BUSINESS CONTINUITY PLANNING
OVERVIEW

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BUSINESS CONTINUITY PLANNING
Business Continuity Planning

Closed captioning available

Video Link
What is Continuity?

Continuity is an effort to plan for ways to continue essential functions and provide essential services when normal operations are disrupted.

Essential functions are those required for the organization to continue operations.
Continuity Events

**Weather**
A significant winter storm has closed highways limiting access to the primary facility.

**Structural**
A water line break on the 3rd floor of the organization's building has caused damage, ruined equipment, and displaced employees.

**Technological**
A cyber attack has compromised the IT system; employees are unable to access their email or electronic files until further notice.

**Fire**
The organization's building has caught fire, displacing operations until the building can be rebuilt.
What is a Continuity Plan?

It is important that all organizations have a continuity plan.

A successful business continuity plan assists businesses when an event or disaster disrupts normal day-to-day operations.

The importance of the interconnected nature of business continuity means that it is not isolated as a responsibility of any single department or area of a business.
Knowledge Check

Select the correct answer.

The owner of Green Earth Bistro, a local minority-owned restaurant, receives a call from authorities informing them of damage to the building. Upon inspection, the food preparation area and customer service station experienced fire damage. Additionally, there was evidence of smoke damage on the dining room ceiling.

Is this an example of a continuity event?

A. Yes  
B. No
The owner of Green Earth Bistro, a local minority-owned restaurant, receives a call from authorities informing them of damage to the building. Upon inspection, the food preparation area and customer service station experienced fire damage. Additionally, there was evidence of smoke damage on the dining room ceiling.

Is this an example of a continuity event?

A. Yes
B. No
DEVELOPING A BUSINESS CONTINUITY PLAN
Sections of a Business Continuity Plan

A Business Continuity Plan includes four (4) steps:

- Business Impact Analysis
- Critical Business Functions
- Business Continuity Team
- Training
Owners should conduct a business impact analysis to identify time-sensitive or critical business functions and processes and the resources that support them.
## Business Continuity Resource Requirements

<table>
<thead>
<tr>
<th>Resource Category</th>
<th>Resource Details</th>
<th>Normal Quantity</th>
<th>Quantity Needed Following Disaster</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers</td>
<td></td>
<td></td>
<td>24 hours</td>
</tr>
<tr>
<td>Staff</td>
<td>Primary site, relocation site and recovery site</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office space</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Office equipment</td>
<td>Furniture, phone, fax, copiers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office technology</td>
<td>Desktops and laptops (with software), printers with connectivity, wireless devices (with email access)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vital records, data,</td>
<td>Location, backups, and media type</td>
<td></td>
<td></td>
</tr>
<tr>
<td>information</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production facilities</td>
<td>Owned, leased, or reciprocal agreement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production machinery &amp;</td>
<td>Especially custom equipment with long replacement time</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Dies, patterns, molds,</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>etc. for machinery &amp;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw Materials</td>
<td>Single or sole source suppliers and possible alternatives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Third party services</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Instructions:** Identify resources required to restore business operations following a disaster. Estimate the resources needed in the days and weeks following the disaster. Also review information technology disaster recovery plan for restoration of hardware and software.
Developing a Business Impact Analysis and Identifying Critical Business Functions

1. Identify key business processes and functions.
2. Establish requirements for business recovery.
3. Determine resource dependence on related resources.
4. Determine impact on operations.
5. Develop priorities and classification of business processes and functions.
6. Develop recovery time requirements.
7. Determine financial, operational, and legal impact of disruption.

Green Earth Bistro identifies key business process and functions as:
- Office equipment and technology
  - Register
- Production facilities and machinery
  - Preparation area
  - Cold storage
- Raw materials
  - Ingredients
- Third party services
  - Contractors for repairs
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Requirements for business recovery:
- Register is required to process orders
- Preparation area is required to prepare orders
- Cold storage is required to store ingredients
- Ingredients are required to create and complete orders
- Contractors for repairs are required to create a safe preparation and dining area
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All resources are dependent on the third-party services, Contractor repairs.
- Without repairs, the restaurant cannot be opened, and the additional issues cannot be addressed
- Without a suitable preparation area and functional cold storage, ingredients will spoil
- Without a register, Green Earth Bistro is unable to accept orders and process income from customer orders
Developing a Business Impact Analysis and Identifying Critical Business Functions

