# ADOPTION OF BUSINESS CONTINUITY MANAGEMENT STANDARDS IN CZECH ORGANIZATIONS\*

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The paper focuses on issues of Business Continuity Management (BCM) in the Czech Republic. The topic is becoming important because the discipline and the related BCM processes have the potential to reduce risks arising from the turbulent environment existing in all economic sectors by the identification of risks related to the changing conditions and the correct specification of key processes. The aim of the paper is to identify the level of business continuity ensuring in organizations in the Czech Republic. The level of ensuring is evaluated based on the application of generally accepted BC standards. The results have been obtained through a questionnaire survey and evaluated using the tools of descriptive statistics. One of the conclusions is that Czech organizations do not apply BCM based on standards. This indicates that organizations have a non-systematic approach to the elimination of uncertainty and protection against situations threatening business operation. Nowadays, the topic is significant for all organizations in all economic sectors including IT, the financial sector, industry, and agriculture. Its significance lies in the recognition of organizations' weak points and protection against multiple threats.

IT industry; recommendation; process; survey; hypotheses; agriculture

#### INTRODUCTION

Business Continuity (BC) ensuring is a major strategic objective for many organizations (Teece et al., 1997; Ashurst et al., 2012; Hameed et al., 2012) in all sectors of economy including agriculture (Macombe, 2007). For example Flanagan (2010) states that the complexity of food supply chains makes it important to develop risk management strategies that overarch entire business operations. The recognition of risk is driving many food businesses to develop a risk management strategy that covers the entire operation, recognizing that there are risk connections between areas of business that are considered independent. There are significant advantages in taking a proactive approach to risk management within the food supply chain.

According to Järveläinen (2013), information technology (IT) is of utmost importance for organizations and generally represents a significant resource and asset for their effective working (Ministr, Števko, 2010). Järveläinen (2013) says that IT incidents that make data inaccessible may cause that businesses lose customers, reputation, and market position the most. Previous studies on information management have identified data availability as a key

priority, and the literature on disaster recovery and business continuity describes ways of preparing for and avoiding IT continuity incidents.

BCM Academy (2012) states that in the event of critical situations a familiar environment is subject to a change, which may eventually lead to chaos. The usual business model of everyday behaviour will no longer work. Everything that was common in the organization – routines, conventions, and processes – will cease to exist (Wolf et al., 2012). Since Business Continuity Management (BCM) focuses on business process continuity ensuring and organizations' functioning, it offers a system of measures by means of which any organization can continue conducting its core business processes under any circumstances and can protect its capital including the organization's reputation (Kaye, 2008; Ahmad et al., 2012; BCM Academy, 2012). The importance of business continuity and the role it plays in the continuity and development of the agricultural sector was quantified by Salghetti et al. (2007) who used an economic analysis to identify the difference between the contribution of ancillary activities and of traditional activities in the farm balance sheets.

The forces in the global concept and competition pressures are moving organizations to take measures to

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ensure the continuity of their business (Ve n c l o v á, U r b a n c o v á, 2012) and prove their resistance to their business partners. Business continuity has become a topic of high interest to organizations striving to overcome negative forces (K P M G, 2006) and business enterprises are increasingly realizing the importance of BCM (T a m m i n e e d i, 2010).

The purpose of the survey presented in the paper is to evaluate the relationships between selected characteristics of organizations in the Czech Republic and the application of BCM according to standards and then, based on the findings, to formulate recommendations. Moreover, relationships between the qualitative characteristics examined are determined and recommendations for organizations formulated. The literature refers to internal organizational characteristics, such as the size and economic sector (Jaquith, 2009; Elliott et al., 2010; Ernst & Young, 2011).

Motivated by the need to examine the issue, the paper analyzes the practical situation of BCM application according to the public standard in organizations in the Czech Republic.

