



BCI Horizon Scan Report 2023

Australasia Region

November 2023



Executive Summary

Australasia



Executive Summary

- **The need to comply to new regulations been the prime disruptor to Australasian organizations in 2023. The higher cost of living features for the first time as a top threat for organizations, reaching second place**

Occupational health incidents, the global top threat to organizations, is only in tenth position in the Australasian region in 2023 showing the importance of considering different regional perspectives in analysis. In Australasia, the greatest concern is compliance to new regulation and, given that a third of responses come from financial services or related industries, much of this is likely to be due to the launch of APRA's CPS 230 operational risk management standard.

- **Post COVID-19, technology has given way to the “human factor” as the primary cause of disruptions to organizations**

In 2020 to 2023, the most disruptive events identified by organizations were related to employees' health, where that be through occupational disease, or non-occupational (e.g. pandemic). In 2013 to 2019, however, the primary impacts were from cyber-attacks or IT/telecom outages.

Executive Summary

- **The greatest singular disruption for organization in the past twelve months has been a severe weather event or an IT and/or telecom outage**

The move to remote and hybrid work models has emphasized the need to deal with IT and telecom outages. 26.3% of organizations reported that an IT/telecom outage was the most disruptive event in the last 12 months. Such outages are often the result of extreme weather events, the second largest singular disruption for Australasian organizations.

- **Loss of productivity was the greatest consequence of disruption to organizations in 2023**

Most incidents have the potential to cause productivity challenges for organizations. Severe weather can impact employees' ability to work, whilst power outages have the potential to halt operations entirely. The mental impact of incidents on staff should also not be overlooked as this can also lead to productivity issues if not addressed.

Executive Summary

Top three future risks to organizations in Australasia

Short term (2024):

1. Extreme weather events
2. Natural disasters
3. Cyber-attacks

Mid- (up to 2029) to long- (up to 2033) term

1. Cyber-attacks
2. Climate risk
3. Supply chain disruption

Executive Summary

- **Organizations are increasingly centralising their risk scanning processes, learning from past experiences**

Centralising risk management fosters a unified perspective on risks and threats, eliminating silos. This approach streamlines risk assessments, data interpretation, and decision-making, enhancing risk mitigation and enabling a proactive response to evolving threats.

- **The use of long-term trend analysis for BC/resilience purposes has soared to a historic high**
57.1% of organizations draw on the outputs of trend analysis for their business continuity/resilience programme, bolstering preparedness for the unknown.
- **There is a low uptake in the use of technology in organizations' risk analysis functions**
Most threat analysis work is done manually via public sources and through peer collaboration. Moreover, most organizations do not have a formalised electronic system to manage disruptions.

Executive Summary

- **ISO 22301 remains the golden standard for benchmarking business continuity practices in almost nine out of ten organizations**

Although certification levels fell during COVID, the number of organizations being certified to ISO 22301 is now back on the rise. Moreover, the number of organizations using ISO 22301 as a framework, has increased to the highest level ever recorded.

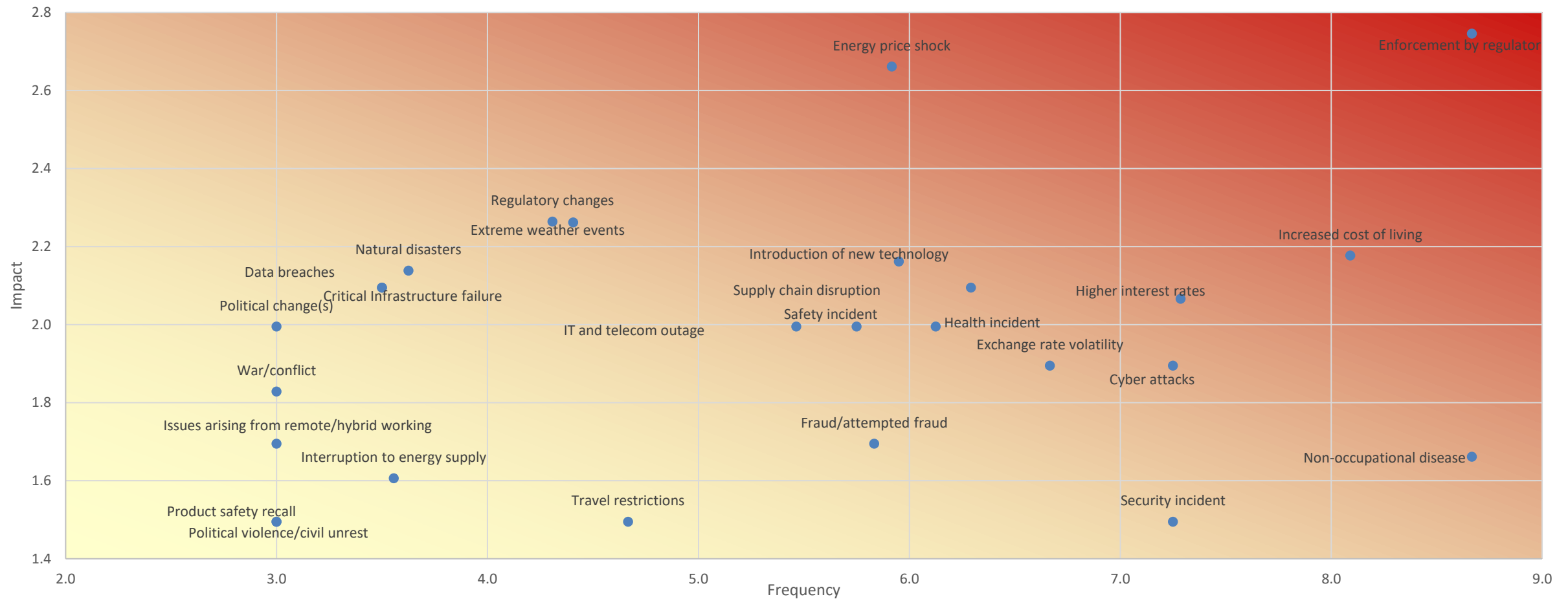
- **Investment in BC/resilience is likely to remain at current levels in 2024**

Over a third of Australasian practitioners expect funding to stay the same as in 2023 whereas a third of expect investment levels to increase in 2024. This is on a par with global levels.

