	20%	0%	0%	0%	1%
Other	41%	7%	2%	35%	0%	2%	13%	5%
Total *	26%	15%	9%	29%	3%	5%	13%	100%

\* This total is a percentage of all survey respondents. For example, 26% of respondents answered "Corporate" for the department their Business Continuity program reports to.

### Number of Company Employees by Number of Dedicated Full-time BCP Employees

Full-time BCP Employees	Less than 50	51 – 99	100 – 499	500 – 999	1,000 – 4,999	5,000 – 9,999	10,000 – 19,999	20,000 – 25,000	More than 25,000	Total
0	5%	3%	18%	26%	18%	10%	8%	3%	10%	5%
1	2%	3%	12%	15%	34%	13%	6%	6%	10%	18%
2	2%	3%	6%	7%	34%	14%	17%	3%	13%	15%
3	1%	1%	7%	1%	33%	27%	11%	1%	18%	10%
4	0%	0%	0%	2%	22%	31%	22%	3%	20%	7%
5	5%	2%	0%	2%	16%	14%	19%	9%	33%	5%
6	4%	0%	0%	0%	16%	8%	40%	8%	24%	3%
7	0%	0%	0%	0%	26%	26%	13%	13%	22%	3%
8	0%	5%	5%	0%	32%	9%	9%	0%	41%	3%
9	0%	0%	0%	0%	9%	27%	9%	0%	55%	1%
10	0%	0%	0%	0%	6%	24%	21%	6%	42%	4%
11 – 15	2%	0%	0%	0%	5%	15%	24%	12%	41%	5%
16 – 25	0%	2%	0%	0%	8%	19%	21%	4%	46%	6%
26 – 50	0%	2%	0%	0%	2%	3%	17%	6%	70%	7%
51 – 100	3%	0%	0%	0%	5%	0%	5%	3%	84%	4%
100 +	0%	0%	3%	3%	8%	3%	5%	0%	79%	4%
Total *	2%	2%	5%	5%	21%	15%	14%	5%	31%	100%

\* This total is a percentage of all survey respondents. For example, 2% of respondents answered "Less than 50" for total company employees.

### Number of Dedicated Full-time BCP Employees by Industry

Industry	0	1	2	3	4	5	6	7	8	9	10	11-15	16-25	26-50	51-100	100 +	Total
Financial/ Banking	3%	19%	15%	9%	7%	6%	3%	3%	2%	1%	4%	3%	7%	8%	6%	5%	33%
Utilities	5%	19%	24%	0%	5%	0%	5%	5%	5%	0%	0%	10%	5%	10%	0%	10%	2%
Healthcare	5%	20%	7%	13%	11%	5%	4%	2%	0%	4%	2%	9%	4%	4%	7%	4%	6%
Insurance	1%	18%	17%	8%	8%	4%	3%	2%	4%	2%	4%	6%	7%	7%	3%	4%	10%
Consulting Services	7%	20%	14%	8%	3%	5%	4%	4%	3%	1%	4%	8%	7%	8%	3%	3%	12%
Manufacturing	0%	13%	19%	13%	10%	3%	6%	10%	6%	0%	3%	6%	3%	0%	3%	3%	4%
Telecommunications	10%	18%	10%	13%	5%	8%	3%	5%	5%	0%	3%	3%	3%	8%	5%	3%	5%
Transportation	0%	33%	17%	8%	8%	8%	0%	0%	0%	0%	0%	0%	17%	0%	8%	0%	1%
Government	7%	17%	22%	7%	5%	3%	2%	0%	2%	0%	3%	5%	5%	14%	2%	5%	7%
Retail	4%	20%	24%	4%	20%	0%	0%	4%	0%	0%	4%	0%	8%	0%	8%	4%	3%
Education	11%	0%	11%	22%	11%	0%	0%	0%	0%	11%	11%	0%	0%	0%	11%	11%	1%
Information/ Data Processing Services	6%	10%	16%	16%	8%	4%	2%	0%	2%	4%	2%	6%	8%	8%	2%	4%	6%
Computer Services/ Systems	8%	18%	5%	15%	5%	10%	5%	3%	3%	0%	5%	5%	8%	13%	0%	0%	5%
Petroleum/ Chemical	0%	25%	25%	25%	25%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other	7%	24%	11%	9%	0%	4%	2%	0%	2%	0%	9%	7%	4%	7%	2%	11%	5%
Total *	5%	18%	15%	10%	7%	5%	3%	3%	3%	1%	4%	5%	6%	7%	4%	4%	100%

\* This total is a percentage of all survey respondents. For example, 5% of respondents answered "0" for full-time BCP employees.