The following research questions were formulated: Do Czech organizations apply BCM according to the BCM standards or not? What significant reasons do they have for adopting or declining BC in comparison with other countries? How do selected organizational characteristics influence the application of BCM? The extent of application is an important indicator of organizational resistance against various threats.

First, the paper identifies and examines the issues of BCM as presented in the current literature. Then it formulates hypotheses that link organizational characteristics with BCM. It also focuses on the question of appropriateness of utilizing the BCM standard in all economic sectors (primary, secondary, and tertiary) and all sizes of organizations.

## Theoretical background

The aim of the BCM discipline is to ensure the uninterrupted availability of all key resources required to support critical business activities in the event of business disruption and to facilitate the return to 'business as usual' (Tammineed i, 2010; Venclová, Urbancová, 2012). BCM defines a set of functional and applicable measures which act mostly preventively, but also repressively (BCM Academy, 2012). Preventive measures help prevent situations that lead to the disruption of the operations continuity within the organization. Repressive measures reduce the negative effects of already existing situations to an acceptable level and contribute to the restoration of operation.

To recognize BCM as a crucial part of organizational processes is important for any organization from a general perspective (W o n g , 2009; B C I , 2012; B C M A c a d e m y , 2012). There is no organization without weaknesses and therefore each organization is vulner-

able to threats. A crisis may be triggered by a weak point and may have a strong or a less evident impact. BCM facilitates the identification and elimination of vulnerabilities caused by the exposure to such weak points. Preventive measures taken by organizations following a risk assessment usually provide high efficiency with minimal investment. These are small changes that deliver amazing results (Kildow, 2011; Roebuck, 2011). In addition, BCM helps strengthen critical business processes and activities by getting an insight at sensitive areas that are under pressure (Hiles, 2007; Sharp, 2009; Elliot et al., 2010). The process improvement results in its stabilization and provides a critical success factor by allowing for the continuity of the process.

It can be summarized that BCM is a managerial process which identifies possible events that might endanger organizational activities and which improves an organization's ability to successfully and appropriately react to these events (Beazley et al., 2002; Elliot et al. 2002; Blyth, 2009). The aim of BCM is to protect primarily the continuity of processes and activities and keep an organization's critical processes safe and secure in the event a specific threat occurs (Hiles, 2007; Herbane, 2010). Therefore BC ensuring is the main objective of the BCM processes.

B C M A c a d e m y (2012) states that BCM involves the entire organization and the total performance of the organization is a sum of all business processes together. Therefore, all activities related to BCM cover all business processes and activities and thus have an organization-wide character (B S I, 2005a, b; B C I, 2012). The effectiveness of processes and activities must operate on the basis of the synergic effect because it is important for consciousness that while activities do work scattered and they are not integrated using coordination, the setup and customization of the business will not be met and the intended primary purpose of the BCM related activities will not fully achieve the expected outcome (W o n g, 2009).

The global deployment of information and communication technologies accompanied by increased technological capability has an important consequence for organizations - the growing dependency on reliable operation of IT, including all related processes and activities (Doucek, Novák, 2010). The enforcement of greater efficiency and effectiveness, the necessary degree of safety and security for IT are established as one of the basic areas of responsibility of an organization's management and supervisory IT staff (Doucek et al., 2011; Ahmad et al., 2012; Baginski, Bialas; 2012), because ignorance of the field represents a significant operational risk (Graham, Kaye, 2006). The risk comes from the fact that IT is not able to fully support the required business processes or will only support them to a limited unacceptable extent. The risk also comes from an innovation perspective. The number of adoptions of IT innovations which are essential commitments that organizations make to implement the new technology may outstrip previous successful implementations (S w a n s o n, 2012) and also may change the organizational form (C o s h et al., 2012). Since organizations do not continually verify, maintain, and review BCM (Venclová, Urbancová, 2012), the impact of innovations is considerable.

