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BCI Horizon Scan Report 2023

North America Region

November 2023

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Executive Summary

North America

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BCI Horizon Scan Report 2023: North America

Executive Summary

- **Technology, particularly cyber attacks and issues arising from remote/hybrid working, were the top disruptors to North American organizations in 2023. Supply chain disruption was ranked as the second biggest disruptor for organizations in the past year**

  Globally, health incidents dominated the global threat landscape, while for North American organizations, health incidents were in fifth place in terms of incidents in 2023. Organizations globally have report a considerable increase on sickness absence due to health incidents such as stress, depression and anxiety within employees.

- **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, whether 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 disruption for organization in the past twelve months for North American organizations has been the lack/loss of talent and/or key skills**

  17.7% of organizations reported that the lack of key skills has been the singular most common cause of disruption in 2023, emphasising the need to engage in training and education course to ensure skillsets are up to date.

- **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 blackouts 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 risks to organizations in North America

Short term (2024):
1. Extreme weather events
2. IT and telecom outages
3. Cyber attacks

Mid- (up to 2029) to long- (up to 2033) term
1. Cyber attacks
2. Climate risk
3. IT and telecom outages

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**

  81.3% of organizations draw on the outputs of trend analysis for their business continuity/resilience programme, bolstering preparedness for the unknown. This is on a par with European data, and one of the highest in the world.

Executive Summary

- **There is a low uptake in the use of technology within 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.

- **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**

  Nearly two-thirds of North American practitioners expect funding to stay the same as in 2023 whereas a third of expect investment levels to increase in 2024. Given the global economic situation, these are encouraging statistics.

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Risk and threat assessment:

Past twelve months

North America

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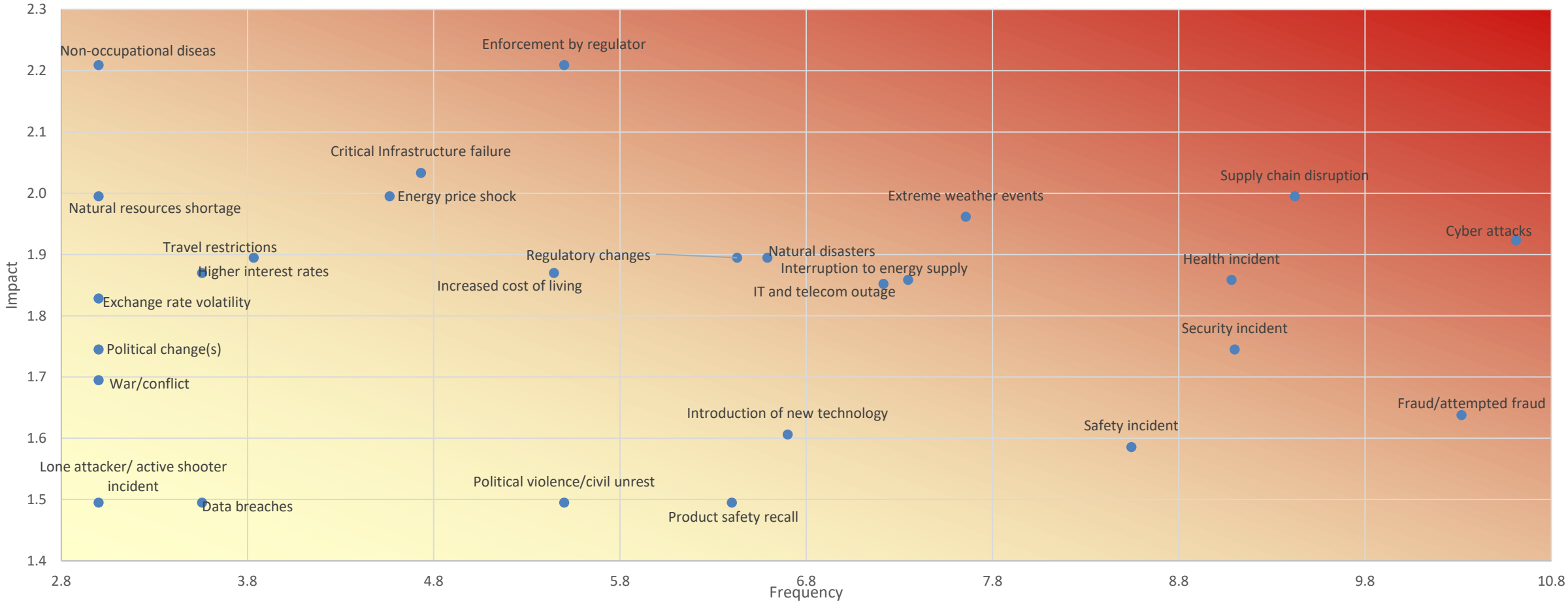
The frequency and impact of events on organizations in 2023



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The frequency and impact of events on organizations in 2023

Event	Frequency	Impact	Risk Score
Cyber attacks	10.61	1.92	**20.41**
Supply chain disruption	9.42	1.99	**18.79**
Issues arising from remote/hybrid working	11.58	1.49	**17.31**
Fraud/attempted fraud	10.31	1.63	**16.89**
Health incident	9.08	1.85	**16.88**
Security incident	9.10	1.74	**15.87**
Extreme weather events	7.65	1.96	**15.01**
Interruption to energy supply	7.34	1.85	**13.65**
Safety incident	8.54	1.58	**13.55**
IT and telecom outage	7.21	1.85	**13.36**
Natural disasters	6.59	1.89	**12.48**
Regulatory changes	6.42	1.89	**12.18**
Enforcement by regulator	5.50	2.20	**12.15**
Introduction of new technology	6.70	1.60	**10.76**
Increased cost of living	5.44	1.87	**10.18**
Critical Infrastructure failure	4.73	2.03	**9.61**
Product safety recall	6.40	1.49	**9.56**
Energy price shock	4.56	1.99	**9.10**
Political violence/civil unrest	5.50	1.49	**8.22**
Travel restrictions	3.83	1.89	**7.26**
Higher interest rates	3.55	1.87	**6.64**
Non-occupational diseas	3.00	2.20	**6.62**
Natural resources shortage	3.00	1.99	**5.98**
Exchange rate volatility	3.00	1.82	**5.48**
Data breaches	3.55	1.49	**5.31**
Political change(s)	3.00	1.74	**5.23**
War/conflict	3.00	1.69	**5.08**
Lone attacker/ active shooter incident	3.00	1.49	**4.48**

