

What is a professional practice statement?

Professional Practice Statements developed by the Association Forum are provided as a management tool for associations and individual association professionals, developed by experts in the industry, and recommended as a means to achieve excellence in managing associations and other nonprofit organizations.

BACKGROUND

A business continuity plan (“Plan”) is essential for organizational stability in times of emergency or crisis. Examples of a crisis include, but are not limited to, natural disaster, fire, IT infrastructure failure, power outage, food-borne illness resulting in hospitalization of multiple people, active shooter or other violent crime, civil disorder or political violence at or near the office or meeting venue. A well-developed business continuity plan can provide the association with a roadmap for protecting revenue streams, personnel, continued operations and customer service during times of crisis.

POLICY STATEMENT

Every association should develop and implement a business continuity plan (“Plan”) covering key areas of its operations, including but not limited to, physical facilities, finance, technology, human resources, communications, public relations and risk management. The Plan should define a means for the association to resume operations without significant delay in the case of a local/city/state/national event, natural disaster or other unforeseeable events preventing normal business operations. The Plan should take into consideration the severity of the disaster and variations of operating models, ranging from something as simple as an outage within the building (which may require a simple and quick resolution) to something more severe such as a natural disaster or terrorist attack (which may require a full business shut-down with functions moving to a disaster recovery site).

Overall, the Plan should define key business functions to continue revenue-generating activities, and address reduction of expenses until business conditions return to normal. It should address when and how the Plan will be activated, who declares a disaster, and whom to contact (including current consultants, advisors, vendors, partners, etc.). The Plan should include an inventory of key business functions, identify priorities and indicate the expected recovery time objective. As it is developed, ensure that all contributors’ plans are integrated in the final Plan. Emphasize standards to document continuity plans which all contributors will honor. The plan should be updated on a regular basis. Below are four recommended steps¹ to be taken to develop a business continuity plan; this work should be done before a crisis or emergency occurs

1. “Conduct a business impact analysis to identify time-sensitive or critical business functions and processes and the resources that support them;”
2. “Identify, document, and implement steps to recover critical business functions and processes;”
3. “Organize a business continuity team and compile a business continuity plan to manage a business disruption;”
4. “Conduct training for the business continuity team and testing and exercises to evaluate recovery strategies and the plan.”

PHYSICAL FACILITIES

In the event of a business interruption it may be necessary to move or repair the association’s physical location(s). A successful Plan may include, depending on organizational needs and circumstances, the following;

- Designated chain-of-command within staff and volunteer leadership with clear responsibility for securing alternate space and/or fiscal authority to contract for repairs and establishing services at an alternate location and/or operating remotely.

- A list with complete contact information of key leadership, staff, vendors, business partners, and emergency response agencies that might need to be advised regarding status of personnel and operations or contacted to obtain supplies and support. Develop and include a list of “back-up” providers.
- Procedures for remote operations. Remote operations would enable all staff to have access to the internet, IT infrastructure set up to allow for staff to be online at one time, access to e-mails and files, and customer service calls being forwarded.
- Procedures for closing the building/headquarters, and shutting down and securing equipment in an orderly fashion that will assist in restoring operations later. Clearly identify the conditions that could necessitate a shutdown, who is authorized to decide on a shutdown, and those responsible for the execution of the Continuity Plan.
- Clear understanding of the effects of a partial or full shutdown on other facility operations and how long it will take to shut down and restart facility operations.
- Prioritized list of equipment that would need to be or could be moved if the facility becomes unusable.
- If appropriate, designate a secondary location in case the facility becomes unavailable. Choose a location that would be accessible in an emergency, considering communication capabilities (telephones, cell phone operability); computer/internet capability; and a size large enough to accommodate staff and/or equipment needed on-site to keep the association functioning and provide needed services.
- Security considerations relating to both the evacuated facility and any secondary location(s).
- Insurance coverage contacts and other information detailing the requirements in the event of a loss, the types of records and documentation that will be required to file claims and what records need to be protected.
- The recovery period after a disaster is key. Organizations that are in a temporary location will need to consider staffing, equipment, data collection, and other key operational issues over an extended period of time.
- Contact information for the U.S. Postal Service and other delivery services (FedEx, UPS, etc.) to provide information on where to redirect mail and other types of correspondence.

FINANCIAL

Financial integrity is crucial in any business emergency to protect assets, minimize loss and avoid disruption. Finances are key to ensuring the association’s short-term survival and long-term viability. Plan development should be created in conjunction with appropriate staff and advisors (financial, banking, accounting, insurance, components/chapters, key suppliers, etc.).

