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AREA BUSINESS CONTINUITY PLAN (ABCP) FOR KUALA LUMPUR: PRELIMINARY FINDINGS

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INTRODUCTION

- Rapid change and development are the conditions which magnify hazards (Mitchell, 1993) and Malaysia is undergoing rapid development as years to come, going towards becoming fully-develop country. Major driving force behind increased disaster potential associated with fast economic growth is rapid and extensive development of hazard-prone areas such as flood-prone and landslide-prone area.
- This situation arises the concept of Business Continuity Plan (BCP) and Business Continuity Management (BCM) as part of the ISO 22301:2012.
- A survey conducted by NISER's ISMS Survey in 2003 shows that only 52% of Malaysian organizations are currently practicing Disaster Recovery Planning (DRP) while 37% are implementing BCP (Jalil, 2004). These figures imply generally that the level of BCM implementation in Malaysia is still relatively at early stage
- This paper presents the preliminary findings of the current status of BCP implementation in individual companies from Small and Medium Enterprises (SMEs) in the study area (KL Golden Triangle Area).

FOUR PHASE OF ACTIVITIES

Mapping of industrial agglomerate (SMEs) in the pilot area.

Assessment of natural disaster risk of pilot industrial area.

Assessment of vulnerability of infrastructure and distribution system.

Formulation of Area BCP for the pilot area.

This preliminary study covers the first and second phase of the project.