Risk and threat assessment: past twelve months

Australasia

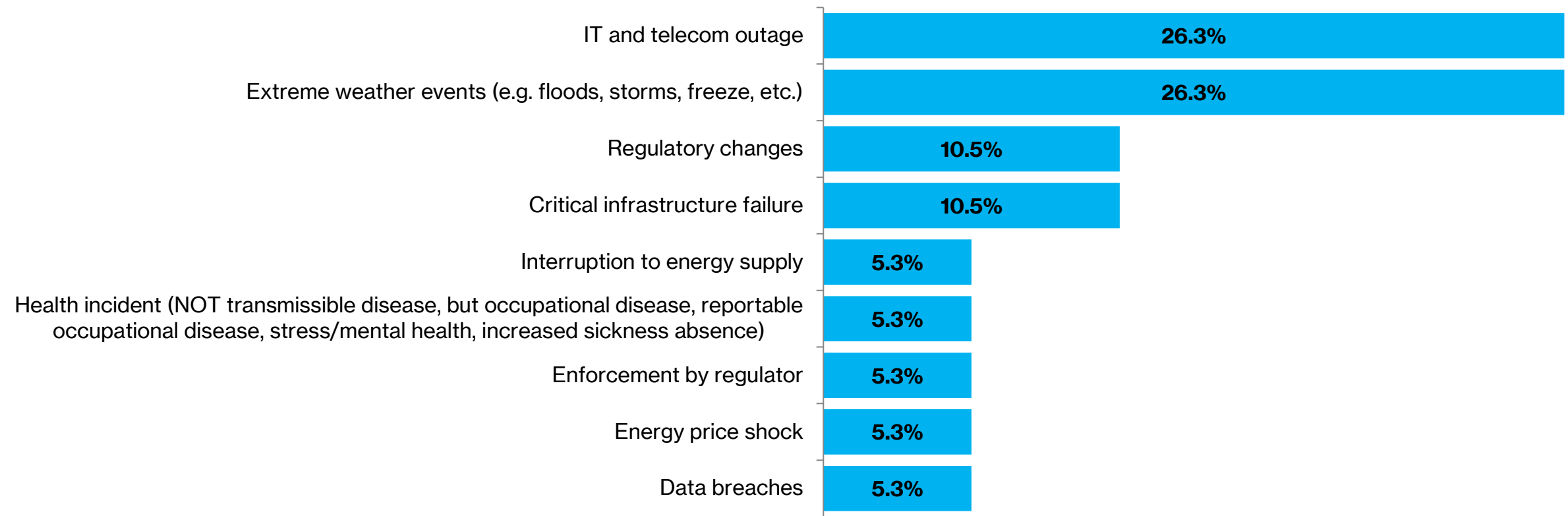
The frequency and impact of events on organizations in 2023



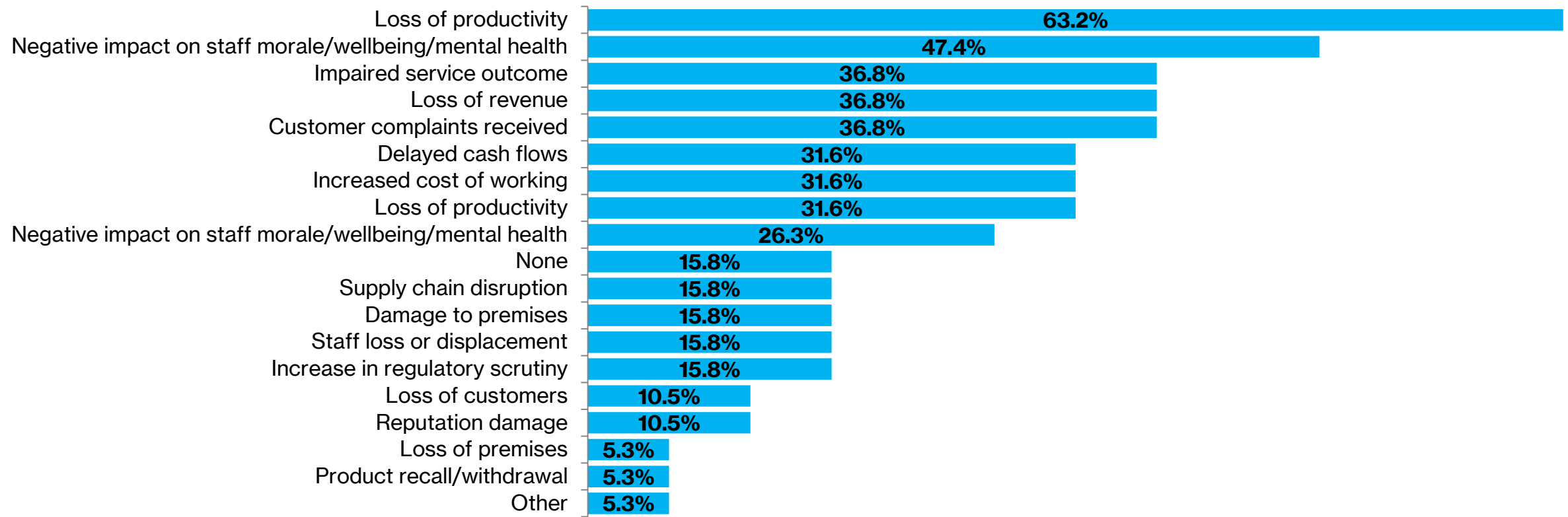
The frequency and impact of events on organizations in 2023

Event	Frequency	Impact	Risk Score
Enforcement by regulator	8.66	2.74	23.8
Increased cost of living	8.09	2.17	17.6
Energy price shock	5.91	2.66	15.7
Higher interest rates	7.28	2.06	15.1
Non-occupational disease	8.66	1.66	14.4
Cyber attacks	7.25	1.89	13.7
Supply chain disruption	6.29	2.09	13.2
Introduction of new technology	5.95	2.16	12.9
Exchange rate volatility	6.66	1.89	12.6
Health incident	6.12	1.99	12.2
Safety incident	5.75	1.99	11.5
IT and telecom outage	5.46	1.99	10.9
Security incident	7.25	1.49	10.8
Extreme weather events	4.40	2.26	10.0
Fraud/attempted fraud	5.83	1.69	9.9
Regulatory changes	4.30	2.26	9.8
Natural disasters	3.62	2.13	7.8
Critical Infrastructure failure	3.5	2.09	7.3
Data breaches	3.5	2.09	7.3
Travel restrictions	4.66	1.49	7.0
Political change(s)	3.00	1.99	6.0
Interruption to energy supply	3.60	1.6	5.7
War/conflict	3.00	1.82	5.5
Issues arising from remote/hybrid working	3.00	1.69	5.1
Political violence/civil unrest	3.00	1.49	4.5
Product safety recall	3.00	1.49	4.5