According to the most commonly applied standard BS 25999 originating from Great Britain, the BCM lifecycle requires an active approach of the organization and a continuous performance of activities like BCM Programme Management (including individual processes for business continuity ensuring by covering sub-processes, sub-projects, and activities), understanding the organization (based on gathering information about the importance of individual processes and activities carried out by organizations), determining a BCM strategy (establishes approaches to increase an organization's resistance and ways of dealing with critical situations), BCM development and implementation (including the implementation of measures in the form of individual sub-projects aimed at the development of plans and scenarios for managing critical situations), BCM verification, maintaining and reviewing (repeatedly examines the relevance of drawn-up plans and procedures leading to their gradual improvement), and the anchoring of BCM in the organizational culture (promotes the development of BC as the fundamental value of the organization leading to competitiveness).

The perception of BC is different in different parts of the world and the different views also determine the methodology and standards which regulate the issue of business continuity in individual countries or continents (Burtles, 2007; Blyth, 2009).

Foreign researches (K P M G, 2010) reveal that 58% (n = 800) of organizations apply BCM and a half of respondents (n = 800) has dealt with some BC related incident. 50% of them are satisfied with their ability to recover from incident consequences. 26% of respondents have no notion (not even minimal) of the amount of financial losses suffered. K P M G (2010) research reveals the main factors determining BCM: the organization's size, the area of activity, the size of the market (local, international), and the number of incidents in the organization.

In the Czech Republic, organizations striving for business continuity apply the BS 25999 standard (Venclová, Urbancová, 2012). They focus on key business processes (95%), information technologies (90%), and human resources (60%). However, a follow-up detailed study has shown that almost 70% of such organizations do not apply BCM consistently and systematically as far as the verification of BCM processes and anchoring of BC in the organizational culture are concerned.

With respect to the KPMG (2010) researches focused on BCM only in foreign countries and since the situation in the Czech Republic is not known, this paper concentrates on covering the knowledge gap. In order to answer the research question, a null hypothesis and six working hypotheses have been proposed. The null hypothesis  $\mathbf{H}_0$  has been defined as follows: Organizations in the Czech Republic do not apply BCM based on generally available standards.

The survey tested the following working hypotheses:

H<sub>0</sub>1: Organizations have no specific reason for not applying BCM.

According to K P M G (2010) researches, the main reasons for the non-application of BCM are mostly high investments and a lack of qualified specialists. Other reasons mentioned by J a q u i th (2009), Elli o t et al. (2010), and verified by the survey presented in this paper are that it is time consuming, costly, there is no relevant public standard available, and that it is rather unimportant from the business perspective.

 $H_02$ : BCM application does not depend on the sector of economy.

Sharp (2009), Low et al. (2010), Chin-Sen et al. (2012), Randeree et al. (2012), and Sawalha et al. (2012) confirm, that business continuity must be ensured in all economic sectors. The researches (KPMG, 2010; Ernst & Young, 2011) also confirm that BCM is most frequently applied in the financial, insurance, and healthcare sectors, i.e. in the tertiary sector.

 $H_03$ : BCM application does not depend on the size of the organization.

Every organization regardless of its size is threatened by the external and internal environment (S h a r p, 2009; B l o s et al., 2010; K P M G, 2010).

 $H_04$ : The reason for the application of BCM does not depend on the size of the organization.

The reasons identified through  $\rm H_01$  are considered in relation to the size of the organization and should not have significant impact on the adoption of BCM.

 $H_05$ : Low importance from the business perspective does not depend on the size of the organization.

In the current competitive environment BCM is a factor of success (Münstermann et al., 2012; Venclová, Urbancová, 2012). Therefore the relation between an organization's size and the low importance of BCM from the business perspective was examined.

 $H_06$ : BCM-uncertified organizations are not interested in certification in the future.

The interest in potential application may be triggered by hidden reasons, such as external requirements, regulations or customers.

