



# Business Continuity Toolkit

Gap Analysis & Strategy Selection  
Methodology & Guide

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**HALIFAX  
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# Welcome to the Business Continuity Toolkit

- The COVID-19 pandemic has shone a spotlight on how quickly things can change for a business.
- You never really expect the unexpected, so it's useful to plan ahead for change and crises.
- The Halifax Partnership has developed a Business Continuity Toolkit to help small- and medium-sized business plan for changes and crises, whether it is a pandemic or another type of disruption.

# The Why, What and How of the toolkit

**Why** – The Halifax Partnership has prepared this guide to help small- and medium-sized business facing challenges in a time of crisis.

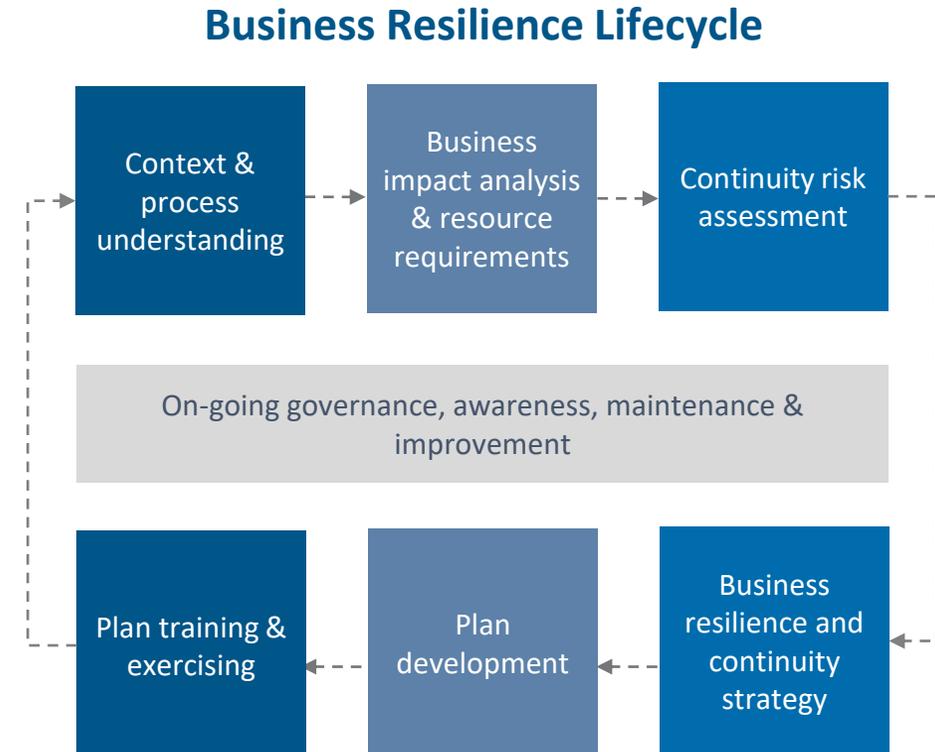
**What** – The toolkit is set of guides, templates, webinars and additional resources which will help businesses with planning and building resilience to prepare and respond to crises, whether it's a pandemic or any other critical challenge.

**How** – The toolkit has been designed for busy people who are juggling many challenges. It can be used to create a resilience plan to prepare for major disruptions and crises.

