# A Practical Guide to

# Business Continuity Planning

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The following whitepaper originally appeared as a series of blog posts in in Global Data Vault's Data Protection blog. Significant portions of this guide were developed with the assistance of and based on content provided by the US Department of Homeland Security.

Basic business Disaster Recovery Planning need not require a cash investment. If you only complete the 10 steps outlined here, you'll be better prepared than most small businesses.

Here are ten important disaster recovery planning steps which require no cash.

1. Meet with your insurance provider to review current coverage.

2. Create procedures to quickly evacuate and shelter-in-place. Practice the plans.

3. Talk to your people about the company's disaster plans. Two-way communication is central before, during and after a disaster.

4. Create an emergency contact list, include employee emergency contact information.

5. Create a list of critical business contractors and others whom you will use in an emergency.

6. Know what kinds of emergencies might affect your company both internally and externally.

7. Decide in advance what you will do if your building is unusable.

8. Create a list of inventory and equipment, including computer hardware, software and peripherals, for insurance purposes.

9. Talk to utility service providers about potential alternatives and identify back-up options.

10. Promote family and individual preparedness among your co-workers. Include emergency preparedness information during staff meetings, in newsletters, on company intranet, periodic employee emails and other internal communications tools.

You can stop here – or if you wish to undertake development of a full Business Continuity plan, we'll break this into 11 discrete chunks that you can attack methodically.

**Justification for a Plan**

Preparing a Business Continuity or Emergency Plan takes time and effort and requires some investment. In my previous post, I provided a list of 10 steps small businesses can take which do not require any cash investment.

In this post and the remainder of the series, I'll cover in some detail the process of preparing a Business Continuity or Emergency Plan. Some parts of this process will require an investment as well as some effort. So, why do this?

- According to the Institute for Business and Home Safety, an estimated 25 percent of businesses do not reopen after a major disaster.

- OSHA requires that businesses with 10 or more employees have a written emergency plan.

- Dependency on computer technology makes recovery more complex, and therefore, makes planning more important.

- Preparedness improves the chance that a company can recover, including recovering financial losses, market share losses, as well as equipment and inventory.

- Being well prepared facilitates compliance with regulatory requirements.

- Being well prepared helps companies protect employees.

- Being well prepared improves business security and enhances its credibility with employees, customers, vendors, and investors.

- Preparedness may help reduce insurance costs.

Finally, it is not easy to build a successful business. And it is all too easy to fail. All businesses should take the simple steps we'll discuss here as a means to protect what they have worked so hard to build.

**Developing a Budget**

Understanding all the changes that could become an integral part of daily business operations is vital to the success of any business continuity plan.  It is important for the management team to determine the most essential elements that will enable the business to thrive in the event of a disaster.  In the end, it is strategic budgeting that will ensure the availability of all the essentials. The best way to prepare a budget for your project is to devise it from a cost/benefit analysis. This analysis should cover the following areas:

Initial and Ongoing Resources, Time and Effort

• Prepare for costs associated with third-party contracts.
• Calculate costs for administration, training and testing.

• Ensure the facility is up to code – inspections for wind, fire and seismic resistance.

• Consider costs for protecting the facility – smoke detectors, fire suppression systems, flood protection, an insurance policy that covers natural disasters.

• Physical security, electronic security systems.

• Prepare for costs associated with both electrical and data backups.

• Potential costs for storing critical business data offsite.

• Costs for customizing areas to protect electronics from flood waters.

• Costs for emergency kits and associated supplies.

• First aid and CPR training for staff.

• Potentially an expert to evaluate the proficiency of your natural disaster preparedness and business continuity plan.

Worst Case Scenario

• Potential staff recruitment and new hire costs.

• Replacement of software and hardware systems.

• Consider devices and technologies that will enable staff and management to communicate in the event of an emergency.

• Potential moving costs.

• Financial and operational consequences should critical functions not being able to perform.

Potential Savings

• Discount insurance premiums that may be obtained by putting a disaster recovery plan into effect.

• Enhancing system stability and availability through upgrades and security mechanisms.

• Opportunities for outsourcing critical business aspects that would otherwise prove cost-prohibitive onsite.

• Structuring environments that afford more onsite business functions.

