

Business Continuity Planning [BCP]

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Business Continuity Planning ascertains a company's susceptibility to potential threats and includes a practical system for effective prevention and recovery at a time of crisis while maintaining the business' competitive advantage. In essence, your plan should minimise any disruption to your clients, employees and your business if done properly.

While one may consider a business continuity plan for the Olympics and specific periods, it is not just about this one event. The plan is about the future of your business, beyond a specific crisis period.

Recently published statistics show that 1 in 5 businesses face a major disruption to their services every year, and 1 in 10 of these will cease trading. So ask the question, 'would my business survive in a crisis? Small businesses especially lack the resources to effectively handle a crisis, therefore business continuity planning and crisis management would be even more important for them. Companies risk the survival of their business by failing to plan.

A Business Continuity Plan should include:

- ❖ Instruction for the use of the plan
- ❖ Scope of disasters and failures
- ❖ The identification of potential crises
- ❖ Defining and clarifying methods to minimise the risks of the crisis situations.
- ❖ Setting out a response plan in the event of the disaster occurring
- ❖ Testing the plan
- ❖ Keeping the plan updated

Possible scenarios include:

- ❖ Access To Premises

Plans might include working remotely from home and via 'cloud' computing.

- ❖ Equipment/machinery:

Insurance options and maintenance plans need to be considered, along with having access to equipment elsewhere (e.g. An outsourcer)

- ❖ People:

Have access to flexible resource for core functions such as finance or technical roles for planned/sudden gaps in staffing. Provide options to work remotely either by outsourcing or using own staff.

- ❖ Suppliers & partners:

Many companies are struggling, experiencing cashflow difficulties and may even go out of business. Can you fulfill your contractual obligations if a key supplier fails or is late in delivery to you? Consider stock piling vital products and materials. Set up a list of alternative suppliers in case your main supplier is affected by the events of the season.

For help with designing and implementing your business continuity plan, including specialist support for key finance roles, speak with us at e-Financial Management by calling 0845 1299900, 01 582 516300, email clientcare@efm.uk.com or visit us at www.efm.uk.com