



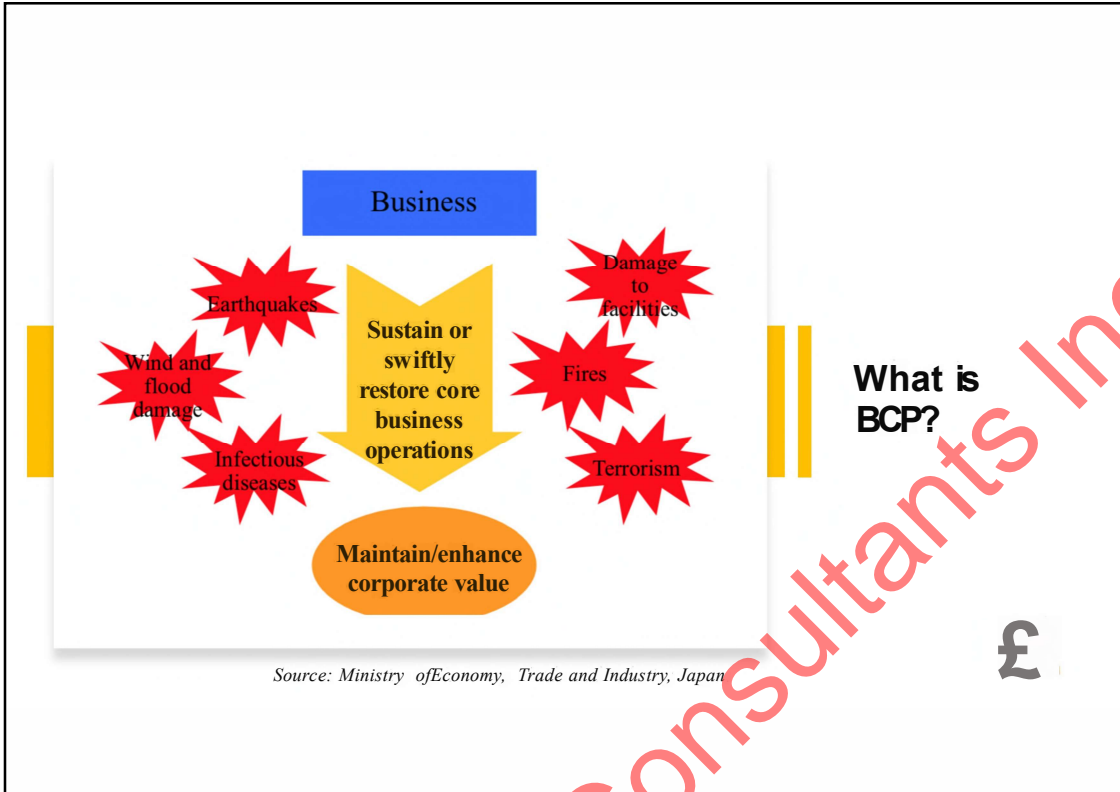
Session 20

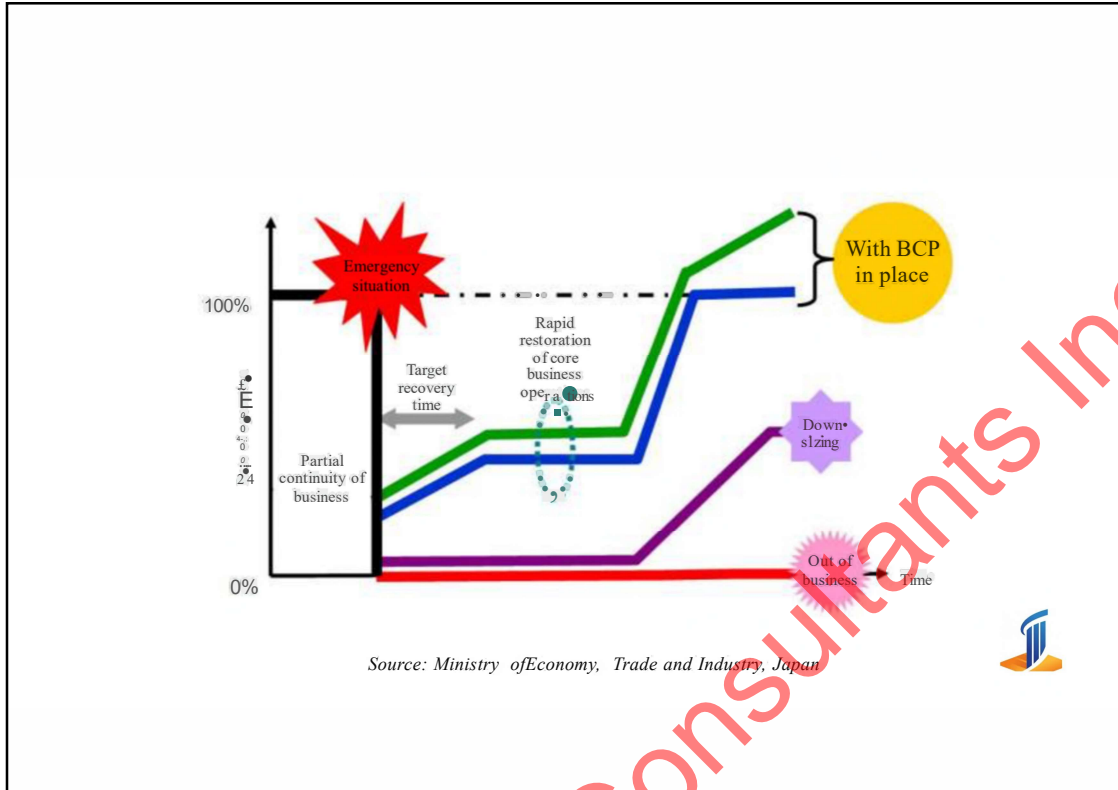
## BUSINESS CONTINUITY



a plan that lays out the actions to be taken during normal periods and the means and methods by which business continuity can be ensured in the event that the company is disrupted.







## Warm Up

Q1: What is your company's disaster scenario that might lead to bankruptcy?

Q2: How soon does your company have to recover survive from a disaster-related disruption?

Q3: What are the critical resources whose availability determines the life or death of your company?

Q4: Within 5 to 10 years, what kinds of disasters and accidents are most likely to impact you, potentially triggering a worst-case scenario?



10 easy steps to build your company's Business Continuity Plan (BCP) program



based on the International Standard ISO22301, for Business Continuity Plan.



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1. Establish framework (Step 1)

2. Understand the business and threats (Steps 2 to 4)

3. Formulate survival strategies (Steps 5 to 9)

4. Continuous improvement (Step 10)



## 10 Steps Business Continuity Plan (Based 1SO22301)

Step 1	Determine BCP Purpose, Scope, and Team
Step 2	Prioritized Activities (PA) and Recovery Time Objective (RTO)
Step 3	What do you Need to Resume Key Activities
Step 4	Risk Assessment -- Know Your Disaster Scenario
Step 5	Pre-Disaster Protection and Mitigation
Step 6	Emergency Response to Disaster
Step 7	BC Strategies to Early Resumption
Step 8	Financial Preparation
Step 9	Exercise the Plan