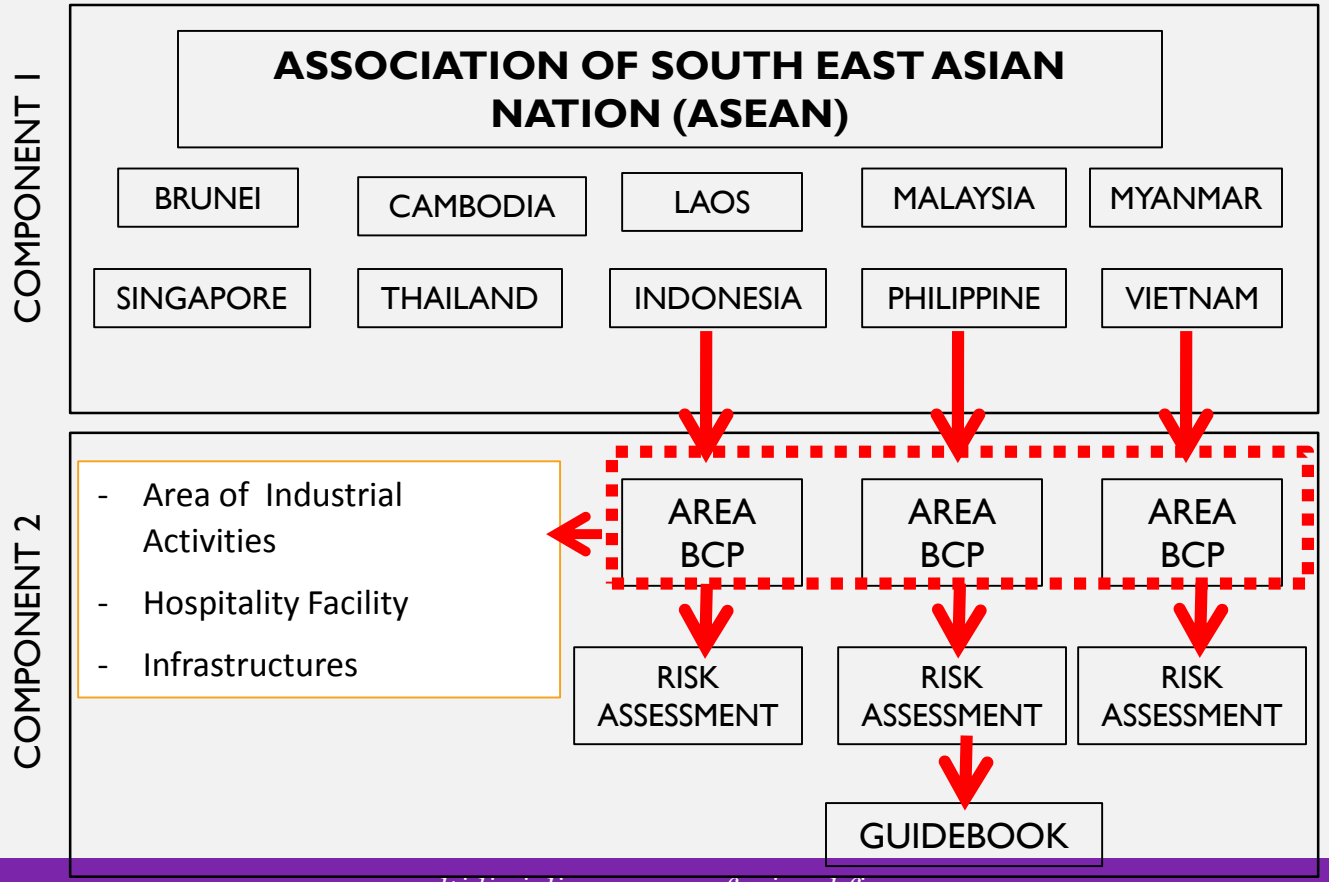
THE CONCEPT

Term	Definition	Reference
Business Continuity Management (BCM)	Holistic management process that identifies potential threats to an organization and the impacts to business operations those threats, if realized, might cause, and which provides a framework for building organizational resilience with the capability of an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities	ISO22301:2012
Business Continuity Plan (BCP)	Documented procedures that guide organizations to respond, recover, resume, and restore to a pre-defined level of operation following disruption NOTE: Typically, this covers resources, services and activities required to ensure the continuity of critical business functions.	ISO22301:2012

THE CONCEPT

Term	Definition	Reference
Area Business Continuity Management (Area BCM)	A cyclic process of understanding risks and impacts, determining common strategy of risk management, developing the Area BCP, implementing planned actions and monitoring to continuously improve the Area BCM System, in coordination among stakeholders including individual enterprises, industrial area managers, local authorities and administrator of the infrastructures as well as communities, in order to improve the resilience of the local economy to disasters.	Hitoshi Baba et al. (2013)
Area Business Continuity Plan (Area BCP)	A document describing a framework and direction of actions of disaster risk management by stakeholders as well as cooperation and coordination among them to facilitate business continuation of the industrial agglomerated area as a whole.	Hitoshi Baba et al. (2013)

COUNTRIES INVOLVE IN ABCP



JICA (2015)

