Small business
BCP workshop

Abbotsford Chamber of Commerce

May 5th, 2015
Business Continuity is the capability of the organization to continue delivery of products or services at acceptable redefined levels following a disruptive incident.

(BCI Good Practice Guidelines, 2013)
Agenda

- Small Business
- Objectives
- Business Continuity Plan
- Business Impact Analysis
- Risk Assessment
- Action checklists
- Appendices
- Next steps
Objectives

- Agree that Business Continuity Planning is something worth your time
- Increase awareness of the types of hazards facing your business
- Identify most critical business activities and resources required to perform them
- Develop action plans to use during a disruption
- Leave with the knowledge of how to complete a plan
- Commitment to exercising your plan going forward

Try to be interactive – share your thoughts – ask your questions
Small Business

Small business is an integral component of the British Columbia economy and is a key contributor to the economic growth and job creation in the province. The 2013 survey on BC small business reveals:

- 98 percent of all businesses in the province are small businesses, employing over one million people.
- Small business paid 32 percent of all worker wages in B. C.
- Small business was responsible for 31 percent of the provincial GDP

(BCStats, 2014)
Small Business

- Small businesses are the essence of any community.
- Small business survival is vital for a sustainable economic environment.
- Small businesses provide diversity which represents a dynamic community.
- When a small business is developed, many people do not consider what would happen in the event of a disaster and do not create a business continuity plan.
- For small business owners, being prepared can mean staying in business following a disaster.
More then 60% of U.S. small businesses do not have formal emergency response plans and do not back-up their data off-site.

Statistics show:

- 25% of businesses do not reopen after a natural disaster
- 43% of businesses do not re-open after catastrophic data loss
- 75% of businesses fail within three years of a natural disaster that do not have business continuity plans

Businesses are vulnerable to catastrophic loss.

(Impact on U.S. Small Business, 2007)
What Constitutes a Disaster

- What exactly is a disaster for a small or growing business?

  “A disaster is a sudden, unplanned calamitous event that creates an inability for an organization to provide critical business functions for an undetermined period of time resulting in great damage or loss to that organization.”

- Small businesses are especially vulnerable because few of them have the resources or knowledge to assess disaster risks and develop comprehensive mitigation and recovery plans.

  (Impact on U.S. Small Business, 2007)
Benefits of a Business Continuity Plan

- Customers increasingly expect high levels of service during normal operations and continuity of service during a crisis.
- Businesses that can open its doors during a crisis and keep them open will gain customer loyalty and advantage over those that can’t.
- A company’s reputation will benefit from their ability to maintain operations by implementing a quick recovery time, with minimal disruption.
- Protecting and supporting staff during times of emergency makes good business sense. Businesses will benefit from their staff’s gratitude and loyalty.

(Resilient Business, n.d.)
Business Continuity Plan

Aim of this plan

- Prepare business to cope with the effects of disruption

Plan objectives

- Define and prioritize Critical Functions of your business
- Analyze risks to your business
- Determine the agreed response to the disruption
- Identify Key Contacts during an incident or disruption
Business Impact Analysis

What are the most critical activities you perform?
- Ordering
- Bookings
- Sales
- Services

What’s the impact over time of not being able to perform them?
- Staff
- Customers
- Competitors
Business Impact Analysis

What resources do you need to perform your critical activities at a minimum?

List one activity per sheet in Section 1 – Business Impact Analysis

Prioritize your list of activities in order of significance in Section 2 – Critical Function Priority List
Hazard Analysis

What are the likely causes of disruption

- Overview of the Hazard Risk and Vulnerability Assessment
  - High Risk
  - Moderate Risk
  - Low Risk
- Other common causes:
  - Power outage
  - IT failures
  - Supplier failures

Source: KPMG survey 2012
Hazard Analysis - mitigation

What mitigation measures do you have?

Is mitigation possible – can you do anything?

Examples include

- Use of cloud based email – Gmail etc.
- Storing critical spreadsheets on Dropbox
- Software as a Service

List in Section 3 of the Business Continuity Plan
Emergency Response Checklist

First things to do following a disruption

- Ensure safety of staff and clients
- Determine nature and extent of emergency, gather details
- Call 911, if necessary
- Inform employees in building
- Access your emergency plan and activate it if required
- Secure the location
- How long are you likely to be out?
- Activate your BCP plan
- Who do you need to communicate with immediately?
Emergency Response Checklist

- What happens after the emergency is under control?
- One checklist for each business activity
- Focus on actions – things you can actually do
- Look for creative solutions – can you share staff / facilities with a neighbor? A competitor?
- Put them in logical order
- Include who you need to speak with to perform the action

List in Section 4 of the Business Continuity Plan
Recovery Action Plans

- Start thinking about recovery as soon as you start responding
- Will you need resources that will be in short supply?
- Ordering quickly may mean a much shorter supply time
- Each business will have to complete / update their recovery action plans depending on nature of disruption
Appendices

**Key Contacts** a list of those people that would need to be contacted in the event of an incident. This could be business partners or suppliers.

- Needs to reflect your business needs
- Prioritize your contacts in order of business critical processes
- A contact list need to be updated frequently
- Good idea to have a back-up and not all stored in your phone / computer
- Always maintain a printed copy

List in Section 5 of the Business Continuity Plan
Appendices

Document the tasks that will be required to manage the response and recovery

Communication Log

- Keep a log of what you do and the timelines of each action
- Identify potential insurance issues
- Identify learning opportunities

Debrief and Review

- Look back after the disruption or exercise
- How can you make your plan better?
- What are the lessons learned?
Next steps

Always have a hard copy of your plan available
Share with your staff
Exercise, exercise, exercise!
Review additional templates and materials provided at:

www.resilientbusiness.co.nz
www.epicc.org
www.getprepared.ca
Objectives revisited

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■ Commitment to exercising your plan going forward

■ Try to be interactive – share your thoughts – ask your questions
Thank you