The survey hypotheses will be tested in the Results chapter. As a basis for subsequent synthesis a precondition (P1) is expected to be valid for all organizations. P1 is defined as: For each organization with matching

organizational characteristics influencing BCM adoption the BCM will be applied. Precondition is created on the basis of the fact that Business Continuity ensuring is a major strategic objective for many organizations (Teece et al., 1997; Ashurst et al., 2012; Hameed et al., 2012).

The values that contextualize a methodological framework are summarized in Fig. 1.

#### MATERIAL AND METHODS

The paper has been drawn up using scientific methods, in particular logical methods, such as analysis, synthesis, induction, and deduction. Primary data was obtained as part of the survey within the CIGA 2012–2013 project conducted in the period 6/2012–10/2012 using a questionnaire technique of data collection which included both research (19) and identification questions (3). The questionnaire was targeted at the issues of business continuity ensuring in organizations in the Czech Republic.

The formulation of questions was tested in a presurvey by interviewing specialists in the area of operational risks and security. Technical terms generally used by specialists in these areas were used. Where the term was not quite clear and could lead to misunderstanding, an explicit definition was included.

The selected sample consisted of 779 organizations in the Czech Republic that were chosen based on the quota sampling criteria (economic sector and the size of organizations).

The survey was sent to BCM specialists of large and mid-sized organizations and owners of small organizations. The response rate was 13.62%. The categories of organizations were chosen according to the CZ-NACE (Czech Statistical Office, 2010) classification: 15% of organizations from the primary sector (primary agricultural raw materials extraction) and 15% and 70% of organizations from secondary (industry and construction) and tertiary (services) sectors, respectively. The tertiary sector plays the most economical role in the Czech Republic (Czech Statistical Office, 2010). The structure of organizations according to their size was as follows: 65% of small organizations, 20% of midsized organizations, and 15% of large organizations. Specialists dealing with operational risks or working directly in the field of security were addressed. The overall questionnaire return rate was 13.62%, i.e. questionnaires were obtained from 106 respondents.

The structure of respondent organizations was as follows:

- according to the sector -9.4% from the primary, 17.9% from the secondary, and 72.7% from the tertiary sector;
- according to the organizations' size 42.5% of organizations with up to 50 employees; 28.3%

of organizations with 51–249 employees; 29.2% of organizations with 250 and more employees.

Organizations from the primary, secondary, and tertiary economic sectors (as classified by CZ-NACE and categorized by the Czech Statistical Office (CSO)) were addressed and represented proportionally (in percentage points).

To evaluate the results, the methods of descriptive statistics were used: absolute and relative frequencies, testing of dependency between the set qualitative features and dependency tests. The analysis was carried out using the MS Excel 2007 and SPSS Version 20 applications. A non-parametric Chi-Square Test was used in the survey and the level of dependence was measured based on Cramer's V. The test was suitable because statistical conditions complied with the rules of its application: no interval with zero frequency, up to 20% confidence intervals at a frequency less than 5 (Pecáková, 2011).

## RESULTS

This chapter contains data evaluation, its interpretation, and recommendations. It consists of two sub-sections; the assessment of the current situation regarding BCM in Czech organizations and a follow-up test focusing on qualitative characteristics. The section 'Results' is followed by the Discussion section and conclusions which summarize the most important recommendations based on the evaluated results.

The survey reveals that Czech organizations generally do not apply BCM principles. This is valid for a total of 81.10% of organizations. Only 18.9% of respondent Czech organizations use BCM. In total, 50% of organizations applying BCM based on publicly available standards are organizations with foreign participation. The most commonly applied standard in these organizations in the Czech Republic is BS 25999-1, followed by BS 25999-1 and -2. 31% of organizations applying BCM apply the BS 25999 standard, 16% apply CobIT, and 53% apply ITIL.