Figure 1 Pilot Area ABCP in Vietnam
Source: JICA 2015

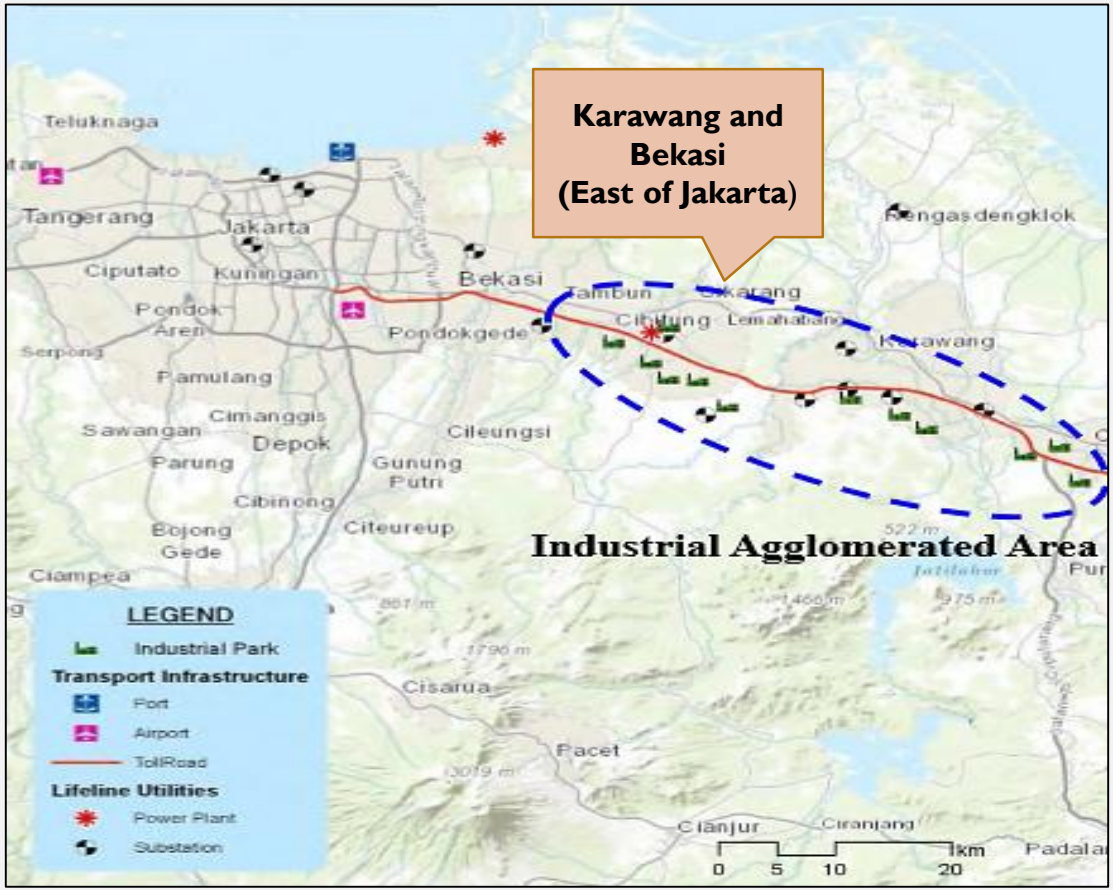


Figure 2 Pilot Area ABCP in Indonesia
Source: JICA 2015

Figure 3 Pilot Area for ABCP in Phillipines
Source: JICA 2015

OBJECTIVE OF STUDY

Natural disaster risk assessment necessary to develop Area BCP.

(i)Development of concept of Area Business Continuity Management (Area BCM).

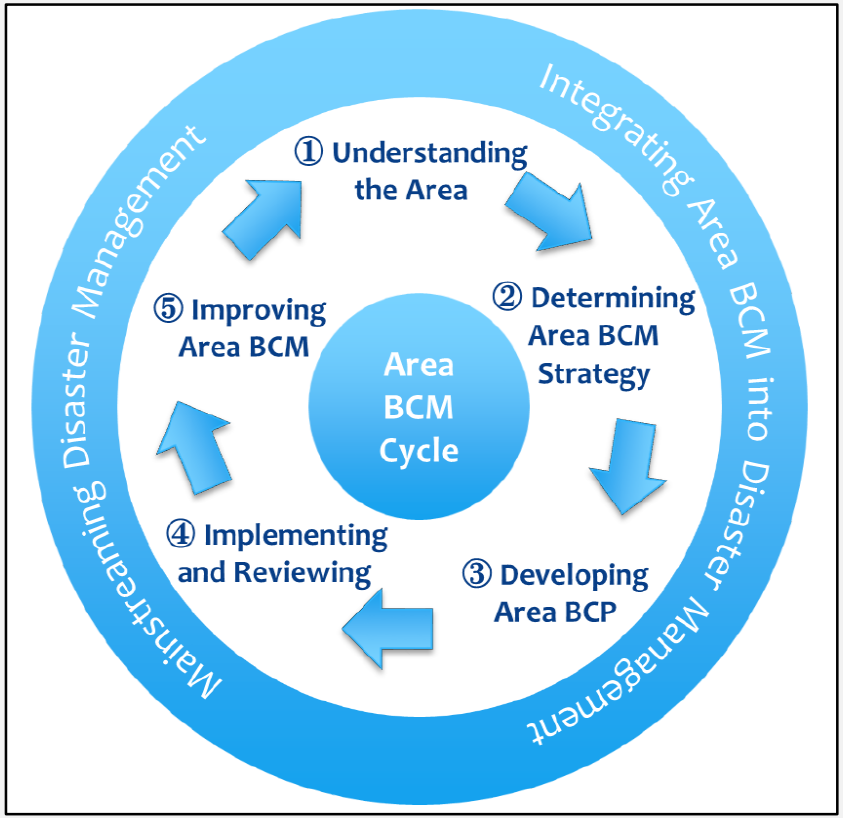
(i)Formulation of Area Business Continuity Plan (Area BCP) for industrial agglomerated area.

Preparation of a guide book for Area BCM and Natural Disaster Risk Assessment.

Dissemination and promotion of Area BCM/Area BCP.

