

Business Continuity Toolkit



Is your business
prepared?





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What is business continuity?

Business continuity is about understanding the risks your business could face, and developing strategies and plans to ensure continued operation during and after a disruption.

A business continuity plan will allow you to analyze and understand which products and services are critical to your business operations. It will introduce you to the risks and hazards to which your business may be vulnerable. Based on this information, you can develop strategies to ensure that your business can quickly recover and continue operating through any type of disruption.

Most importantly, a business continuity plan promotes a safe environment for your stakeholders, your employees, and your customers.

Business continuity planning ensures a smooth transition from normal operations to continuity of service during an emergency, contributing to overall financial stability.



Top tip

Back up your data regularly and store copies in a secure off-site location.

But I have business insurance...

Not all risks are insurable. Insurance companies may provide financial assistance but you remain out of business. A business continuity plan aims to keep your business running and makes it easier to resume operations after a disruption.

No matter how big your insurance payout is, it cannot help you retain your customers.

In 2017, a severe ice storm hit the Region of Waterloo and other southern Ontario communities, causing dangerous road conditions and widespread power outages.

Companies unable to resume operations within ten days are not likely to survive.



Top tip

Ensure life safety systems are functioning appropriately and are inspected regularly. Establish a fire evacuation plan.

Why should my business have a plan?

Being unable to provide your products and services to your customers can seriously hurt your business reputation.

Stay open for business!

- Remain competitive by staying open for business.
- Reduce the financial losses you may incur.
- Identify the weaknesses within your business.
- Improve your dealings with banks, creditors, investors, and insurers by showcasing your appetite for business resilience.
- Protect staff and customers from harm.

While you are out of business, your competition is still operating.

Disasters big and small happen without warning. Having a plan in place before a disruption can make for a more effective response and faster recovery.

How to develop a business continuity plan

- 1 STEP ONE:** Analyze your business
- 2 STEP TWO:** Assess the risks
- 3 STEP THREE:** Develop strategies
- 4 STEP FOUR:** Make a plan
- 5 STEP FIVE:** Exercise your plan

Top tip

Review your insurance policies and know what your policy covers.

STEP ONE:

Analyze your business

It is important to understand your business when developing a successful business continuity plan. Consider the following:

- What is the purpose of your business?
- What products and services do you provide?
- How do you provide your products and services?
- Do your service providers have business continuity plans in place?
- Who is involved? (e.g. employees, suppliers)
- What are the minimum resource requirements? (e.g. personnel, equipment, records)
- Who are your customers?
- Disasters big and small happen without warning. Having a plan in place before a disruption can make for a more effective response and faster recovery.

Fill out the templates in Appendices A and B to begin this process.

Every year, the Region of Waterloo identifies and ranks natural, human and technological hazards that have the potential to affect the Region. Some of the top hazards include flooding, hazardous materials incidents and ice storms.

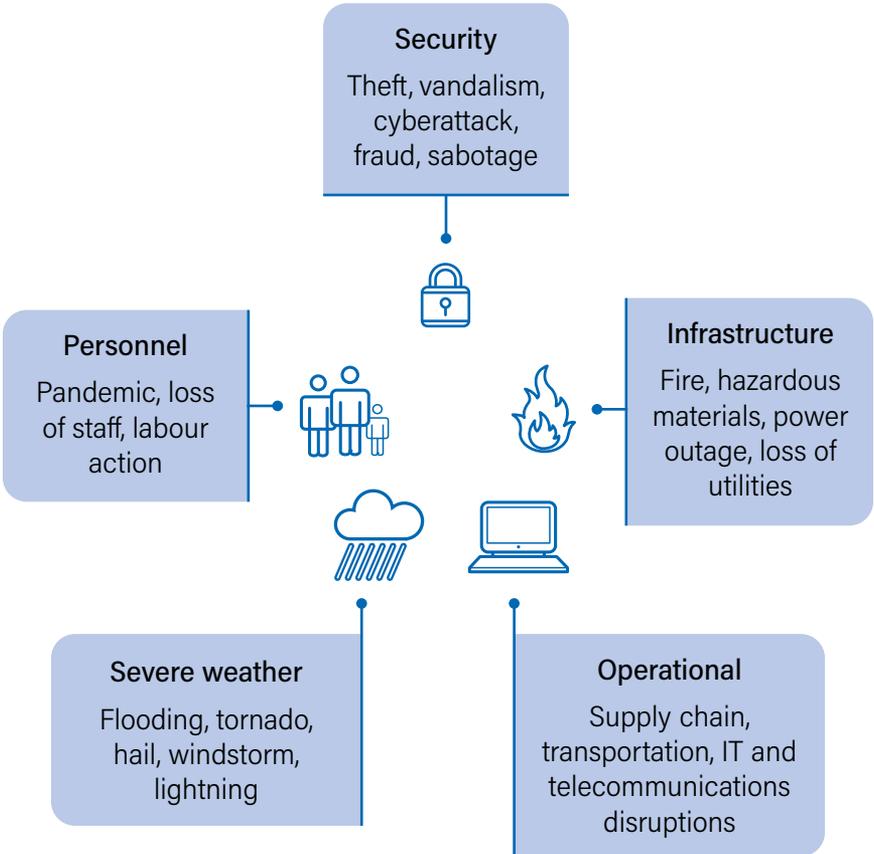
For more information on preparing for local risks, please visit the Alert Waterloo Region website (www.alertwr.ca).

