# Business Continuity Plan

*It the event of a pandemic, your company must have identified the people, skills and equipment/systems that are essential to maintaining its business operations. The following is a guide to assist in the development of a business continuity plan, and also serves as template for you to insert your company name and modify where applicable.*

## Purpose

This guide will assist your management in developing plans to maintain business operations in the event of a significant crisis. As you begin developing a business continuity plan, you may find that the organization has existing documents that define essential services in your organization. Examples would include site emergency plans, or plans developed in response to Y2K concerns or SARS. The organization should also consider whether external individuals such as elected officials, unions, or legal counsel should be consulted during the development of the plan. The plan must include the organization’s process for decision-making during the crisis situation. This should define who has the authority to shut down all or sections of the business when conditions are such that business continuity cannot be maintained.

## Overview

There are four essential steps to create a business continuity plan:

### Identify essential services/products and critical business activities.

Each business should focus its continuity planning on the critical activities of the business, rather than trying to ensure continuity for all aspects of the business.

It is important to have a clear definition what constitutes essential products/services and critical business activities. For purposes of this document, the following definitions will be used:

* Essential Service/Product: The core services and/or product produced or provided by the organization. An inability to produce/provide these products and services for a given period of time may lead to the failure of a business unit or significantly impact another [company name] operating unit.
* Critical Business Activity: Activities which, although not producing external products or services, a business must perform in order to remain in operation and in compliance with applicable regulatory requirements. This includes a service and/or function that when not delivered creates an impact on the health and safety of individuals. Examples of critical business activities include paying invoices, ensuring that employee payroll is maintained, and ensuring that licensing and regulatory filings are completed as required.

In addition to planning business continuity for essential services/products and business critical activities, the business should also anticipate whether any additional services/products will be required as a result of the crisis. This is referred to as “surge activity” or “enhanced services demands.” An example would be increased requests for customer service due to service interruptions resulting from utility outages.

The following steps will help your organization identify its essential services/products:

* Identify all the services performed/ products supplied by the business units.
* Identify the locations/facilities required to provide essential services/functions.
* Identify any “surge activities” that may be created or increased as a result of the pandemic response.
* Review each essential service/product to determine the implications of service modifications, reductions and/or elimination.
* Identify essential suppliers.

Once all services performed/products supplied by the business have been listed, take the following into consideration in determining which are essential:

* Role that service/product plays in the ability of another [company name] operation to perform its essential services/functions
* Importance of the services/products to external customers; consider customer volume, ability of customer to seek similar services/products from competitors; likelihood that [company name] would regain the business once business operations return to normal

The following areas should be examined to help identify business critical activities:

* Raw materials required for producing the essential products.
* Essential suppliers/vendors/contractors needed to provide critical parts/supplies/services to maintain production levels.
* Shipping or transportation issues that may impact the supply of raw materials.
* Shipping or transportation issues required to deliver essential products to customers.
* Utilities and facilities needs to produce the essential products.
* Activities that are required to maintain the financial operations of the organization.
* Activities that are needed to provide for the employee workforce, including employee payroll or maintenance of dormitory facilities.
* Activities that are required to maintain business integrity, such as filing of required financial, business, environmental or other regulatory documents.
* Any services and/or function that when not delivered creates an impact on the health and safety of individuals.

Once Essential Services/Products and Critical Business Activities have been identified, the business must determine the minimum number of employees and necessary skills required to perform and maintain these functions. Employees should be divided into four categories:

Category 1: Business critical and must come to the workplace

Category 2: Business critical, but can work from home

Category 3: Can work from home, but are not business critical (a decision concerning whether these employees continue to work will depend on the ability of the IT infrastructure to provide support to this group)

Category 4: Can’t work from home, but not business critical (example-mailroom personnel)

Consider the following in your analysis:

* Identify the minimum number of employees (by job function) required to maintain the essential services/products. Include essential services/products created or increased by the “surge activity.” Determine whether these essential services/functions can be delivered from alternate locations or employees working from home.
* Identify any special requirements necessary to perform the essential services/functions (for example, license to operate a commercial vehicle)
* Identify the minimum number of employees required to maintain the Business Critical Activities.
* Who are core people required to manage the Health Crisis Management plan? These people should consider social distancing – even working from home, very early in the pandemic phase.
* Identify any systems, including utilities, computer systems, and manufacturing equipment which rely on periodic physical intervention by an employee to keep them operational. How long would the system last without attention if there was no one looking after it?

