BUSINESS CONTINUITY

Can you afford a weak link?

INTRODUCTION

Do you run your own business?

Have you ever thought about what would happen if your business experiences an emergency which would disrupt your ability to continue operating…**WOULD YOU KNOW WHAT TO DO?**

Although it may seem unlikely, the unexpected does happen and how you respond could mean the difference between keeping and losing your business.

DID YOU KNOW?

- Nearly 1 in 5 businesses suffer a disruption every year

- 80% of businesses affected by a major incident either never reopen or close within 18 months

- 90% of businesses that lose data from a disaster are forced to shut within 2 years

Business continuity planning is about making sure that your business is prepared should the unexpected happen. It will help ensure that your business suffers the least possible disruption and ultimately continues to operate during and beyond an emergency.

Having robust business continuity management in place will also help you deal with those smaller emergencies or planned disruptions and stop them developing into ones that you are unable to manage.

Business continuity planning is important for all businesses, from the smallest right through to the largest multi-national companies.

Although development of your business continuity process needs careful consideration it is not difficult to achieve and need not be expensive. However time spent now can prevent disruption turning into a disaster for your business.

Who is this booklet for?

This booklet should be read by all those that have a responsibility or role in the management of your business. However, as we go through the business continuity planning process, you will see how important it is for all members of staff to be aware of this booklet and the advice contained in it.

It is hoped that this information will guide you through the steps that could help your organisation survive a disruption. It's not a complex subject and doesn't have to take up vast resources and time.

ABOUT US

This advice booklet has been prepared by the Welsh Local Authorities Civil Contingencies Group (WLACCG) and endorsed by the Welsh Local Government Association (WLGA).

The WLACCG represents all local authorities across Wales and provides a forum to develop and progress collaborative working on civil contingency issues within local government. The group encourages and promotes good practise for the delivery of the functions of the Civil Contingencies Act 2004.

The WLGA represents the interests of local government and promotes local democracy in Wales. Its primary purposes are to promote better local government, to promote its reputation and to support authorities in the development of policies and priorities which will improve public services and democracy.

BUSINESS CONTINUITY PLANNING - THE PROCESS

The business continuity planning process consists of four key steps which will take you from understanding your business, through recognising the risks to your business; developing a plan and finally making sure all your staff are aware of any arrangements by undertaking regular testing.

- ANALYSE YOUR BUSINESS
- ASSESS THE RISKS
- DEVELOP A PLAN
- REHEARSE, TEST AND COMMUNICATE

Where to start?

By reading this booklet you have already started your business continuity process. You have recognised how important your business is and a failure to plan for disruptions and emergencies could be disastrous. At best you risk losing customers while you're getting your business back on its feet. At worst your business may never recover and ultimately cease trading.

Experience has shown that organisations that have considered how they might deal with an incident, and written down their thoughts, are more likely to stay in business and recover quickly in the event of a disruption, than those who do not.

Ask yourself, could your business continue during:

- A loss of power for 24 hours?

- A loss of power over a prolonged period?

or

- How would your business function without computers or telecommunications for a day, a week or a month?

- Which of your critical services would be jeopardised if your building was evacuated for a week with all access denied? How about a month?

- How many staff would be needed to continue to cover critical tasks and how would you accommodate them?

- Have you an alternative building in which to work effectively? Is this sufficient? Can staff work from home?

- What would happen if a quarter of your staff were absent because of an influenza pandemic?

- How long can you manage without special software or stationery and how long would it take to replenish stocks?

ANALYSE YOUR BUSINESS

All businesses and companies are different. Whether it is due to size; products or services provided; processes used; markets etc.

However the one thing all businesses have in common is that they have critical functions that must continue if the business is to operate efficiently.

The first step in any business continuity planning process is to identify your critical functions to make sure that if disrupted they become your priority for recovery.

To achieve this you will need to have a thorough understanding of your business.

The recognised method for identifying your critical functions is by undertaking a Business Impact Analysis (BIA).

A BIA is intended to identify and document your key products and services; the critical activities that are needed to deliver these; the impact that a disruption to these activities would have to your business overall; and what resources or actions will be needed to maintain or restore these critical activities during or after a disruption or emergency occurs.

There is no 'one size fits all' methodology for BIA data collection. Methods vary from one business to another. Each business has its own specific needs for content, information types, and coverage.

However, the main topics that a BIA should cover are:

❯ Which are the most critical areas of your business?

❯ How quickly would losing a function or process have an adverse effect, including identifying the point at which any disruption will result in the failure of your business. This is known as the Maximum Tolerable Period of Disruption.