Budget estimates for the project will vary, largely depending on whether training tools and other resources are coming from within or through an outside vendor.  When budgeting for what's essential, things that can go wrong as well as potential benefits, you get garner a much better idea of the expenses the project will incur.

**Surviving Utilities Disruptions**

Coupled with untimely natural disasters, disruption to the power supply and other utility services is one of the biggest threats facing businesses today.  This is especially true for those with operations that impact an infrastructure consisting of other businesses, social services and the consumer public.  Preparing for utilities disruption is a critical step that your business continuity plan cannot do without.

Because many businesses rely heavily on electricity, gas, telecommunications and other vital utilities, a thorough plan should cover the following:

- Plan for service interruptions that may occur during and after an emergency situation. Determine which utilities are the most essential to daily business operations, consider possible backup sources and speak with service providers regarding potential alternatives.

- Learn when and what utilities should be turned on or off by staff. Utilities such as gas and electricity should only be handled professionals.

- Purchase a backup generator to power the most critical business functions during a disaster. Be sure to test the backup system's functionality from time to time and never operate a diesel generator within the facility as it may expel dangerous gas.

- Determine how you will communicate with staff, customers, providers and others if the main source of communications should fail. Consider two-way radios as well as other devices that do not rely solely on electricity as a source of power.

- Create an alternative means for accessing the internet and other vital networks.

- Consider health provision as well as the distribution of food and water supplies.

- If the onsite facility consists of refrigerated food and beverage, locate a vendor beforehand to purchase ice and associated supplies.

The impact power outages and other utility disruptions can have on large business firms, energy-intensive organizations and service providers have the potential to be catastrophic. Because a wide range of disasters may occur, various factors need to considered, evaluated and analyzed. A thorough disaster recovery plan will reduce the risks of damage to the facility, machinery and systems, loss of service and production, disruption in the network infrastructure and supply chain and loss of personnel. Most importantly preparing for utilities disruption will dramatically reduce the risks of credibility damage and finances.

**Preparing for Threats through Risk Assessment**

A successful business continuity plan involves preparing for the unexpected. No one ever wants to overindulge in negativity, yet it is only practical to be realistic in this day and age of untimely disasters. A major part of any disaster recovery plan is assessing the potential risks the business will be exposed to in the event of a disaster or other emergency situations. It is a must to consider all types of probable incidents as well as the impact each could have on the organization's ability to perform normal business operations. This can be a very complex task but the information in this article will provide some insight and guidance for what needs to be considered.

**The Threat List**

Risk assessment is all about discovering and analyzing the array of disruptive situations that can possibly affect day-to-day business operations. Some of the potential events include:

**Environmental Disasters**

- Flood
- Blizzard
- Freezing conditions
- Electrical storms
- Tornado
- Hurricane
- Earthquake
- Drought
- Fire
- Landslides
- Environmental hazards
- Tsunami

**Deliberate or Organized Disruption**

- Act of sabotage
- Act of terrorism
- Act of war
- Theft
- Arson

**Disruption of Utilities**

- Power failure
- Loss of water supply
- Loss of gas supply
- Loss of communications services
- Loss of drainage
- Loss of waste removal supply
- Hardware and System Failure
- Air conditional failure
- Ventilation control failure
- Production line failure
- IT hardware failure

**Security Breach or Compromise of Business Information**

- Malware infection
- Network attacks
- Theft of data
- Unintentional disclosure of sensitive information

**Other Probable Emergency Incidents**

- Violence in the workplace
- Neighborhood hazards
- Public transportation disruption
- Employee morale
- Legal disputes

- Negative publicity
- Mergers and acquisitions
- Health and safety regulations

Believe it or not, this list is far from complete as there is much more that needs to be considered. However, it should give you a good idea of the wide range of potential threats your business may encounter. A positive aspect is that there are a number of tools and services available to properly assist with risk assessment and its role in your disaster recovery plan. Several professional consultants and organizations can aid your project by employing various strategies that are in line with local and international standards.

**Employee Involvement in Emergency Planning**

Disaster recovery and business continuity planning is an enormous project that cannot be completed by one person alone. It is essential that your project involve employees at each level so that everyone can prepare and protect all aspects of the business. Instead of formulating a roster of your employees right away, I suggest that you first consider the make up of your team. For example, what employees are best suited for being a part of the team? What abilities and qualities do you feel make them a good fit? What roles and responsibilities are they capable of handling? The answers to these questions will go a long way in forming the best possible team for the project.