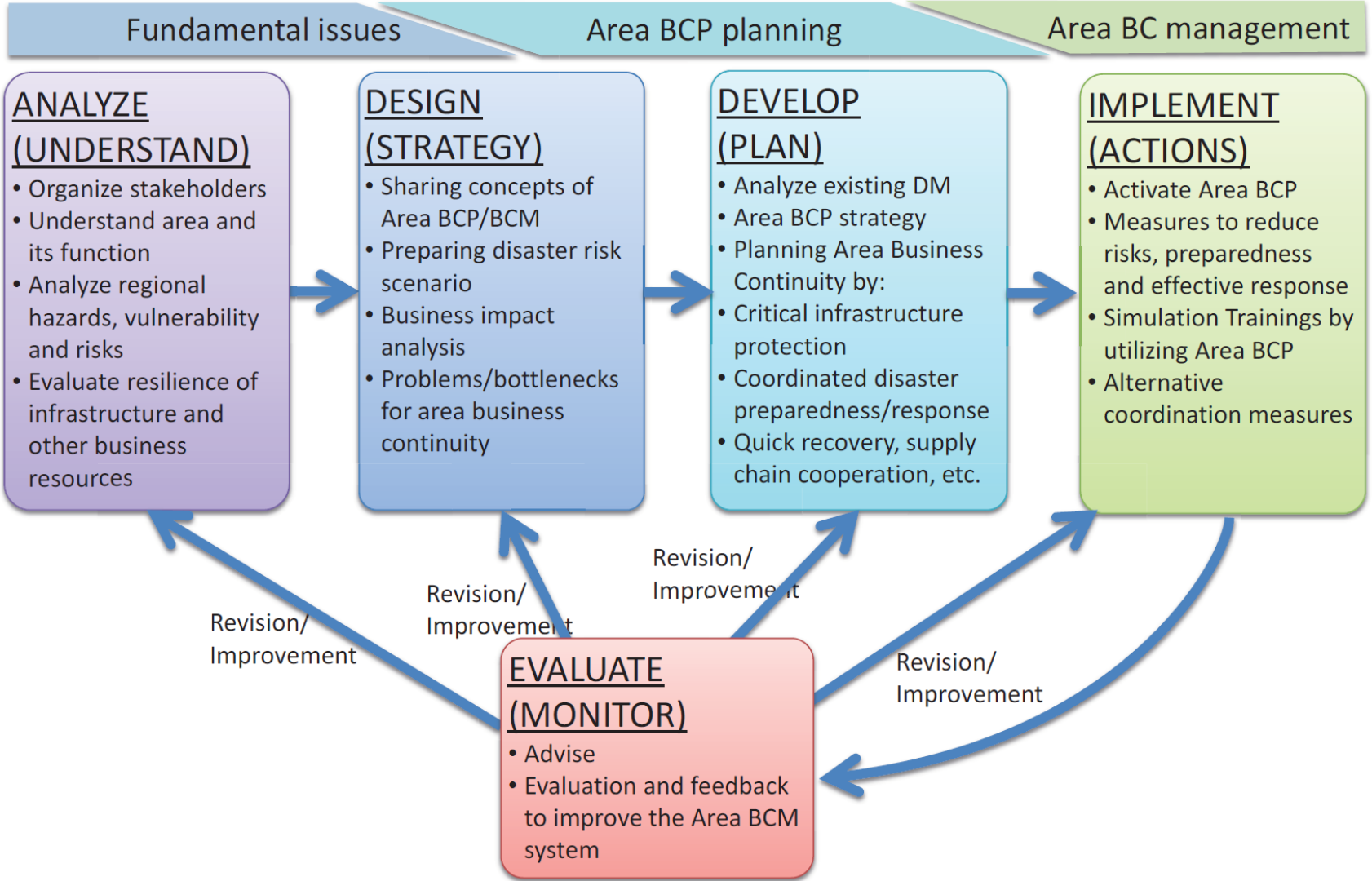
This preliminary study cover the first and second phase of the project.

METHODOLOGY



Area BCP Formulation and Area BCM Cycle

The approach of Area BCM was described thoroughly in Planning Guide for Area Business Continuity by JICA Study Team (2015) in which it composed of 5 phases

