

# Risk Insights™ Disaster Recovery Overview



Statistics show that one in four businesses do not re-open after disaster strikes, and many that do re-open struggle to stay in business. Preparing ahead of time greatly increases your business' chances of surviving and resuming operations after an incident.

For this reason, a significant part of your Risk Management program should be dedicated to ensuring business continuity and resumption of normal operations as quickly as possible.

**Having a Business Recovery Plan is the best way to ensure this happens.**



The purpose of a Business Recovery Plan is to minimize the operational, financial, legal and other material consequences, including your business' reputation, that arise from a disruption. The plan covers policies, standards, and procedures for ensuring that specified operations can be maintained and recovered in a timely fashion in the event of a disruption.

#### **A Business Recovery Plan has three components:**

- An Emergency Response Plan: The initial actions required to facilitate communication and minimize damage
- A Business Continuity Plan: The actions required to ensure essential services resume immediately
- A Business Resumption Plan: The actions required to resume normal operations

#### **Benefits**

Numerous benefits can result from having an effective Business Recovery Plan:

- Ensuring the safety of company employees and the general public
- Minimizing potential revenue loss
- Preventing loss of confidence in the company
- Reducing the probability of a disaster or disruption occurrence
- Reducing the disruption of normal operations
- With a plan in place you will put yourself at a significant advantage over your competitors.

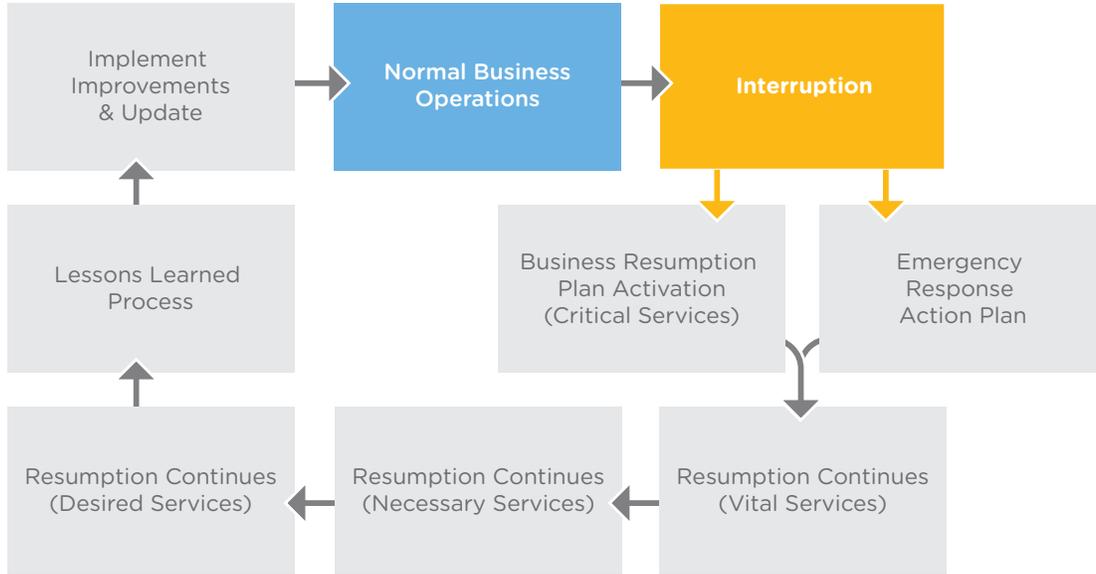
#### **Principles**

There are several core principles of a Business Recovery Plan:

- Essential services must be clearly defined
- Senior management must have input and concurrence
- Plans need to be clear and simple to follow
- Plans must be distributed amongst all stakeholders
- Validation and continuous updating must be proactively conducted to keep the plan viable

## Business Continuity Cycle

The Business Continuity Cycle chart demonstrates how the Process of recovering from a disaster occurs.



### About Northbridge Insurance Risk Services

Our Risk Services team provides valuable insights, consulting and training to help Canadian businesses manage and mitigate risk across their operations. We rely upon our industry-specific expertise and decades of experience to recommend leading solutions and best practices to our broker partners and our mutual customers.

For more information, contact your Risk Services Consultant or our Risk Services Department at **1.855.620.6262**

### About Us

We have a history and reputation for innovative commercial and specialty insurance solutions, created with the customer in mind. Working closely with our broker partners, we offer tailored solutions and a superior customer experience.

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