

## **Business Continuity Program**

### **Business Impact Assessment**

The following pages are a guide to collection of information required to fully understand the business impact of a service/production interruption caused by a local or regional disaster.

With a credible impact assessment, the company can begin to understand the requirements for recovering the service or production to pre-established minimum levels in order to protect cash flow and customer interests.

Although often termed an 'analysis' the BIA is actually an assessment of the compiled information. While the Business Continuity Coordinator and the BC project team gather and compile this information, it is Senior Management responsibility to determine if the Minimum Service Levels and Recovery Time Objectives meet corporate Risk Management objectives.

The initial step to conducting a BIA is to create a scenario of a typical catastrophe that could realistically befall the company. An illustration follows:

- Fire in company location, started in paper storage room
- Significant damage to the building
- IT room destroyed
- 15% of the product is damaged in the warehouse
- Smoke and water damage – specify in general terms what has been damaged
- Damage to paper records held in offices
- General office area damaged/unusable
- Management offsite at meeting outside of Toronto area; cannot be immediately contacted
- Will be several weeks until facility is available again for use (est. 4-6 weeks)

Create an original or modify the above scenario to meet the needs of your company.

The scenario helps employees focus on the MSL, RTO and resource requirements.

#### Workshop

Gathering input to the BIA is most effective in a workshop format. The BC coordinator convokes participants likely to have the required knowledge and insight and goes through the questionnaire. It is recommended to have a scribe at the BIA workshop or audio record the proceedings. Several workshops may be required to accommodate the different business functions. Small companies can complete the BIA with one or two participants.

It is essential that all BIA workshop participants understand the reason the data is being collected: The business must know the minimum service levels and recovery time objectives in order to establish prioritization and help ensure survivability when a disaster occurs. There is absolutely no connotation of one business function being more important than another.

## Business Impact Assessment

Date: \_\_\_\_\_

<b>Business Unit or Function Name:</b>	
<b>Business Unit Location:</b>	
<b>Business Manager Name:</b>	
<b>Phone:</b>	
<b>Department Name:</b>	
<b>BIA Participant Names and contact info:</b>	

## Business Impact Assessment

### RTO and MSL Determination

**Company:** \_\_\_\_\_

**Business Function:** \_\_\_\_\_

<b>Recovery Time Objective - RTO</b>	0-24 Hours	24 hrs to 5 days	6 to 15 days	16-30 days		
What is the maximum amount of time this function can stop before the consequences are unacceptable?						

<b>Minimum Service Level - MSL</b>	25	50	75	100	125	150
What is the minimum acceptable level of service/production following an interruption? <small>Note 1</small>						

Note 1: It may be necessary to establish a different MSL for each RTO time period as per the following example. Each company is unique in this determination.

<b>RTO</b>	0-24 Hours	24 hrs to 5 days	6 to 15 days	16-30 days	>30 to <60	
<b>MSL</b>	0	15%	25%	40%	75%	

RTO and MSL must be approved by Senior Management before attempting to establish the means of recovery.

## Quantitative Section

	Estimated Impact (In \$ per time period)					
<i>Business Function</i>	<i>Increased Operating Expenses</i>	<i>Lost Revenues</i>	<i>Regulatory Expenses or Penalties</i>	<i>Legal Expenses or Penalties</i>	<i>Total</i>	<i>Total Quantitative Scoring</i>

The table above can also be completed using orders of magnitude such as Low, Medium and High without using an actual dollar estimate and a scoring system.

## Quantitative Impact Calculations and Definitions

Scoring		Impact (In \$ per time period)		Impact
1		0	<	No to low impact to the business or operations.
2	>		But <	Low to Moderate impact to the business or operations.
3	>		But <	Moderate impact to the business or operations.
4	>		But <	Moderate to High impact to the business or operations.
5	>			High to Devastating impact to the business or operations.

Each company must define the range in the above table

## Qualitative Section

	Impact						
<i>Business Function</i>	<i>Customer Impacts</i>	<i>Customer Service Impacts</i>	<i>Operational Impacts</i>	<i>Legal Impacts</i>	<i>Regulatory Impacts</i>	<i>Total</i>	<i>Total Qualitative Scoring</i>

## Qualitative Impact Definitions

Scoring	Impact
1	No to low impact to the business or operations.
2	Low to Moderate impact to the business or operations.
3	Moderate impact to the business or operations.
4	Moderate to High impact to the business or operations.
5	High to Devastating impact to the business or operations.

The simple table below must be modified in **content** and in **format** to suit the needs of each company.

