Disaster Plan For Your Business

Reacting to a natural disaster or emergency not only means ensuring the immediate safety of employees, but also planning how the business will continue to function in the aftermath. Even if your business is not located in an area that is a likely target for a natural or manmade disaster, you need to be prepared for the unexpected with a comprehensive business continuation plan. Better Business Bureau advises business owners to develop a plan of action should their business face a disaster.

Creating a disaster plan for your business is a great way to begin the new year. According to the Insurance Institute for Home and Business Safety, one in four small businesses was forced to close because they were unable to reopen following a disaster. Business that have a business continuity plan in place – and use it during and after disaster strikes – typically experience less damage, loss and downtime than businesses without a plan.

After you’ve made plans to ensure the safety of your employees, BBB offers the following advice to help keep your business operating and meeting your customers’ needs in the wake of a disaster:

• Don’t be caught off guard. Consider the different types of disasters—fire, flood, tornado, etc.—that can occur and how your business would respond differently to being displaced for a week, a month, or longer.

• Know your surroundings. Determine alternate locations for your business to operate if you are displaced from your current building. This could mean enabling employees to work from home or finding an alternate location for your office or store.

• Prepare your staff. Identify essential staff who are core to the operations of the business and keep a list of their phone numbers (home, work, pager, cell) and e-mail addresses that can be accessed by employees from several locations (home, Internet, etc.).

• Communicate, communicate, communicate. Devise an emergency communications plan that outlines how your business will communicate with employees, customers, vendors and other key external contacts in the days following a disaster. Contact vendors and suppliers to confirm their emergency response plan procedures. Be prepared to use alternate vendors for essential supplies and equipment. Have your back-up equipment kept in good working condition.

• Have an up-to-date inventory of your assets. Review your insurance policies to ensure that you have adequate coverage for items you cannot afford to lose. A standard policy may not cover business interruption losses.

• Store your documents safely and efficiently. Keep duplicates of personnel, payroll, payables and receivables and other essential records at an off-site location. Regularly make back-up copies of important computer files.

• Establish a succession of management for the company. Determine who will manage the company if key leaders are unavailable.

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