Step 10	Review and Improvement



Step 1  
Determine  
BCP Purpose,  
Scope, and  
Team

1	Purpose	Why is your company introducing BCP?
2	Scope	Which parts of your company will introduce BCP?
3	Leader	Who will serve as leader of your BCP activities?



## Step 2 PA and RTO

1	<b>Lifeline products/ services</b>	Which product or service should be recovered as the first priority when a natural disaster (or an accident) disrupts the company's operations?
2	<b>Prioritized Activities</b>	critically important business activities
3	<b>Maximum Tolerable Period of Disruption (MTPD)</b>	How soon would the total disruption of these activities become unacceptable to your company?

PA- Prioritized Activities \*Recovery Time Objective



## Step 3 Needs to Resume Key Activities

1	<b>Internal resources</b>	Under company's control (building, equipment, machines and equipment, materials, etc.)
2	<b>Essential services</b>	Not usually under your control (water, power, gas, communication, transportation, infrastructure, etc)
3	<b>Business Partners</b>	Upstream and downstream business chains (suppliers, customers)



Step 4  
Needs to  
Resume Key  
Activities

- identify risks that may lead to a catastrophic scenario
- analyze and evaluate those risks and prioritize
- analyze and estimate extent of damage to critical resources
- determine how long it will take to restore such damaged resources
- compare the estimated restoration period with the Recovery Time Objective (RTO) in Step 2
- determine which resources are critical to avoid catastrophic scenarios