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Impact on operations include:
- Without repairs, the restaurant cannot be opened
- Without a preparation area and functional cold storage, ingredients will spoil
- Without a register, Green Earth Bistro is unable to accept and receive income from customer orders

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6. Develop recovery time requirements.
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Priorities and classification of Green Earth Bistro processes and functions are:

1. Third party services
   a. Contractors for repairs
2. Production facilities and machinery
   a. Preparation area
   b. Cold storage
3. Office equipment and technology
   a. Register
4. Raw materials
   a. Ingredients
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Green Earth Bistro has determined the following recovery time requirements:

- Contractors for repairs and inspections – 1-2 weeks
- Replacement of preparation area, cold storage, and register – 1 week
- Delivery of new ingredients – 2-3 business days
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After reviewing the damage and building lease, Green Earth Bistro is:
- In contact with the:
  - Building owner to discuss repairs
  - City officials to discuss inspections
  - Insurance provider to ensure repairs are made
  - Lawyer in the event leasing clarifications or negotiations are required
- Reviewing all financial accounts to ensure employees are paid and funds are available
Business Continuity Team

Organize a Business Continuity Team and compile a business continuity plan to manage a business disruption. Members should include managers and department leaders.

When creating a Business Continuity Plan, the owners of Green Earth Bistro included the General Manager, Assistant Manager, and Head Chef as members of the Business Continuity Team.

- The **Owners** are responsible for initiating and maintaining contact with the building owner, city officials, legal team, and insurance representative
- The **General Manager** is responsible for securing contractors, ordering appliances, and acting as a liaison between the owners and all other parties
- The **Assistant Manager** is responsible for ensuring front-end needs are met; i.e., front-end equipment is functional, dining areas are safe, and accounting for front-end staff
- The **Head Chef** is responsible for communicating appliance issues, placing ingredient orders, and accounting for kitchen staff
Conduct Training

Conduct training for the business continuity team. The training should include conducting exercises to test and evaluate recovery strategies and the plan.

Each quarter, the Business Continuity Team reviews the Business Continuity Plan. Once a month, an all-staff meeting is held to review strategies for all Green Earth Bistro departments. New and veteran staff members are given a specific scenario based on a continuity event. They must walk through all the necessary steps to ensure that business operations and customer needs are addressed in a safe and timely manner.

**The goal of each training is to minimize business disruption, keep customers safe, and ensure staff members are safe.**
Knowledge Check

Select the correct answer.

Are the owners of Green Earth Bistro members of the Business Continuity Team?

A. Yes
B. No
Knowledge Check

Select the correct answer.

Are the owners of Green Earth Bistro members of the Business Continuity Team?

A. Yes
B. No

Yes, the business owners should be members of the Business Continuity Team to ensure at a minimum that legal matters and financial matters are handled in a proactive and productive manner.
Knowledge Check

Select the correct answer.

Green Thumb Girls is a woman owned small floral business located in a three (3) unit shopping center. Overnight, a winter storm dropped the temperature causing the water pipes in the shopping center to freeze. Unfortunately, in the early morning hours, a pipe in the Green Thumb Girls preparation area burst.

Is this considered a continuity event?

A. Yes
B. No
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Is this considered a continuity event?

A. Yes
B. No

Damage caused by weather is one (1) of the four (4) continuity events.
Knowledge Check

Select the correct answer.

The following individuals are members of the Green Thumb Girls staff:

- Lydia, Owner and Manager
- Martina, Assistant Manager
- Julien, Head Floral Designer
- Ethan, Delivery Manager

Identify the staff members that should be included as members of the Business Continuity Team.

A. Lydia, Martina, Julien, and Ethan
B. Martina, Lydia, and Ethan
C. Lydia, Martina, and Julien
D. Martina, Julien, and Ethan
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B. Martina, Lydia, and Ethan
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All individuals should be included because they include the owners and department leaders.
Resources

The following links are available to provide additional information and resources:

- Business Continuity Resource Requirements Worksheet
- Business Impact Analysis
- IS-1300: Introduction to Continuity of Operations