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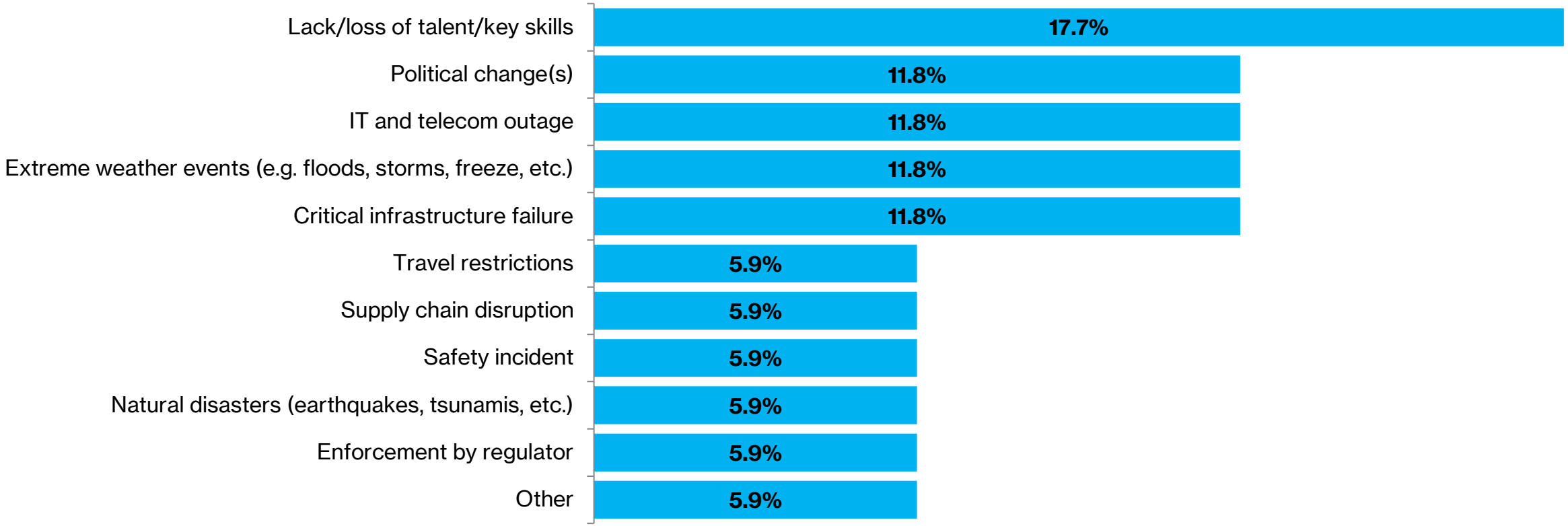
The events that have produced the biggest singular disruption to organizations in the past 12 months



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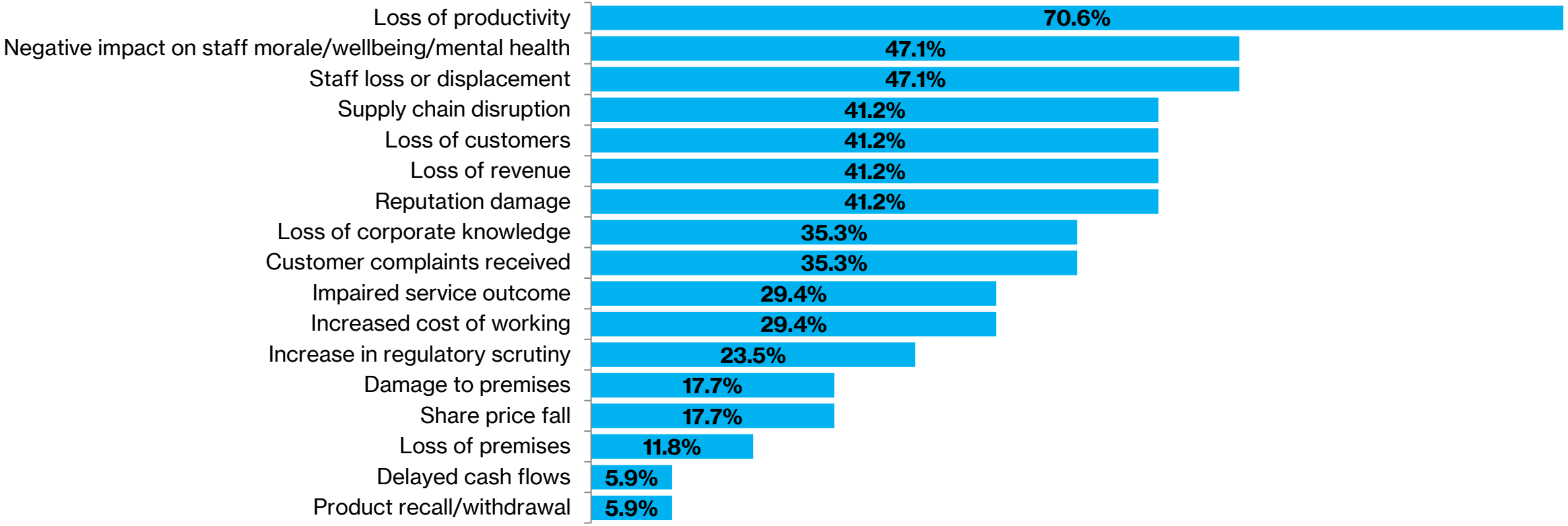
The impacts or consequences that have arisen from disruptions in the last 12 months



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Risk and threat assessment:

Next twelve months

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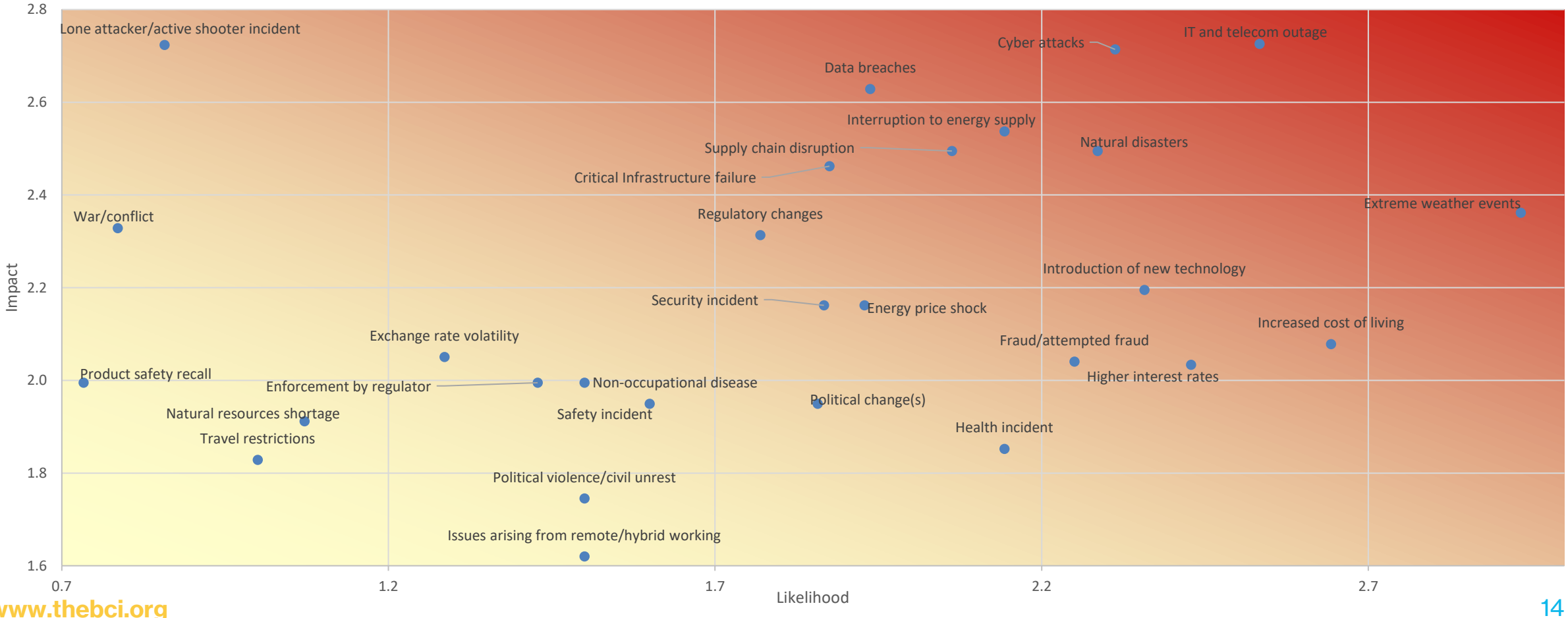
The likelihood and potential impact of events on organizations in the next twelve months



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

Event	Likelihood	Impact	risk index
Extreme weather events	2.93	2.36	**6.93**
IT and telecom outage	2.53	2.73	**6.91**
Cyber attacks	2.31	2.71	**6.28**
Natural disasters	2.29	2.50	**5.70**
Increased cost of living	2.64	2.08	**5.49**
Interruption to energy supply	2.14	2.54	**5.44**
Introduction of new technology	2.36	2.20	**5.17**
Supply chain disruption	2.06	2.50	**5.15**
Data breaches	1.94	2.63	**5.09**
Higher interest rates	2.43	2.03	**4.94**
Critical Infrastructure failure	1.88	2.46	**4.62**
Fraud/attempted fraud	2.25	2.04	**4.59**
Energy price shock	1.93	2.16	**4.17**
Regulatory changes	1.77	2.31	**4.09**
Security incident	1.87	2.16	**4.04**
Health incident	2.14	1.85	**3.97**
Political change(s)	1.86	1.95	**3.62**
Safety incident	1.60	1.95	**3.12**
Non-occupational disease	1.50	2.00	**2.99**
Enforcement by regulator	1.43	2.00	**2.85**
Exchange rate volatility	1.29	2.05	**2.64**
Political violence/civil unrest	1.50	1.75	**2.62**
Issues arising from remote/hybrid working	1.50	1.62	**2.43**
Lone attacker/active shooter incident	0.86	2.72	**2.33**
Natural resources shortage	1.07	1.91	**2.05**
War/conflict	0.79	2.33	**1.83**
Travel restrictions	1.00	1.83	**1.83**
Product safety recall	0.73	2.00	**1.46**

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Benchmarking longer term threat analysis

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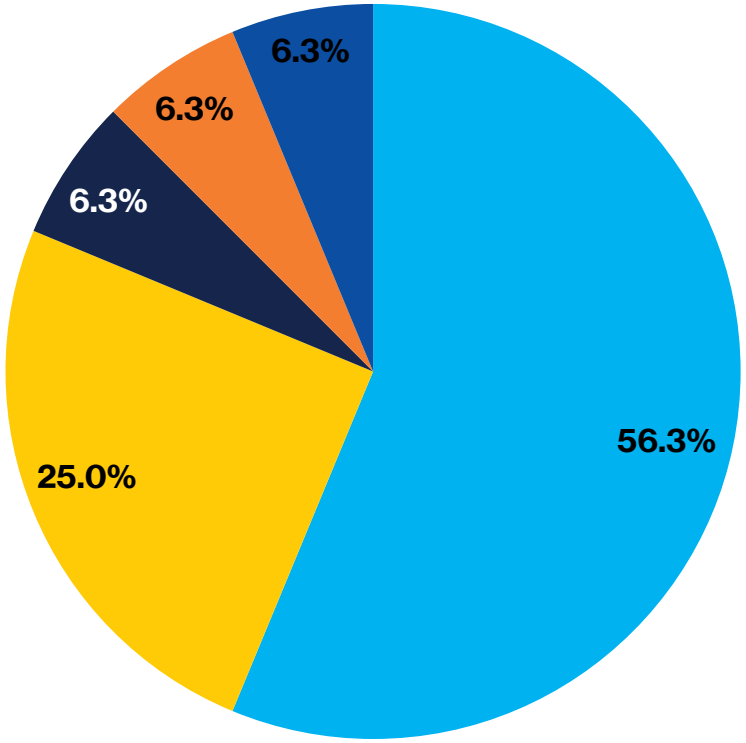
Does your organization conduct longer term trend analysis to better understand the threat landscape?



