

BUSINESS CONTINUITY PLANNING

There is a tale that is often heard in one's first economics class, about three folks who were stranded in an uninhabited island. They had nothing for food except one small tin of fish. Now, their problem was how to open the tin. The first person suggested that they open the tin with a locally made catapult. That was not a brilliant idea according to the next person who suggested that they burst open the tin by heating it up on fire. "Wait a minute! How do we share the pudding when we have opened the tin?" chipped in the third person who foresaw another problem lying ahead after the contents were ready for consumption. Any guess who these people were? Well, the first speaker was a physicist, the second one was a chemist and the third was an economist!

The message behind the story is that, in addition to devising systems to combat habitual business problems, one needs to institute measures that reduce the effects once the main risk sparks off. You are required to plan beyond the current environment. By virtue of business being perpetual, there is need for readily available mechanisms to make it so in times of risks that threaten its assets and earning capacity.

So what is business continuity planning?

Business continuity planning is a set of actions that a business adopts immediately after a disaster and other long term plans with an aim of restoring the business to its pre-accident level of operation. The plan is broken down into four phases namely; the crisis, the emergency, the recovery and the return to normality. Actions taken in each phase differ, but collectively they make one process.

The crisis phase is when the risk, which can be insurable or uninsurable, has not yet triggered into a loss. This is what you and I call a threat in our daily conversations. There may still be possibilities of averting the loss or if not, of taking steps to reduce its impact.

At this stage, it is important to ensure that your business is equipped and ready to spot any early signals that something may be about to go wrong. The specific actions need to be defined and communicated to all employees. Constant updating to the plan is essential as risks change with time.

When the risk has triggered, immediate actions have to be taken to safeguard life and property. This is called the emergency phase.

Essentially, the emergency plan must provide a basis for knowing what needs to be done immediately; who is the best person to carry out the first action; what facilities and information must be available to enable staff carry on with the unaffected operations. During this time, the business is recommended to have two sets of staff - one set working on the disaster and the other carrying out routine work to diminish competition from your rivals.

Your emergency plan must be worked out in liaison with the public emergency service providers like the city or town assembly fire brigade, ambulance service, the police and other security service providers. The plan should be compatible with public policy. In times of

emergencies, the police and other public service providers are given extensive power to evacuate, ban access to or travel to and from the affected areas.

The recovery phase is when the effects of the loss is dealt with. This is the time that you must collect, update and store your business information. It is important to maintain the information in a form and place that make it immediately available when it is needed. A well written recovery plan demands that you identify key personnel, not necessarily managers, and allocate them momentous responsibilities for different functions of the business.

The return to normality phase is a conclusion of the recovery phase. This section of the plan is the least rigid in design since its implementation depends very much on the scale of the loss. It is important to have thought ahead to ensure that there is a procedure for deciding when normality has been reached. At this stage, all temporary measures put in place to speed up recovery must be discontinued forthwith.

For effectiveness, your business continuity plan must be tested and practiced as regularly as possible whilst thinking wide like an economist mentioned in the tale above.
