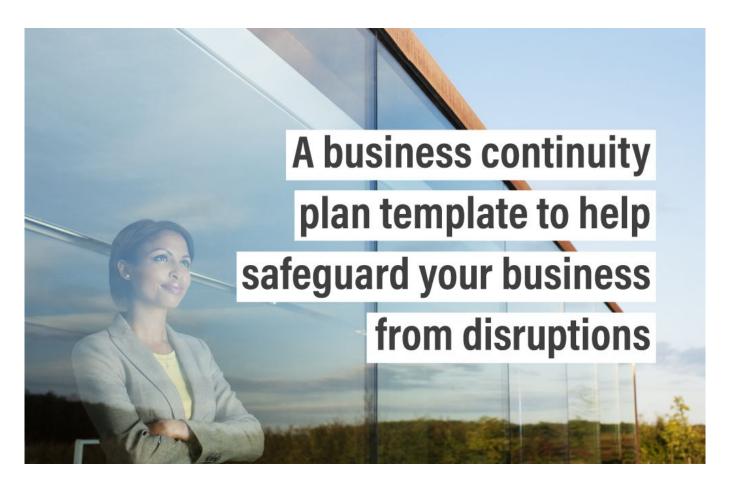
# A business continuity plan template to help safeguard your business from disruptions





We are an award winning product design consultancy, we design connected products and instruments for pioneering technology companies.

### A business continuity plan template to help safeguard your business from disruptions

Reading time 14 mins

#### **Key Points**

- 96% of global business leaders surveyed by PwC (PricewaterhouseCoopers)
   said their organisations had experienced disruptions in the past two years, and
   89% listed resilience as their most important strategic priority.
- A business continuity plan (BCP) ensures that essential functions continue by outlining the procedures and instructions to follow when disruption occurs (e.g., cyber attack, flood, fire), thus strengthening resilience.
- It's a holistic and proactive approach that considers disruptions' impact on each pillar of business: people, processes, premises, and providers.
- Benefits of a well-implemented BCP: (i) Reduces costs and the impact on business performance when disruption occurs (ii) Provides a consistent and communicable approach to disaster management (iii) Reassures stakeholders that the company has systems and processes in place to support continuity.
- Resource allocation is one of the biggest challenges to developing and implementing a BCP effectively. Designating sufficient resources (e.g. personnel, finances, time, and technology) can take time and effort, particularly for small and medium-sized enterprises (SMEs) with limited resources.
- Our business continuity plan template helps make this less time-intensive by providing a customisable blueprint to get started.

**Download our free business continuity plan template** 

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Get in touch



#### **Ben Mazur**

**Managing Director** 

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According to 1,812 business leaders who participated in PwC's 2023 Global Crisis and Resilience Survey, 96% said their organisations had experienced disruptions in the past two years, 89% listed resilience as their most important strategic priority, and 58% listed technology enablement as an important focus area of their resilience program. A Business Continuity Plan template provides entrepreneurs and startups with an essential blueprint for surviving storms (whether internal, cyber, natural, or geopolitical), improving resilience, and navigating uncertainty.



At Ignitec, sustainability is one of the cornerstones of our business and central to everything we do – from our in-house policies to our client-centric approach to product design. Because our team is multidisciplinary and most projects can be completed on-site, we're the ideal business continuity partner for our clients. Schedule a free consultation to discuss how we can strengthen your product development and ensure minimal impact during turbulent times.

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# Why is a business continuity plan essential?

Creating an <u>effective continuity plan</u> is essential for your business as it outlines the procedures and instructions to follow in the face of a cyber attack, flood, fire, socio-political disruption, etc. The issues facing UK businesses and the economy are varied – knowing what these factors are and the impact they could have will help you be better prepared. For example, the challenges UK businesses faced in 2023 included:

- **Supply chain disruptions:** Approximately 10% of businesses experienced <u>supply</u> <u>chain disruptions</u> within the UK (e.g. labour shortages), and 13% had to get the supplies they needed abroad.
- Cyber security: Breaches and attacks accounted for <u>2.39 million instances of</u>
   cybercrime in 2023.
- **Energy prices:** Nearly <u>22% of SMEs</u> postponed significant business investments due to rising energy prices, which hindered business growth.
- **Geopolitical events:** On-going conflict in the Middle East (e.g. attacks on commercial shipping in the Red Sea) and Ukraine, for example, has a knock-on effect and increases the resilience gap.
- **Natural disasters:** The economic damage caused by natural disasters, approximately \$380 billion in 2023, impacts a business's ability to continue trading.
- **Internal disruptions:** Factors within a business that lead to disruption, such as equipment failure and the dismissal/resignation of key personnel.