QUESTIONNAIRE
1. What is the mission of your BU?
2. What are the job functions for your BU/Department?
3. What are the current operating hours?
4. Are the hours of operation flexible? (are their restraints: i.e. trucks, systems, etc)
5. How often are key functions performed? (daily, weekly, etc)
6. What are the functions that would not be available under the scenario circumstances that you would require for continuing business? (Does this mean: What business functions must continue to be delivered – no matter what happens?)
7. What major problems would you face in your BU/dept if this event were to occur?
8. How would this impact your ability to continue to perform your job function?
9. What information (in data or paper format) do you require to maintain the flow of business?
a. Where does the essential information come from?
b. Are others dependant on this data to continue their own processes?
c. How long can we go without this information?

QUESTIONNAIRE
10. Who is impacted by the inability to do your business function? (list all internal and external clients separately)
11. Who is dependant on the business processes being performed that may be delayed or unavailable? List internal and external separately)
12. Who are you absolutely dependant upon to perform your business function?
13. Is there anything you absolutely must have in order to function within the operation? i.e. equipment, items or processes you cannot do without.
14. Is there a particular period (day, week, month, quarter) when certain business processes are more critical?
15. Can these processes be performed for a period of time at reduced operating efficiency?
a. Can work be spread over several shifts to accommodate requirements?
b. Is similar work being performed at another location?
c. Can work be performed elsewhere? For how long?
d. Can work be performed at an employee's home? For how long?
16. Can processes be performed manually? For how long?
17. What is the maximum amount of time your business functions could be unavailable? (timeframe)
18. Do any alternative processing methods exist in the event of a system outage? Describe.

QUESTIONNAIRE
19. In the case of data recovery, how old can the information be? Eg. Tape backups are made each 24 hours. (How much lost data can you tolerate – if any?)
20. Are there any materials or documents currently available to you for emergency purposes?
21. Who are the key suppliers you would need in the event of an emergency or shutdown of operations? (LIST OF RESOURCES)
22. How many people are required to maintain the processes in your BU/Dept?
a. To start the recovery?
23. What are the skills sets needed to perform these processes?
24. What are the vital/critical records that need to be available? (paper and IT data)
25. Are these processes dependant on any particular technology (hardware or software)? Describe
26. Are these processes dependant on any outside services or products? Describe.
27. Is there a designated alternate location for employees to meet in the event of inaccessibility to the facility?
28. When an event occurs, how would your staff be notified?
29. Is there any planned reorganization of your services with in the next 6-12 months?
30. What is currently the most probable or most evident risk to your location/function?



<b>QUESTIONNAIRE</b>
31. In the event of an interruption lasting over an extended period of time, what would be the impact as it relates to your business function?

VITAL RECORDS (IT)			
Record name/type	Storage type	Backup offsite (y/n)	When would data be required? (8 hrs, 1 day, 1 week etc)

VITAL RECORDS (Documentation)			
Record name/type	How is it stored.	Backup copies available (y/n)	When would data be required? (8 hrs, 1 day, 1 week etc)

Communication and Equipment Requirements						
	0-24 hrs	24-48 hrs	24-72hrs	1 week	1 mth	>1mth
Main Phone system						
Direct phone lines						
Dedicated Fax line						
Voice mail						
Network server						
E-mail						
Internet						
Whse Operating Equipment						
Workstation						
PC						
Printer						
Copier						
Fax						

Other Resources						
	0-24 hrs	24-48 hrs	24-72hrs	1 week	1 mth	>1mth
HR						
Special Skills (personnel)						

CONSIDERATIONS OF IMPACT OVER EXTENDED PERIOD OF TIME:		
1.	<b>Safety of the general public</b> No direct impact Minor Impact Unacceptable Direct endangerment	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
2.	<b>Economic Stability (External)</b> No difficulty perceived or experienced Partial or limited: small number of people Significant: limited number of people Extreme: large number of people	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
3.	<b>Corporate Image</b> No impact Partial impact Significant impact Irreparable loss and damage to image	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
4.	<b>Clients</b> No effect Some adjustment required by clients Significant, but tolerable impact Clients would be unable to manage outcomes	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
5.	<b>Tenants</b> No effect Some adjustment required by tenant Significant, but tolerable impact Tenant would be unable to manage outcomes	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
6.	<b>Suppliers</b> No effect Some adjustment required by supplier Significant, but tolerable impact Supplier would be unable to manage outcomes	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
7.	<b>Contracts/Agreements</b> No impact Minor impact with adjustments Non-compliance resulting in penalties Contract defaults result in legal action/liabilities	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
8.	<b>Other Branches</b> No impact Minor impact with adjustments Significant impact Major impact require shutdown of operations	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

CONSIDERATIONS OF IMPACT OVER EXTENDED PERIOD OF TIME:		
9.	<b>Service</b> No impact on service quality, availability or timelines Limited impact Significant impact Major loss of service quality, availability and timelines	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
10.	<b>Revenues (financial loss daily)</b> No direct impact Minimal impact Significant impact Major impact	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>