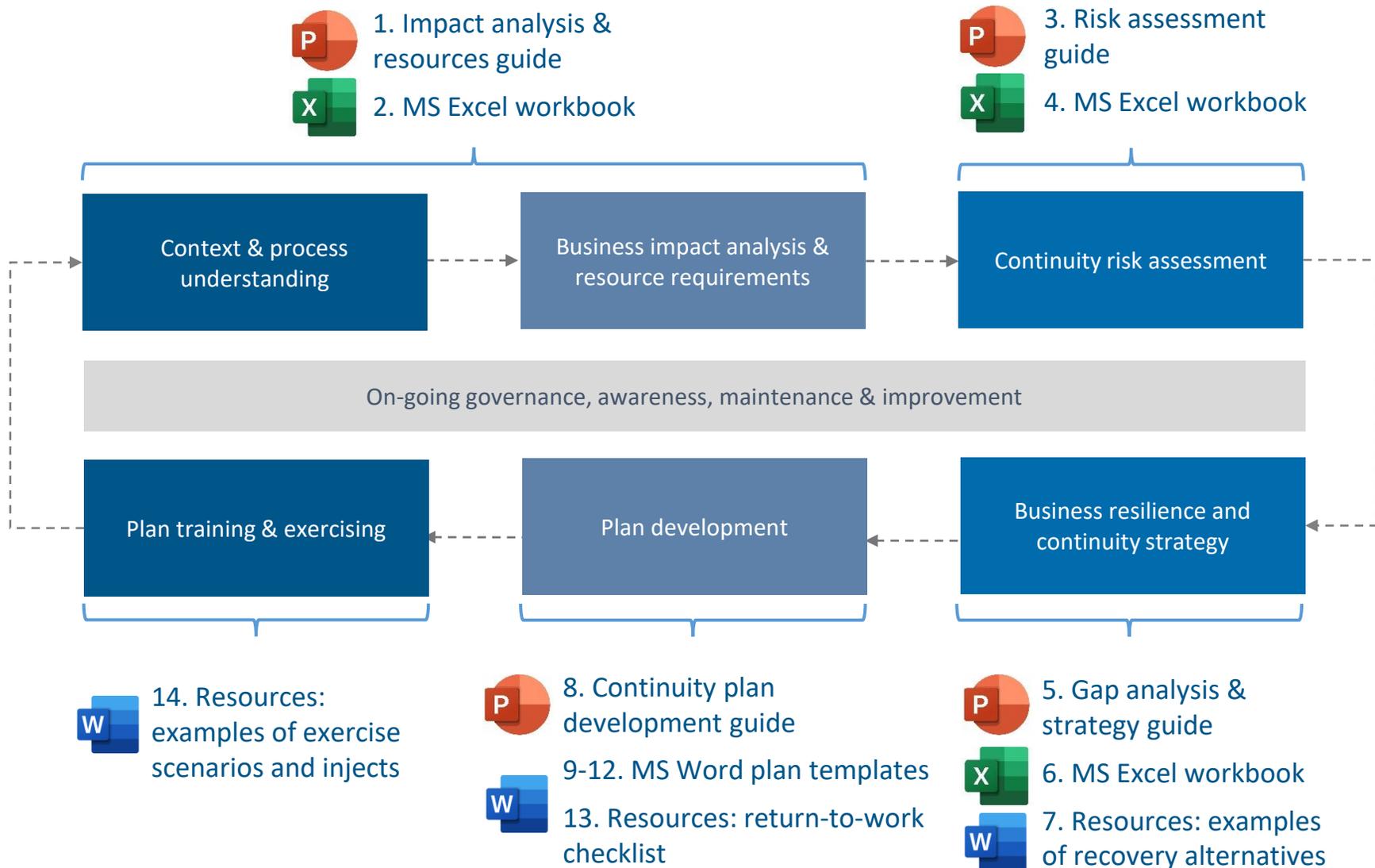
# Business resilience overview

A business resilience program helps you to:

- Understand your business systems, supply chains, human resources and other types of critical resources
- Examine how each is affected by a disruption
- Develop responses to mitigate risks
- Communicate challenges and train teams
- Develop response plans
- Develop resilience and continuity plans and continue to revise and adapt them.



# Toolkit components



Webinar #1 – Business Resilience Basics



Webinar #2 – Business Resilience Lessons from the Pandemic



Webinar #3 – BCM Toolkit Walkthrough



# Methodology

Gap Analysis & Strategy Selection

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# Strategy Development Stages

The Business Continuity Strategy aims to identify and select solutions that consider options for before, during and after disruptions, based on the Business Impact Analysis and Risk Assessment.