The events that have produced the biggest singular disruption to organizations in the past 12 months



The impacts or consequences that have arisen from disruptions in the last 12 months

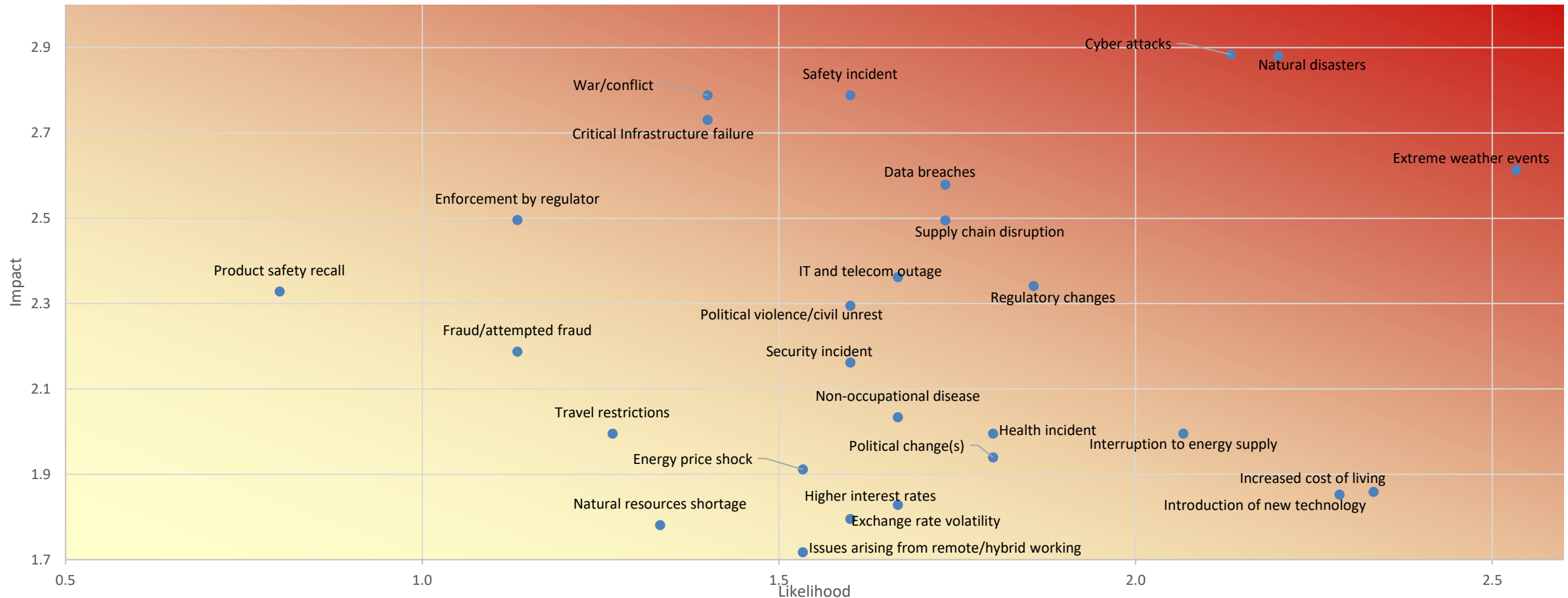


Risk and threat assessment: next twelve months

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The likelihood and potential impact of events on organizations in the next twelve months



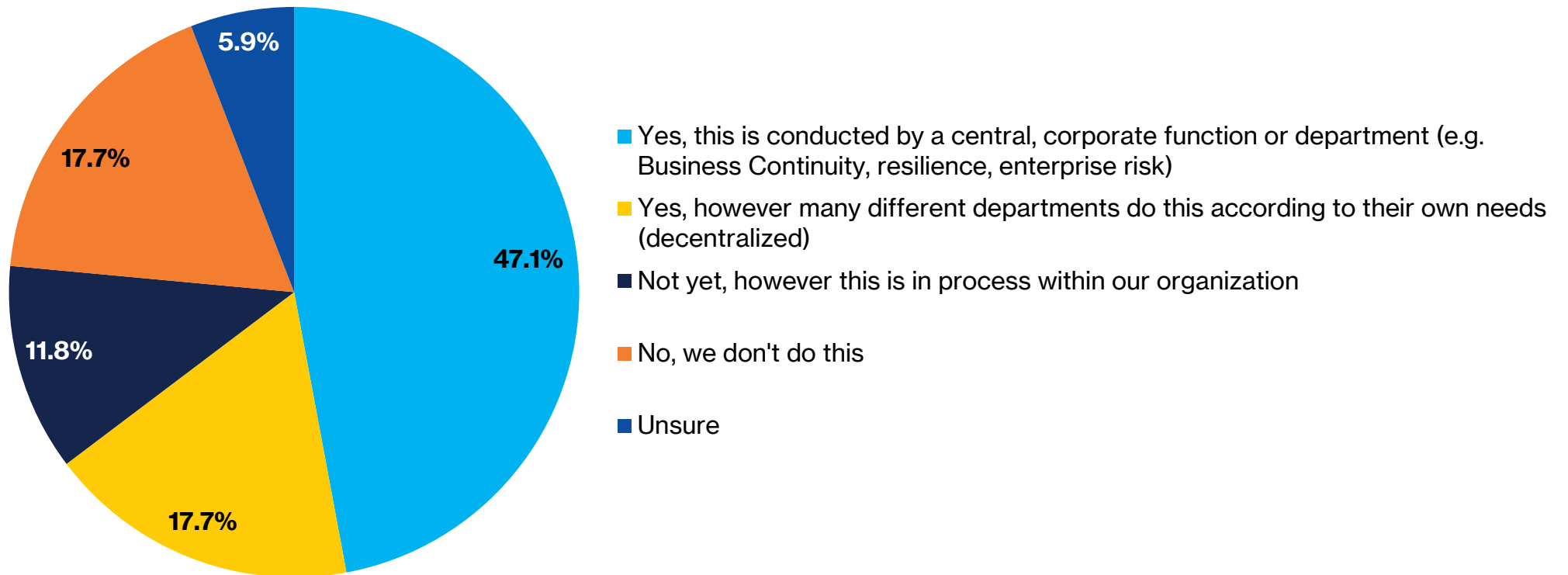
The likelihood and potential impact of events on organizations in the next twelve months