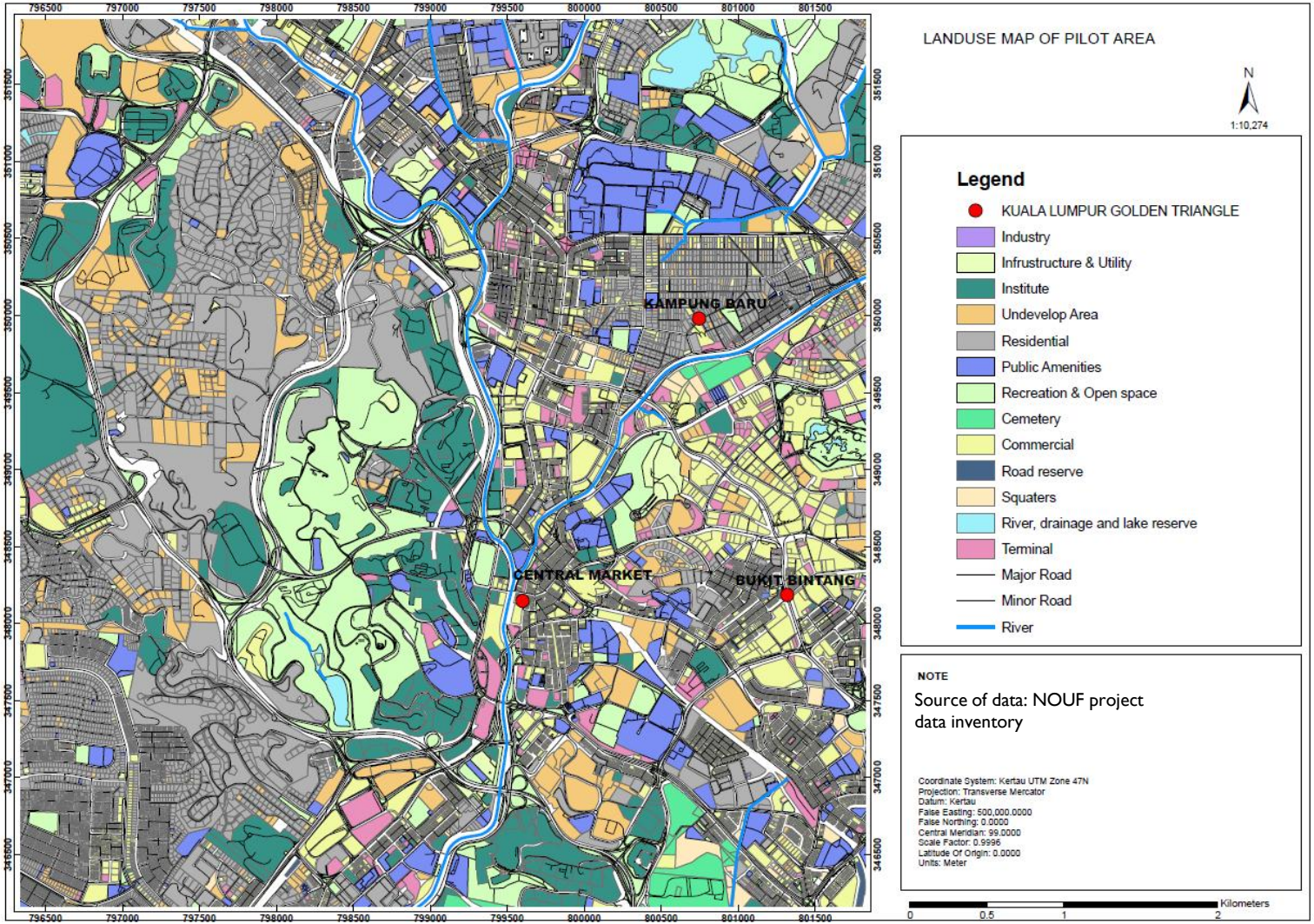

Fundamental issues
Area BCP planning
Area BC management
ANALYZE (UNDERSTAND)
• Organize stakeholders
• Understand area and its function
• Analyze regional hazards, vulnerability and risks
• Evaluate resilience of infrastructure and other business resources
DESIGN (STRATEGY)
• Sharing concepts of Area BCP/BCM
• Preparing disaster risk scenario
• Business impact analysis
• Problems/bottlenecks for area business continuity
DEVELOP (PLAN)
• Analyze existing DM
• Area BCP strategy
• Planning Area Business Continuity by:
• Critical infrastructure protection
• Coordinated disaster preparedness/response
• Quick recovery, supply chain cooperation, etc.
IMPLEMENT (ACTIONS)
• Activate Area BCP
• Measures to reduce risks, preparedness and effective response
• Simulation Trainings by utilizing Area BCP
• Alternative coordination measures
Revision/ Improvement
Revision/ Improvement
Revision/ Improvement
Revision/ Improvement
EVALUATE (MONITOR)
• Advise
• Evaluation and feedback to improve the Area BCM system

PRELIMINARY ASSESSMENT

Mapping of Industrial Agglomerate (SMEs) in The Pilot Area

- Industrial agglomerate area is a location where industrial parks and/or enterprises area located.
- This study will only focus on Kuala Lumpur Golden Triangle area as the pilot study area which is located inside the Klang Valley.
- Klang Valley extends to Rawang (northwest), Sepang (southeast), Gombak (east) and Port Klang (west).
- Klang Valley has four (4) major domestic and international transportation hub; Kuala Lumpur International Airport, Kuala Lumpur International Airport II, Sultan Abdul Aziz Shah Airport (Subang), and Port Klang.
- The Kuala Lumpur Convention Centre (KLCC), Bukit Bintang, and Kampung Baru is the three main location located at the center of the KL Golden Triangle.

