

# Critical Business Functions Checklist

Identifying critical business functions before a disaster is an essential part of resuming operations following a disaster.

This template will walk you through the very important steps of identifying the most critical functions in your business. Critical functions are those activities that are vital to your organization's survival and to the resumption of business operations. Typically, your critical functions are the business functions that are (1) most sensitive to downtime; (2) fulfill legal or financial obligations to maintain cash flow; (3) play a key role in maintaining your business' market share and reputation; and/or (4) safeguard an irreplaceable asset. Keep in mind that the process of identifying your critical business functions will work in close conjunction with your risk assessment analysis.

## Steps:

1. Identify the critical business functions of your business. Please reference the below considerations when determining the criticality of each business function;
2. Classify these critical business functions into the following categories: high (most severe), medium and low (least severe). For an illustrated example, please reference the graphs below; and
3. Complete the Critical Business Functions Chart for each critical business function.

## Considerations when Determining the Criticality of a Function:

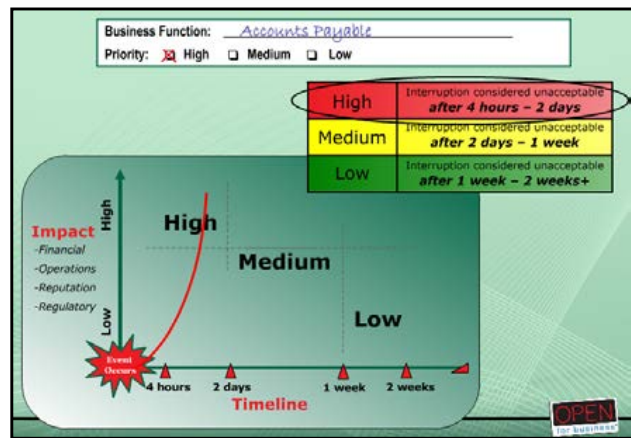
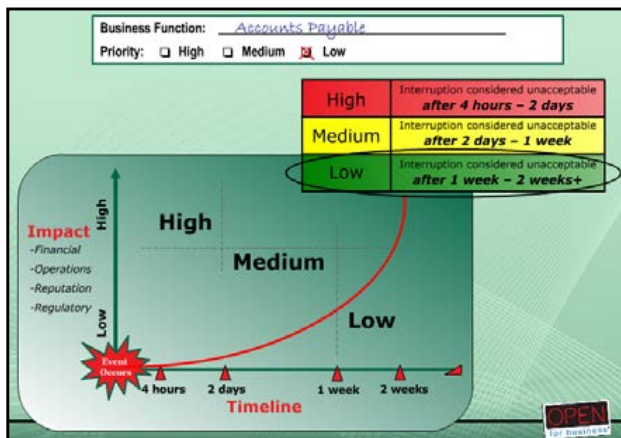
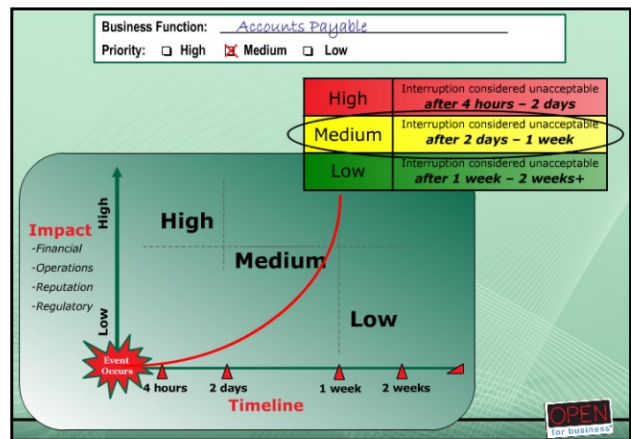
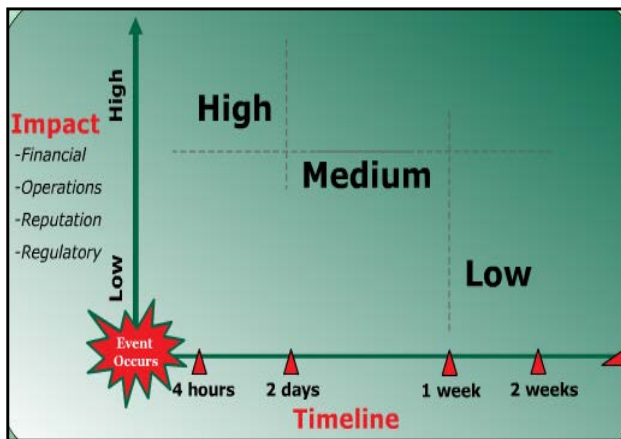
1. The business objective/goal this function supports;
2. How often this business function occurs;
3. How many business units (departments) perform this business function;
4. Whether or not the successful completion of this function depends on any other business function;
5. Potential for significant revenue loss to the organization if this business function is not performed;
6. Potential for fines, litigation or other punishment for noncompliance due to a required regulatory requirement;
7. If noncompliance is tied to a specific downtime for this function;
8. Whether or not this function directly impacts your business image or market share of your organization; and
9. The priority ranking you would give this function within the entire organization's functions.

# Critical Business Functions Checklist (cont.)

## Critical Business Function Classification

The goal of these graphs is to help you identify when it is absolutely necessary to restore each of your critical business functions. Once you have determined the maximum downtime for each function, you will be able to prioritize your list in order of most to least critical.

Consider the horizontal axis a downtime timeline and the vertical axis an impact scale. Each critical business function is going to rise over time (becoming a greater impact to your business). You can determine the impact category (high, medium, or low) of each business function by identifying which impact category the function is located in when it reaches its peak impact on your business.



# Critical Business Functions Checklist (cont.)

## Critical Business Functions Chart

After you have identified the criticality and maximum downtime for each critical business function, you will record each function and the impact it has on other business functions in the chart below. The objective is to identify all the resources and personnel required to restore or reproduce this function during a recovery. After identifying what will be required to reproduce each critical business function, be sure to include a brief guide on how to restore this function in a recovery environment.

Function	Criticality	Maximum Downtime	Person/Team	Required Resources	Impacted Functions	Brief Process to Complete Function
<b>Example: Insurance Claims</b>	High	2 Days	A. Jones – Mgr. Alt 1: K. Smith Alt 2: R Keely	10 employees, phones, claim mgt software, paper forms	Claims assessing, filing	Take calls, document in system, file
<b>Example: Open new savings act.</b>	Low	1 Week	L. Singleton	1 employee, account mgt software, N103-B form, printer	New accounts	Customer completes N103-B form onsite, enter into system

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