Research indicates that 43% of small-to-medium businesses fail after a disaster, and another 25% of businesses that do re-open, will fail within two years because they did not have a disaster plan. Having a disaster plan can mean the difference between your business recovering after a disaster or closing forever.

The “Resilience in a Box” resources are designed to assist any business planning for disasters using three levels of expertise, from inexperienced to advanced. Resources, such as these 20 tips, share the most effective ways to increase your business’ ability to survive a disaster – power outage, earthquake, flood, storm, etc.

Here you will find simple tips and steps to advance your company’s readiness for any disaster, whether natural or manmade. Each of these elements will become part of your disaster plan, the core of any continuity program. The goal is to increase your business’ resilience through measures that are not extra tasks on your “to do list”, but instead are incorporated into your everyday operations as part of your best practices – since disasters can strike without warning.

By following the information here, you can outline how your company plan is going to protect your operations, your people, your equipment and data, and your brand, ensuring that your organization is as prepared as possible for the hazards it is most likely to face.

“Resilience in a Box” has different levels of useful resources to assist business disaster planners, from inexperienced to evolved. For instance, these 20 tips cover basic steps while more detailed solutions are addressed within the Intermediate and Advanced levels.
GETTING STARTED

Starting the process of creating a disaster plan can be daunting, and companies often aren’t sure where to begin. Here are some concrete tips to help you begin.

1. Build a Team to create your plan

No one person knows everything about your business, so it is crucial to create a team of key people who will make sure you are addressing all of your critical elements. Your planning team will ensure that every facet of your business process is represented. The team can help the planning by providing both the “big picture” of your operations as well as the critical details of your business that must be considered. Remember, every minute that your doors are closed creates more and more opportunities for your competitors to step in and take a bite out of your market share. Waiting until after experiencing a disaster will be catastrophically too late to identify your decision gaps.

2. Get Top Level Buy-in

Executive support of the planning team must be communicated to the entire organization, ensuring that everyone knows this is a priority and that the team’s subject matter experts are allowed some time away from their everyday tasks to work on the planning. Team members need not be away from their normal responsibilities full-time, but it’s important that they spend time working together to accomplish their goals. Executives will also need to develop a realistically expected timeline for plan completion. This will help keep the planning process on track, facilitate the achievement of desired results (a final disaster plan), and promote forward momentum in shoring up the business where it is vulnerable.

3. Keep your disaster plan simple

It should be easy for employees to follow and not too costly to maintain or update. Larger or more complex companies may have more complex plans, but much of the information in the plan can be reduced to checklists for tracking what has been done and next steps that need to be taken. Checklists help employees respond better in a disaster because they help reduce employee stress, which can affect their ability to think and respond appropriately. Your plan will outline how your company is going to protect your operations, your people, your equipment and data, and your brand, ensuring that your company is as prepared as possible for the hazards it is most likely to face.

PROTECT OPERATIONS

4. Gather critical documents & information needed for decision-making

These are the key documents that help you make decisions, such as legal documents, insurance policies, and lease agreements. How you gather these documents will differ depending on how you back up and store your information, but it is best to store this critical info in more than one format (e.g., electronically on a laptop or thumb drive, in hard copy, or digitally in a cloud environment that can be accessed via computer or smart phone). Consider these documents as reference materials to be included in your plan’s appendix. Many will help you with your current planning process, and others will be needed to assist you during the recovery process.

5. Identify and then prioritize your critical operations and processes

This will help you prioritize which pieces of your business must be brought back most urgently after a disruption in order to open your doors and minimize losses. For now, think only about how things work under normal, everyday conditions. Consider those critical tasks that must be accomplished first, second, third, etc. Keep drilling down to get an overall picture of what you do, how some of what you do is reliant on the completion of other tasks being accomplished first, resulting in priority order of your operations and processes that must occur each day.

6. Identify your hazards – the potential disruptions to your operations

Every business is vulnerable to something. This process helps you to determine which hazards can affect your most critical business operations so you know which ones you will need to protect in order to stay open. Now that you have prioritized your business operations when the lights are on and computers are working, it’s time to consider those hazards that may delay or disrupt your operations. The most likely disasters to hit a business are a power outage and a fire. A fire may not only disrupt your processes, but may also force you to relocate entirely, either temporarily or permanently. Take your list of hazards and determine which may have the most significant impact on parts or all your business. Look beyond your four walls and consider the full scope of your business.
Build Your Plan and create a “Grab-n-Go” case

Now that you’ve gathered critical documents, prioritized your critical operations, and identified your hazards, you need to formulate your disaster plan for what to do when a disruption occurs that affects your critical operations. You can create your own plan or can use resources like the DRB Toolkit® to simply walk you through the step-by-step process. Next, create a “Grab-n-Go” case that will contain a hard copy of your disaster plan and any relevant documents, which you may need during and after a disaster such as floor plans, lease agreements, and insurance policies. It is your last resort copy when all else fails. Also, be careful when storing sensitive information like phone numbers - security is also important.

Maintain Contact lists – Update emergency lists for your employees, vendors, suppliers, and key contacts

People are your irreplaceable assets, so create and update lists to be used during and after an emergency. Keep in mind that a disaster may occur to one of your vendors. Do you have an alternate supplier? Contact lists should include all possible methods of reaching a person. Beyond the usual phone numbers and email addresses, (business and personal) consider including the spouse’s or significant others’ contact info or other known contact info. The contact list for employees can be used as a phone tree for sharing critical info. Once contact lists are created, they must be kept updated frequently.

