

What is a contingency plan?

A contingency plan is a roadmap created by management to help an organization respond to an event that may or may not happen in the future—whether it's a large-scale event like a natural disaster or a small-scale roadblock like employee theft.

The purpose of a business contingency plan is to maintain business continuity during and after a disruptive event. A contingency plan can also help organizations recover from disasters, manage risk, avoid negative publicity, and handle employee injuries.

By developing a contingency plan, your business can react faster to unexpected events. The faster your organization is able to get back up and running, the less impact you'll see on profits and revenue.

How to write a contingency plan

There are many factors to consider when building a contingency plan.



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have a high chance of occurring as you write and develop your contingency plan. For example, you may have listed earthquakes as a possible risk. However, if your area doesn't experience many earthquakes, you wouldn't want to spend all your time preparing for this event. If your area is prone to flooding, you should spend more of your resources preparing for floods.

To determine which risks are more likely to occur, use a **risk impact scale**. This will help you to estimate the likelihood that an event will occur and determine where to focus your efforts.

	Category	Category				
Level of impact	Analysis	Analysis				



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information.

You can also create a list of ways to minimize the risk of these events now and start acting on it.

4. Maintain the plan

Maintenance of your contingency plan is arguably the most important part of the process because it's where the work happens to ensure you're always ready.

Review your plan frequently. Personnel, operational, and technological changes can make the plan inefficient, which means you may need to make some changes.

You'll want to communicate the plan to everyone who could potentially be affected and clearly define what everyone's roles and responsibilities will be during a time of crisis.

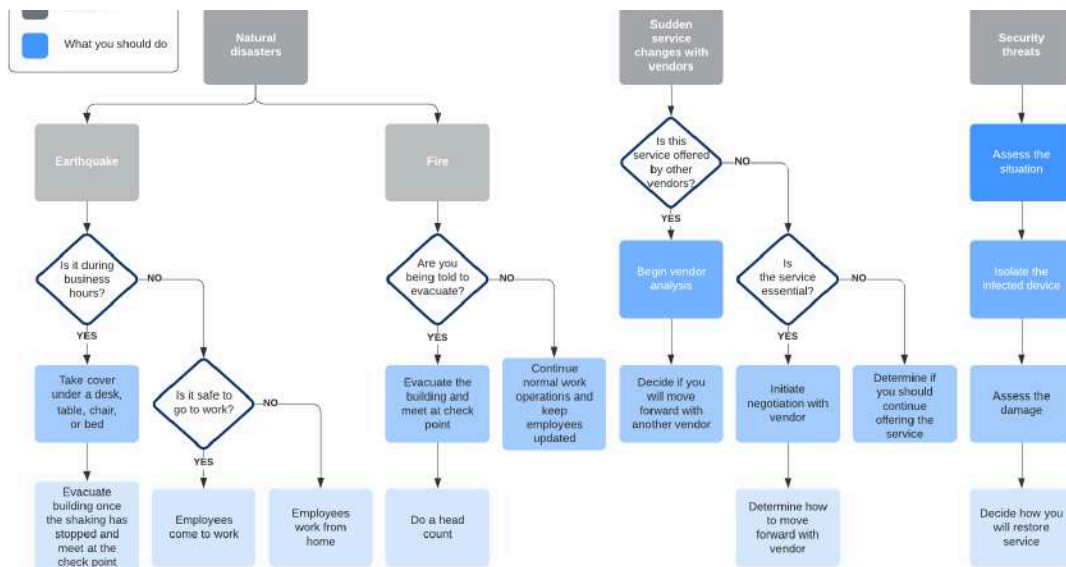
Business contingency plan example

To help you prepare for the unexpected, get started with these [business contingency plan examples](#) below



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Business contingency plan example (click on image to modify online)

	Probability	Impact	Response				
IT security threats	High	Low	Assess the situation	Isolate infected device	Address unauthorized devices	Assess the damage	Decide how you will restore service
Event							
Event							



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