A business continuity plan (BCP) will help you <u>mitigate risk</u>, implement an action/contingency plan when disaster strikes, and ensure that the fundamental pillars of your business (i.e. people, processes, premises, and providers) remain operational. When done effectively, a BCP:

- Reduces costs and the impact on business performance when disruption occurs.
- Provides a consistent and communicable approach to disaster management.
- Assures clients, regulators, suppliers, and other stakeholders that the business has systems and processes in place to support business continuity.
- Improves business performance and resilience
- Provides business stakeholders from employees and management to directors and investors with a better understanding of critical issues and areas of vulnerability.

# How to use this business continuity plan template

Our free business continuity plan template is fully customisable and ideal for small businesses and startups to use as a starting block strategy that will evolve as their business grows. It's essential that this plan be completed with input from key stakeholders and senior management to ensure that risk identification and the subsequent disaster recovery protocols are comprehensive.

#### **DOWNLOAD HERE**

#### **Part One: The Business Continuity Framework**

This outlines the overall structure of the BCP. It's an easy, comprehensive way to detail the steps you'll need to take to complete your BCP: (I) Assess the potential impact that could harm your business (II) Identify and document the recovery strategies (III) Develop a continuity plan and document the IT recovery mechanisms (IV) Create a test plan/simulation to ensure the BCP works successfully (V) Update the BCP as needed.

Important factors that could impact your business that should be considered and prioritised include:

- 1. **Operational Processes:** Identify critical activities essential for maintaining business operations and delivering customer products or services.
- 2. **Dependencies and Interdependencies:** Identify dependencies between different departments, systems, suppliers, and stakeholders. Determine how disruptions in one area can impact other parts of the business and its ability to function.
- 3. **Resource Dependencies:** Identify critical resources required for business operations, such as personnel, facilities, equipment, technology, and supplies. Assess the potential impact of resource shortages or disruptions on business continuity.
- 4. **Financial Implications:** Evaluate the financial impact of disruptions on revenue, profitability, cash flow, and financial stability. Consider factors such as lost sales, increased expenses, insurance coverage, and regulatory penalties.
- 5. **Customer Impact:** Assess the potential impact of disruptions on customers, including service interruptions, delays, quality issues, and reputational damage. Consider customer expectations, satisfaction levels, and loyalty in evaluating the severity of impacts.
- 6. **Legal and Regulatory Compliance:** Evaluate the legal and regulatory requirements applicable to the business and assess the potential impact of non-compliance or

- regulatory violations. Consider factors such as fines, legal liabilities, and reputational damage.
- 7. **Supply Chain and Vendor Risks:** Assess the vulnerability of the supply chain to disruptions, including supplier dependencies, transportation logistics, inventory management, and product sourcing. Evaluate the potential impact of supply chain disruptions on production, distribution, and customer satisfaction.
- 8. **Information Technology (IT) Systems:** Evaluate the criticality of IT systems, data, and infrastructure to business operations. Assess the potential impact of IT disruptions, such as cyberattacks, system failures, data breaches, and loss of connectivity.
- 9. **Geographic and Environmental Factors:** Consider geographic and environmental factors that may pose risks to business operations, such as natural disasters, weather events, geopolitical instability, and regulatory changes.
- 10. **Human Factors:** Assess the potential impact of human factors, such as workforce availability, skills shortages, employee health and safety, and organisational culture. Consider the resilience of the workforce and their ability to adapt to disruptions.

By considering these factors and conducting a comprehensive analysis, you can identify which of your business functions are the most critical, prioritise resources for mitigation efforts, and develop a business continuity plan to effectively minimise disruptive events' impact.

#### **Part Two: The Business Continuity Plan**

With ample space to record business function recovery priorities, recovery plans, and alternate site locations, our business continuity plan template will help you efficiently plan for disruption, minimise downtime, and maintain optimal efficiency.

Remember that this plan will need reviewing, updating, and modifying as your business grows and evolves.

# What are the challenges to implementing a BCP effectively?

While business continuity plans (BCPs) are essential for safeguarding your business against disruptions, they come with challenges. Depending on the nature of your business, some of the factors listed below might not be relevant (e.g. your products are developed locally and in-house). Nevertheless, being informed of the range of challenges that could have an impact will help you remove obstacles before they impede success.