Step 5  
Pre-disaster  
protection &  
mitigation

- select resources that require protection and mitigation measures
- determine the details of those measures in order to avoid a level of damage that would make it impossible to recover Prioritized Activities by the established RTOs

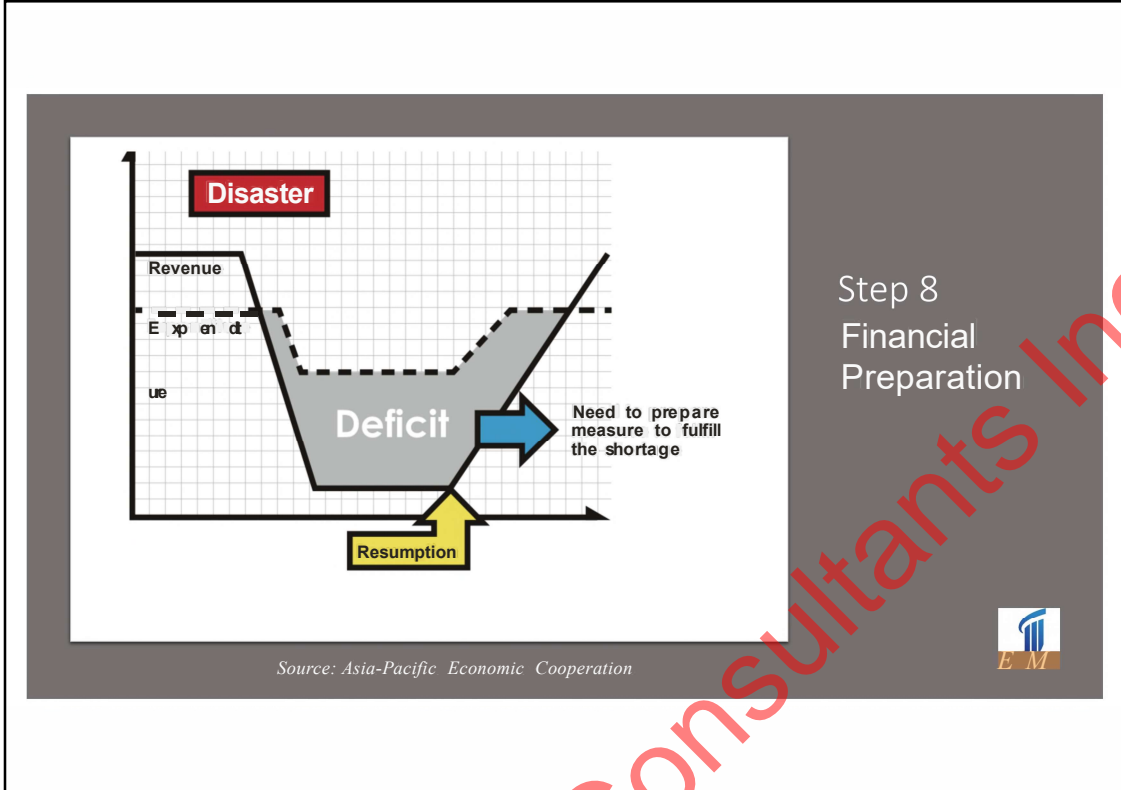