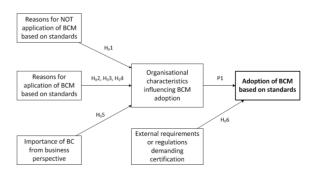


Figure 1. A framework for Business Continuity Management (BCM) adoption source: own elaborate

Table 1. Reasons for the non-implementation of BCM in organizations (in %)

Reason	YES	NO	Total
It is not important	53.8	46.2	100
High price	13.2	86.8	100
No support of management	9.4	90.6	100
Lack of qualified workers	7.5	92.5	100
Other	7.2	92.8	100

BCM = Business Continuity Management

source: own survey

With respect to the fact that the majority of organizations (81%) do not apply BCM, the reasons behind that situation were investigated (Table 1).

The majority of addressed organizations (53.8% of respondents) do not apply BCM because they do not find it important in their field of activity ( $\rm H_01$ ). Due to the benefits identified in the theoretical background of the paper, it is obvious that organizations rather accept the risk of negative impacts on business continuity than the potential benefits of BCM. Some of these organizations do not recognize any risks at all. 46.2% of organizations do not apply BCM despite the fact that they consider business continuity an important area.

In total, 13.2% of respondents answered that they did not apply BCM because of its high costs and the lack of sufficient funds for its application and implementation.

A total of 7.5% of organizations explicitly stated that they did not have enough qualified staff to assume responsibility for BCM. 70% of organizations which implemented BCM had a team of specialists of 2–5 members. 20% of organizations had only one specialist and 5% of organizations had more than six specialists (a specialist team of 6–15 members) and 5% of multinational companies had a team consisting of more than 16 specialists.

Among other reasons for not applying BCM the respondents stated that they did not hold a high enough position in the organization's management to promote its application. They also mentioned the fact that they were satisfied with the application of the ISO 9001 standards.

Table 3. Contingency table between BCM ensuring and size of organization (according to the number of employees)

Question less than 50		Size	T-4-1		
		less than 50	51-249	250 and over	Total
Do you	NO	42	28	16	86
ensure BC?	YES	3	2	15	20
Total		45	30	31	106

BCM = Business Continuity Management

source: own survey

Table 2. Contingency table showing the application of BCM and the economic sector

Question primary			Total		
		primary	secondary	tertiary	Total
Do you	NO	9	14	63	86
apply BCM?	YES	1	5	14	20
Total		10	19	77	106

BCM = Business Continuity Management

source: own survey

The survey further identified the most critical areas covered by BCM, i.e. identified the main stimulus for BCM application. The majority of organizations applying BCM responded that the most significant threats come from IT (hardware and software). This is followed by the loss of the employees (25% organizations). For 20% of organizations the threat lies in unintentional human errors and 10% of organizations mentioned intentional human errors. 20% of organizations stated the threat of natural disasters and epidemics.

Based on the results above and in order to support their relevance, statistical dependencies between selected qualitative characteristics were collected and tested (H<sub>0</sub>2). Due to the small number of organizations which apply BCM based on the standards, the sectors they operate in were evaluated. The results clearly show that organizations in the tertiary sector (the categorization according to CZ-NACE) apply BCM, in particular in the IT industry and in banking. As far as the agricultural sector is concerned, only one out of 10 organizations has the ISO/PAS 22399 standard in place. None of them apply the BS 25999 standard. Detailed results are shown in Tables 2 and 3 (in absolute frequencies).

This is due to the fact that the banking sector (and financial services in general) is obliged to apply BCM according to the applicable standards. Czech organizations apply BS25999-1 and -2. Organizations in the USA use the NIST SP 800-34 standard – Contingency Planning Guide for Federal Information Systems. The majority of organizations are still of the opinion that there is no reason for investing in BC if its application is not obligatory in their sector. Even though the dependency between the application of BCM and the economic sector has not been proven (33.3% of theoretical frequencies were less than 5), it still has to be taken into account (H<sub>0</sub>3). Similar studies (Pitt, Goyal, 2004; Münstermann et al., 2012) focused on BCM application and confirmed benefits for all types of organizations, regardless of the sector they operated in or their size. The coverage in absolute frequencies according to the size of organizations is shown in Table 3 (according to the number of employees, classification according to the Czech Statistical Office).