- Establish/reference non-internet options and processes. Ensure that all financial records are identified, backed-up and protected on an ongoing basis. At the instance of the emergency, alert banking, investment, insurance and other financial relationships to potential disruption in operations. Activate any other processes included in the Plan. Arrange for secure remote computer access, if it may be needed for future use.
- Inform insurance carriers (business interruption, property, etc.) of the crisis.
- Revenue continuity is key. Identify and consult with other entities which work with the organization’s funds or assets (e.g., registration/sponsorship firms, testing/credentialing, joint venture organizations, volunteers (e.g., chapters/components), on behalf of the organization.
- Identify the processes to address expected/potential challenges. Establish and monitor ongoing checks of the backups and status of same.
- The Plan should include financial policies that would be specific to emergency situations (e.g.,

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emergency reserve policy, signature/authorization policies, etc.). Ensure that interim financial reporting includes updates on how these policies are being followed.

- Ensure appropriate levels of reserves that are needed to sustain the association in the case of an interruption in revenue-generating activities (member services, programs, etc.).
- Create a clear plan for and prioritization of fixed and variable expenditures that can be modified in the event revenue generation is altered. This should include how personnel issues would be handled.
- Maintain proper levels of insurance to protect the association from risk.

GOVERNANCE

It is crucial to engage the association's governing body in the process to ensure its buy-in. This helps ensure that management continuously drives program implementation and monitors/validates the program performance and outcomes.

- Required management support may include approving necessary budget or investment, providing adequate staffing, participating in highly visible program activities, and regularly reviewing program outputs.
- Establish and document the emergency chain of authority in emergency situations.
- Establish policy and procedures to train all staff/leadership/etc. It should be included in onboarding, leader orientations, etc.
- Policies that would be required to enable execution of the Plan should be developed and adopted by the governing body to facilitate execution of the Plan during times of crisis.

TECHNOLOGY

In order to effectively deal with situations that would seriously affect business processes, the Information Technology (IT) staff should develop a comprehensive plan for protecting the security and integrity of the association's data and technology infrastructure. Associations depend on information systems for daily business activities and in the event of an interruption, an information technology Plan ("IT Plan") should be used to guide the recovery and continuation of association business information systems.

The IT Plan should be incorporated and housed with the association's overall business continuity plan. The IT Plan should include details on the hardware, software, networks and informational technology to include appropriate steps to back-up and restore systems.

Primary objectives for IT should include:

1. Provide information about when and how the IT Plan will be activated.
2. Outline checklist and/or flow diagrams that indicate actions for restoring critical systems.
3. Provide information on personnel that will be required to carry out the plan and the computing expertise required (both internal and external to the association).
4. Identify equipment, software, vendors and other items necessary for recovery.
5. Recovery process of both the physical equipment/networks and operating systems software.
6. Restoration of the data.

DATA

Protecting all electronic and paper files is vital to any organization. As a norm, all desktop computers and server-based data must be backed up regularly, preferably at the end of every business day. This process can be done using basic tape backup drives, network backup devices, or through online

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backup vendors. Using cloud-based systems allow organizations to retrieve backup data and use it remotely. After determining the backup plan that is most feasible for an association, it is important to regularly test for validity and recheck the process. It is important to ensure that all electronic data that has been stored are tested periodically to ensure operations are functioning adequately. Storage conditions (temperature controlled environment) and life expectancy of a back-up system must be tested regularly for reliability to ensure that all data are recoverable at all times should the need arise.

SECURITY

Providing safe working conditions is an important responsibility of any association. The crisis plan and response protocol must be developed for the safety of staff and event/meeting attendees and to protect the association's assets. Any incident that has the ability to severely impact the health or well-being of staff or members must have a response chain with identified leadership roles to handle the various situations.

Objectives of the crisis response plan may include:

1. Define a crisis.
2. Provide instructions for what leadership/staff should do if they suspect a crisis.
3. Define a process for determining if a crisis has occurred.
4. Define responsibility for activating the crisis plan.
5. Identify roles/responsibilities or individuals in assessing the extent of the crisis and determining and implementing an appropriate response.
6. Establish a process for assessing the effectiveness of the plan.

HUMAN RESOURCES

An association should develop a good communication plan to clearly share with all employees which phases of the business continuity plan will be implemented and the role of each team member. Appoint key staff from each department to serve as point person to facilitate communication with the rest of employees.