**Step 7  
Strategies to early resumption**

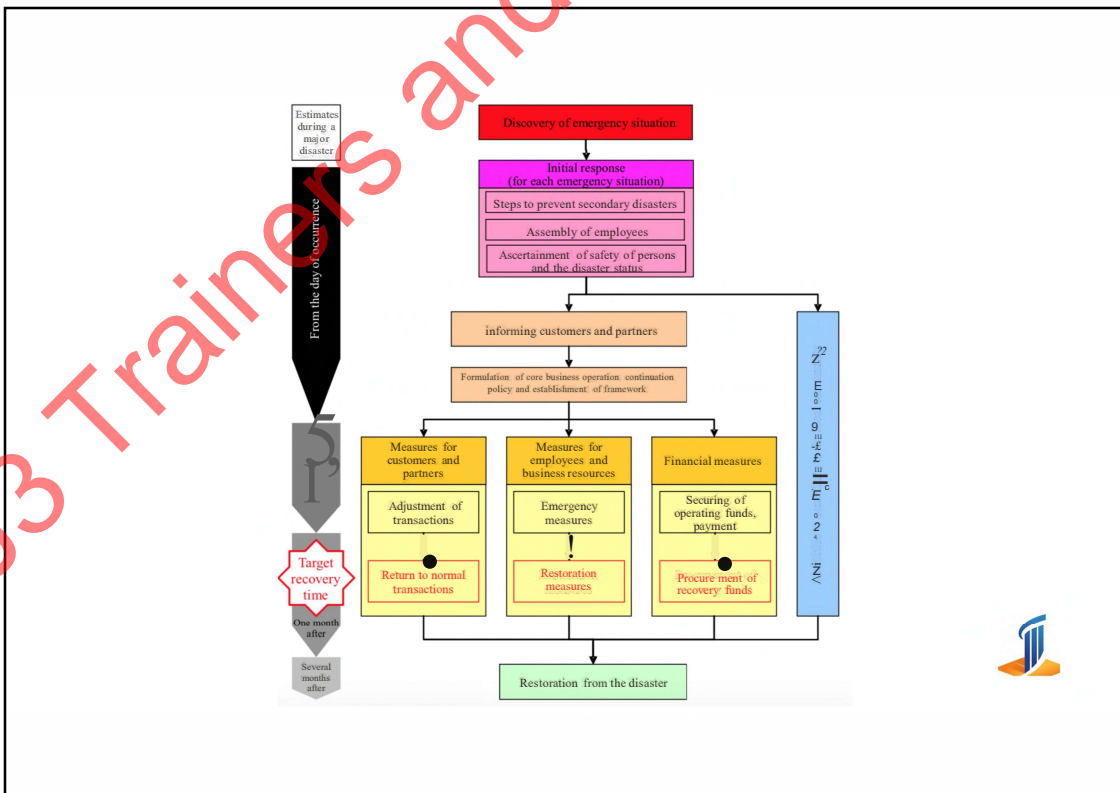
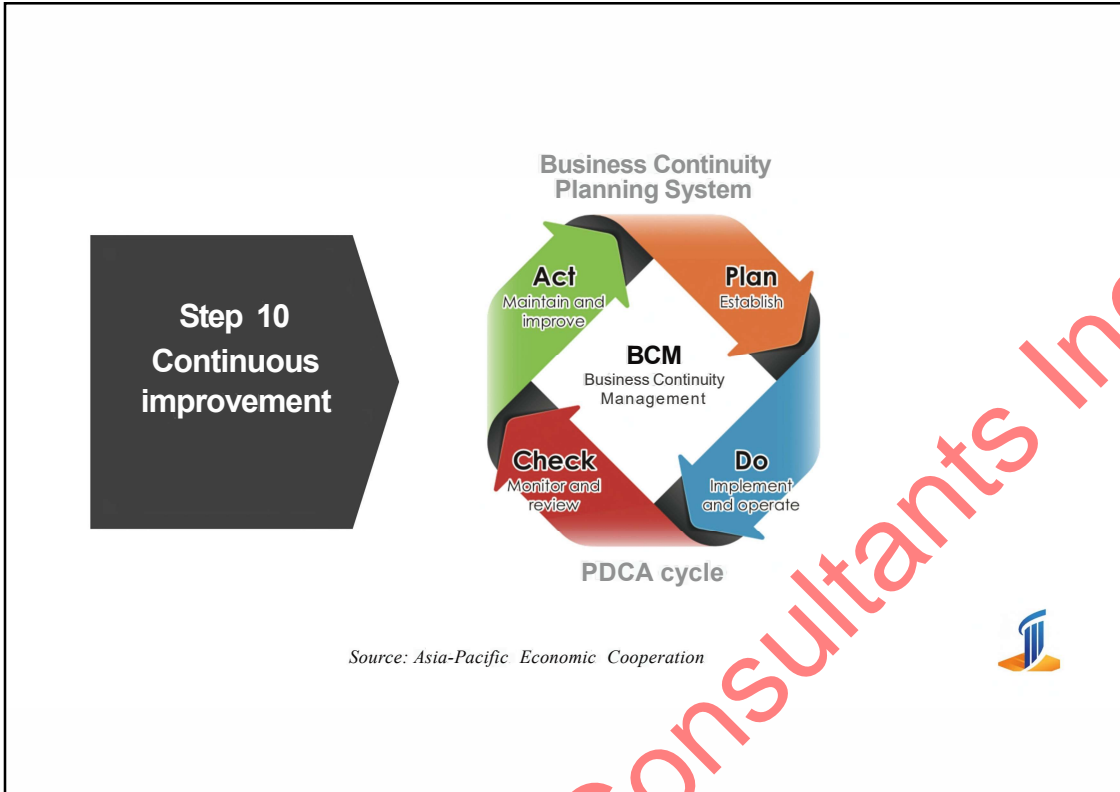
Strategy1	Resume PA at the damaged/affected site.
Strategy2	Resume PA at an alternative site (either in-house or external facility)
Strategy3	Resume PA by alternative methods ( or workaround methods)





