Guidelines for Business Continuity Planning in Turkey and Japan

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Abstract

Promoting business continuity management (BCM) can be effectively achieved through the use of guidelines. Therefore, an investigation was conducted on the business continuity guidelines of Japan and Turkey to promote BCM among Turkish companies. Additionally, interviews were conducted with OIZs (Organized. Industrial Zone), companies, and water utility providers in the regions affected by the 2023 Kahramanmaraş earthquake to assess the current state of BCM. The results suggest that while many companies in Turkey have not yet implemented BCM initiatives, there is a significant need for such measures.

Key words: Business continuity, BCP, Guideline, The 2023 Kahramanmaraş Earthquakes, OIZ

1. Introduction

Although business continuity efforts in the U.K. and the U.S. have been in place since the 1970s, the September 11, 2001 terrorist attacks in the U.S. made them widely known throughout the world [1].

A Business Continuity Plan (BCP) is developed in order to implement Business Continuity Management (BCM). In Japan, the Cabinet Office published the first edition of the "Business Continuity Guidelines [2]" in 2005, and in 2006 the Small and Medium Enterprise Agency (SMEA) published the "Guidelines for the Formulation and Operation of BCPs for Small and Medium Enterprises [3]". Here, BCP stands for business continuity plan. These guidelines were revised [4, 5] after the Great East Japan Earthquake on March 11, 2011, when many companies were affected by the disaster and the importance of business continuity was reaffirmed. In addition, with the aging of the population, the importance of business continuity at nursing care facilities has been strongly recognized, and the 2021 revision of nursing care fees will make it mandatory for nursing care facilities to create a BCP in 2024. In line with this, the Ministry of Health, Labor and Welfare (MHLW) published guidelines [6, 7] for nursing care facilities to ensure business continuity in the event of natural disasters or outbreaks of infectious diseases beginning in 2020.

In Turkey, in 2020, AFAD (Directorate General for Disaster and Emergency Management, Ministry of Interior), with technical assistance from the Government of Japan and the World Bank Tokyo Disaster Risk Management Hub, prepared the "Business Continuity Plan for Organized Industrial Zones Preparation and Implementation Guide [8]". In addition, the importance of business continuity for companies was strongly recognized by the Kahramanmaraş earthquakes that occurred in Turkey in February 2023, and UNDP prepared and published the "Disaster Management, Risk Management and Business Continuity Report [9]". The purpose of this paper is to compare business continuity efforts in Japan with those in Turkey and to identify their characteristics in order to contribute to the promotion of business continuity.

2. Guidelines

2.1 Japan

As mentioned earlier, there are guidelines for business continuity planning prepared by Japanese national organizations by the Cabinet Office [4], SMEA[5], and MHLW [6, 7]. The Cabinet Office's guidelines are not limited in size and are intended for private companies, while SMEA's guidelines are intended for small and medium enterprises. MHLW's guidelines target nursing care facilities. Business continuity management is standardized in ISO 22301, and the guidelines of the Cabinet Office and SMEA basically follow this standard. The MHLW guidelines are limited to natural disasters and infectious diseases. Prefectures may also have their own guidelines. The guidelines by SMEA and MHLW

provide a template for creating a plan and clarify the content and structure that should be included in a business continuity plan.

Although it is not mandatory for companies to create a BCP, creation of a BCP became mandatory for nursing care facilities in 2024. 37.1% of large companies and 16.5% of small and medium-sized companies have created a corporate BCP in 2024 [10].

2.2 Turkey

The Turkish government has prepared guidelines for business continuity according to AFAD [8], but they were prepared relatively recently, in 2020. Since these guidelines are also based on ISO 22301, the structure of the guidelines themselves is not so different from the Japanese Cabinet Office guidelines [4]. However, AFAD's guidelines are intended for OIZs (Organized Industrial Zones) and are therefore more in line with what OIZ should consider. Here, OIZs are areas designated to promote industrial development and economic growth. These zones provide a favorable investment environment with comprehensive infrastructure and social facilities, including roads, water, natural gas, electricity, telecommunications, and waste management services.

