City of Boston
Emergency Management

5 - BUSINESS CONTINUITY EXERCISE

OVERVIEW

This document provides a framework for testing your Emergency Action Plan and Business Continuity Plan. These exercises will help identify any gaps in your plans and assess whether your business can maintain essential business functions during an emergency or disruption.

The exercise is designed to evaluate your emergency response, continuity strategies, and restoration strategies using four scenarios:

- **Denial of Service Due to Equipment Failure** – Power Outage
- **Denial of Service Due to a System Failure** – Cyberattack
- **Denial of Service Due to a Reduced Workforce** – Severe Public Transit Disruptions
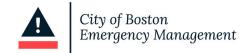- **Denial of Access to Facility** – Flood

EXERCISE OBJECTIVES

Using the provided scenarios, test the effectiveness of the Emergency Action Plan and Business Continuity Plan by:

- Evaluating the ability to respond to an emergency and protect life and property.
- Evaluating the ability to maintain operations during a disruption using continuity strategies.
- Evaluating the ability to restore operations to normal function using restoration strategies.
- Assessing the effectiveness of decision-making and delegation of authority.
- Evaluating communication processes and the ability to coordinate with employees, customers, and external partners during and following a disruption.
- Identifying gaps in resources.

EXERCISE IMPLEMENTATION & GUIDANCE

CONDUCTING THE EXERCISE

- **Complete Plans**: Before starting the exercise, ensure that your Emergency Action Plan and Business Continuity Plan are completed to the best of your ability. These documents will provide guidance for answering the discussion questions and help to surface any gaps or areas for improvement.
- **Set Objectives**: Review the exercise objectives to understand what aspects of your plans are being tested.

- **No-Fault Environment:** This exercise is designed to uncover gaps and areas for improvement in a constructive, no-fault setting. It is completely expected that challenges will arise—this is an opportunity to identify and address them before a real disruption occurs.
- **Engage in Open Dialogue**: Try to include staff from each discipline within your business, e.g. finance and administration, operations, sales, etc. Read each scenario carefully and envision how it would impact your business. Treat the situation as real and discuss each question in detail, focusing on how it pertains to your specific operations.

MAKING IMPROVEMENTS

- **Document Your Findings:** After completing the exercise, discuss and record gaps in the plans in the exercise after action report. Capture areas for improvement in the exercise Improvement Plan which will outline actions and responsibilities for making improvements to business processes and for updating the Emergency Action Plan and the Business Continuity Plan.
- **Update Your Plans**: Update your plans with the insights gained and areas you wish to improve.
- **Training Your Staff**: Share the exercise outcomes with your staff, ensuring they have a copy of the updated Emergency Action Plan and Business Continuity Plan.

EXERCISE DISCUSSION QUESTIONS AND SCENARIOS

The following is a modular tabletop exercise system designed to help you test your plans and identify gaps. Use the discussion questions below for any of the scenarios that follow.

DISCUSSION QUESTIONS

MODULE 1 QUESTIONS

1. **Emergency Action Plan**

    a. **Communications**

        i. Who is responsible for notifying individuals or entities about the emergency?

        ii. Who needs to be notified and where is the contact information stored?

        iii. What Warning and Notification System will be used to communicate this disruption, and where is it located?

        iv. What information should be included in the notification?

    b. **Evacuation**

        i. If evacuating, where is your designated assembly area?

    ii.   Where is the designated evacuation assistance area within the building for employees or customers with mobility impairments?

    iii.   Who is responsible for assisting individuals with mobility impairments?

    iv.   Do you have a map of emergency escape routes?

c. **Shelter in Place**

    i.   If <u>sheltering in place</u>, where is your designated shelter area?

    ii.   Where is the designated location for safety supplies?

    iii.   Who is responsible for shutting down the ventilation and air intake systems?

d. **Securing Property and Equipment**

    i.   If it's safe to do so, what <u>property or equipment needs to be secured</u>?

    ii.   Where is the property or equipment located?

    iii.   What is the estimated time frame it would take to secure the property or equipment?

e. **Emergency Response Guides**

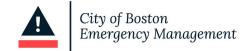   i.   Can any of the Emergency Response Guides be followed in this situation?

2. **Business Continuity Plan**

a. **Essential Business Functions**

    i.   What essential business functions are being disrupted by this situation?
    ii.   What essential business functions have been identified as having a critical and high priority?

b. **Continuity Strategies**

    i.   <u>Continuity Strategies</u>: What actions are you and staff taking to continue critical and high essential business functions disrupted by this situation?
    ii.   <u>Interdependencies</u>: Are there any other entities that provide resources or inputs for these functions?
    iii.   <u>Output</u>: Who uses the output from these functions?
    iv.   <u>Obligation</u>: Are you obligated to notify anyone that these essential business functions have been disrupted?

c. **Communication Systems**

    i. Do you need to send out a Crisis Communication message? If so, to who?
    ii. What is your primary system for communicating internally? What about a backup?
    iii. What are your primary systems for communicating externally with customers, vendors, suppliers, and regulators? What about backups?

MODULE 2 QUESTIONS

d. **Restoration Strategies**

    i. Outline the restoration strategies needed to restore essential business functions and resume normal operations.
    ii. What were the financial impacts of this disruption, and how can they be addressed? Consider available recovery resources, insurance coverage, and other financial assistance options.