INDUSTRIAL AGGLOMERATE IN KUALA LUMPUR AND SELANGOR


LANDUSE MAP OF PILOT AREA
N
1:10,274
Legend
KUALA LUMPUR GOLDEN TRIANGLE
Industry
Infrustructure & Utility
Institute
Undevelop Area
Residential
Public Amenities
Recreation & Open space
Cemetery
Commercial
Road reserve
Squaters
River, drainage and lake reserve
Terminal
Major Road
Minor Road
River
KAMPUNG BARU
CENTRAL MARKET
BUKIT BINTANG
NOTE
Source of data: NOUF project data inventory
Coordinate System: Kertau UTM Zone 47N
Projection: Transverse Mercator
Datum: Kertau
False Easting: 500,000.0000
False Northing: 0.0000
Central Meridian: 99.0000
Scale Factor: 0.9996
Latitude Of Origin: 0.0000
Units: Meter
Kilometers
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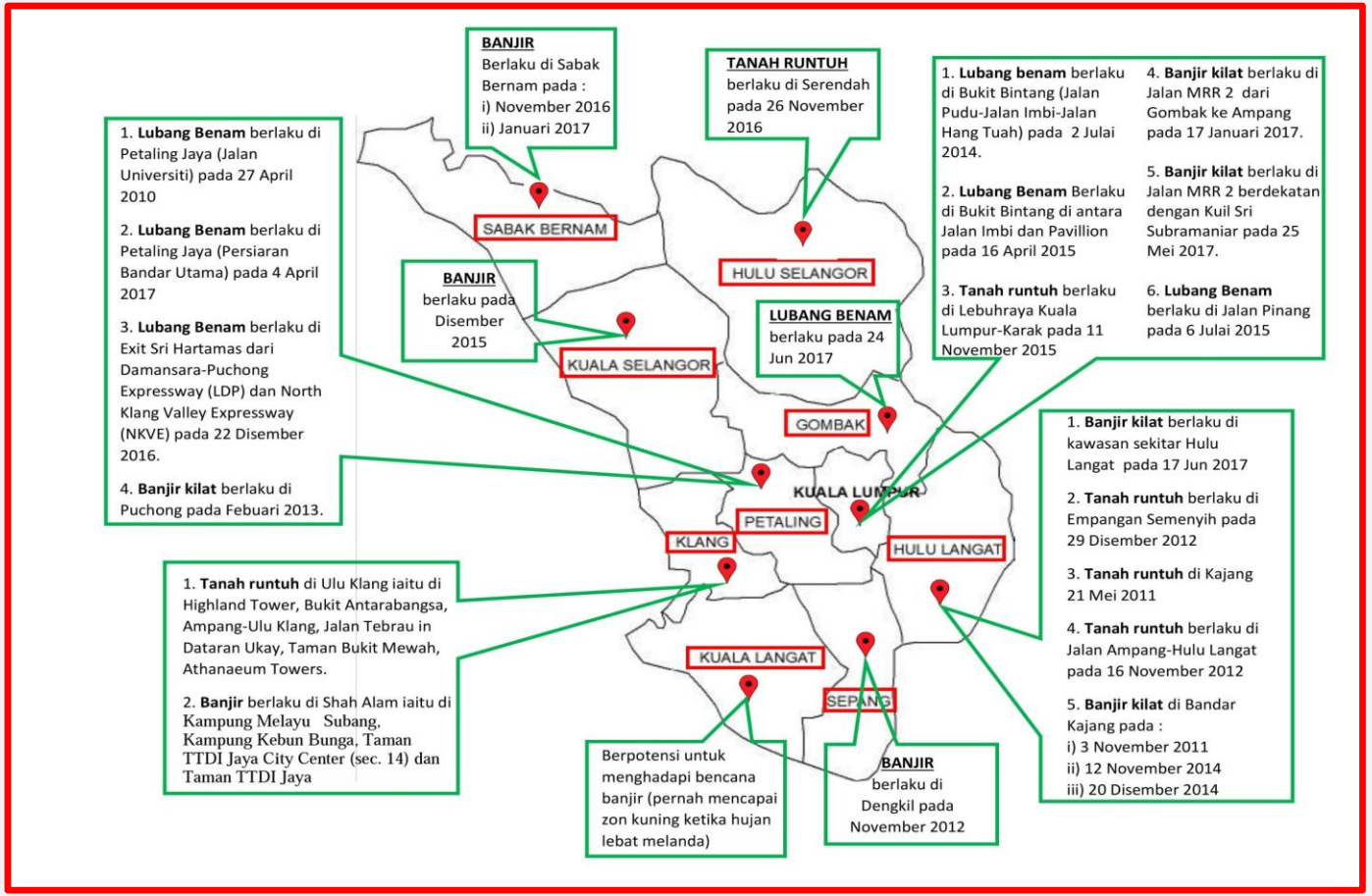
2