Event	Likelihood	Impact	risk index
Extreme weather events	2.53	2.61	6.62
Natural disasters	2.2	2.88	6.33
Cyber attacks	2.13	2.88	6.15
Data breaches	1.73	2.57	4.46
Safety incident	1.60	2.78	4.46
Regulatory changes	1.85	2.34	4.34
Introduction of new technology	2.33	1.85	4.33
Supply chain disruption	1.73	2.49	4.32
Increased cost of living	2.28	1.85	4.23
Interruption to energy supply	2.06	1.99	4.12
IT and telecom outage	1.66	2.36	3.93
War/conflict	1.40	2.78	3.90
Critical Infrastructure failure	1.40	2.73	3.82
Political violence/civil unrest	1.60	2.29	3.67
Health incident	1.80	1.99	3.59
Political change(s)	1.80	1.93	3.49
Security incident	1.60	2.16	3.45
Non-occupational disease	1.66	2.03	3.38
Higher interest rates	1.66	1.82	3.047
Energy price shock	1.53	1.91	2.93
Lone attacker/active shooter incident	0.86	3.34	2.90
Exchange rate volatility	1.60	1.79	2.87
Enforcement by regulator	1.13	2.49	2.82
Issues arising from remote/hybrid working	1.53	1.71	2.63
Travel restrictions	1.26	1.99	2.52
Fraud/attempted fraud	1.133	2.18	2.47
Natural resources shortage	1.33	1.78	2.37
Product safety recall	0.80	2.32	1.86

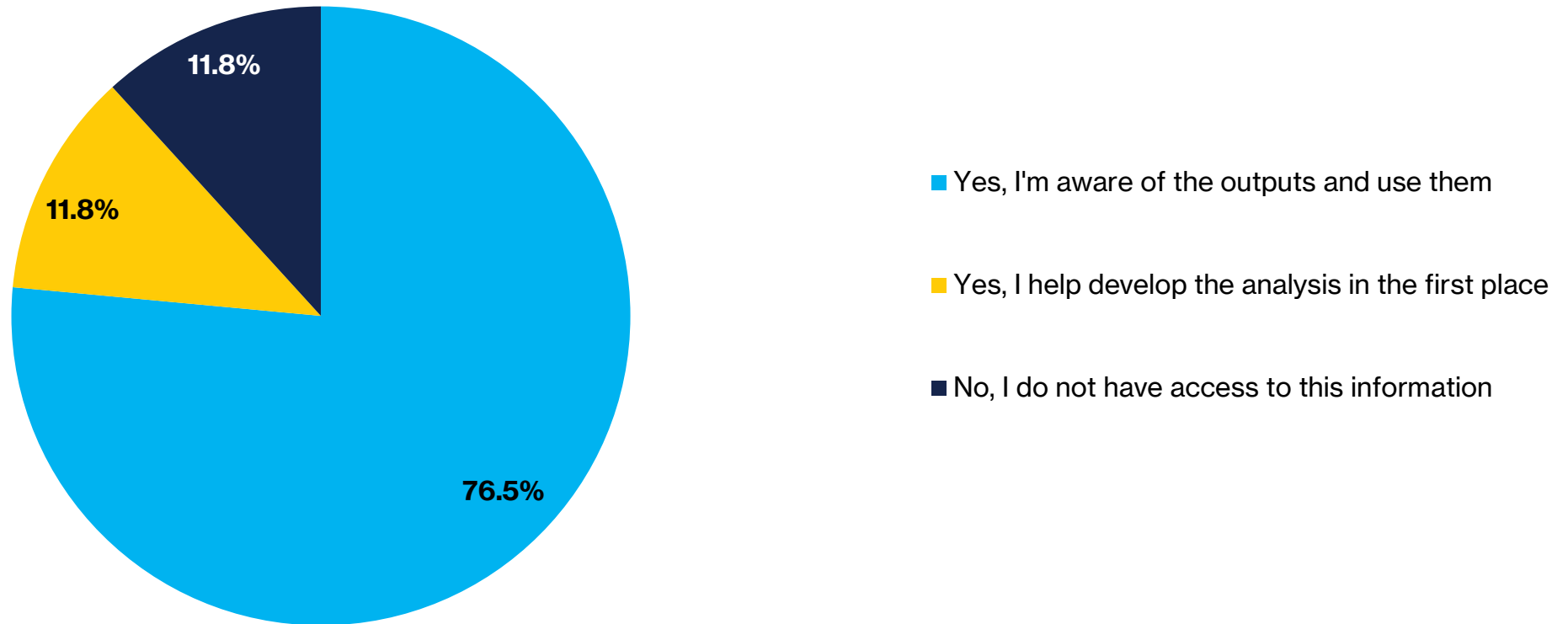
Benchmarking longer term threat analysis