- 1. **Resource Allocation:** Developing and maintaining a comprehensive BCP requires significant time, effort, and resources. Allocating sufficient resources, including personnel, budget, and technology, can be challenging, particularly for small and medium-sized enterprises (SMEs) with limited resources.
- 2. **Complexity:** BCPs can be complex and multifaceted, involving various stakeholders, processes, and dependencies. Managing this complexity and ensuring that all aspects of the plan are coherent and integrated can be daunting, especially for large organisations with diverse operations.
- 3. **Risk Assessment:** Conducting thorough risk assessments to identify potential threats and vulnerabilities requires expertise and access to relevant data. Identifying and prioritising risks can be challenging, and businesses may overlook certain risks or underestimate their likely impact. <u>Download our free risk assessment template</u> to identify product safety hazards and use this to complement your overall risk assessment strategy for your business.
- 4. **Cultural Resistance:** Implementing a culture of preparedness and resilience within an organisation requires buy-in from employees at all levels. Resistance to change or complacency can hinder efforts to promote awareness, training, and participation in BCP activities.
- 5. **Maintaining Relevance:** Business environments are constantly evolving, with new threats, technologies, and regulations emerging over time. Maintaining the relevance and effectiveness of a BCP requires regular updates, reviews, and testing to ensure that it remains aligned with organisational objectives and current best practices.
- 6. **Coordination and Communication:** Effective coordination and communication are essential for successful BCP implementation. Ensuring relevant stakeholders are informed, engaged, and trained to execute their roles during a crisis can be challenging, particularly in large companies with dispersed teams or complex organisational structures.
- 7. **Testing and Exercising:** Testing the effectiveness of a BCP through simulations, drills, or tabletop exercises is critical for identifying gaps, refining procedures, and building confidence in the plan. However, regular testing can be resource-intensive and disruptive to normal operations, making prioritising difficult.
- 8. **Integration with Other Plans:** BCPs should be integrated with other business plans, such as risk management, emergency response, and IT disaster recovery plans. Ensuring alignment and consistency across these plans can be challenging, mainly if they are developed and managed by different departments or functions.

- 9. **Supply Chain Management:** Ensuring the resilience of the supply chain and managing dependencies on third-party providers can be challenging, particularly in globalised supply chains with multiple suppliers and complex logistics.
- 10. **Regulatory Compliance:** Ensuring the BCP meets legal and regulatory requirements while addressing business needs can be challenging, particularly in highly regulated industries.

Addressing these challenges requires a proactive and holistic approach to business continuity planning. Implementing your plan successfully will involve cross-functional collaboration, on-going training and awareness, regular reviews and updates, and a commitment to resilience and agility.

# A final word on implementing business continuity strategies

Uncertainty isn't anything new, and the ability to adapt and thrive in adversity has always been the key to survival. For UK entrepreneurs, a robust business continuity plan is a blueprint – a roadmap for navigating through crises and emerging stronger on the other side.

By taking proactive steps to develop and implement a tailored BCP, you'll be better equipped to safeguard your businesses, protect employees, and ensure long-term success and sustainability in an ever-changing landscape.

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#### FAQ's

#### Why is a business continuity plan important?

A business continuity plan is crucial because it helps organisations prepare for and respond to disruptions, ensuring that essential functions can continue even during crises. Businesses can minimise downtime, protect assets, and maintain customer trust by identifying risks, developing strategies, and outlining procedures in advance.

#### How do you create a business continuity plan?

To create a business continuity plan, start by conducting a thorough risk assessment to identify potential threats and vulnerabilities. Next, develop strategies and procedures for maintaining essential functions during disruptions, such as crisis communication plans and recovery protocols. Regularly review and update the plan to ensure its effectiveness and relevance over time.

# What are the benefits of using a business continuity plan template?

Using a business continuity plan template can streamline the planning process by providing a structured framework and guidance on key components, such as risk assessment and recovery procedures. Templates also save time and resources by eliminating the need to create a plan from scratch, allowing businesses to focus on implementation and readiness.

#### When should a business continuity plan be reviewed?

A business continuity plan should be reviewed regularly to ensure its effectiveness and relevance in light of changing circumstances, such as new threats, regulations, or business processes. Additionally, the plan should be reviewed after significant events or exercises to incorporate lessons learned and improve future resilience.

#### Which industries benefit most from a business continuity plan?

All industries can benefit from having a business continuity plan in place to mitigate risks and ensure resilience during disruptions. However, industries with high levels of operational complexity, regulatory requirements, or reliance on critical infrastructure, such as finance, healthcare, and manufacturing, may particularly benefit from robust continuity planning.

#### How does a business continuity plan help in crisis management?

A business continuity plan helps in crisis management by providing predefined strategies and procedures for responding to disruptions, minimising downtime, and mitigating the impact on operations. By outlining roles and responsibilities, communication protocols, and recovery measures in advance, businesses can respond effectively and maintain continuity during crises.

#### What are the key components of a business continuity plan?

The key components of a business continuity plan include risk assessment, crisis communication plans, continuity strategies, and recovery procedures. These components help organisations identify threats, prioritise actions, and maintain essential functions during and after disruptions, ensuring resilience and continuity of operations.

