

40 Business Disruption Scenarios

Infrastructure

- Total destruction of head office /key plant by fire
- Total destruction of IT data centre by fire
- Hazardous waste spill results in denied access to your premises or precinct for 4 weeks
- Destruction of a nearby electrical sub-station results in prolonged loss of power to your IT data centre
- Theft of vital hardware/key office equipment
- Destruction of all physical files and critical business records
- Destruction of underground cables results in loss of voice communications

Financial

- A material financial loss results in capital depletion/cash flow strain
- Material internal fraud/misappropriation of funds by a disgruntled employee
- Material external fraud by a third-party from forged contracts, documents and invoices
- Internal control breakdowns lead to data entry errors, unintentional accounting errors and failed mandatory reporting of financial positions
- Senior management fictitiously adjust the companies financial position to ensure bonuses
- Adverse economic conditions likely to reduce projected revenue by 45%
- You insurer rejects your insurance claim resulting in a material expense and future liability

Products and services

- Your most profitable product is tampered with
- Accusation by a customer that a major product/services caused significant harm
- Failure /bankruptcy of a key supplier impacting your ability to service customers
- A bomb threat is received by reception from a disgruntled customer
- A new project/product fails to deliver expected benefits resulting in material financial loss
- A competitor gains access/information about your new product/intellectual property
- Technical/production line equipment fails resulting in significant delays to customers
- Distribution channel fails due to a major contractual dispute with distributor

Information technology

- A security breach by an ex contractor is detected by your network administrator
- Hackers from Eastern Europe access confidential data
- Hackers release confidential company information to media via WikiLeaks website
- A disgruntled employee sabotages network files by placing passwords on shared documents and deleting important documents
- A major virus spreads over the entire network to all PC's leading to data/file corruption

Resources

- A major competitor head hunts your management team/ key staff just before a peak business period
- Flu pandemic reduces your workforce by 50% for 2 months
- Strike /major employee dispute disrupts service delivery resulting in significant delays
- Extreme weather reduces workforce by 25% for 1 week
- Volcanic dust causing widespread air travel disruption preventing travel to key markets
- Kidnap of CEO or a senior manager
- Receipt of contaminated mail
- Accusation that an employee has caused significant harm to another person/people
- An armed individual enters the building with a weapons threatening staff and customers

Political and regulatory

- Sudden regulatory changes require rapid alteration to current operating procedures
- Government imposes travel restrictions during key business period
- Loss of reputation from doing business with a dictatorial regime/banned country
- Trade embargo imposed to key market
- A major regulatory breach threatens your reputation, customer confidence and survival