SCENARIO

Each scenario is divided into two modules, each testing sections of the Emergency Action Plan or Business Continuity Plan and correspond to the discussion questions above.

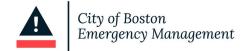## SCENARIO 1: POWER OUTAGE - DENIAL OF EQUIPMENT

Module 1

This module relates to the following plan sections and associated discussion questions above:

- Emergency Action Plan
- Business Continuity Plan: Essential Business Functions, Continuity Strategies, and Communication Procedures

Thursday, 7:00 am

- A severe storm causes a power outage that affects your entire street.
- The utility company notifies you that power could be out for 48+ hours as they work to fix the issue.
- The power outage has caused impacts to your business, e.g.:
  - Unable to use computer systems.
  - Caused refrigeration and freezer units to fail, putting perishable inventory at risk.
  - Connectivity is also down, as the outage ultimately led to a network failure, affecting internal communication.
  - Vendors are unable to make deliveries due to downed power lines on the street.

Module 2

This module relates to the following plan sections and associated discussion questions above:

- Business Continuity Plan: Restoration Strategies

Sunday, 7:00 a.m

- The storm has concluded, and the power has been restored.
- Your network is back up and running.
- Vendors have restarted deliveries.

SCENARIO 2: CYBERATTACK - DENIAL OF SERVICE

Module 1

This module relates to the following plan sections and associated discussion questions above:

- Emergency Action Plan
- Business Continuity Plan: Essential Business Functions, Continuity Strategies, and Communication Procedures

Tuesday, 3:00 p.m

- Your business experiences a Distributed Denial of Service (DDoS) attack, disrupting its website, online ordering system, and payment processing. Your business cannot process online or in-person transactions.
- IT staff identifies that the attack is overwhelming your network, making it difficult for customers to complete purchases.
- Employees are reporting that internal systems, including email and remote access, are intermittently unavailable.
- Law enforcement and cybersecurity firms have been contacted, but remediation is expected to take at least another 24-48 hours.

Module 2

This module relates to the following plan sections and associated discussion questions above:

- Business Continuity Plan: Restoration Strategies

Wednesday, 7:00 p.m

- The attack has come to an end and remediation is complete.

SCENARIO 3: SEVERE PUBLIC TRANSIT DISRUPTIONS - DENIAL OF PERSONNEL

Module 1

This module relates to the following plan sections and associated discussion questions above:

- Emergency Action Plan
- Business Continuity Plan: Essential Business Functions, Continuity Strategies, and Communication Procedures

Monday, 7:00 a.m

- A winter nor'easter causes public transit service shutdowns and dangerous road conditions, preventing employees from commuting to work.
- Your business must operate with only one available staff member while facing high customer demand.
- Deliveries from vendors are also delayed.
- The storm is expected to last at least 48 hours.

Module 2

This module relates to the following plan sections and associated discussion questions above:

- Business Continuity Plan: Restoration Strategies

Wednesday, 12:00 p.m

- The nor'easter has passed, public transit service has resumed, and road conditions are no longer hazardous.
- Vendors have restarted deliveries.

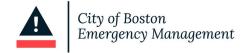## SCENARIO 4: FLOOD - DENIAL OF ACCESS TO A FACILITY

Module 1

This module relates to the following plan sections and associated discussion questions above:

- Emergency Action Plan
- Business Continuity Plan: Essential Business Functions, Continuity Strategies, and Communication Procedures

Monday, 9:00 a.m.

- A hurricane has impacted Boston, overwhelming drainage systems and causing flash flooding at your facility.

- Both the stockroom and the main business area are submerged under two inches of floodwater.
- The electrical system may be compromised, creating a hazardous environment that makes it unsafe to enter or remain inside the building.
- The storm is forecasted to last another 12-24 hours.

Module 2

This module relates to the following plan sections and associated discussion questions above:

- Business Continuity Plan: Restoration Strategies

Wednesday, 7:00 a.m

- The floodwaters have receded, but your main business area and stockroom remain damp and contaminated. Debris, hazardous chemicals, and potential sewage pose serious health and safety risks.
- The electrical system is malfunctioning and will require professional repairs before operations can resume.

AFTER ACTION REPORT

Use the table below to assess your ability to achieve the identified exercise objectives. For any areas where challenges arose, incorporate those findings into your improvement plan as "Areas for Improvement" to enhance emergency response, continuity strategies, and restoration efforts. As mentioned above, this is a no-fault environment. Challenges are expected, and serve as opportunities to identify gaps, address weaknesses, and strengthen your plan.

Check the box that aligns best with your ability to meet the corresponding objective.

Objective	Performed without Challenges	Performed with Challenges
1. Evaluate the ability to respond to an emergency and protect life and property.		
2. Evaluate the ability to maintain operations during a disruption using continuity strategies.		
3. Evaluate the ability to restore operations to normal function using restoration strategies.		
4. Assess the effectiveness of decision-making and delegation of authority.		
5. Evaluate communication processes and the ability to coordinate with employees, customers, and external		

partners.		
6. Identify gaps in resources.		

IMPROVEMENT PLAN

Using the table above, identify any areas of improvement where challenges occurred. Assign a team member to address each area and update the Emergency Action Plan or Business Continuity Plan accordingly with the necessary improvements.

Area of Improvement (Exercise Objective)	How can this area be improved?	Responsible Team Member