Associations should also consider the possibility that employees' personal lives may be disrupted and their abilities to contribute may be affected. A good business continuity plan will take into account various staffing scenarios based on the impact to the association and its human resources. For example, it may be critical to be able to process payroll from a location outside of your facilities if they cannot be occupied.

Considering size, location(s), seasonality, etc., factors to consider may include:

- Identify and integrate all contributors to the work of the organization (aka broad definition of staff).
- Address cross-training, authority, etc. to prepare all staff.
- Identify functional priorities (payroll, benefits, records, etc.).
- Prioritize all people-care elements and how they will be administered during the crisis period.
- Develop a plan to address how working hours will be compensated during emergencies.
- Define needed accommodations for people who may be working off-site (in a non- 'virtual/remote' model) to ensure continuity of payroll and other HR functions.
- Establish plans for communication and implementation of key HR matters (payroll, benefits, insurance claims, regulatory matters, etc.).

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MARKETING, COMMUNICATION AND PUBLIC RELATIONS

In the case of business interruption, it may be necessary to communicate with a variety of stakeholders and the public – including, but not limited to, board, staff, members, stakeholders, vendors, attorneys, insurance agents, media, and various local, regional and national authorities.

The Plan should address the following factors:

- Assign a person to the communication function with additional assistance as required by the scope of the problem.
- Provide information to staff and others directly impacted by the emergency, including safety instructions, and how to obtain medical, transportation, equipment, relocation, meals and/or other assistance.
- Provide information to key leadership and to the membership regarding the organization's status and methods for communication.
- Maintain a list of all employees with home, cell phone and emergency contact information. Also maintain lists of methods of communicating with each of the other potential audiences with copies of all lists kept off-site and immediately available. Develop and execute a plan for communicating remote updates with all staff (i.e., phone tree, emergency text system, etc.).
- Designate an authorized media spokesperson in the event the emergency attracts media attention or requires more detailed organizational information.
- Communicate concise information rapidly to all necessary parties as quickly as possible with instructions on any action needed to be taken. Include information on how to contact headquarters staff.
- Develop standardized talking points for media inquiries. Develop talking points specific to certain types of crises.
- Report progress promptly as the situation changes and normal business resumes.
- Consider creating in advance a secure website for staff to obtain communications from association leadership.

PROGRAM

A comprehensive list of all association programs should be included in the business continuity plan to ensure protection of all assets, services and programs, such as an annual conference, online education portal, etc. Ensure that program/event crisis plans are integrated with the organization's overall Plan. Each program offering's Plan should include specific factors related to timing, location, etc., as well as the organization's overall Plan.

DISCLAIMER

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REFERENCE LIST

- FFIEC Business Continuity Plan, <http://www.ffiec.gov>
- Article of ABCs of BC/DR Planning from the CSO (Chief Security Officer) http://www.ffiec.gov/ffiecinfo-base/booklets/bcp/bus_continuity_plan.pdf
- Preparedness for Your Business: <http://www.ready.gov/business/>
- Search SMBStorage <http://searchsmbstorage.techtarget.com/Sample-business-continuity-plan-template-for-SMBs-Free-download-and-guide>
- Disaster Planning: <http://www.sba.gov/content/disaster-planning>
- Disaster Planning Can Reduce Time to Recovery and Expense: <http://preparemybusiness.org/planning>

RESOURCES

- Standard on Disaster/Emergency Management and Business Continuity Programs - National Fire Protection Association (NFPA) 1600
 - Professional Practices for Business Continuity Professionals - DRI International (non-profit business continuity education and certification body)
 - Continuity Guidance Circular 1, Continuity Guidance for Non-Federal Entities - Federal Emergency Management Agency, CGC 1
 - Open for Business® Toolkit - Institute for Business & Home Safety1 Steps to Develop a Business Continuity Plan -<https://www.ready.gov/business/implementation/continuity> Designing Training Exercises: Best Practices & Tips with Regina Phelps
- http://go.everbridge.com/Designing-Training-Exercises-Best-Practices-registration.html?trk=ppc&utm_source=cpc&utm_medium=google&utm_campaign=SYN-Google-US-Search-Generic-Corporate&utm_content=BusinessContinuity_PHR&utm_term=business%20continuity%20plan&gclid=CjwKCAiAxMLvBRBNEiwAKhr-nPvoZruui-L4b1NuKXVaKQ-qyhcd2rw1qML_oZyiA2rxJQmuYmpwvBoCmhoQAvD_BwE
- MHA Consulting <https://www.mha-it.com/>

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