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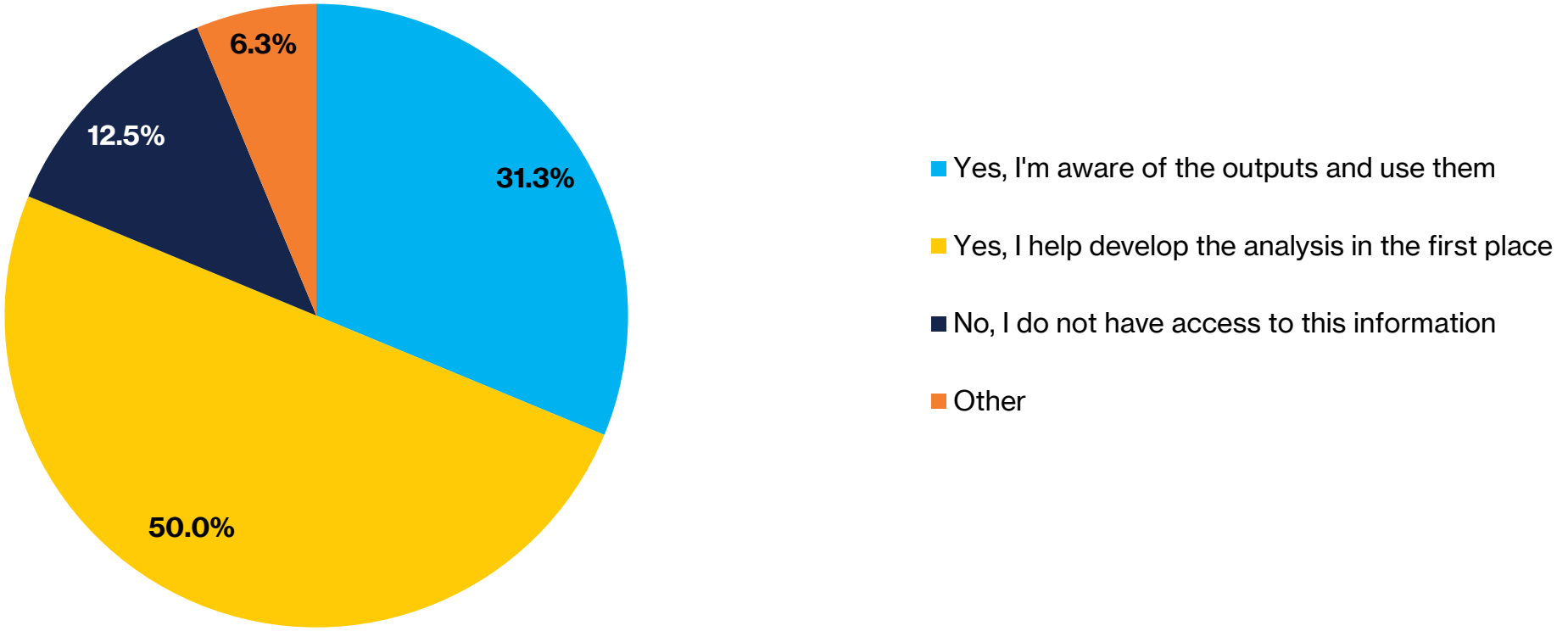
As a business continuity/resilience practitioner, do you draw on the outputs of trend analysis for your programme?



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

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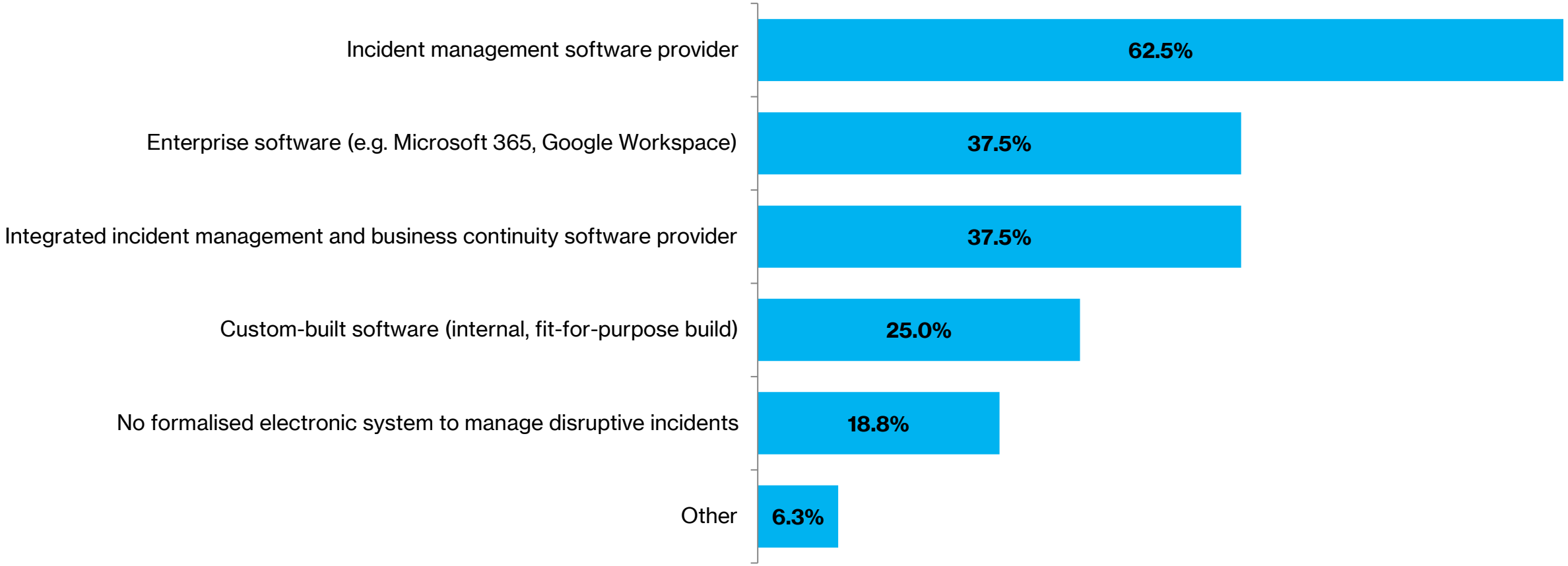
Are you currently using software to manage disruptions in your organization?