The strategy is developed in three stages: gap analysis, options identification and strategy selection.

## Gap analysis

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Determine the current capacity and resilience of resources that support your critical business processes, and identify gaps that require a risk response.



## Options identification

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Identify short-term and longer-term options to mitigate each gap or risk you identify, and analyze the cost and time to remediate.



## Strategy selection

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Select the most viable remediation options based on the cost and risk appetite, based on the options analysis in the previous step.

# Solution Types

There are three types of solutions to business continuity risks and gaps:

- Prevention focuses on remediating disruption risks and resource gaps in advance of a disruption
- Response focuses on minimizing damage and disruption when an event does occur
- Recovery focuses on restoring critical business processes at their minimum service level after they are disrupted.

## Prevention

Prevention solutions reduce the impact and/or probability of disruptions.

Prevention solutions are required for risks exceeding the business's risk tolerance threshold and gaps in critical resources that would delay or prevent timely business process recovery.

## Response

Response solutions establish an effective incident response to minimize damage to the business, its people, resources and the environment.

Response solutions are required for all emergency scenarios that apply to your business and industry.

## Recovery

Recovery plans help business resume operations within identified timeframes and agreed capacity.

Recovery solutions are required for all resources supporting critical business processes.

# Approach | Prevention Solutions

## Objectives

Once you have conducted risk assessment and gap analysis, you now understand the relevant risk events, resource gaps and prevention options which will help you to:

- Reduce the probability of having an incident that causes business disruption
- Shorten the time of disruption, in case it happens
- Limit the impact of the disruption on critical processes.

## Approach

Risk events rated with high disruption risk will require treatment through preventive controls to be defined in the strategy. The preventive controls will aim to lower the probability and/or the impact of the risk event, therefore, reducing your risk of disruption. The following options might need to be considered:

- Avoid/terminate the risky activity
- Accept the risk
- Mitigate the risk
- Transfer the risk.

# Approach | Response Solutions

## Objectives

In the event of an incident, your incident response structure must support the following objectives:

- Safeguard the well-being and safety of your employees and protect assets from the impacts of disruptive incidents
- Protect and enhance the business's reputation and credibility
- Comply with legal, regulatory and contractual obligations
- Minimize financial losses and reduce implications arising from disruptions.

## Approach

In order to ensure an effective response to incidents/emergencies and to achieve the previously mentioned objectives, the following roles/teams will each have a specific plan, appropriate to the scope of their intervention. Each “team” can be made up of one or more individuals, and personnel may be part of multiple teams in smaller businesses.

**Crisis Management Team (CMT)**

— **Crisis Management Plan:** to guide the Crisis Management Team in the strategic and tactical response to a major or catastrophic event across all lines of business.

**Emergency Response Teams (ERT)**

— **Emergency Response Plans:** to guide the Incident/Emergency Response Teams in the necessary procedures to safeguard human life and the physical integrity of people, including evacuation from sites, if necessary.

**Business Recovery Teams (BRT)**

— **Business Recovery Plans:** to guide the Business Recovery Teams of each department in terms of the measures to be developed and adopted in order to maintain or recover critical processes.

**IT Disaster Recovery Teams (IT DRT)**

— **Disaster Recovery Plans:** to guide the IT Disaster Recovery Team in terms of the measures to be developed and adopted to maintain or recover the information systems that support critical processes.

# Approach | Recovery Solutions

## Objectives

The recovery solutions establish the recovery strategy to be adopted after a major disruption.

The focus of this step is to identify recovery options that support the recovery of critical resources, which may be unavailable as a consequence of a disruption.

## Approach

For each resource type (people, equipment, technology, third parties and inventory), a recovery approach should be determined to help recovery leads address each aspect of the business affected by disruption.