Top tip

In the event of a disruption, log the sequence of events. It will help you review the strengths and weaknesses of your plan post-disaster.

STEP TWO: Assess the risks

The Region of Waterloo is exposed to different types of risks such as natural hazards, human-caused hazards, and technological hazards. The following are risks and hazards to which your business may be vulnerable. Assess the risks and imagine how they could affect your ability to continue operating.



Various risks and hazards have different severities and likelihood of occurring. Make use of the **Risk matrix** in **Appendix C** to better understand the hazards to which your business is vulnerable.

STEP THREE: Develop strategies

Now that you know the risks your business may be vulnerable to, evaluate possible strategies. Many strategies are easy and cost-effective to implement. Such strategies may involve a simple phone call to another supplier or developing mutual aid agreement with other businesses.

Consider the worst case scenario when developing your strategies.

The following are some business continuity strategies that you may consider:

- Cross-training of staff
- Borrowing equipment from another business
- Keeping old equipment as a back-up
- Identifying alternative suppliers
- Storing important data and documents in a safe location
- Succession planning
- Off-site inventory of goods
- Uninterruptible power supply (UPS)
- Alternative work location
- Establish work-from-home protocols
- Promote personal and family preparedness
- Discuss with your employees how they will communicate with you or report to work in the event of a disruption

Top tip

Protect vital paper documents by storing them in fire resistant and waterproof storage.

Top tip

A company is only as good as its employees. The old adage applies to your business continuity plan. Encourage all employees to assemble a 72-hour emergency preparedness kit at home. This kit is a collection of items they may need in the event of a disaster, which should include:



- Bottled water
- Non-perishable food
- First Aid kit
- Prescription medication
- Wind-up flashlight and radio
- External battery pack or wind-up cellphone charger
- Warm clothes and blankets or sleeping bags
- Important documents and information
- Cash in small bills and coins
- If applicable, stock your kit with baby supplies and items for your pet
- Non-power consuming entertainment for children and adults

In the event of a disaster, employees may be unable to report to work as they are responding to their own family's needs. Encourage your employees to have a personal family plan and a 72-hour emergency preparedness kit. Visit the www.alertwr.ca webpage for tips on creating your own 72-hour kit.

STEP FOUR:

Make a plan

You have now gained a better understanding of potential risks to your business and the appropriate strategies to address them. It's time to put this knowledge together and make a plan. Your plan should have step-by-step instructions on what to do in the event of an emergency.

If your business suffers a fire, what are your priorities? How will you account for your employees and ensure they are all safe? Who do you have to contact first? What resources and supplies do you require to continue operating? It is essential that you have these details beforehand to ensure a proper and timely response.

Fill out the **Risk Matrix** in **Appendix C** to give your business a head start.

STEP FIVE:

Exercise your plan

It is essential to exercise your plan on a regular basis. Staff should be involved during the exercise to become familiar with their roles and what is expected of them during an emergency.

In the business world, things are constantly changing. It is important to update and maintain your plan on a regular basis. Exercising your plan will give you insight on the strengths and weaknesses of your business continuity plan.

Subscribe to Alert Waterloo Region for emergency notifications

Alert Waterloo Region is a service that allows you to receive important public safety messages in the event of a large scale emergency such as a flood, severe weather or other emergency situations. The service can deliver notifications to your preferred devices via telephone, cellphone, text message (service charges may apply) and email.

In the event of an emergency or disaster, it is important to get timely information – all businesses are encouraged to sign up to get relevant and timely alerts at **www.alertwr.ca**.

APPENDIX A: Vital business information

Business licence number	
Insurance policy number	
Critical paper records location	
Back-up computer records location	

Staff contact numbers

Contact name	Contact details	Phone number	Email address

Key customer contacts

Contact name	Contact details	Phone number	Email address

Supplier contacts

Contact name	Contact details	Phone number	Email address

Other key contacts

	Contact name	Phone number	Email address
Building manager			
Electricity			
Gas			
Insurance			
Landlord			
Medical			
Police			
Security			
Telecommunications			

APPENDIX B: Key business functions

This table will assist you in prioritizing the key business functions that are critical to your operations. Check the maximum timeframe for which a key business function can be interrupted.