Table 4. Test of dependencies between qualitative characteristics

No.	Null hypothesis	P-value X <sup>2</sup> test	Denial H0	Value of dependence	Dependency
H <sub>0</sub> 3	BCM ensuring in the Czech Republic does not depend on the organization size	0.000	YES	0.485	medium
H <sub>0</sub> 4	reason for non-implementation of BCM does not depend on the organization size	0.000	YES	0.573	medium
H <sub>0</sub> 5	lack of organization's interest to ensure BCM does not depend on its size	0.000	YES	0.510	medium

BCM = Business Continuity Management

source: own survey

The contingency table clearly shows that the majority of organizations that apply BCM are large organizations (with over 250 employees). Only 15% of organizations applying BCM have up to 50 employees, which is an exceptional situation in the Czech Republic.

Dependencies between qualitative features regarding working null hypotheses  $\rm H_03$ ,  $\rm H_04$ , and  $\rm H_05$  were tested. Using extracted data, dependencies were tested by applying Pearson's Chi-Square Test ( $\chi^2$  test). When the *P*-value calculated by means of the  $\chi^2$  test was lower than the selected level of significance ( $\alpha = 0.05$ ), the null hypothesis was rejected. Detailed results are provided in Table 4.

On the basis of the results presented above, it can be summarized that the  $\rm H_03$ ,  $\rm H_04$ , and  $\rm H_05$  hypotheses were rejected (since Pearson's Chi-Square Test result is 0.000 and is lower than 0.05) and replaced by alternative ones proving the existence of the feature. The strength of dependency is medium. The absolute frequencies of dependencies between the intended application of BCM based on the standards and the size of the organization are shown in Table 5.

The results in the contingency table reveal that the total of 21% of organizations intends to implement BCM based on the standards in a 5-year horizon ( $\rm H_06$ ). The majority of them are small organizations with up to 50 employees (44%) and large organizations with over 250 employees (33%). 83% of organizations have a Czech majority shareholder and 17% of organizations have a foreign majority shareholder. A major part of organizations considering BCM implementation based on the standards are from the tertiary sector (94%) and 6% of organizations fall in with the secondary sector.

Based on the evaluation of the outcomes obtained, it is possible to state that BCM application in the Czech Republic depends on an organization's size. The size of the organization is also important with respect to the recognition of the importance of BCM application and the reason for the non-implementation of BCM in the future. All dependencies are direct and medium.

Based on the survey it can be stated that:

- The majority of organizations in the Czech Republic do not ensure business continuity based on the standards.
- Organizations in the Czech Republic do not have any specific reason for not applying BCM; they usually do not find it important. The smaller the organization (according to the number of employees), the lower the interest in BCM.
- BCM application in the Czech Republic depends on the economic sector and the size of the organization. Only 5% of all organizations having a BC standard are from the agricultural sector.
- Organizations in the Czech Republic which are not BCM-certified are not likely to be certified in the future. The larger the organization (according to the number of employees), the greater the focus on BCM. Organizations in the tertiary sector (focusing on consulting services) show the biggest interest in BCM.

Foreign researches (K P M  $G\,,\,2010)$  identified the following:

- BCM based on the BS 25999-1 and -2 standards is applied by organizations with global operations.
- BCM based on the BS 25999-1 and -2 standards is primarily applied by organizations from the financial, insurance, health care, and public sectors.

Table 5. Contingency table showing BCM ensuring in the future and the size of organization by the number of employees

Question less than 50		Size of organization			Total
		less than 50	51–249	250 and over	10181
Do you intend to apply the BCM standards within the next 5 years?	NO	34	24	10	68
	YES	8	4	6	18
	ALREADY HAVE	3	2	15	20
Total		45	30	31	106

BCM = Business Continuity Management

source: own survey

• BCM is managed by two full-time specialists in organizations.