PRELIMINARY ASSESSMENT

Assessment of Natural Disaster Risk of Pilot Study Area

- Assessment of natural disaster risk is important to identify the potential threat and disturbance that can risks an area business continuity.
- Three common type of natural disasters that has happened in Klang Valley area:
    I. Landslides,
    II. Subsidence,
    III. Flooding.
- The pilot study area has only experienced flooding events as natural disaster.
- There are recent events of subsidence occurred in the pilot area but all due to development activities (anthropogenic in nature).

Some Recorded Natural Hazards in Kuala Lumpur and Selangor

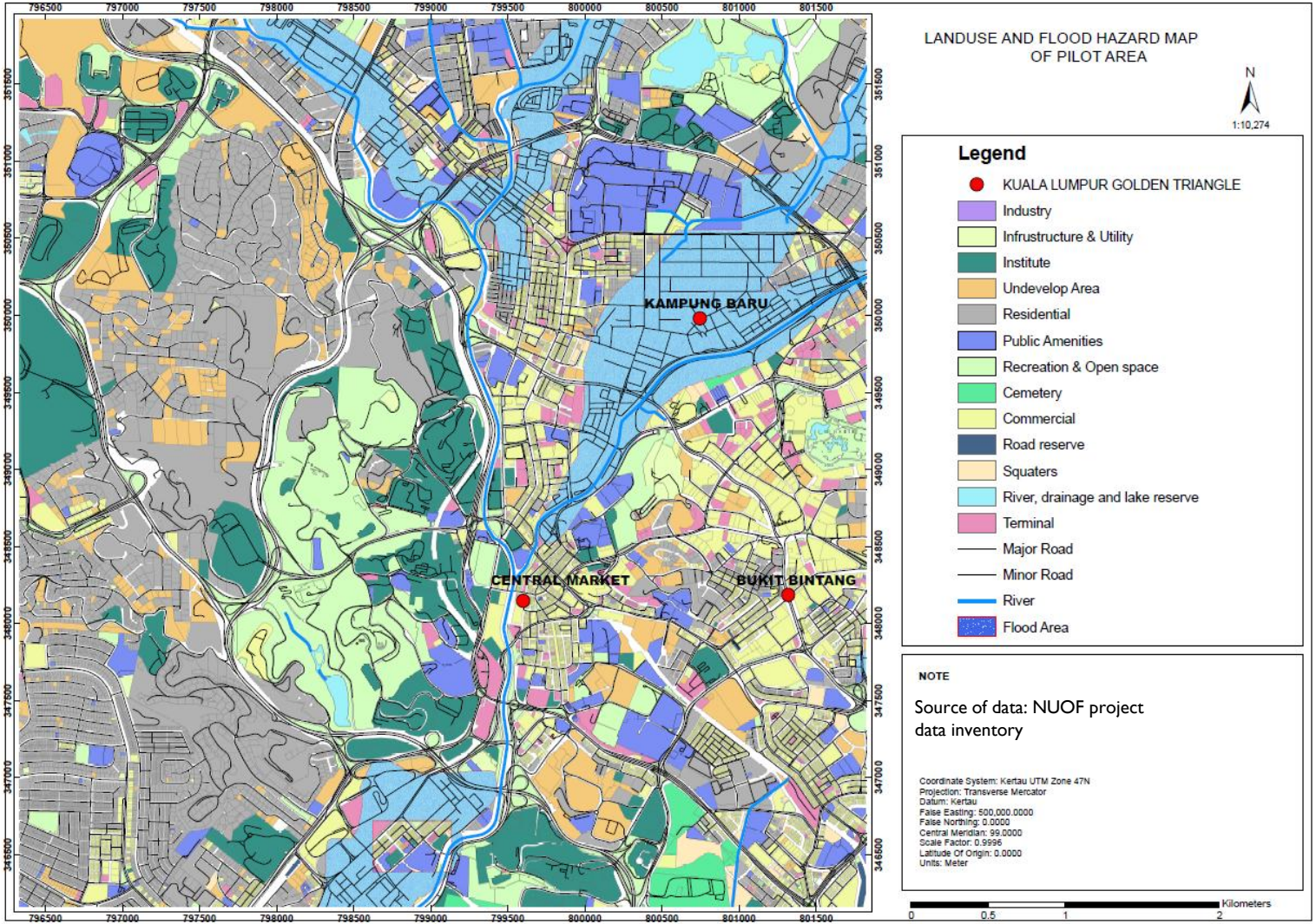


PRELIMINARY ASSESSMENT

Geomapping Technology Sdn Bhd (593061-U)

Flooding

- Floods are the dominant natural hazard in Kuala Lumpur and mostly caused by storm rainfalls brought by both the southwest and northeast monsoons.
- Inadequate drainage in many urban areas also enhance the effects of heavy rain.
- The potential flooding area has been demarcated onto the landuse map to produce Landuse and Flood Hazard Map.
- The flood follows the river trends, Gombak river and Klang river, flowing from north-northeast to south.
- Kampung Baru area is relatively low level thus making it prone to the risk of inundation.
- The flood potential area also affects major access roads (Jalan Tun Razak and Jalan Imbi) within pilot study area.


LANDUSE AND FLOOD HAZARD MAP
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Legend
KUALA LUMPUR GOLDEN TRIANGLE
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Institute
Undevelop Area
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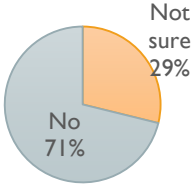
PRELIMINARY SURVEY ON BUSINESS CONTINUITY PLAN (BCP)

- The study team has conducted preliminary survey on Business Continuity Plan (BCP) to individual stakeholder in the pilot study area.
