

CHAPTER 2: LITERATURE REVIEWS

Disaster strikes without us realising about it. On 25th January 2001, major websites run by Microsoft Corporation, including the free e-mail service Hotmail.com, included Microsoft.com, MSN.com, MSNBC.com, the travel service Expedia.com and the online encyclopaedia Encarta.com were inoperable or impaired because of equipment failures. Disruptions of up to several hours began after midnight Tuesday. Most were back in service to some degree by Wednesday afternoon although some operated slowly or had non-functioning links. Microsoft initially blamed the technical failure of its servers or the computer hardware that connects the company's websites to the Internet. But by Wednesday afternoon, Microsoft spokesman Adam Sohn said that the problem could have been the result of "denial of service" attacks, in which computer hackers create programs to overload websites with millions of requests for information.

On 27th January 2001, India government officials say more than 11,000 people died in Friday's devastating earthquake that levelled communities and turned cities into rubble. Desperate rescue workers climbed atop mountains of debris and screamed, hoping for some sign of life from thousands trapped by the earthquake. Rescuers worked and hope to find the earthquake victims. Survivors slept in the open, panicking as more than 80 aftershocks rippled through the hardest-hit state, Gujarat. Most had no water, food or medicine. Others refused to eat; keeping a tearful vigil as emergency workers' drills bored into concrete in search of their buried loved ones. Much of the damage was in Ahmedabad, a metropolitan area of 7.7 million people. Rescue workers reported that more than 50 high-rise buildings collapsed and many others sustained heavy damage.

The worst of this century disaster that was so unbelieving was the US Attack of September 11, 2001 in New York City, United States of America. Thousands of people reported killed or missing in the World Trade Centre. The effect of the

attacks on businesses is staggering. Many businesses had to lay off thousands of workers due to the attack. In the seven buildings that made of the World Trade Centre complex, companies lost approximately 30,000 positions and in the adjacent buildings has another 15,000 to 20,000 positions that may need to be replaced. And cost of replacing the technology lost summed up to USD\$16.7 billion.

According to research firm, Gartner, two out of five enterprises that experience disaster go out of business within five years. Disruption of normal business operations causes customers to loose confidence in the enterprise's viability.

According to Pat Moore, there are five key definitions for a building a business continuity planning. They are prevention, response, resumption, recovery and restoration. Organisations extend their recovery planning to include not only the life safety and emergency response but also data centre and critical applications recovery concerns. The spectrum of enterprise-wide planning could seem to be overwhelming. However, certain planning elements, which are common to all organisations, no matter how large, or small an organisation is. A successful planning methodology will assist not only in recovering, but ensuring continuity of the core strategic revenue-generating business units, operations and processes.