Below I have complied a checklist that will help you determine who in your organization may be fit for certain responsibilities. It will also give you several ideas on how employees can be more involved in disaster recovery and emergency situations.

Getting Employees Actively Involved in Emergency Planning

- Make sure you involve employees at all level in the plan. Keep in mind that strategic planning will enable staff with disabilities and other special needs to play a critical role in the project as well.

- Take advantage of emails, newsletters, staff meetings, intranet sites and other communications mediums to effectively discuss emergency plans and procedures with all employees involved.

- Establish a set of policies and procedures to warn staff members of emergencies. Particularly, you should determine who will communicate with employees who may not speak fluent English and those who are hearing-impaired or suffer from other disabilities.

- Set up a communications medium for communicating with staff during and after an emergency. This could be a special page on the company website, an email alert or voice recording system.

- Designate a phone number that allows employees to call in and let everyone know they are okay in the event of a disaster. Make sure that everyone keeps their calls brief so that others can get on the line.

- Encourage all employees to arrange alternative means of transportation for traveling to and from work in case normal modes are interrupted.

- Maintain a record of employee emergency contact information, emergency kits and other essentials at an off-site location.

No one looks forward to a disaster, but when getting everyone involved, the entire organization can survive an emergency situation and quickly get normal business operations back in order.

**Creating a Thorough Evacuation Plan**

When faced with a disaster, one of the hardest decisions your team will have to make is whether to stay onsite or vacate the premises. Unfortunately, some disasters are so catastrophic they require that everyone leaves the facility immediately. It is no secret that a business who plans for an emergency and devises an exit strategy performs better than those who don't.

Here are a few tips for developing a sound evacuation plan:

- Devise a system that lets you know exactly who is on the premises during the time of a disaster. This way, both employees and customers can be accounted for. It may also help rescue services to account and/or search for individuals.

- Determine who has the authority to initiate an evacuation. It is a good idea to develop a chain of command that enables others to give the order if the designated individual is not available.

- Specify who will be responsible for shutting down critical operations and locking up the facility during an evacuation. This is another instance where you should train additional staff in case the designated individual is unavailable.

- Devise a special strategy for employees and customers who may require assistance in getting out during an emergency.

- Make copies of building maps with clear markings of all the important utility areas and emergency routes. These maps should be made easily accessible to all employees and management as well as first responders and emergency personnel.

- Consider emergency lighting such as flashlights to use in the event of a power outage.

- Designate an assembly site that everyone knows to meet at. Stress the importance of people letting the designated management know if they are unable to reach the site.

- Take a headcount as everyone arrives at the meeting site. Make sure you know who and when someone leaves the site to ensure that everyone is accounted for.

- Decide who will be responsible for letting the team know when conditions are clear to return back to work.

- If your business functions are run out of multiple buildings or in another location, be sure to create evacuation procedures specific to each individual facility.

- If your business shares or leases space with other companies, ensure that those organizations along with the building owner is dedicated to collectively practicing evacuation procedures.

There is a good chance that the authorities will not arrive in time to orchestrate an evacuation. By implementing your own strategy into the continuity plan, you can better assure that everyone makes it out and quickly get back on the road to recovery.

**In-House Shelter**

During an evacuation, there may be instances when it is best to stay in your location and form a shelter in a special area within the building to avoid dangerous conditions outside.  In such situations, knowing how and where to take shelter can be a matter of life or death.  When it comes to disaster recovery,it is critical to understanding the impact of different threats and prepare for all the possibilities.

Below are a few tips for devising a sound in-house shelter plan:

- Create a warning system.

- Test the systems regularly to be sure that they work and everyone responds accordingly.

- Be sure to account for employees or visitors in the building who have physical disabilities or do not speak English.

- Make sure all employees are onboard and understand the importance of sheltering. While you can't force them to participate, knowing upfront can prevent confusion and encourage cooperation.

- Make sure everyone is accounted for upon arriving to the shelter.

- Check off employee names on a prepared roster.