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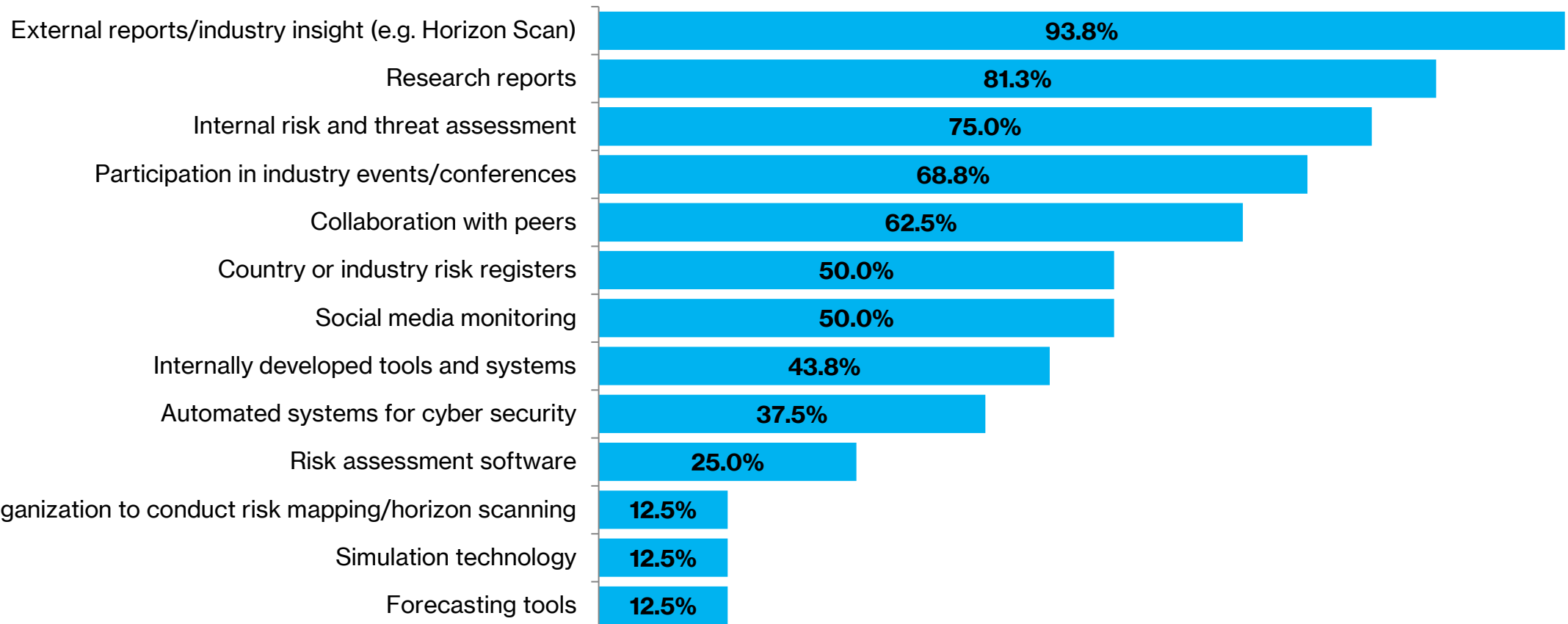
Does your organization conduct longer term trend analysis to better understand the threat landscape?



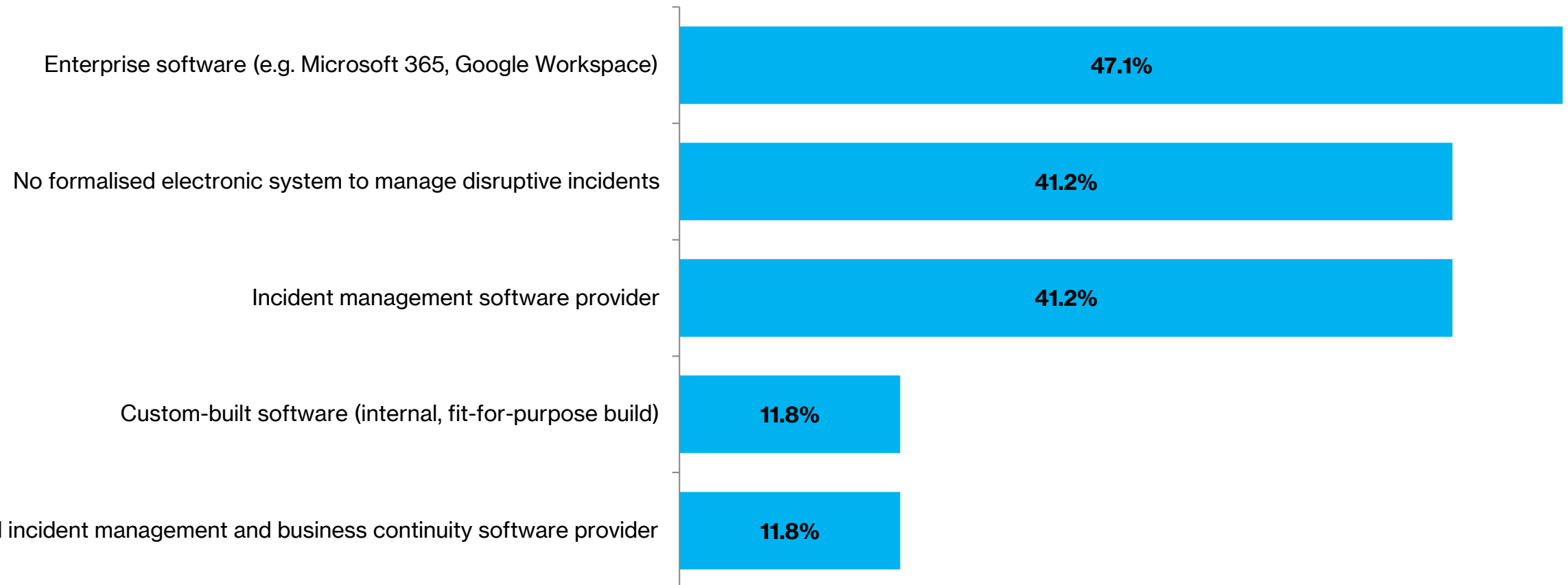
As a business continuity/resilience practitioner, do you draw on the outputs of trend analysis for your programme?



Which tools do you use to conduct trend analysis/horizon scanning of the risks/threats to your organization?



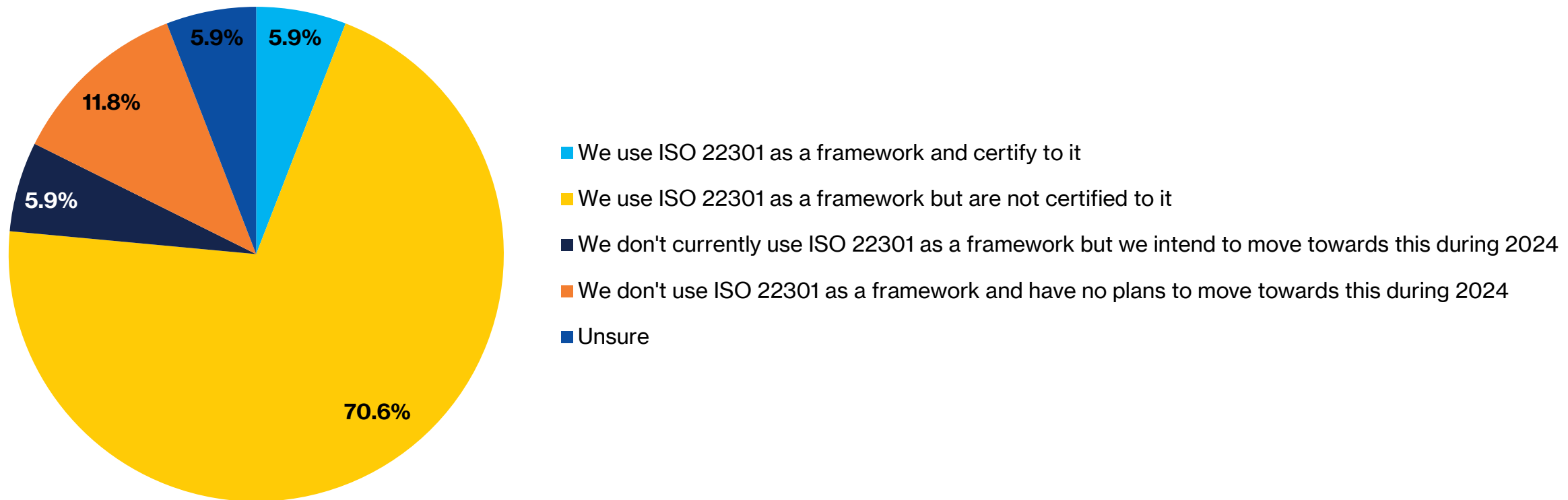
Are you currently using software to manage disruptions in your organization?



