

Business Case Template: Business Continuity & Resilience



Introduction

Business continuity is more than making plans to deal with disasters and disruptions. It's an integral part of a broader resilience effort – not just during a crisis but through all the ups and downs of normal operations. Yet many organizations do not view business continuity as a top priority, leaving the business continuity team with limited resources and time to accomplish what's needed to make sure the business can bounce back from disruption.

Pairing operational resilience with business continuity strengthens your business case for investment in software and other resources to connect gaps in your resilience with specific products and services, customers, and the marketplace. Measuring resilience based on customer pain and product/service availability also resonates powerfully with senior leaders who are most interested in keeping the business running along under any conditions.

This template is designed to help you assess your current efforts and build a business case for investing in business continuity and resilience to protect your people, your brand, and your bottom line.

Once you have the necessary facts and can articulate the value, use that to cultivate support for business continuity among decision-making leaders across the organization.

TABLE OF CONTENTS

What outside forces are ramping up compliance and reporting requirements for business continuity?	<u>03</u>
Who would be impacted by a disruption?	<u>05</u>
What would a disruption cost the organization?	<u>07</u>
How vulnerable are you to disruption?	<u>08</u>
What do you need to protect your business versus what you have?	<u>09</u>
What is the value of business continuity & resilience software?	<u>10</u>

What outside forces are ramping up compliance and reporting requirements for business continuity?

Outside pressures for improving business continuity and resilience processes can take many forms.

- Maybe you need to comply with new or existing regulatory requirements like the Bank of England's operational resilience requirements or the European Union's Digital Operational Resilience Act.
- Maybe a key customer, supplier, or partner is asking for proof of your business continuity and resilience capabilities to maintain your current level of business. And if you don't comply within a certain timeframe, your market share will erode.
- Or perhaps a prospective customer, supplier, or partner is asking for this information. If you can't provide it, you may lose the deal to a competitor that can.

No matter the source, these external forces can negatively impact your financial position and/or reputation.

Use the table below to document, explain, and quantify your organization's exposure to outside groups that expect you to prioritize business continuity and resilience.



EXTERNAL DRIVER	EXPOSURE TYPE	EXPOSURE EXPLANATION	EXPOSURE AMOUNT
Regulatory	Breach of contract		
	Risk of a fine		
	Risk of lost revenue		
Customer	Breach of contract		
	Risk of a fine		
	Risk of lost revenue		
Partner	Breach of contract		
	Risk of a fine		
	Risk of lost revenue		
Supplier	Breach of contract		
	Risk of a fine		
	Risk of lost revenue		
Total Exposure Amount			

Who would be impacted by a disruption?

Who feels the pain of disruption if you are unable to deliver your products and services? How much pain would they feel? At what point does that pain become intolerable?

Having a clear, end-to-end understanding of what business services (products and services) could be disrupted, how long they could be impacted, and at what point the disruption becomes intolerable to your customers, the market, or even your organization’s viability helps executives prioritize actions and make decisions.

Consider:

1. The role your products and services play in the lives of others, both in and outside of your organization
2. Product and service substitutions, delivery peaks and deadlines, and other applicable factors
3. Who feels the pain the worst and when
4. The potential impact on the business, such as customers buying elsewhere, employees leaving, or your suppliers going bankrupt

IMPACT CATEGORY	DO THEY FEEL PAIN?	WHEN IS THE PAIN FELT?	WHEN DOES THE PAIN BECOME SEVERE?	WHAT IS THE IMPACT?
The Market		Hour(s)	Hour(s)	
	Yes	Day(s)	Day(s)	
	No	Week(s)	Week(s)	
	Unknown	Month(s)	Month(s)	
		Never	Never	
Customer		Hour(s)	Hour(s)	
	Yes	Day(s)	Day(s)	
	No	Week(s)	Week(s)	
	Unknown	Month(s)	Month(s)	
		Never	Never	

Investors		Hour(s)	Hour(s)
	Yes	Day(s)	Day(s)
	No	Week(s)	Week(s)
	Unknown	Month(s)	Month(s)
		Never	Never
Suppliers		Hour(s)	Hour(s)
	Yes	Day(s)	Day(s)
	No	Week(s)	Week(s)
	Unknown	Month(s)	Month(s)
		Never	Never
Board of Directors		Hour(s)	Hour(s)
	Yes	Day(s)	Day(s)
	No	Week(s)	Week(s)
	Unknown	Month(s)	Month(s)
		Never	Never
Employees		Hour(s)	Hour(s)
	Yes	Day(s)	Day(s)
	No	Week(s)	Week(s)
	Unknown	Month(s)	Month(s)
		Never	Never
Reputation & Brand		Hour(s)	Hour(s)
	Yes	Day(s)	Day(s)
	No	Week(s)	Week(s)
	Unknown	Month(s)	Month(s)
		Never	Never

What would a disruption cost the organization?

Start by determining your organization’s eight to 12 most important business services and the revenue delivered by each. Even the largest global organizations will not have more than a dozen important business services.

Also consider the impact on market share if your important business services were disrupted. What percentage of the revenue would you expect never to return? This number can also generate valuable conversation with executive leaders on market-share loss.

For the exercise below, imagine one or more – or all – of your organization’s most important business services are at a standstill. Now, factor in a time of year and timeframe (e.g., one hour after a catastrophic disruption, one day, one week).