In addition to absenteeism among employees who are ill, employees may be that may be required to stay home to care for ill family members or school-age children if schools are closed, or affected by quarantine actions even if they are not sick. The organization should include these possibilities in its planning for staffing needs. This means that organizations may be forced to modify, reduce, or even eliminate specific services/functions to cope with the impacts of a pandemic emergency.

### Assess potential effects on each critical area and develop response plans.

Assess potential effects on each Essential Products/Services and Critical Business Activities. This assessment should include various assumptions about the duration of the crisis – for example scenarios in which raw material supply is interrupted for one week, one month, and three months. The assessment should also include various assumptions about employee absenteeism levels – for example, scenarios in which absenteeism is 10%, 30% and 50%.

It is important to develop, document, and implement response plans to maintaining Essential Services/Products and Critical Business Activities. Here are some potential responses to areas that are likely to be affected.

#### Staffing

* Consider alternate work locations outside of the affected area for key individuals whose physical presence is not required at the work site.
* Consider whether certain employees can perform their work functions from home. What tools (such as telephones, computers, and fax lines) could be arranged to allow this to be productive?
* Is there a pool of retirees, volunteers, or contractors who may be able to supplement staffing?
* Can alternatives to face-to-face meetings, such as teleconferencing, or Internet conferences be implemented?

#### Information Systems Maintenance

* Consider setting up shared locations for contingency planning information.
* Consider alternative or duplicate means of storing essential business information. Include both hard copy and electronic information in the considerations.

#### Contracted Services/Suppliers/Vendors

* Do you have contact lists for all your suppliers, suppliers, vendors, and contractors?
* Have alternative service providers, suppliers, been identified to assist with maintaining your essential services and critical business activities?
* Conduct a risk assessment of suppliers/vendors/contractors. Assess the business continuity plans of essential suppliers/vendors to assure their ability to continue to provide essential supplies/services in the event of a health crisis.

The following template is one format for creating action plans relating to maintaining critical business functions. Another option is to use a RAIL (Rolling Action Implementation Log) format.

#### MAINTAINING ESSENTIAL SERVICE/PRODUCT – TEMPLATE

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | | |
| Business Group |  | | |
| Essential Service/Product |  | | |
| Individual/Position Responsible for implementing specific action plan. | Name | Phone Numbers | E-mail Address |
| Activation Procedure: Describe the procedure. |  | | |
| Corporate and Community Impact Issues: List any that apply. |  | | |
| Action Plan: Outline the action plan including notification plans, communications strategy, staffing reallocation plans, use of other sector services, any change in scope of service delivery, monitoring and reporting needs, etc. |  | | |
| Resource Needs: Outline needs and contact information for resource needs – staffing, equipment, contracting out services. | Name and Business Address | Phone Numbers | E-mail Address |
| Training Needs: Outline training plan as required. |  | | |

### Develop plant/facility/process shutdown procedures.

In the event that a facility/plant/process needs to be temporarily shut down, the site should maintain procedures that define how to safely accomplish a shutdown and address security-related issues.

### Review and update the plan.

Now that the plan has been developed, it is critical to review and update it periodically. As part of the review, consider:

* Has a notification system been developed to activate/terminate the contingency plan?
* Who has the decision-making authority and who is their alternate if they are unavailable?
* Are the identified essential services/functions and critical business activities still accurate, or does this require updating?

**Additional Resource** - Business Pandemic Influenza Planning Checklist developed by the U.S. Centers for Disease Control and Prevention (CDC) and the U.S. Department of Health and Human Services