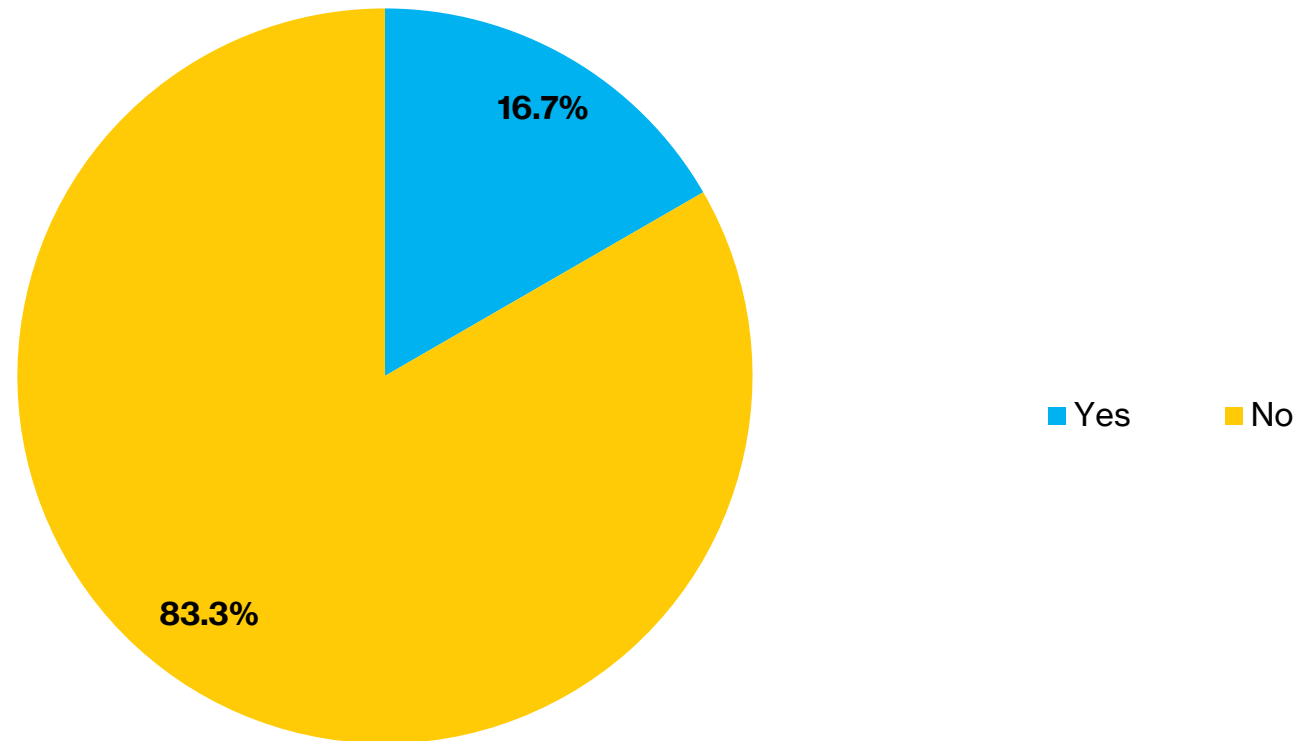
Benchmarking business continuity

Australasia

If you have a formal business continuity management programme in place, how does it relate to ISO 22301?



Have you moved away from using ISO 22301 in place of another resilience standard over the past two years?



What are your reasons for not being certified or having no plans to be certified to ISO 22301?



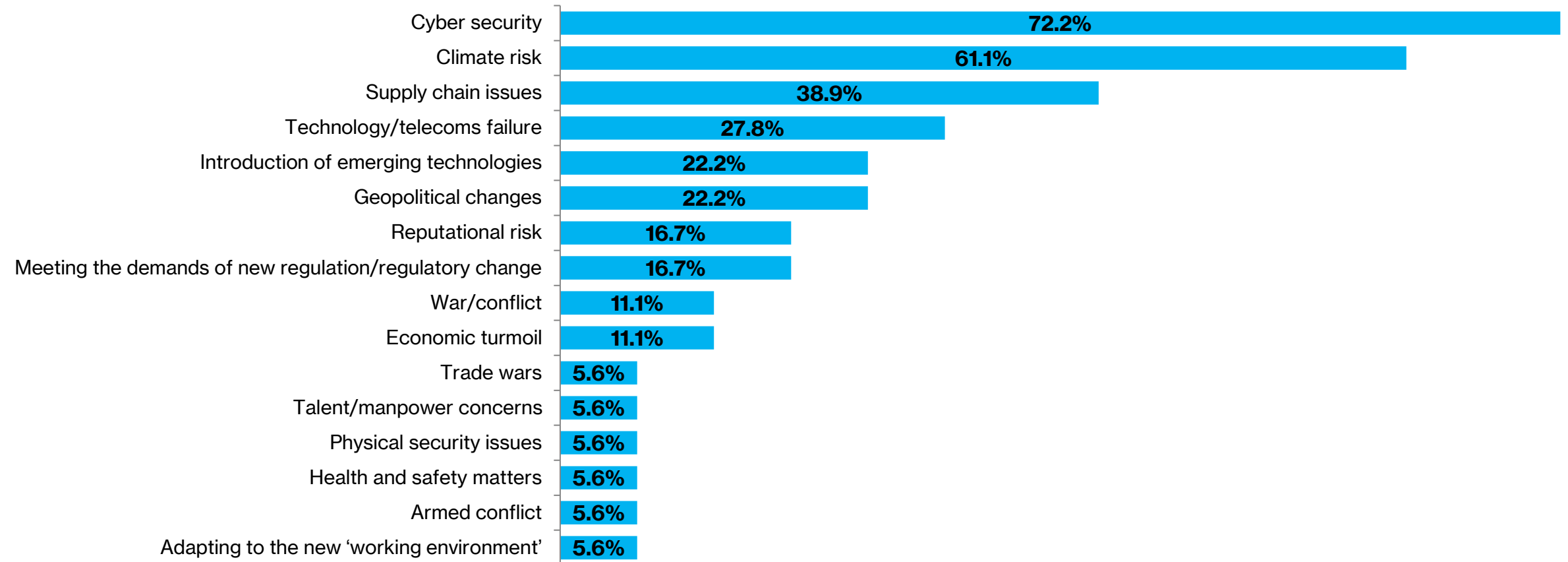
What benefits does certification provide to you and your organization?