Note: at this stage, you are only identifying the alternative but not documenting the detailed step-by-step procedure. For example, you can decide in the strategy that payroll will be manually paid by physical cheques, but the detailed procedure and location of the cheques will be documented later in the business continuity plan.

Recovery strategy options should be based on a comparison of the current processes and safeguards and the business, the cost for implementation and the advantages of each option.



# Guide

Gap Analysis & Strategy Selection

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# Gap Analysis & Strategy Selection Guides

The BCM toolkit includes a Gap Analysis & Strategy Selection workbook template which allows you capture the required data. This section provides guidance on how to use each section, including:

1. **Business Continuity Gap Analysis Guide:** this section enables you to identify gaps in resilience for each critical resource, including staff, critical personnel, equipment, technology, third parties, vital records and inventory.
2. **Continuity Options and Strategy – Prevention Guide :** this section enables you to map your identified gaps/risks to the impacted resources, suggest prevention solutions, and estimate the cost and timeline to remediate each gap/risk.
3. **Continuity Options and Strategy – Response Guide:** this section enables you to list the relevant potential disruptive events which may apply to your business, assess your current response capability and determine if any additional preparation is required.
4. **Continuity Options and Strategy – Recovery Guide :** this section enables you to determine recovery approaches in case each type of resource is disrupted.

# 1. Business Continuity & Gap Analysis – Guide

You will find the following table in the first tab of the Gap Analysis and Strategy Selection workbook:

Using the impact analysis results, add the figures for the first 3 columns to determine how much buffer you have in your workforce.

Using the impact analysis results, list all the critical personnel that don't have trained backups and determine the required skillset and whether there is a documented job guide.

Using the impact analysis results for equipment and required quantity, identify whether there are spares, supply arrangements or manual workarounds.

Using the impact analysis results for technology dependencies, identify the current capability to recover these systems within required timeframes.

Using the impact analysis results for third parties, identify whether they tested their recovery capability, if the contract has sufficient safeguards and the availability of backup suppliers.

People dependencies - staff					
Process ID/name	Personnel during business-as-usual	Minimum required personnel	Percentage utilized for minimum service level (% of team as minimum)		
Intenal Payroll	4	2	50%		
People dependencies - critical personnel					
Name of personnel with no trained backups	Special skillset or knowledge that is unique to this person	Documented job aids or process guides for critical activities?			
Jhon Smith	Only person has access to bank accounts				
Equipment dependencies					
Equipment name	Minimum required quantity	Spares available?	Priority supply arrangement available?	Manual workaround available?	
Cheque printers	1	No	No	Print cheques manually	
Technology dependencies					
Application name	Business-required recovery timeframe (RTO)	Business-required data loss limit (RPO)	Current capability (RTO)	Current capability (RPO)	Gap between business requirement and current
SAP	48	8 hours	1 week	2 hors	SAP has to be recovered within 48 hrs
Third party dependencies					
Third party name	Confirmed third party's alignment to business recovery requirements?	Included contractual commitments to meet business continuity requirements?	Backup third parties identified and/or contracted?		
Bank name	No	No	Alternate bank name		
Vital records					
Name of critical document or dataset	Spare copies exist at offsite locations?				
Last month payroll report	no				
Inventory and finished goods					
Inventory/material description	Minimum required quantity	Spare inventory or storage across multiple sites (if applicable)?	Ability to replace or replenish inventory at the minimum required level within recovery timeframes?		
cheque books	2 books	no	yes		

Using the list of required documents / datasets, identify whether copies exist at offsite locations.

Using the list of required inventory, identify whether spare quantities are available and the ability to replenish the inventory within required timeframes.

# 2. Continuity options & strategy – Prevention Guide

You will find the following table in the second tab of the Gap Analysis and Strategy Selection workbook:

Based on the gap analysis from the previous step, list all the gaps where resources do not have sufficient redundancy or resilience. Also list all risks from the risk assessment step that exceed your risk tolerance threshold.

