

# Is your business ready for a disaster?

## Ten questions to help you determine the answer.

1. Does your company have a current emergency preparedness plan that addresses all types of business disruptions?
2. Have you reviewed your critical business activities to understand the necessary resources, staffing, and interdependencies of each department in your company?
3. Do you have a plan to recover those same business activities following a disaster, and do you know in which sequence they need to be restarted?
4. In the event of an emergency, do you know how to contact your employees, your customers, and your suppliers during or after work hours? Do you have an emergency communications plan?
5. Have you reviewed your insurance coverage with a professional in the last six months to be sure you have adequate coverage to protect your facilities, your employees, and your business operations?
6. Have you taken steps to secure your vital business records, including both paper files and electronic data?
7. Does your company have a consistent data backup policy with regularly-scheduled backups which are stored in a secure off-site location? Have you ever tried to recover lost data from a backup?
8. Do you have an alternate place to conduct business which could be used as your primary worksite in the event of an emergency?
9. Are you prepared to conduct business if your primary suppliers cannot deliver your products because of a disruption in the supply chain? Do you have alternate vendors for raw materials, shipping, computer services, payroll, and basic human needs?
10. Have you reviewed your company's emergency plans with your employees? Do you know the personal emergency plans of your key employees?

### Self-Assessment Scoring

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|---------------------|--|
| 7 – 10 Yes answers: | Your company is well on the way to being protected.  |
| 4 – 6 Yes answers:  | You have lots of work to do in order to be prepared. |
| 1 – 3 Yes answers:  | You should get started immediately.                  |

Contact Elliot Consulting if you need assistance reviewing or developing a business resiliency plan for your organization. Our trained professionals can audit your existing plan as well as help you to develop a plan to insure business continuity. Please contact us at: [info@elliott-consulting.com](mailto:info@elliott-consulting.com) and ask about receiving a certificate of business resiliency.

## **Business continuity and disaster recovery checklist for small business owners**

### **Develop a business continuity / disaster recovery plan**

- Establish a Crisis Management Team of employees who know your business best, and assign responsibilities for specific tasks.
- Identify your risks (the types of disasters you're most likely to experience).
- Prioritize critical business functions and how quickly these must be recovered.
- Establish a temporary recovery work location where employees may work off-site and access critical back-up systems, records and supplies.
- Update and test your plan at least annually.

#### **Alternative operational locations**

- Determine which alternatives are available. For example:
  - A satellite or branch office of your business.
  - A nearby hotel conference room.
  - The office of a business partner or even an employee's home.

#### **Backup site**

- Equip your backup operations site with critical equipment, data files and supplies, including:
  - Power generators (as appropriate).
  - Computers and software.
  - Critical computer data files (payroll, accounts payable and receivable, customer orders, and inventory).
  - Phones/radios/TVs.
  - Equipment and spare parts.
  - Vehicles and spare parts.
  - Digital cameras.
  - Common supplies.
  - Supplies unique to your business (order forms, contracts, etc.).
  - Basic first aid/sanitary supplies, potable water and food.

### **Safeguard your property**

- Is your property prepared to survive a major weather disaster:
  - Your building?
  - Your equipment?
  - Your computer systems?
  - Your company vehicles?
  - Your company records?
  - Other company assets?

### **Contact information**

- Do you have current and multiple contact information (e.g., home and cell phone numbers, personal e-mail addresses) for:
  - Employees?
  - Key customers?
  - Important vendors, suppliers, business partners?
  - Insurance companies?
- Is contact information accessible electronically for fast access by all employees?

### **Communications**

- Do you have access to multiple and reliable methods of communicating with your employees:
  - Emergency toll-free hotline?
  - Website?
  - Cell phones?
  - Text messaging to wireless devices?
  - Pagers?
  - Two-way radios?
  - Satellite phones?
  - Internet?
  - E-mail?

## **Employee preparation**

- Make sure your employees know:
  - Company emergency plan.
  - Where they should relocate to work.
  - How to use and have access to reliable methods of communication, such as satellite/cell phones, e-mail, voice mail, Internet, text messages, PDA's.
  - How they will be notified to return to work.
  - Benefits of direct deposit of payroll and subscribe to direct deposit.
  - Emergency company housing options available for them and their family.

## **Customer preparation**

- Make sure your key customers know:
  - Your emergency contact information for sales and service support (publish on your website).
  - Your backup business or store locations (publish on your website).
  - What to expect from your company in the event of a prolonged disaster displacement.
  - Alternate methods for placing orders.
  - Alternate methods for sending invoice payments in the event of mail disruption.

## **Evacuation order**

- When a mandatory evacuation is issued, be prepared to grab and leave with critical office records and equipment:
  - Company business continuity / disaster recovery plan and checklist.
  - Insurance policies and company contracts.
  - Company checks, plus a list of all bank accounts, credit cards, ATM cards.
  - Employee payroll and contact information.
  - Desktop/laptop computers.
  - Customer records, including orders in progress.
  - Photographs/digital images of your business property.
  - Post disaster contact information inside your business to alert emergency workers how to reach you.
  - Secure your building and property.

## **Cash management**

- Be prepared to meet emergency cash-flow needs:
  - Take your checkbook and credit cards in the event of an evacuation.
  - Keep enough cash on hand to handle immediate needs.
  - Use Internet banking services to monitor account activity, manage cash flow, initiate wires, pay bills.
  - Issue corporate cards to essential personnel to cover emergency business expenses.
  - Reduce dependency on paper checks and postal service to send and receive payments (consider using electronic payment and remote deposit banking services).

## **Post-disaster recovery procedures**

- Consider how your post-disaster business may differ from today.
- Plan whom you will want to contact and when.
- Assign specific tasks to responsible employees.
- Track progress and effectiveness.
- Document lessons learned and best practices.