- 52 respondents provided information on the BCP implementation and awareness where 16 numbers are micro enterprises and 36 numbers are small enterprises from "service and other" sectors business category.
- Most of the respondents are not aware/heard about BCP. Nevertheless, every individual company have their own coping mechanism and safety measure in the event of disaster.

KEY QUESTIONS IN THE PRELIMINARY SURVEY

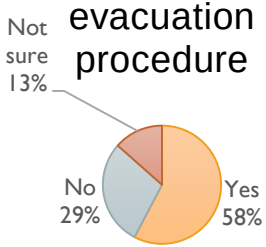
Geomapping Technology Sdn Bhd (593061-U)

Having a documented BCP



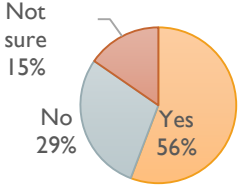
(a)

Have a fire evacuation procedure



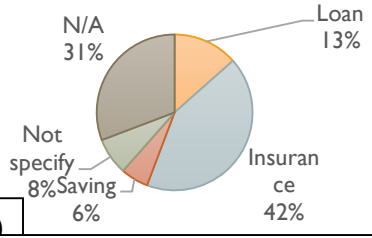
(b)

Employees trained in case of incident



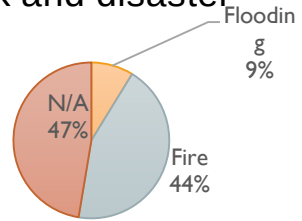
(c)

Emergency fund in a case of disaster



(d)

Potential natural risk and disaster



(e)

CONCLUSION AND SUGGESTION

- Flooding is the major and common natural disaster event that had happened in Kuala Lumpur Golden Triangle. According to the respondent, some had experience first-hand of the flooding incident that disturbed their business operation. A more detail assessment of the flood event should be able to help on constructing vulnerability assessment of the affected area.
- According to the preliminary survey, most of the respondent have no Business Continuity Plan or have no idea what is Business Continuity Plan. However, some stakeholders/employers have taken some steps to maintain their business operation in the event of natural disaster. Need to increase awareness on the importance of BCP in order for Area BCP to be formulated and optimized.
- This study is still at very early stage. Further detail study to be conducted to gather as much as information and relevant data in order to formulate a draft Area BCP. Second stage of field survey will be conducted in order to have enough data to do statistical analysis.

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