#### Who is responsible for implementing a business continuity plan?

Implementing a business continuity plan is a collaborative effort involving various stakeholders, including senior management, department heads, and designated continuity coordinators. Each stakeholder has specific roles and responsibilities outlined in the plan, such as conducting risk assessments, communicating with employees, and coordinating recovery efforts.

### What are the common challenges of implementing a business continuity plan?

Common challenges of implementing a business continuity plan include resource allocation, complexity, cultural resistance, maintaining relevance, and coordination and communication. Overcoming these challenges requires proactive leadership, stakeholder engagement, on-going training, and a commitment to organisational resilience.

#### Why is conducting a business impact analysis important?

Conducting a business impact analysis (BIA) is important because it helps organisations identify and prioritise critical business functions, assess the potential impact of disruptions, and allocate resources effectively. By understanding the dependencies and vulnerabilities within the organisation, businesses can develop targeted strategies to mitigate risks and maintain continuity of operations.

# How do you assess the effectiveness of a business continuity plan?

The effectiveness of a business continuity plan can be assessed through regular testing, exercises, and reviews to evaluate its performance in simulated and real-world scenarios. By identifying gaps, weaknesses, and areas for improvement, organisations can refine their plans and enhance their readiness to respond to disruptions effectively.

# What are the consequences of not having a business continuity plan?

Not having a business continuity plan can have serious consequences for organisations, including increased downtime, financial losses, reputational damage, and legal liabilities. Without a plan in place to mitigate risks and maintain operations during disruptions, businesses may struggle to recover from crises and face long-term consequences for their viability and sustainability.

#### How do you ensure the resilience of a business continuity plan?

Ensuring the resilience of a business continuity plan involves regular reviews, updates, and testing to

validate its effectiveness and adaptability to changing circumstances. Additionally, fostering a culture of preparedness, training employees, and engaging stakeholders in continuity planning efforts can enhance the plan's resilience and the organisation's ability to respond to disruptions effectively.

#### What role does technology play in business continuity planning?

Technology plays a critical role in business continuity planning by enabling communication, collaboration, and data recovery during disruptions. Cloud computing, data backup solutions, and remote access technologies facilitate remote work and ensure continuity of operations, while cybersecurity measures protect against cyber threats that can disrupt business operations.

# How do you communicate a business continuity plan to employees?

Communicating a business continuity plan to employees involves providing clear instructions, training, and regular updates on roles, responsibilities, and procedures during disruptions. Utilising multiple communication channels, such as email, intranet, and meetings, ensures that employees are informed and prepared to execute their roles effectively in crisis situations.

# What external factors should be considered in a business impact analysis?

In a business impact analysis (BIA), external factors such as economic conditions, regulatory changes, market trends, and geopolitical risks should be considered alongside internal factors. Understanding the broader external environment helps organisations anticipate potential disruptions and develop strategies to mitigate their impact on business operations.

# How can businesses ensure supply chain resilience in their business continuity plans?

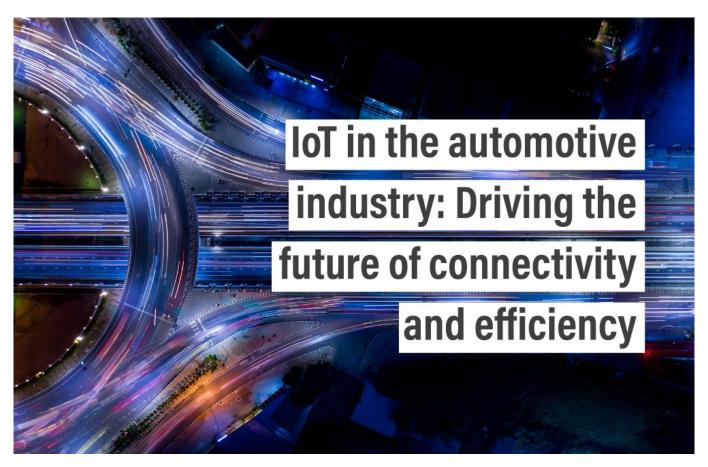
Businesses can ensure supply chain resilience in their business continuity plans by identifying critical suppliers, diversifying sources, establishing contingency agreements, and maintaining open communication channels. Additionally, monitoring and assessing supplier risk, implementing supply chain visibility technologies, and conducting regular assessments and audits enhance supply chain resilience and readiness for disruptions.

#### What role does leadership play in business continuity planning?

Leadership plays a crucial role in business continuity planning by providing direction, support, and resources for developing and implementing effective continuity strategies. Engaged and proactive leadership fosters a culture of preparedness, resilience, and accountability within the organisation, ensuring that business continuity planning efforts are prioritised and integrated into overall strategic objectives.

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