### Adding BC Personnel in 2005

Employee Type	%	
<i>Full-time Employee</i>		
Yes	29%	
No	71%	
<i>Part-time Employee</i>		
Yes	13%	
No	87%	
<i>Contracting Employee</i>		
Yes	45%	
No	55%	

### Top 20 Most Challenging Issues for BC Professionals (In Order from Greatest to Least)

- Size of BC/DR Staff
- Time Allocation
- Executive Buy-in
- Comprehensive BIA
- Global BCP Planning
- IT Recovery
- Funding/ Budgeting
- Exercising of Plans
- Merging/ Acquisitions
- Business Unit Buy-in
- Company Awareness
- SOX/ HIPPA Workload
- Regulations Compliance
- BCP Software
- Employee Participation
- Maintenance of Plans
- Documentation
- Training within BC/DR Discipline
- Project Management
- Audit

### Conducting & Updating the BIA

Companies Who Have Conducted a BIA	
Yes	85%
No	15%

How Often Conduct a BIA	
Timeframe	%
Every 6 months	5%
Annually	45%
Every other year	18%
Every three years	12%
Less often than 3 years	20%

### Recovery Time by Industry

Industry	Less than 1 Hr	2 – 8 Hrs	9 – 24 Hrs	25 – 72 Hrs	More than 72 Hrs	Total
<b>Financial/Banking</b>	18%	47%	23%	11%	1%	34%
<b>Utilities</b>	16%	44%	16%	20%	4%	3%
<b>Healthcare</b>	8%	35%	17%	34%	6%	7%
<b>Insurance</b>	5%	20%	20%	43%	13%	12%
<b>Consulting Services</b>	14%	37%	19%	25%	5%	8%
<b>Manufacturing</b>	6%	22%	25%	36%	11%	4%
<b>Telecommunications</b>	27%	35%	22%	16%	0%	4%
<b>Transportation</b>	8%	42%	25%	25%	0%	1%
<b>government</b>	22%	28%	22%	24%	3%	7%
<b>Retail</b>	8%	33%	17%	21%	21%	3%
<b>Education</b>	0%	8%	33%	33%	25%	1%
<b>Information/ Data processing Services</b>	12%	26%	26%	32%	4%	6%
<b>Computer Services/ Systems</b>	9%	32%	21%	29%	9%	4%
<b>Petroleum/ Chemical</b>	0%	20%	40%	40%	0%	1%
<b>Other</b>	20%	30%	11%	37%	2%	5%
<i>Total *</i>	14%	36%	21%	24%	5%	100%

\* This total is a percentage of all survey respondents. For example, 14% of respondents answered "Less than 1 Hr" for their recovery time.

### Recovery Time by Company Revenue

Company Revenue	Less than 1 Hr	2 – 8 Hrs	9 – 24 Hrs	25 – 72 Hrs	More than 72 Hrs	Total
<b>Under \$15M</b>	9%	40%	23%	26%	3%	4%
<b>\$15 – 50M</b>	13%	43%	21%	21%	2%	5%
<b>\$50 – 100M</b>	9%	21%	30%	36%	3%	4%
<b>\$100 – 500M</b>	15%	28%	20%	31%	5%	9%
<b>\$500M - \$1B</b>	11%	40%	26%	21%	2%	11%
<b>\$1 – 5B</b>	8%	35%	22%	29%	7%	19%
<b>\$5 – 10B</b>	21%	31%	19%	22%	7%	13%
<b>Over \$10B</b>	18%	38%	18%	20%	6%	27%
<b>Not Applicable **</b>	18%	34%	24%	21%	3%	8%
<i>Total *</i>	14%	36%	21%	24%	5%	100%

\* This total is a percentage of all survey respondents. For example, 14% of respondents answered "Less than 1 Hr" for their recovery time.

\*\* "Not Applicable" refers to government and non-for-profit organizations.

### Recovery Time by Business Continuity Budget

Business Continuity Budget	Less than 1 Hr	2 – 8 Hrs	9 – 24 Hrs	25 – 72 Hrs	More than 72 Hrs	Total
<b>Under \$250K</b>	16%	33%	20%	28%	2%	19%
<b>\$250 – 500K</b>	18%	42%	20%	18%	3%	16%
<b>\$500K - \$1M</b>	14%	33%	21%	25%	7%	15%
<b>\$1 – 5M</b>	11%	32%	25%	27%	6%	21%
<b>\$5 – 10M</b>	12%	29%	24%	29%	6%	5%
<b>\$10 – 50M</b>	8%	56%	12%	16%	8%	4%
<b>Over \$50M</b>	7%	29%	21%	14%	29%	2%
<b>Not Separately Budgeted</b>	15%	39%	15%	27%	3%	18%
<i>Total *</i>	14%	36%	21%	24%	5%	100%

\* This total is a percentage of all survey respondents. For example, 14% of respondents answered "Less than 1 Hr" for their recovery time.

