



# Business continuity planning guide

A business continuity plan is a pre-emptive plan to help any facility or operation ensure the continuous deliverance of goods and/or services to customers. It must also include protocols to help recover its facility, valuable records, and critical assets.

To help our Brokers start conversations with their customers around the importance of business continuity planning, and to support our customers in their loss prevention journey, we've prepared some key points to consider when creating a business continuity plan:

1. Ensure you have a formalized business continuity plan in place that outlines key management personnel and their roles and responsibilities whenever a loss may occur. Analyzing your business to identify key areas that can be impacted by a business interruption loss will help drive the scope of the plan. Consult with third parties, such as the loss prevention experts within your insurance company, as needed to fully understand your exposure.
2. The business continuity plan should be tested at regular intervals to ensure individuals know how to respond appropriately to their roles and functions. Ensuring you've executed the plan multiple times in practice will make it more seamless and efficient should you suffer an actual loss.
3. Your plan should outline what your upstream and downstream exposures are. It should also ensure you have secondary suppliers for your critical raw materials.
4. Another point to consider in your planning is diversifying your customer base so that you are not fully reliant on a single customer demographic. Business interruptions may cause some of your customers to look for alternative providers; ensuring you have a wide customer base can help limit the loss.
5. If you have equipment that is critical to your operations, it may produce a bottleneck. It's important that you are aware and understand the impact should that equipment be damaged and rendered unusable. Depending on the type of equipment, you may face a very long lead time to either repair or reconstruct it. This may lengthen the interruption to your business. To help limit or prevent this, ensure there is an appropriate amount of critical spare parts available and look into alternative manufacturing options if possible.
6. Ensure you protect your electronic proprietary data and intellectual property through a regular back up process. Ensuring your data is safe and redundant will help when resuming operations quickly.
7. Make sure you have pre-arranged service contracts in place to allow for a prompt response in the event of utility failure (e.g., electrical, heating/cooling, etc.).