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Benchmarking business continuity

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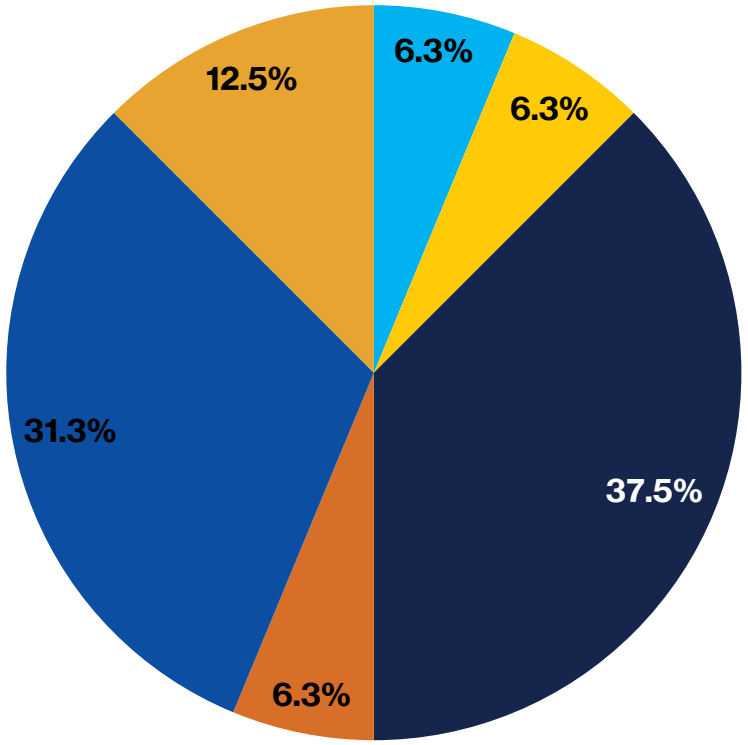
If you have a formal business continuity management programme in place, how does it relate to ISO 22301?



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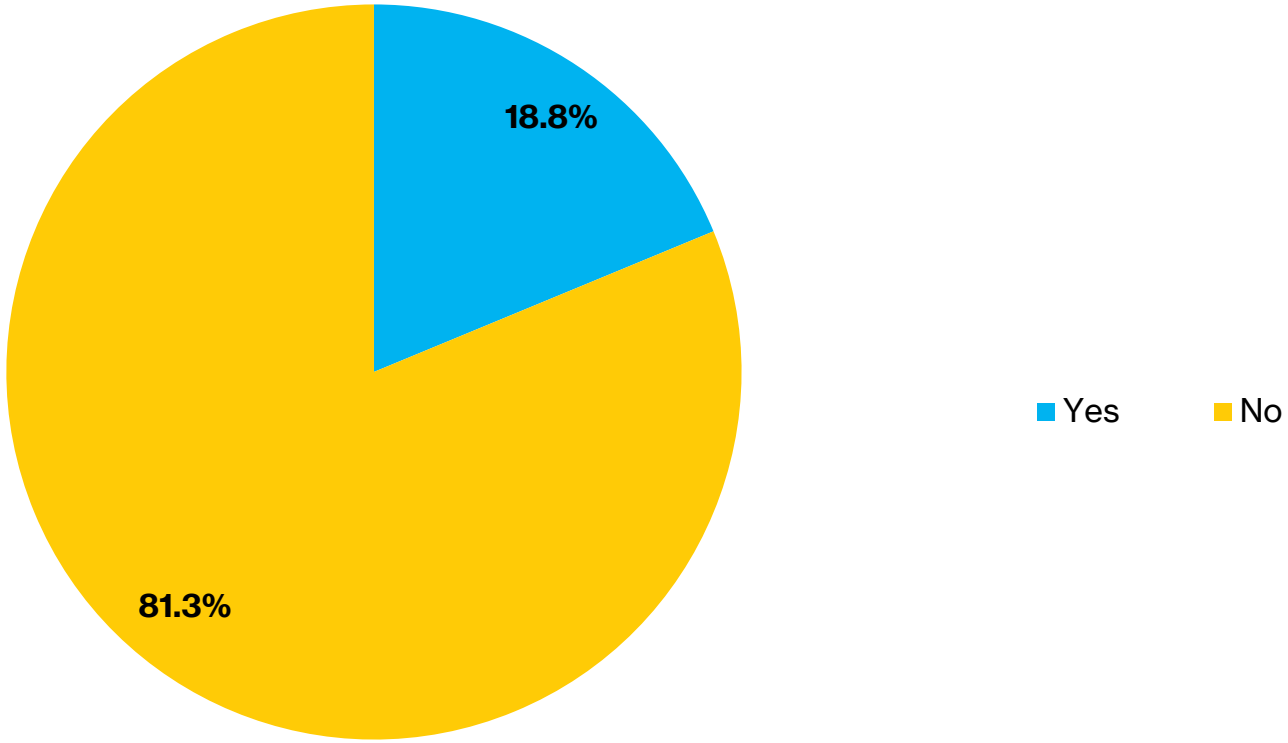
Have you moved away from using ISO 22301 in place of another resilience standard over the past two years?