RATING NAME	DESCRIPTION
What is the scope of the disruption?	<i>Identify which business services are unavailable.</i>
How much revenue is at risk?	<i>Write that number here and move on to the next question.</i>
How much of that revenue is simply deferred but not permanently lost?	<i>Subtract this number from the number above and write it here.</i>
What fines or penalties are you likely to incur because of the downtime	<i>Add that to the number above</i>
Can you file any insurance claims? (Was a property loss element involved where you can make a business-interruption insurance claim? Or is the disruption supplier related, and you have a legitimate contingent business interruption claim? What are the deductibles?)	<i>Subtract that from the number above. This is your revenue at risk for the time period you selected.</i>

How vulnerable are you to disruption?

Understanding points of failure and the “hidden cracks” in your organization can decrease the frequency of disruption – or prevent it altogether.

Use the following table to score your vulnerability to disruption based on your organization’s construct and go-to-market strategy. A total score below 80 indicates high vulnerability, especially if the organization has limited business continuity and resilience capabilities or the revenue at risk is high.

VULNERABILITY TO DISRUPTION QUESTIONS	VULNERABILITY RATING Scale: 1 (extremely vulnerable) to 10 (not vulnerable)
Are there multiple delivery channels available to reach the customer? Is there flexibility in channel engagement?	
Are there facility single-points-of-failure and/or long lead times to deliver products/services?	
Are there people single-points-of-failure and/or long lead times to re-staff for essential roles?	
Are there equipment single-points-of-failure and/or long lead times to replace?	
Are there IT single-points-of-failure and/or long lead times to recover?	
Are there transportation single-points-of-failure and/or long lead times to transition to alternatives?	
Are there other logistics-related single-points-of-failure and/or long lead times to transition to alternatives?	
Is adequate supplier/vendor inventory available to address disruption?	
Is supplier diversity (no material single-points-of-failure) in place?	
Can the organization easily switch to an alternate partner or in-source?	
TOTAL VULNERABILITY RATING:	

What do you need to protect your business versus what you have?

Organizations can't prevent all forms of disruption. Threats are increasing in number and complexity – and unforeseen events are unavoidable. Your best bet is to take every necessary step to improve your resilience by decreasing the frequency of disruption and optimizing your response.

Use the table below to rate your organization's resilience efforts today. A proven capability means that it has been fully tested and confirmed within defined recovery objectives. A total score below 80 indicates that there are missing or lacking elements in the existing program, making the organization especially vulnerable to disruption and revenue risk.

BUSINESS CONTINUITY CAPABILITY QUESTIONS	CAPABILITY RATING Scale: 1 (no capability) to 20 (proven capability)
Is a proven crisis management capability in place? <i>(Do you have a defined framework to effectively respond to and manage an incident?)</i>	
Is a proven crisis communications capability in place? <i>(Have you mapped out a plan – timing, delivery method, audience, and messaging – to effectively communicate with internal and external parties before, during, and after an incident?)</i>	
Have you documented and proven your plans and strategies to respond and recover a loss of resources (people, supplier, facility, technology)?	
Has the organization suitably tested the effectiveness of its response, communications, and recovery capabilities?	
Is organizational data and relationship-related information available to make effective and timely decisions during a disruption?	
TOTAL CAPABILITY RATING:	

What is the value of business continuity & resilience software?

You've made your case for expanding your business continuity and resilience program. Now the question is how you will get that done.

It is not uncommon to have a very small team – even a single person – responsible for building a business continuity program. And that person, possibly you, may be juggling other responsibilities as well.

Chasing people down for answers, emailing documents back and forth, manually creating dashboards, and other administrative work can quickly suck up your time. And doing things by hand gives you no way to ensure your business impact analysis and other parts of your business continuity plan are consistent across departments or that everyone is working off the latest version.

Business continuity and resilience software can add consistency and efficiency by automating routine tasks like documenting BIA updates, updating contact information, documenting approvals, sending reminders, and compiling reports. That frees up your time to focus on human-worthy tasks like closing program gaps, addressing program shifts from organizational change, and connecting with other risk management disciplines to increase collaboration and overall resilience of the organization.

Use the table below to calculate the value of business continuity and resilience software. Start by determining your hourly rate and that of your colleagues. Then determine how much time you are spending on labor-intensive activities that software could performed more effectively. The last step is to determine where you could redirect your time, namely high-value activities that would increase the organization's level of resilience.



EFFECTIVE HOURLY RATE

Calculate the effective hourly rate for you, as well as anyone else involved in the business continuity program. If you are unsure of salaries, use an appropriate average for your industry and location.

YOUR HOURLY RATE

\$ _____ (salary)/2080=\$ _____ per hour

YOUR TEAM'S HOURLY RATE

\$ _____ (salary)/2080=\$ _____ per hour

\$ _____ (salary)/2080=\$ _____ per hour

\$ _____ (salary)/2080=\$ _____ per hour

HOURLY RATE OF THE BUSINESS

\$ _____ (salary)/2080=\$ _____ per hour

LABOR-INTENSIVE ACTIVITIES

Identify routine activities and the time required to complete each task.

ACTIVITY	PEOPLE	HOURS	COST	ACTION

STRATEGIC ACTIVITIES

Identify high-value activities that will increase your organization's level of resilience.

ACTIVITY	GOAL	OUTCOME

Next Steps

The final step is to pull together your research and analysis into a cohesive story to help decision-makers understand the need for business continuity and why the benefits justify the investment. Lead with your most compelling reason – e.g., regulatory compliance, a high vulnerability to disruption, or high cost of disruption. And make sure you address how an investment in resources – people, software, time – will benefit your audience and the organization.

In an environment of fast-moving, interconnected threats, the business cost of reacting too slowly or ineffectively multiplies by the second. Strengthening your business continuity and resilience efforts can give your organization an edge over any disruption. And now you have what you need to make a compelling business case.



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NEED HELP?

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