## How Often Are Plans Tested?

Mission Critical Plans	
Testing	%
Never	1%
Quarterly	10%
Twice a year	33%
Annually	52%
Every other year	2%
Less often than every other year	2%

Critical Plans	
Testing	%
Never	9%
Quarterly	5%
Twice a year	13%
Annually	45%
Every other year	16%
Less often than every other year	12%

Important Plans	
Testing	%
Never	5%
Quarterly	9%
Twice a year	17%
Annually	50%
Every other year	12%
Less often than every other year	7%

## What did Business Disruptions Cost Companies by Industry?

Industry	None	Less than \$50K	\$50 - 100K	\$100 - 500K	\$500K - \$1M	\$1 - 5 M	Over \$5M	Total
Financial/ Banking	25%	31%	17%	14%	6%	5%	2%	34%
Utilities	28%	24%	20%	12%	8%	0%	8%	3%
Healthcare	28%	31%	15%	17%	3%	3%	3%	7%
Insurance	25%	33%	20%	9%	11%	2%	0%	12%
Consulting Services	41%	29%	10%	8%	10%	3%	0%	8%
Manufacturing	25%	22%	17%	22%	6%	3%	6%	4%
Telecommunications	27%	22%	11%	11%	8%	11%	11%	4%
Transportation	25%	33%	25%	8%	8%	0%	0%	1%
Government	40%	28%	17%	7%	5%	3%	0%	7%
Retail	17%	29%	17%	25%	8%	4%	0%	3%
Education	33%	33%	0%	25%	8%	0%	0%	1%
Information/ Data Processing Services	38%	28%	12%	12%	4%	6%	0%	6%
Computer Services/ Systems	35%	26%	18%	15%	6%	0%	0%	4%
Petroleum/ Chemical	60%	20%	20%	0%	0%	0%	0%	1%
Other	35%	24%	15%	13%	7%	7%	0%	5%
Total *	29%	29%	16%	13%	7%	4%	2%	100%

\* This total is a percentage of all survey respondents. For example, 29% of respondents answered "None" for the cost of business disruptions to their company.

## What did Business Disruptions Cost Companies by Company Revenue?

Company Revenue	None	Less than \$50K	\$50 - 100K	\$100 - 500K	\$500K - \$1M	\$1 - 5M	Over \$5M	Total
Under \$15M	63%	23%	9%	3%	0%	3%	0%	4%
\$15 - 50M	30%	47%	13%	11%	0%	0%	0%	5%
\$50 - 100M	27%	58%	9%	6%	0%	0%	0%	4%
\$100 - 500M	31%	35%	18%	11%	5%	0%	0%	9%
\$500M - \$1B	29%	25%	18%	24%	2%	1%	1%	11%
\$1 - 5B	32%	25%	18%	15%	8%	4%	1%	19%
\$5 - 10B	34%	24%	9%	15%	10%	6%	3%	13%
Over \$10B	17%	26%	20%	13%	11%	8%	5%	27%
Not Applicable **	36%	37%	13%	6%	4%	1%	1%	8%
Total *	29%	29%	16%	13%	7%	4%	2%	100%

\* This total is a percentage of all survey respondents. For example, 29% of respondents answered "None" for the cost of business disruptions to their company.

\*\* "Not Applicable" refers to government and non-for-profit organizations.

## What did Business Disruptions Cost Companies by BCP Budget?

BC Budget	None	Less than \$50K	\$50 - 100K	\$100 - 500K	\$500K - \$1M	\$1 - 5 M	Over \$5M	Total
Under \$250K	32%	26%	19%	11%	5%	5%	2%	19%
\$250 - 500K	30%	27%	17%	11%	7%	6%	2%	16%
\$500K - \$1M	32%	24%	17%	14%	6%	4%	3%	15%
\$1 - 5M	25%	29%	18%	15%	8%	3%	2%	21%
\$5 - 10M	18%	29%	15%	18%	15%	6%	0%	5%
\$10 - 50M	28%	24%	12%	24%	8%	4%	0%	4%
Over \$50M	29%	21%	14%	0%	14%	21%	0%	2%
Not Separately Budgeted	35%	33%	12%	11%	7%	0%	2%	18%
Total *	29%	29%	16%	13%	7%	4%	2%	100%

\* This total is a percentage of all survey respondents. For example, 29% of respondents answered "None" for the cost of business disruptions to their company.

### Why Develop BCP Programs?

Reasons	Percentage of Respondents
Past Business Interruptions/ Minimize Impact	22%
Protect Stakeholders	18%
Comply with regulations	33%
Good Business Philosophy & Protect Clients & Customers	24%
National Security	1%
Other	2%

### Sarbanes Oxley Impact on BC

Action	%
No Impact	36%
Increased Awareness	64%
Decreased Awareness	0%

The 2005 Benchmark Study data was collected between January 13, 2005 and February 20, 2005 via an on-line survey. The total number of respondents (viable data) was 902.

These results are supplied by BC Management, Inc, the premiere professional search firm for business continuity professionals. With a combined decade of experience in the BC/DR field, BC Management, Inc. is a valuable resource when looking to hire qualified candidates or find new careers. Our experienced team regularly attends conferences and association meetings, and conducts extensive research within the industry.

### BC/DR Program Benchmarking

Based on the large number of respondents, BC Management is able to offer BC/DR Program benchmarking. For a fee, we will analyze our data according to geographic location and/ or industry. This information may include the following: BC/DR Program status, budget information, reporting structure, # of BC/DR personnel, hiring projections, recovery time objectives, testing, and disruption costs. Please contact BC Management for further information.

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