❯ What equipment, staff and systems are necessary to maintain these critical functions?

You should consider:

❯ Physical assets, including buildings, plant and machinery and stock;

❯ Processes, systems and communications;

❯ Computer systems and the data held on them;

❯ Staff; and

❯ Customers and suppliers.

Remember to consider service agreements and/or legal and contractual obligations that will need urgent attention.

Once this step has been completed, you will have a clear picture of you organisations critical services in terms of the potential impact of a disruption or emergency and can move onto the next stage.

ASSESS THE RISK

When thinking about the **RISKS** to your business, it can be described as:

• How likely is it that an emergency or disruption will happen?

and

• What are the potential impacts when it does?

Although you should be aware of the unexpected, remember that not all emergencies or disruptions are as dramatic as an explosion or fire or severe flooding. The most common business interruptions in UK are from burst water pipes; burglary; vandalism and events such as the loss of IT and power.

What could cause disruption?

Depending on your business' specific circumstances, there are many possible events that might cause a disruption:

Loss of or significant disruption to premises

• Fire

• Flood

• Prolonged loss of utilities

• Extreme weather

• Damage to premises

Loss of or significant disruption to Utilities/IT/Communications

• Loss of server access

• Loss of power

• IT/Communications failure

• Cyber attack

• Loss of information

Loss of staff

• Sickness and absence

• Industrial action

• Severe weather

Loss of or significant disruption to third party providers/supplies

• Failure or lack of third party business continuity procedures

• Supplier going into receivership

• Supplier unable to fulfil contracts

Effects on your business reputation

• Lack of public confidence

• Adverse media coverage

• Contract violation

• Failure to deliver agreed service

Understanding the variety of risks that could affect your business is an essential part of your business continuity process. To understand which risks are the most likely and would have the biggest effect, you may wish to grade them from low to very high. This will provide you with a focus to put measures in place to mitigate against your highest risks.

Best practice would also suggest that you consider your environment when looking at the risks. What is in your community or surrounding area that could cause issues, for example, are you near a river? Also is your business situated near other businesses or industrial sites? If yes what are their processes and could there be a knock on effect if they experience an emergency?

DEVELOP A PLAN

Having completed the first two steps of the business continuity process, you are now in a position to develop your plan. There are a number of plan templates available catering for all business sizes, however a carefully thought out plan will help your business deal with any potential disruption or emergency and minimise their affects.

A well developed plan also has the advantage of demonstrating to your customers; insurers and investors that your business is strong enough to cope with anything that might be thrown at you and could possibly give you the edge over other businesses.

You will never be able to plan for every possible event, but remember that people will need to act quickly in an emergency and stopping to read lots of information may make that difficult.

So your plan doesn't need to be a complex document. It should be, as much as possible, in simple to use non-technical language so that everyone who needs to use it can readily understand it.

As a minimum your plan should:

- Identify who is responsible for activating the plan (think about appointing deputies);

- Outline who will get together to start the process of dealing with the disruption and for making the important decisions (where will you meet, have a backup option available if you can't get access to your premises);

- Make it clear what needs to be done and by whom;

- Include a summary of the identified critical functions to

ensure that they have the initial focus;

- Include clear, direct instructions especially for those first critical hours after the emergency or disruption;

- Make sure that you have mechanisms in place so that you can keep in contact with those undertaking actions and the emergency services or utility providers (this helps you keep overall control of the disruption and actions being undertaken);

- Identify what resources are available to enable actions to be undertaken and completed;

- Outline your communication strategy, what messages are you going to give to customers and even the media;

- Consider using checklists and action logs; and

- List important contact numbers.

When you have completed your plan it is important that you make sure that all those with a responsibility in the plan are aware of what is expected of them. Make sure that all those involved understand the plan and the part that others play in implementing it. It is also prudent to keep copies of the plan off-site and that those with specific responsibilities have their own copies.

REHEARSE, TEST AND COMMUNICATE

Your plan should be a living document. Sometimes you only discover any weakness in your plan and processes when you put it into action.

As mentioned earlier, the first step in making sure that any plan is effective is for those with defined roles or are likely to be involved in its implementation are aware of the plans contents and what is expected of them.

A plan cannot be considered reliable until it is exercised and has proved to be workable. Therefore the second step is to maintain high levels of confidence in using the plan and this is achieved through regular testing and exercising.

The reason we test and exercise plans are to:

› Test well-established procedures;

› Develop staff competencies and give them practice in carrying out their roles in the plans; and

› Validate the plan.