Recruit employee volunteers to become trained emergency responders

These employees will be vital assets in handling an emergency situation as first responders may not be available for some time. Businesses will need to be self-sufficient. Determine what kind of employee emergency response program it wants to employ for your company. Recruit willing volunteers to participate. Once employees are trained, provide them equipment that matches their level of training. As added benefit, these programs can increase employee loyalty.

Stockpile essential emergency supplies

Take a quick trip to an office supply store to stock up on basic and affordable emergency supplies. You can add to your list any specific supplies for specific hazards but the basics are always the same: You need to have supplies sufficient to support yourself and your employees for at least 3 days. Each employee should also be encouraged to have their own personal supplies at work, sufficient to support themselves (e.g. medication) for at least 3 days, to supplement the company’s emergency supplies, and based on their own personal needs.

Take the message home: Develop a prepared workforce – business readiness doesn’t end at work

It is important for all employees to be prepared at home and even in the car. If employees are not prepared at home, they won’t be able to return to work quickly, if at all.

Back up and protect your vital records and data

Without data, a business can’t recover. About 93% of businesses that suffer a significant data loss are out of business within five years (US Department of Labor). The median cost of downtime for a medium-sized business is $23,000 per day, and a small business is $3,000 per day. Back up your data regularly and store it offsite. It is a lesson learned by many businesses too late. For a micro-business, a simple CD/DVD, thumb drive, or cloud service could be a short-term solution to your business’ successful recovery. Consider what documents you want to include in your “Grab-n-Go” Case.
Take action to mitigate potential impacts to your equipment, buildings, and facilities

Mitigation is the specific act of reducing your exposure to specific hazards. As you learn about the likely hazards in your area, you can take steps to protect the property your company needs to remain operational, based on your risks. Address those that will impact your critical processes first or will cause the most losses to your business. Not sure where to begin? Pick “low-hanging fruit” actions that will address something easy and build momentum from there. Some items will be no or low-cost, while others may be more costly. Compare and contrast costs to the potential losses if not completed.

Protect your inventory and storage before it is lost to the disaster and you have nothing to sell

Start by prioritizing any inventory, goods, and supplies in storage that may become damaged or unavailable. Based on the likely hazards in your area, identify methods of securing, elevating, or generally protecting these goods. Because of how often these goods are accessed to fill orders, sometimes they are the last ones to be protected. Finally, review the steps that would need to be taken to replace your inventory if it were damaged or destroyed.

Cultivate Partnerships

Partnerships are a tremendous asset to a business and the community where you operate. These partnerships come in different shapes and sizes, and serve different purposes, but all will be a benefit to your business when it comes to disasters. Here are four types of partnerships to consider in your overall business continuity planning process – Business-to-: Business; Government; Non-profit; & Community.

PROTECT YOUR BRAND

Establish and maintain communication in a crisis to ensure that your employees, suppliers, customers, and the public are getting the facts directly from you

A lack of communication can leave rumors to emerge instead of facts, leaving you with no control over your messaging. This can have long-term and costly implications for your reputation and bottom line. Instead, your communications can help you protect against the loss of consumer and investor confidence, damage to your reputation, loss of competitive edge, reduced market share, and the violation of laws and regulations. Social media outlets, tools, and sites can assist you in an emergency and also have daily benefits for your business.

PUT YOUR PLAN INTO ACTION

Exercise and test your plan

At least annually, exercise your plan to make sure it consistently meets the ever-changing needs of your business as well as the ever-evolving nature of potential threats and vulnerabilities, then make adjustments as needed. Exercises (or drills) provide an opportunity that identifies both gaps in your plan and employees’ training before a disaster strikes. This allows your company to make and learn from mistakes without the pressure of a real disruption. Keep in mind that your plan is never complete. It is a living document that should give you flexibility to operate in the changed environment that a disaster creates.

Keep your plan updated

Update your plan at least annually, but preferably more frequently, as there are significant changes to your business. Some elements of your plan, such as your contact lists, will require more frequent updates. The best solution is to institutionalize these updates so they are always performed. Many businesses have had major failures because key parts of their plan were out of date. Employee training also needs to be updated annually. Make sure the training provided is consistent with the latest plan documents and with the equipment that is available (first aid supplies, light search and rescue tools, etc.).
Implement the plan

When a disaster strikes, follow the plan. Document damage with photos and/or videos. Contact your insurance company. Communicate with all employees, customers, vendors, suppliers, key contacts, and possibly the media. Apply for disaster assistance, if needed, when made available from national, state, or local governments, or other resources. After the disaster, update your plan based on your lessons learned.

Connect with the local economy

After a disaster, the community is relying on your goods, products, and services. Also, you and your employees are relying on revenue for paychecks. Connect with local Economic Development offices and Chambers of Commerce to help spread the word that you are open for business. Find creative ways to make your business standout, especially if you are hard to find due to damage in surrounding areas. Be flexible and look for possible temporary locations to go where potential customers are. Get engaged with community and recovery organizations to help bring back the community. Your involvement will highlight needs your business may be able to address. Your efforts can help the community to recover, too.

These tips, and other resources, are also available in multiple languages on our website.

www.ResilienceInABox.com

The “Resilience in a Box” resources have been developed to help you take necessary actions to address your vulnerabilities so you are more resilient after the next power outage or any type of disaster. Use “Resilience in a Box” to begin protecting your business today.