	Recovery Time Objective (RTO)					
	<24 Hours	48 Hours	72 Hours	1 Week	2 Weeks	1 Month
Staff						
IT						
Vital records						
Internet						
Facilities						
Communications						
Transportation						
Equipment						
Suppliers						
Vendors						

Armed with a better understanding of your key business functions, make a plan to ensure that these functions return to operation within the specified Recovery Time Objective (RTO).

For example, a bakery may survive a supplier disruption for up to 48 hours. It may continue operating with the existing inventory stock of baking ingredients. However, the company will be unable to continue operations without further shipments from its suppliers past 48 hours.

APPENDIX C: Risk matrix

Consider the different hazards on page 6 and use the risk assessment matrix below to assess the potential hazards to your business.

Likelihood ↑	Very likely	Medium	High	High	Extreme	Risk level	Score
	Likely	Medium	Medium	High	High	Extreme	16
	Unlikely	Low	Medium	Medium	High	High	8 - 12
	Very unlikely	Low	Low	Medium	Medium	Medium	3 - 6
		Insignificant	Minor	Serious	Major	Low	1 - 2
		Severity →					

Value likelihood	Description
4	Very likely
3	Likely
2	Unlikely
1	Very unlikely

Value severity	Description
4	Very likely
3	Likely
2	Unlikely
1	Very unlikely

To calculate the risk level, multiply the hazard's likelihood value by the severity value (likelihood x severity = risk level).

Hazard	Risk level	Planning Measures
Fire Likelihood: Unlikely Severity: Serious	Medium 2 (Unlikely) x 3 (Serious) = 6 (Medium)	Fire drill, service fire extinguishers and detectors, store duplicates of customer information off-site

APPENDIX D:

Business continuity action plan example

Risk	Power outage
Risk level	Medium
RTO	Less than 24 hours
Business functions affected	Vital records, internet, communications, computer equipment, cash registers, sales
Action	<ul style="list-style-type: none">■ Turn on generator■ Call the building manager Jack: 403-555-5555■ Notify the owner Jill: Mobile: 403-555-5555 Home: 403-555-5555■ Determine the likely duration of the power outage Call Enmax: 403-555-5555■ If it is an extended outage, maintain fuel levels Call fuel delivery: 403-555-5555
Resources	Landline, mobile phone, generator

If you suffer an interruption, you may wish to make an insurance claim.

1. Phone your agent as soon as possible to discuss the situation.
2. If your business has suffered a flood, ask your agent if you should take a sample of the floodwater, and if your insurance covers the cost of analyzing the data.
3. Photograph the damage. Ideally, you should photograph everything before you start cleaning up, as you clean up, and when you're finished.
4. Keep all receipts for repairs and document all funds spent. If you have to dispose of anything, record what you dispose of. Keep a log of the time you spend on clean-up.

Stay informed. Be prepared.

Alert Waterloo Region

www.alertwr.ca

Subscribe to the website to receive important public safety messages in the event of a large scale emergency. The website is also a great place for information on preparing for local risks. When you subscribe to Alert Waterloo Region (it's free!), you will receive notifications directly to your preferred device. Encourage employees to subscribe to stay informed on potential threats in the area.

Region of Waterloo website

www.regionofwaterloo.ca

In the event of an emergency, the Region website is a great source of up-to-date information.

Region of Waterloo facebook and Twitter

<https://www.facebook.com/RegionWaterloo>

<https://twitter.com/RegionWaterloo>

Connect with the Region on facebook and Twitter to stay informed.

Waterloo Regional Police Service

www.wrps.on.ca

<https://twitter.com/WRPStoday>

Waterloo Regional Police Service tweets regularly about potential dangers within the region and will help keep you up-to-date in an emergency situation.

Emergency Management Ontario

www.emergencymanagementontario.ca

Public Safety Canada

[@Safety_Canada](https://twitter.com/Safety_Canada) | publicsafety.gc.ca

In an emergency, dial 911.



Learn more. Business Continuity Resources.

Canadian Centre for Occupational Health and Safety
Flu and Infectious Disease Outbreaks - Business Continuity Plan
www.ccohs.ca/publications/PDF/businesscontinuity.pdf

Government of Canada
<https://www.canada.ca/en/services/policing/emergencies/continuity.html>

Greater Kitchener Waterloo Chamber of Commerce
<https://greaterkwchamber.com/>