- Take a head count of all employees, customers and visitors.

- Assign specific tasks to individual workers beforehand and keep track of their responsibilities.  Be sure to designate and train alternate employees in case the assigned worker is unable to perform.

- Stock all shelter locations in advance with emergency supply kits.

- Frequently practice the in-house shelter plan to make sure everything goes accordingly.

**In-house Shelter Plan for a Tornado**

When planning for a tornado, there are a number of specifics that must be covered to ensure adequate protection.

Instruct everyone to a cellar or basement, as they provide the best protection against tornados.

If no underground shelter is available, the next best option would be an interior room or hallway on the lowest level possible.  The same is true if your business operates out of a high-rise building.

Instruct everyone to huddle in the center of the room and stay away from windows, doors and walls.  Remain in the shelter location until receiving word that the tornado has completely passed.

When disasters strike, knowing whether to stay or go is a tough decision.  If the authorities instruct you to stay or leave, it is best to do so immediately.  However, because you may not have contact with the authorities, having an in-house sheltering plan is essential.

**Vital Emergency Supplies**

There is never a good time for an emergency, but your company must have much more than a basic first-aid kit in the event of an untimely disaster. In regard to supplies, it is important to let workers know just what will be stored and available in the building.  This will encourage feedback and ultimately help you determine if any additional supplies should be included for added protection.  Recommended emergency supplies should at least include the following items:

- **Water** – Although amounts will vary greatly when factoring in portability, it is ideal to have each individual transport a gallon of water for drinking and sanitation purposes. To accurately gauge volume, find out which individuals will be involved in carrying water and how much they would be comfortable transporting to a new location.

- **Food** – When forced to shelter in-house or another location, it is recommended to have a decent supply of non-perishable food for at least up to three days.

- **Battery-powered commercial radio with extra batteries** – This will provide you with news updates and details from local authorities.

- **Battery-powered weather radio with extra batteries** – Having a radio will allow you to hear weather alerts and updates.

- **First-aid kit**

- **Flashlight with extra batteries**

- **Can Opener**

- **Moist Towels** – These towels are useful for sanitation purposes.

- **Garbage Bags** – Having bags on hand will assist with personal sanitation purposes.

- **Pliers or Wrench** – You should have tools on hand that will allow you to shut off utilities, if needed.

When gathering emergency supplies, never forget that your business information remains a vital aspect. Be sure to keep all important documents, such as building plans, insurance papers, employee files, third-party contracts and computer-based backups, in a safe place. The best option would be a water-resistant, fireproof container. Duplicate copies of these same items should also be stored in a remote location for an added layer of protection.

Aside from emergency supplies you plan to keep onsite for the benefit of the entire staff, encourage employees to maintain their own personal kits. These should consist of items such as bandages, medications, flashlights, water and snacks, among other supplies. There is never an opportune time for a disaster or emergency situation to strike, but when everyone is prepared, making it through the crisis and getting back to normal is much easier.

**Developing an Emergency Communications Plan**

During an emergency, being able to efficiently communicate with staff, customers, authorities and the public can make a huge difference in regards to how well your business will be able to recover from the disaster. To better assure this efficiency, it is wise to encourage open communication amongst workers prior, during, and following an emergency situation.

Because it is essential for everyone to play a role in the communication process, the following outline should give you an outline of what plan to have in place:

**Employees** – Be ready to provide employees with details regarding when, if, and how they should report to work after an emergency situation. Devise ways to communicate with employees during an emergency. This can be done by setting up a telephone call-tree, call-in voice recording, creating a password-protected area on the company website, or sending out an email alert.

**Management** – Provide your top-level executives with all the pertinent information needed to protect employees, customers, third-party vendors and nearby facilities.

**Customers** – Be sure to update customers on if and when products and services will be received and rendered.

**Public** – Depending on the nature of the emergency, there may be a need to update the general public with the added assurance that all efforts are being exercised to not only protect

employees, but the community as well. Informing the public that recovery plans are in place could be vital to the longevity of your business.

**Authorities** – Get in touch with the local and state authorities and explain what type of emergency assistance is needed to carry out your essential business operations. If need be, inform government officials of what your company is willing to do to aid recovery efforts.