Depending on the size of your business, there are numerous ways to test or rehearse your plan, some of which are:

Discussion based exercises – these are the easiest exercises to arrange and are the least time consuming. They allow you to read through the plan as a group, identifying any issues with the plan itself or the processes. It is also a good way of raising awareness of the plan.

Scenario exercises – these types of exercise are again discussion based, but using a relevant scenario. They can reflect real time or use time-jumps to test the scenario at different stages of the disruption. These types of exercise are commonly known as table-top exercises and require those attending to have some knowledge of the plan and their role within it.

Live exercises - a live exercise can range from a small scale rehearsal of one part of your plan, for example an evacuation or communications check up to a full scale rehearsal of the whole business. Live exercises are designed to include everyone likely to be involved in the response. You could also consider involving interested parties.

In addition to rehearsing and testing your plan it is good practice to put in place a review and maintenance schedule for the plan.

This will help you make sure that the plan is kept relevant and operationally ready to respond if activated. It also makes sure that any changes due to actual disruptions or identified through testing are made and that important information such as contact numbers are up to date.

FURTHER ADVICE

Although Local Authorities are unable to write your business continuity arrangements for you, '**you know your business best**', the Civil Contingencies Act 2004 Section 4(1) and Civil Contingencies Act 2004 (Contingency Planning) Regulations 2005 Part 7 requires local authorities to: *provide advice and assistance to those undertaking commercial activities and to voluntary organisations in relation to business continuity management (BCM) in the event of emergencies (as defined by the Act).*

Further advice can be sought from your respective local authority:

- **Blaenau Gwent County Borough Council**
  https://www.blaenau-gwent.gov.uk/en/business/business-support-growth/your-business-being-prepared/

- **Bridgend County Borough Council**
  https://www.bridgend.gov.uk/

- **Caerphilly County Borough Council**
  https://www.caerphilly.gov.uk/Business/Support,-promotion-and-advice/Business-continuity

- **Cardiff City Council**
  https://www.cardiff.gov.uk/ENG/Your-Council/Strategies-plans-and-policies/Emergency-Planning-and-Resilience/Pages/default.aspx

- **Carmarthenshire County Council**
  https://www.carmarthenshire.gov.wales/home/council-services/emergencies-and-community-safety/emergency-planning/#.XIEDiNP7SUk

- **Ceredigion County Council**
  https://www.ceredigion.gov.uk/resident/emergency-advice/business-continuity-management/

- **Conwy County Borough Council**
  http://www.conwy.gov.uk/en/Business/Business-Continuity.aspx

- **Denbighshire County Council**
  https://www.denbighshire.gov.uk/en/business/business-support-and-advice/business-continuity.aspx

- **Flintshire County Council**
  https://www.flintshire.gov.uk/en/Home.aspx

- **Gwynedd Council**
  https://www.gwynedd.llyw.cymru/en/Businesses/Business-continuity.aspx

- **Isle of Anglesey County Council**
  https://www.anglesey.gov.uk/

- **Merthyr Tydfil County Borough Council**
  https://www.merthyr.gov.uk/resident/crime-safety-and-emergencies/emergency-planning/business-continuity-advice/

- **Monmouthshire County Council**
  https://www.monmouthshire.gov.uk/

- **Neath Port Talbot Council**
  http://www.jointresilience.co.uk/2453

- **Newport City Council**
  http://www.newport.gov.uk/en/Council-Democracy/Civil-Contingencies.aspx

- **Pembrokeshire County Council**
  https://www.pembrokeshire.gov.uk/emergency-planning/business-continuity

- **Powys County Council**
  https://en.powys.gov.uk/article/3417/Business-Continuity

- **Rhondda Cynon Taf County Borough Council**
  https://www.rctcbc.gov.uk/EN/Resident/EmergenciesSafetyandCrime/EmergenciesSafetyandCrime.aspx

- **Swansea Council**
  https://www.swansea.gov.uk/businesscontinuityplanning

- **Torfaen County Borough Council**
  https://www.torfaen.gov.uk/en/CrimeEmergencies/EmergencyManagement/Civilemergencies-businesscontinuityadvice

- **Vale of Glamorgan Council**
  https://www.valeofglamorgan.gov.uk/en/living/Civil-Protection/Business-Continuity.aspx

- **Wrexham County Borough Council**
  https://www.wrexham.gov.uk/english/council/emergency_planning/emergency_planning_documents.htm

In addition to this booklet the Welsh Local Authorities Civil Contingencies Group has published a 'Self Assessment Template' which will quickly can help you identify the issues you need to consider to help prepare for an emergency that may disrupt your business.

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Are you prepared?