Also, as mentioned above, a UNDP report [9] has been released in response to the 2023 Kahramanmaraş Earthquakes. This report has been prepared to be used as both a reference document and a guide for business continuity management. In this report, first of all, the characteristics of the VUCA world, which means volatile, uncertain, complex and ambiguous, and the capabilities that businesses need to have in order to be resilient and continuous in the VUCA world are presented. It also includes numerous templates on the components of a BCP.

Given that only a few years have passed since the establishment of the AFAD guidelines, the rate of BCP development among Turkish companies is presumed to be relatively low. However, following the 2023 Kahramanmaraş earthquake, interest in BCPs is likely to increase significantly.

3. Field Interview

Interviews were conducted on October 9-11, 2023 to determine the extent of business continuity preparedness in Turkey. The target area was the area affected by the 2023 Kahramanmaraş earthquakes. A list of the organizations interviewed is presented in **Table 1**. The following is a summary of the content of the interviews at each organization.

Table 1 List of Interviewed Organizations.

Date	
Oct. 9, 2023	GASKI (Gaziantep Water and Sewerage Administration)
Oct. 9, 2023	Gaziantep OIZ
Oct. 10, 2023	Adiyaman OIZ
Oct. 10, 2023	Water Supply Section of Adiyaman City Government
Oct. 11, 2023	KASKI (Kahramanmaraş Water and Sewerage Administration)
Oct. 11, 2023	BEY-DAĞ TEKSTİL
Oct. 11, 2023	ARAL

3.1 GASKI

The pipeline was damaged and water was supplied two days later. Bottled water was provided during the water outage. They had learned about the emergency response scheme from the Osaka City Waterworks Bureau in 2015 and were in the process of preparing an emergency response plan. There were not enough pipes for repairs, which should have been prepared in advance. After the earthquake, employees gathered at the office. Employees were able to work in peace because they came with their families.

3.2 KASKI

The epicenter of the first earthquake was in Pazarcık, and the epicenter of the second was in Elbistan. In Elbistan and Pazarcık, there were plans to replace old water pipes. In Elbistan, the replacement of water pipes had begun before the earthquake, but had not yet been finished. Currently, the dam is running out of water and a new water source is needed. Kahramanmaraş is a basin, and water supply at the bottom of the basin is not a problem, but the higher the elevation, the more difficult it becomes to supply water.

The water supply in Kahramanmaraş is old and leaking, with a 70% loss. The solution is replacement, but they need money. They are looking for funding. There is support from the city, but it is not sustainable on its own. They need an ongoing infrastructure renewal program. Priorities for restoration will be based on complaints, water loss, and other factors.

3.3 Water Supply Section of Adiyaman City Government

There was no emergency response plan. During normal times, there are about 200 requests for repairs per month, but after the earthquake, there were 3,000 requests per month. Shanlıurfa, Erzurum, Konya Waterworks, and KOSKI support them. Support is provided on a 2-3 week rotation. There are no problems with coordination with supporters in repairs.

3.4 Gaziantep OIZ

OIZ had no countermeasures plan. The earthquake did not cause any fatal damage to facilities or buildings, and the situation returned to normal after 15 days. OIZ has its own lifeline. Seven to eight gas lines were damaged, and gas was shut off for a week. However, the gas remaining in the pipes allowed heating and cooking for a while. A total of 5,000

people, including family members of OIZ employees and neighbors, were temporarily evacuated to OIZ.

3.5 Adiyaman OIZ

The regions of Turkey are classified from Zone 1 to Zone 5 according to their seismic hazard, with Zone 1 having the highest seismic hazard. Adiyaman was in Zone 4 until the 1999 earthquake, but a subsequent review resulted in it becoming Zone 2. Because seismic standards are established for each zone, there are existing nonconforming buildings that do not meet the standards for Zone 2.