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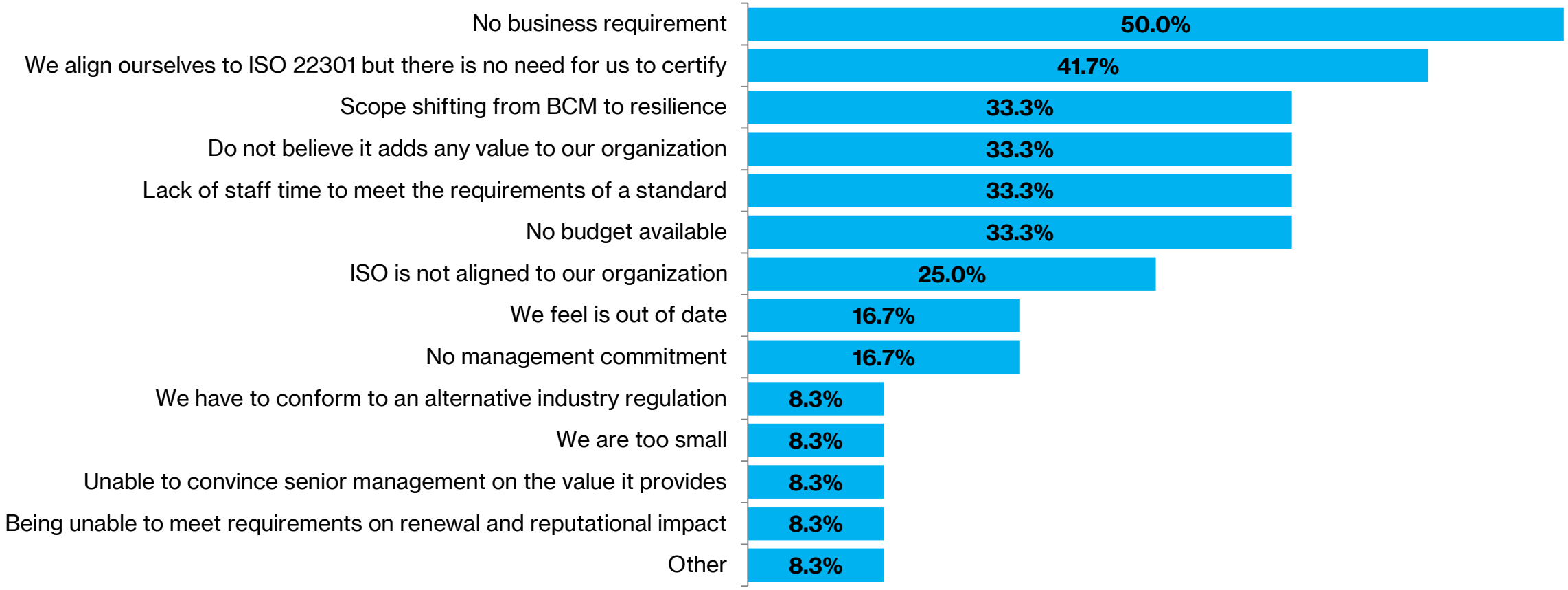
What are your reasons for not being certified or having no plans to be certified to ISO 22301?



What benefits does certification provide to you and your organization?

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

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Looking ahead: Future threats and funding

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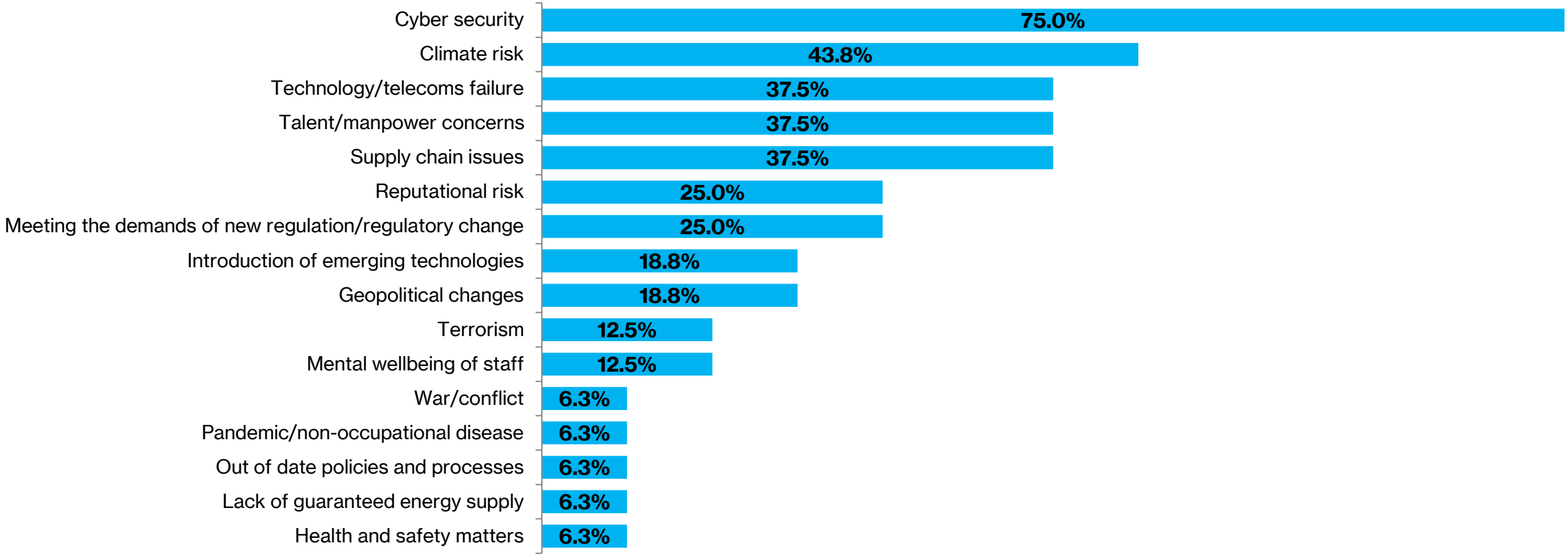
Thinking about the next 5-10 years, which are your top five concerns for the mid- to long-term risks?