We don't possess enough data (respondent answers) to produce a statistically valid/representative result regarding this question.

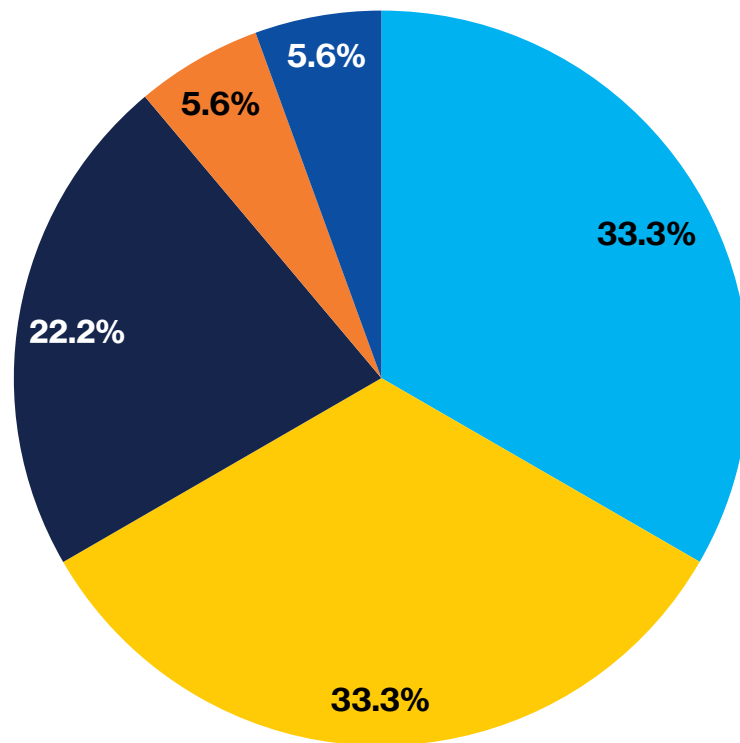
Looking ahead: Future threats and funding **Australasia**



Thinking about the next 5-10 years, which are your top five concerns for the mid- to long-term risks?



If you have an existing business continuity/resilience programme, how will investment levels in 2024 compare to the current year in order to better prepare for the challenges/threats identified in horizon scanning?



- Investment will be increased to meet the needs of a growing programme or new requirements.
- Investment will be maintained at appropriate levels for the programme scope and position in the lifecycle.
- Investment will be reduced, limiting the scope or effectiveness of the programme.
- We don't have investment in a BC/resilience programme
- Other



BCI Horizon Scan Report 2023

Australasia Region

ANNEX

About the Horizon Scan 2023 Report

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respondents

52

countries

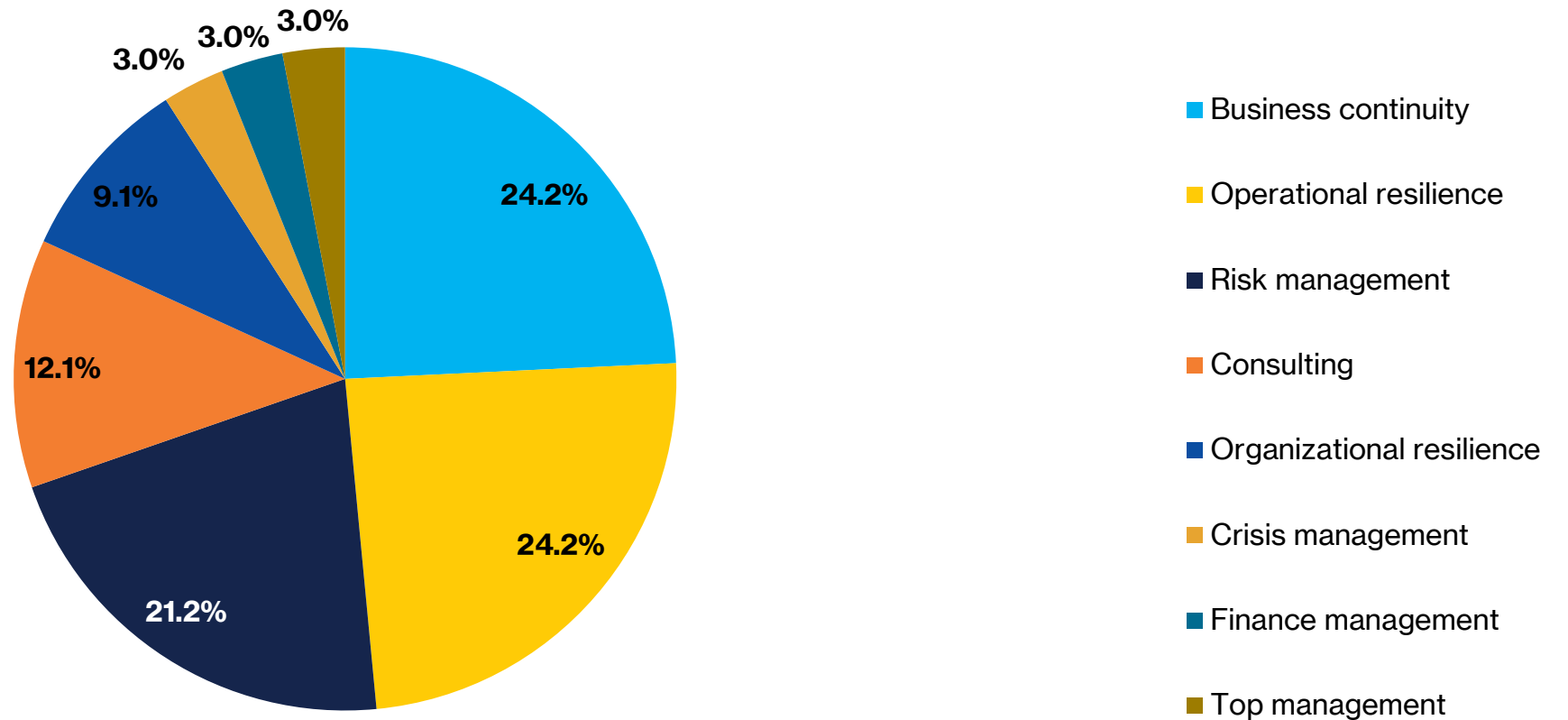
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**Respondent
interviews**