Comparing the results from the Czech Republic and those provided by K P M G (2010), the following may be concluded:

- BCM based on the BS 25999-1 and -2 standards and comparable standards is applied by global organizations (30%), 25% of Czech organizations and 20% of foreign organizations apply the BS 25999-1 standard.
- BCM based on the BS 25999-1 and -2 standards and comparable standards is applied in particular by ICT organizations (25%) and insurance companies (5%).
- From 2 to 5 full-time specialists are engaged in 40% of foreign organizations and 30% of Czech organizations.

## DISCUSSION

In the current economic environment, any modern organization must be prepared to fulfill its obligations towards its stakeholders, but in particular to perform the main organizational processes. Critical events can disrupt not only the run of the organization, but they can significantly threaten its existence. The majority of the respondent organizations in the Czech Republic (81.9%) do not ensure business continuity. Organizations in non-IT sectors often quoted that the reason for not applying BCM was the fact that they did not find it important (53.8% of all organizations, 80% of organizations from the agrarian sector); 13.2% of organizations did not apply BCM due to high prices, and in 9.4% of organizations the area was not supported by their top management. Organizations' representatives were not aware of the benefits coming from the international standards (BS 25999-1, -2). The results show that mainly the small and mid-sized organizations (80 no; 20 yes) do not recognize the benefits of BCM or the return on investments. With regard to the theoretical part, these organizations lack a systematic way of:

- identifying potential incidents, accidents, disturbances, and threats,
- identifying and quantifying material and non-material damage,
- preparing and testing plans to minimize the impact of critical situations,
- restoring individual organizational functions and their returning to their original state (before the critical situation or crisis).

On the basis of the survey and result evaluation, the recommendations for the organizations in the Czech Republic may be formulated as follows:

- to study critically the opportunities coming from the application of BCM (concentrated in the BCM standards),
- to establish co-operation with consulting organizations to gain the necessary know-how and, if desirable,

consider the standardization. These conclusions have been also proven in the surveys carried out by Pitt, Goyal (2004) and Münstermann et al. (2012). Münstermann et al. (2012) stated that business process standardization has positive effects on business process quality, costs, and time.

• to achieve a competitive advantage by identifying the key parts of the organization in order to reduce business threats. By applying BCM, a set of threats may be identified, which means a higher probability of being able to resist and overcome critical situations or crises. Major weaknesses lie in the area of human resources and technical infrastructure.

The testing was carried out in one country only and the response rate was low, therefore we should be careful to make any general conclusions; a future survey is required.

The future survey (using the balance scorecard technique) will focus on how standard-based business continuity ensuring determines organizations' business benefits.

#### CONCLUSION

This paper broadened the picture of the situation in the Czech Republic provided by a similar survey aimed at BCM. A typical organization applying BCM uses the BS 25999-1 and -2 standards, has more than 250 employees and operates in the banking, financial or energy sector. This is due to the fact that these organizations are obliged to comply with international legislation prescribing the application of BCM. Organizations in the Czech Republic, including those in the agrarian sector, do not recognize the direct benefits arising from BCM even though these benefits were observed and proven in a number of key processes. The summary reveals that currently there are few BCM-certified organizations in the Czech market (out of which only 5% are from the agricultural sector). However, it is important to realize that organizations are currently operating in a turbulent environment and the danger of crisis jeopardizes all of them, in particular if they are dependent on the supply chain. The paper emphasizes the BCM approach which can help find weaknesses in the organization, improve its resistance, and differentiate it from competitors by the ability to overcome crises. The most significant practical contribution of this survey-based paper is that it highlights the essential role of BCM. The application of BCM according to the standards can therefore be seen as a competitive advantage and increase the credibility of the organization in relation to its partners and customers, as confirmed by Luoma-aho, Paloviita (2010) and Järveläinen (2013). The limitations of the survey in the Czech Republic include a low survey response rate and the fact that the respondent group was geographically homogeneous (covering only one country). It would be useful to carry out further studies and tests in different countries and compare them.

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