The number of employees in the OIZ was 20,000 before the earthquake, but it has now decreased to 12,000. The primary reason for this decrease is housing issues. Other OIZs have provided land to the victims and encouraged relocation. Workers are also being offered better salaries upon relocation. Furthermore, there is a high demand for labor for disaster recovery, leading to competition between OIZs and reconstruction projects for workers.

3.6 BEY-DAĞ TEKSTİL

Although there was minimal structural damage, the equipment was affected, leading to delays in importing parts. The factory resumed operations two months later, with transformer repairs taking 20 days. Before the earthquake, there were 250 employees, but three were killed in the disaster. After the earthquake, 100 employees left. Due to another factory in Kahramanmaraş being affected, workers from that facility were hired. The current number of employees is 220. Compared to pre-earthquake levels, monthly wages have been increased. Due to labor shortages and inflation, the minimum wage was doubled, resulting in an overall salary increase of approximately 150%. Although insurance was in place, with a deductible of 22%, it did not meet the payment criteria, resulting in no insurance payout.

The demand for textile products had been declining even before the earthquake. Fifty percent of the products are exported, and the remaining fifty percent are sold domestically. The supply chain remained unaffected. Safety confirmations were conducted via social media, as phone lines were down, and the whereabouts of 5 to 10 people are still unknown.

February is typically a slow month, so the 60-day shutdown was manageable. If the shutdown had extended to four months, they might have lost customers. They resumed operations after 60 days because they believed that duration would be manageable. At the time of the earthquake, they did not have a disaster prevention plan or a BCP in place. Now, they are eager to develop these plans as soon as possible.

3.7 ARAL

Repairs to the building damage took three to four months. The factory utilizes twelve long-length machines, some of which were damaged. By repurposing parts from the broken machines, they were able to operate eight machines.

There were numerous injuries among employees, with one fatality. The workforce decreased from 100 employees before the earthquake to 60 employees. Labor shortages have led to intense competition for workers. They provided shelters next to the factory and offered three meals a day. To attract workers, they offered accommodations such as container housing. A significant issue is the psychological impact on employees, with many reluctant to work in an area affected by the earthquake.

Domestic demand for knitwear and yarn has decreased, with 30% of production being exported and 70% sold domestically. Although insurance payouts were received, repairs could not begin until assessments were completed, it took four months to resume operations. The insurance covered only the equipment and did not include compensation for wages. Textile factories are typically required to have fire insurance. They have also experienced snow damage, and such experiences are shared among factories.

4. Conclusion

Through the interviews, it became clear that neither the OIZ itself nor the companies within the OIZ had developed BCPs. This was also true for the water utility providers. In the previous chapter, it was inferred that the low rate of BCP development among companies is likely due to the AFAD BCP guidelines having been established only in 2020. The interview results corroborate this inference.

From the interviews with business managers, it was observed that while some items that should be considered in a BCP, such as the allowable period of operational suspension, were being reviewed, many other items were not being addressed. By using the BCP guidelines for future considerations, it is anticipated that a comprehensive approach to business continuity can be achieved.

Given the wide range of items that need to be considered in a BCP, a phased approach may be effective. The templates provided by the Small and Medium Enterprise Agency in Japan, which are available in four levels from introductory to advanced, could serve as a useful model for such a phased approach.

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トルコ共和国および日本の事業継続計画ガイドライン

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要　旨

事業継続マネジメントの促進には，ガイドラインの活用が有効である．そこで，トルコの企業の事業継続マネジメント促進に向けて，日本とトルコの事業継続ガイドラインについて調査を行った．また，2023 年カフラマンマラシュ地震の被災地域の OIZ，企業，水道事業者に対して事業継続マネジメントの現状についてインタビューを行った．その結果，トルコでは事業継続マネジメントの取組が行われていない企業が多いことが推察された一方で，そのニーズが大きいことが確認された．

キーワード：事業継続，BCP，ガイドライン，2023 年カフラマンマラシュ地震，OIZ