

Business Continuity Planning

The world is becoming increasingly volatile. Tsunamis and earthquakes plaguing the Pacific Rim and Asia are just a few examples of the volatility of nature. Australia is not immune to such risks. Floods, bushfires and cyclones are just some of the devastating natural events we are often forced to endure as a nation. Events such as these are prompting more organisations to ponder: *“How would my business recover after a crisis?”*

It is difficult for businesses and individuals alike to determine with a degree of certainty, where and when disaster will strike.

Be it fire, flood, disease, or simply a system crash or power outage, most global organisations have had little option but to accept that they are operating in hostile times.

Recovery after such events is often a slow and painful process, requiring us to call on our reserves of strength and the conviction of our beliefs.

For Catholic organisations the need for a swift recovery is not simply driven by profit or the desire to maintain commercial viability, but also by the expectation of their parishioners that they will be there to support and lead them through what can be trying and emotional times.

Businesses that have prepared to weather the storm by implementing a business continuity plan are often best placed to make a swift recovery after disaster.

Business continuity planning is about preparing your organisation for and equipping it to manage short and longterm disruptions to business processes.

Taking a risk management approach

The first step in managing business continuity is to identify potential risks that may impact upon the operation of the business. The risk assessment process will need to consider the likelihood of an event occurring, the severity of the event and the anticipated outcome or effect of the event.

E.g. BCP risks:

Hazard	Risk	Risk Ranking
Loss of IT systems	Complete loss of critical information in the event of office fire/explosion.	High
Building loss	Major disruption during office lockout	High

Risk controls

- Allocate responsibility for business continuity planning management to a member/s of staff
- Identify critical business functions
- Identify interdependencies between business units and functions
- Document key business functions
- Prioritise critical business functions, activities and resources
- Determine maximum allowable outages – i.e. determine the maximum allowable time that the business can be out of operation
- Implement a business continuity plan
- Form a BCP committee composed of departmental managers for each core area of the business (*Note: the Director/Parish Priest etc. will retain ultimate responsibility over the process*)
- Allocate resources to the development, implementation and maintenance of business continuity planning within your organisation
- Ensure that electronic files are backed up at the end of the day and stored offsite

- In addition to daily electronic file backups, ensure that each department backup copies of their electronic files quarterly (more often if deemed necessary). These should be stored offsite at a secure location or in an approved fire-rated safe
- Source a secure offsite storage facility for important paper work and files
- Ensure that hard copy files stored onsite are stored in lockable cabinets that are fire rated for 2 hours or more
- Formulate an offsite work contingency plan to cover the organisation in the event of office lockout
- Source alternative supply chains for crucial business resources
- Test BCP procedures and protocols for effectiveness via a desktop (scenario based) review process
- Conduct BCP training and awareness sessions for staff

Monitoring and review

Review and revise business continuity plans and procedures as a minimum annually, or more often if required and within the resourcing capacity of the organisation.

Further Resources

Emergency Management Australia

www.ema.gov.au

Australian Government National Security

www.ag.gov.au

Australian Disaster Information Network

www.ausdin.gov.au

Relevant Standards, Regulations and Acts

HB 221:2004 Business Continuity Management

AS/NZS 5050:2010 Business continuity
– Managing disruption-related risk

HB 292-2006 A practitioners guide to business continuity management

AS/NZS 4360:2004 Risk Management

AS/NZS 3806:2006 Compliance Programs

HB 266:2010 Guide for managing risk in not-for-profit organizations

Whilst business continuity planning can seem a confusing and expensive process, it pays to remember that the expense of doing nothing can be far more costly.

For further information and assistance on business continuity planning or to obtain a copy of our business continuity checklist, please contact the Risk Management department on 1 300 660 827.

To discuss your insurance options in relation to business interruption, please contact your Account Executive on 1 300 655 001.

**For assistance with risk management please call
the Risk Management Helpdesk on**

1 300 660 827

www.ccinsurances.com.au

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