**Neighboring Businesses** – Be prepared to provide other companies in the area with a briefing regarding the nature of the emergency. This will allow them to assess their own risks and threat levels.

Being able to communicate is absolutely vital during an emergency situation. By developing a strategy, you can make sure staff is safe, provide the public with the needed information, receive the assistance you need, and most importantly, get on the road to recovery.

**Practicing Internet Security**

Security is an issue for almost every computer user, especially those who frequently use the internet. Computers have become an integral part of everyday and act as the lifeblood for many critical business operations. It doesn't matter how safe you think you are; every computer is vulnerable to a wide range of security threats. Although security solutions can be very costly and technically challenging, businesses of all sizes must remain proactive in order to fend off computer hackers, viruses and other malicious threats.

Below are a few tips on enhancing internet security for your business:

**Install anti-virus software on all computers** - Be sure to keep your anti- software updated and confirm that it not only protects against viruses, but also worms, Trojans, spyware and other harmful programs.

**Install a firewall** – Having a firewall is essential because it prevents intruders from gaining unauthorized access to your network.

**Don't open unsolicited emails** – Make sure every staff member realizes the dangers of unsolicited messages. Many threats originate from emails, including scams and virus infections.

**Use strong passwords** – Intruders and hacking tools grow more sophisticated every day. Harden your systems by choosing passwords that are difficult to guess. They should be at least eight characters in length and preferably a mix of letters, numbers and symbols.

**Backup data regularly** – Perform daily or at least weekly backups and maintain copies at an offsite location. This ensures that data can be restored if the onsite location is compromised.

**Keep your systems updated** – Hackers and malicious software writers are often able to penetrate computers through software vulnerabilities. You can reduce the probability by keeping your systems updated with the latest security patches.

**Test your security systems on a regular basis** – Run frequent tests on your security mechanisms to ensure that they are functioning properly and providing you with adequate protection.

**Prepare for infections and other security breaches** – Make sure system administrators know what actions to take should your systems be compromised.  Always make sure you have designated personnel experienced at handling security breaches.

**Practice Safe computing** – Be sure that employees keep web surfing and internet downloads to a minimum.  Peer-to-peer applications and internet downloads are notoriously associated with security threats.

By preparing your company against digital threats, you can ensure that your corporate files and client information is kept safe from the hands of criminals.

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**Conclusion – Supporting Staff Post Disaster**

When disaster strikes, not only can it impact the workplace, but what occurs outside of the office as well.  Encouraging employees to prepare for emergency situations can help individuals and families greatly reduce the impact a disaster might have on their lives.  This enables workers to get back to their routines faster and will ultimately aid in the speedy recovery of the entire organization.

Everyone is different, and some individuals may have special needs following a disaster.  For instance, someone who experienced a damaging flood might have to relocate themselves, as well as their family, to a new home.  This type of disaster would understandably require additional time from which to recover.  Because the staff is essentially the backbone of your business, it is vital to be prepared to provide support for employees following disasters and emergency situations.

Encourage employees to rest and indulge in the right foods and recreation that enables recovery.

If needed, allow additional time at home to tend to family matters.

Establish an open-door policy that allows employees to seek the appropriate care when needed.

Create an environment that allows employees to talk amongst each other about fears and hopes related to the disaster.  Openly sharing with others has been known to promote speedy personal recovery.

Give employees assurance that affected families will be supported in some form or another.  A terrible disaster has the power to entirely consume anyone involved, especially when it has an impact on one's family.

Try to re-establish normal routines as soon as possible.  This aids in recovery by providing employees with an opportunity to be active and return to a sense of normalcy.

Make it easy for employees to speak with professional counselors to discuss their fears and concerns.

After receiving all the important details and instructions regarding the disaster, limit radio, television and other elements that may act as distractions or stresses.

Tend to your own needs.  Provide all the help you can for the staff, but make sure to take care of yourself as well.  As a leader, your personal health and ability to recover from the disaster is important to your employees and the family members who love you.

Your staff play an important role in the success of your business.  By ensuring that they have individually recovered from the disaster, you can return to prosperous business as usual.

**Acknowledgement**

Be sure to see www.ready.gov for more details about disaster recovery planning.

**Request Information**

To learn more about Global Data Vault's data protection solutions, contact GDV at:

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