

Preparing for the Worst: Tips for Creating a Business Continuity Plan



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Business owners have had to learn a lot of tough lessons recently, including a crucial one: Planning and preparing for the worst-case scenario can be the difference between survival and the end of operations.

From large-scale natural disasters, to riots resulting in vandalism, to a global pandemic, a business continuity plan can be the key to protecting your business from unexpected closures and losses. And while there is no guarantee a business will survive, those with business continuity plans are much better positioned to weather any crisis that comes their way.

Ensuring you have the proper insurance coverages in place is undeniably important. However, it is only one piece of a larger puzzle. A good business continuity plan should aim to:

1. Protect the physical safety of your employees, customers, and guests
2. Minimize interruptions to business operations
3. Maintain your customer service standards
4. Protect your facility and data
5. Protect your facility's environment
6. Protect your brand and reputation

Secure Your Facility

While there are many disasters you can't plan for, you can take steps to secure your facility against threats like theft and vandalism. Here are a few easy ideas to implement right away:

- Regularly inspect your locks, security fences, exterior lights, alarm systems, security cameras, and fire alarms to make sure everything is in working order

- Make sure the right personnel have the right access to sensitive areas and security systems
- Conduct regular inventories of products
- Discuss security with your local police and fire departments, who are often excellent resources for spotting potential hazards

Prepare for Any Disaster

It is equally important to prepare for all possible disaster situations. Evaluate which disasters are most likely to occur in your area, remembering to include the possibility for terrorist activity. Be sure you are prepared for all of the risks you identify. Here are a few steps to take today:

- Check available emergency supplies, such as flashlights, batteries, emergency generators/fuel, patching materials (e.g., plastic sheeting), wood 2x4s, duct tape, spare fire extinguishers, first aid kits, etc. Stock up on supplies where applicable.
- Keep copies of insurance policies and other critical documents in a safe and accessible location (e.g., a fireproof safe at an off-site location).
- Identify backups for essential operations, supply chains, personnel, business functions, data processes, distribution channels, and communication methods.
- Have call lists available (include cellphone numbers) for all key personnel so staff members can be contacted during non-working hours from any location. Review procedures for notifying employees if your facility is closed.

- Consider establishing an alternate method for your phone and internet service if your primary source becomes unusable (e.g., forwarding incoming calls to a cellphone or remote number and having wireless hotspots and laptops available for key personnel).

5 Steps to Creating Your Business Continuity Plan

Business continuity planning is the process of creating a plan now, so that you will be able to recover the most important aspects of your business after an interruption occurs. This plan can be the difference between successfully recovering and going out of business.

Every business continuity plan is different, but it is important to create a written document that key personnel can reference. The complexity of your plan depends on the complexity of your operation. Regardless, your process should include these steps:

1. Conduct an analysis to identify potential risks and their likelihood
2. Analyze the business impact of each potential risk
3. Implement procedures to safeguard against identified risks
4. Practice and test your procedures to make sure they work
5. Periodically review and adjust your process to keep it up to date

The process of building and implementing this type of plan may seem daunting, but we have resources and tools to get you started, and your VGM Insurance Account Manager is here to guide you. Check out our [#RiskyBusiness video](#), and [download this sample plan](#) to learn more.