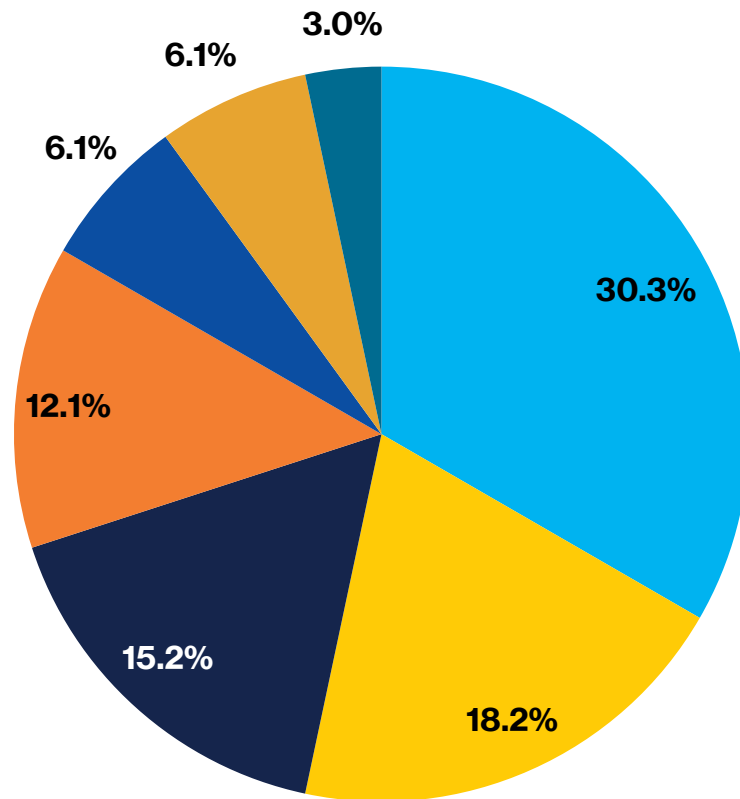
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sectors

Which of the following best describes your functional role?

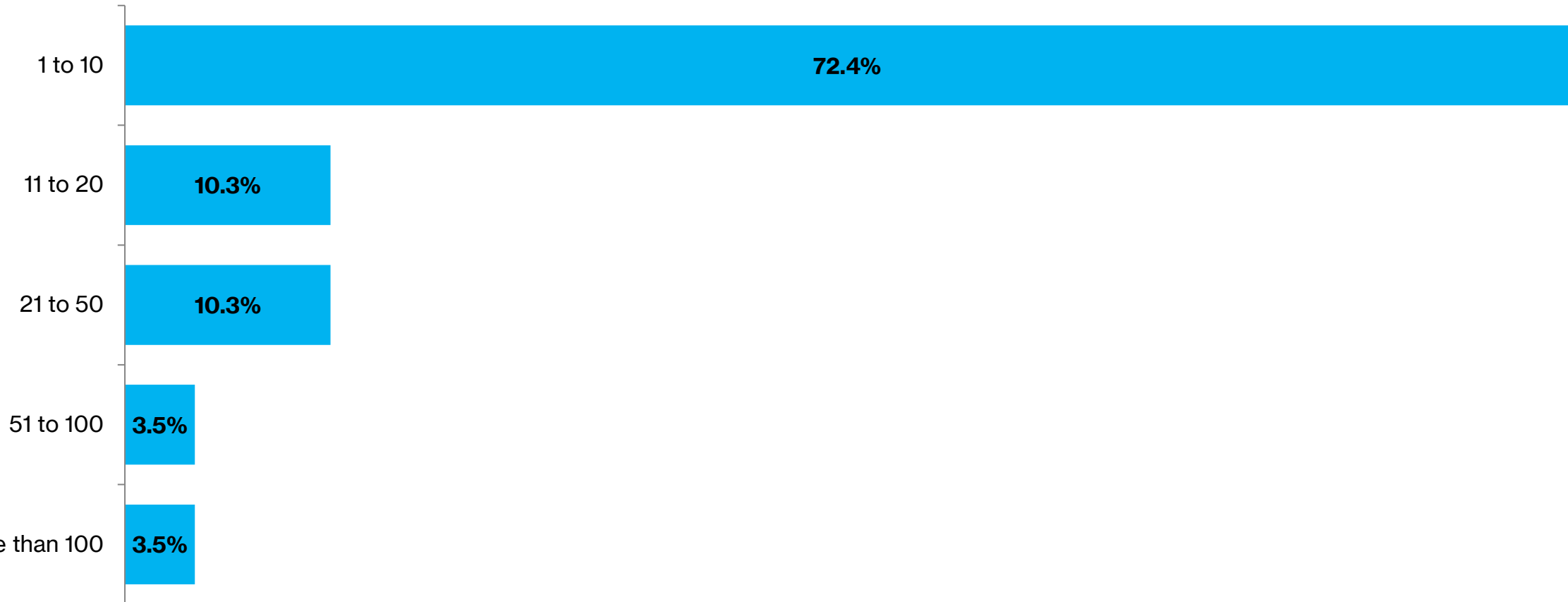


What sector does your company belong to?



- Financial & insurance services
- Professional services
- Public administration & defence (e.g. local, municipal or central government, emergency services, etc.)
- Energy & utility services
- Education
- Health & social care
- Agriculture, forestry & fishing

How many countries do you operate in, beyond the aforementioned country?



Approximately how many employees are there in your organization globally?