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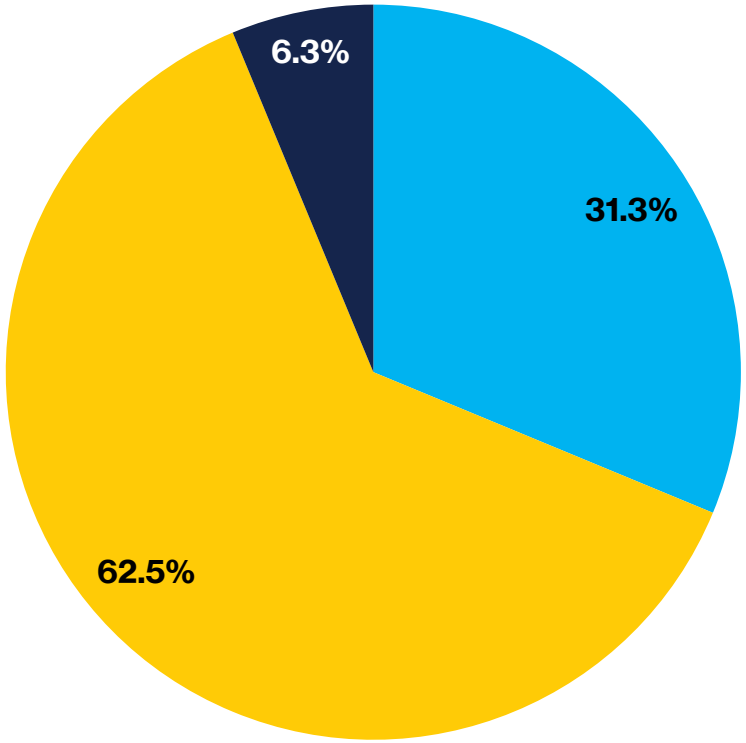
If you have an existing business continuity/resilience programme, how will investment levels in 2024 compare to the current year in order to better prepare for the challenges/threats identified in horizon scanning?



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BCI Horizon Scan Report 2023

North American Region

ANNEX

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About the Horizon Scan 2023 Report

252 respondents

52 countries

10 Respondent interviews

17 sectors

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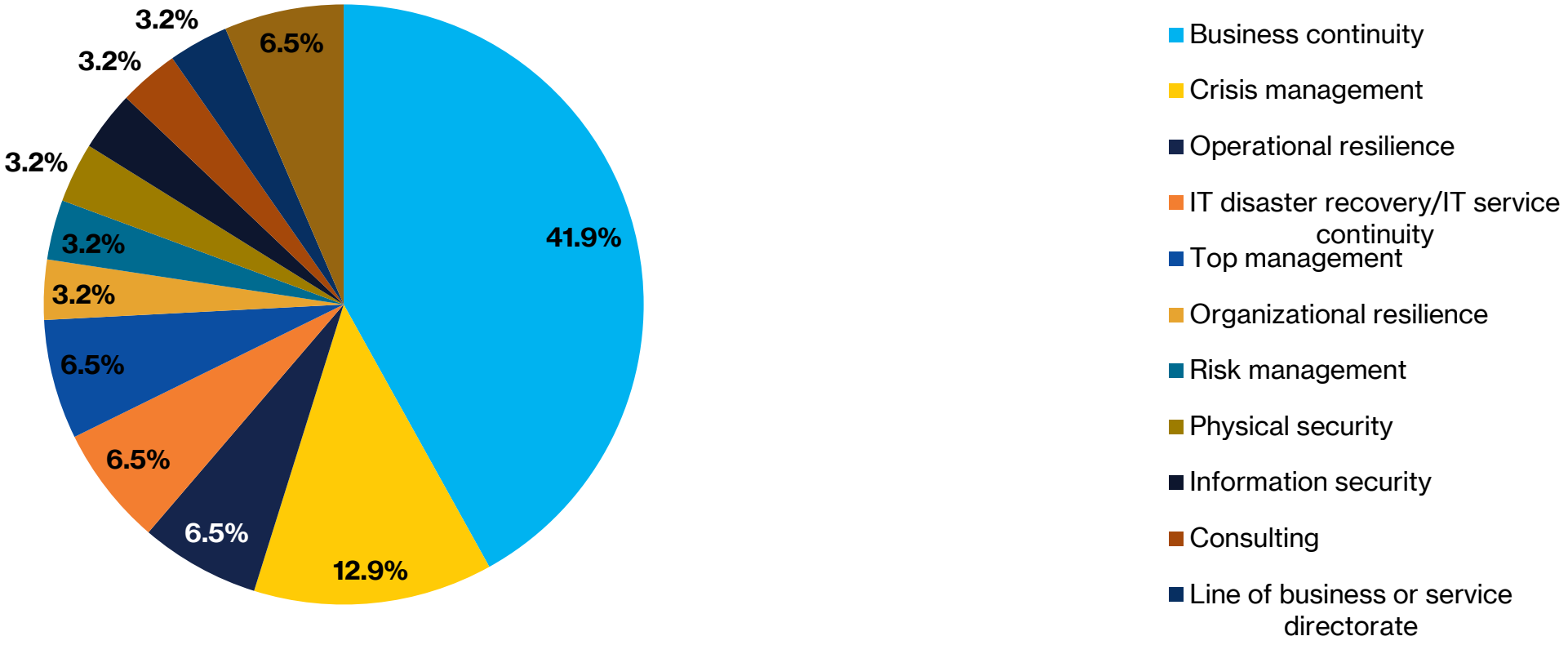
Which of the following best describes your functional role?