Add the risk level for each gap or risk to inform the cost-benefit decision for each solution.

List the type(s) of resource(s) impacted by each gap or risk.

Identify possible solutions for each gap/risk. Use one row per solution.

Determine the cost and timeline required to remediate each gap/risk (to implement the solution)

Risk/gap	Risk level	Impacted resources	Prevention solution	Cost to remediate	Timeline to remediate
People shortage - low staff buffer for minimum service level	Low Risk	People	Cross-train staff from other departments	\$5,000 in internal labor	3 month job rotation
People shortage - critical personnel with no trained backups	Moderate Risk	People	Document job guides to reduce dependence on a single individual	\$3,000 in internal labor	3 months to document guides
Equipment shortage	High Risk	Equipment			
Technology systems recovery capability gap	High Risk	Technologies			
Third party failure	Moderate Risk	Third parties			
Loss of vital records/data/documents	Low Risk	Vital records			
Inventory shortage	Low Risk	Inventory			
<"High" rated risk from risk assessment stage>	High Risk				
<"High" rated risk from risk assessment stage>	High Risk				
<"High" rated risk from risk assessment stage>	High Risk				

# 3. Continuity options & strategy – Response Guide

You will find the following table in the third tab of the Gap Analysis and Strategy Selection workbook:

List all the types of events that are relevant to your business. The typical types of events and response plans have been identified in the example below.

Determine the current capability for responding to each type of disruptive event, and whether a documented incident/emergency response plan exists.

Determine whether additional preparation is required to improve incident/emergency response capabilities and document or improve response plans.

Potential disruptive event (incident/emergency)	Current response capability & plan	Additional required preparation
Cyber-attack	Cybersecurity incident response plan	Scenario-specific 'playbooks'
IT disruption	IT incident response plan	
Facilities - evacuation (fire, spill, etc.)	Fire evacuation plan	
Facilities - shelter-in-place (storm, active shooter, etc.)	Facility shelter plan	
Pandemic / epidemic	Pandemic response plan	
Public relations	Communications and media plan	
Other incidents (if relevant)		
Other incidents (if relevant)		

# 4. Continuity options & strategy – Recovery Guide

You will find the following table in the fourth tab of the Gap Analysis and Strategy Selection workbook:

List all the types of resources that support your critical business processes. Repeat the resource type for each resource in the next column.

List each resource that is required for your critical business processes.

For each resource, determine the recovery approach or workaround in case this resource is disrupted. This approach/workaround will be further developed into a detailed procedure in the business continuity plan.

Resource Type	Resource	Recovery approach if resource is disrupted
People - staff	Role 'x'	Personnel from Role 'z' can take over the duties
People - staff	Role 'y'	Personnel from Role 'z' can take over the duties
People - critical personnel	Finance manager	Delegate the authority to <person> and use <documented job guide>
People - critical personnel	Lead engineer	Delegate the authority to <person> and use <documented job guide>
Equipment	Cheque printer	Manually write payroll cheques
Technologies		
Third parties		
Vital records		
Inventory		

# Next Steps

Once the business continuity strategy is complete, the following next steps should be taken to document your continuity plans:

1. Review the results with relevant internal stakeholders, and if applicable, external stakeholders to ensure alignment of the selected solutions.
2. Obtain sign-off on the results from supervisors/management.
3. Proceed to the next step: business continuity plan development.