**Step 9  
Exercise the plan**

1	Can all employees (and customers) evacuate promptly and safely, following your evacuation plan?
2	Can all employees call your emergency phone number to report safety confirmation?
3	Can EOC members gather properly and immediately at the meeting place and undertake their designated role?



## Introductory Assessment


Introductory Assessment Checklist				
		YES	NO	NO IDEA
Human Resources	Have you made appropriate plans for handling damages in the event of an emergency, to secure the safety and health of your employees until help arrives?			
	If an emergency occurred during work hours, or during non-work hours, would you be able to get in touch with your employees?			
	Do you conduct evacuation drills on a regular basis?			
	Have any of your employees received first aid or CPR training?			




Introductory Assessment Checklist				
		YES	NO	NO IDEA
Physical Resources	Could your buildings withstand the shock of a natural disaster? Would the equipment in those buildings be protected from such a shock?			
	Are checks performed on exterior walls, fences, entrance doors, and the windows of your buildings on a regular basis to ensure their integrity in order to thwart intruders?			
	Have you ascertained the risks associated with damage from earthquakes or floods near your company?			
	Do you have a catalogued list of all your company's facilities and equipment that can be easily updated?			



Introductory Assessment Checklist				
		YES	NO	NO IDEA
Financial Resources	Have you ascertained the losses the company would incur if business were to be suspended for about one week or one month?			
	Have you consulted with an insurance expert to determine whether the scope of coverage of your present insurance policy is suitable for restarting business operations after a disaster?			
	Have you determined a funding system for advance disaster countermeasures and recovery in the event of a disaster?			
	Have you secured cash flow in the amount corresponding to business operation funding requirements for approximately one month?			



Introductory Assessment Checklist					
		e	s	o	% o
Information	Have you made copies or backups of company data?				
	Do you store copies or backups of data at any location besides your company's offices?				
	Is there a way to replace IT equipment/systems that are essential for operations if they cannot be used due to malfunction or other reasons?				
	Have you created a list of contacts for your major customers and various public agencies?				



Introductory Assessment Checklist				
		YES	NO	NO IDEA
Business Continuity	Have you considered what would likely happen to your business activities if your company were struck by a disaster of natural or human origin?			
	In the event of such an emergency, have you considered which business activities should be preferentially sustained or recovered and what would need to be done to achieve that, and have you taken any concrete steps on that front?			
	Can alternative means be provided in case of lengthy power outages, phone line congestion, computer system downtime, or cessation of delivery of raw materials from suppliers?			
	Is there a system in place whereby a replacement would take over direction of the company if you, as president, were on a business trip or were injured?			



## Tabulation

	Human Resources	Physical Resources	Funds	Information	Business Continuity	Total
Number of "YES"	/ 4	/ 4	/ 4	/ 4	/ 4	/ 20



## Scoring Guide

No. of --Yes Responses	Evaluation
16 to 20	Your company seems to be advancing efforts in line with the BCP approach. It is recommended that you check your company's BCP and make it more resilient.
6 to 15	Your awareness of preparation for emergencies seems high, but there still seem to be many areas to improve upon. You will need to formulate a practical BCP and advance its operation during normal times.
0 to 5	If your company were to face an emergency situation now, there is a high risk of long-term business suspension and even permanent closure. Formulate and operate a BCP, starting from the very basics. Please immediately start doing whatever you can do.



## Key Points

- Every business owner wants to expand their business, protect their employees, and contribute to society by supplying their products or services.
- Business owners protect their business not only on a fine day but also on a rainy day and even on a stormy day.
- They have to successfully compete in a tough market under ordinary circumstances, but also need resilience to successfully survive a crisis such as a natural disaster or a fire.
- They do not want to see their business destroyed by a disaster, accident, terrorist attack, or other incident.
- Is the company prepared for disasters?



Failure to prepare is  
preparing to fail.

*Benjamin Franklin*



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