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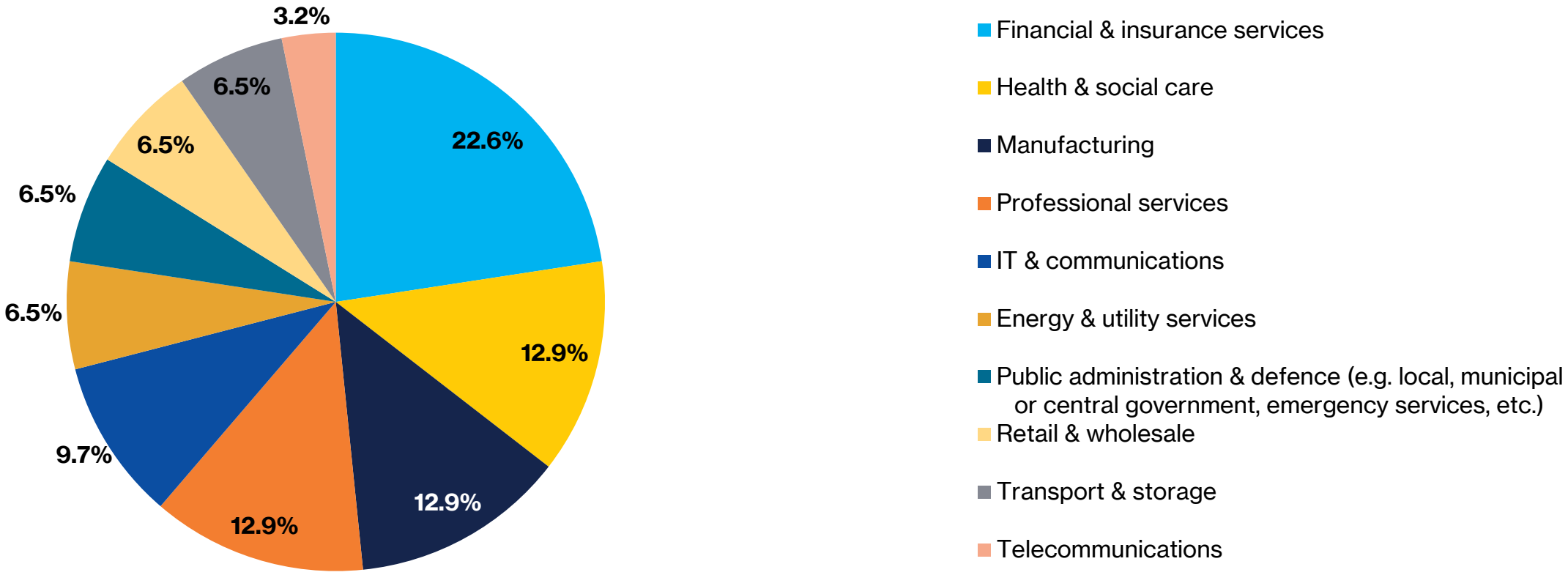
What sector does your company belong to?



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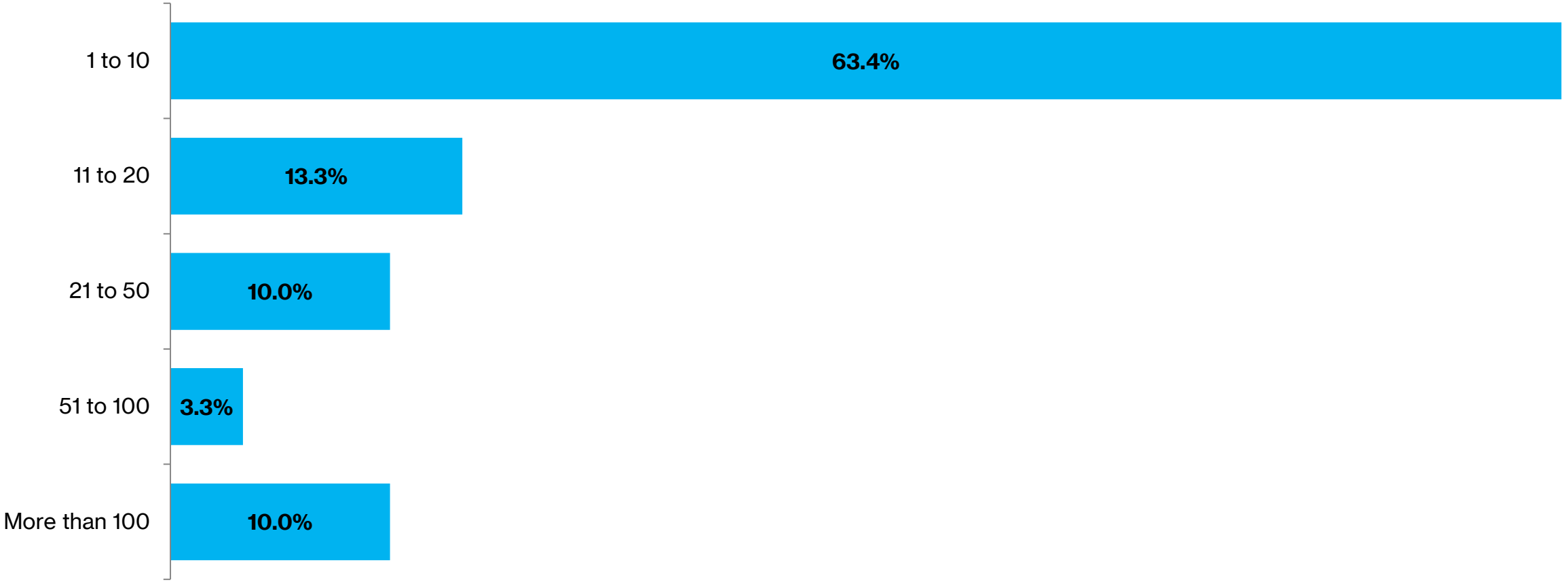
How many countries do you operate in, beyond the aforementioned country?



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Approximately how many employees are there in your organization globally?