# Halifax Partnership Resources:

[halifaxpartnership.com/how-we-help/grow-your-business/](https://halifaxpartnership.com/how-we-help/grow-your-business/)



Minder Singh

[msingh@halifaxpartnership.com](mailto:msingh@halifaxpartnership.com)



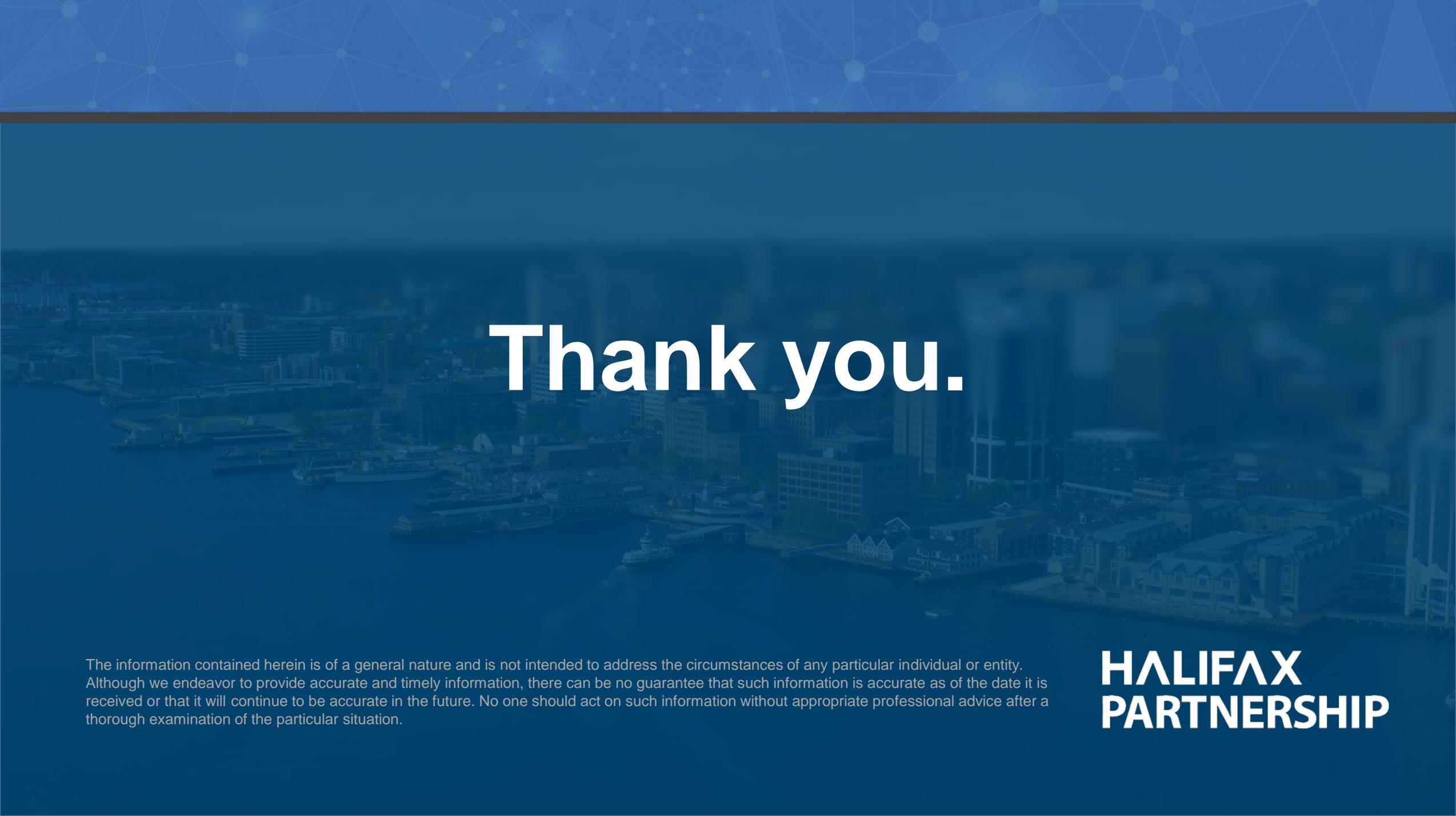
Hector Fraser

[hfraser@halifaxpartnership.com](mailto:hfraser@halifaxpartnership.com)



Jason Guidry

[jguidry@halifaxpartnership.com](mailto:jguidry@halifaxpartnership.com)



# Thank you.

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