

# Disaster Preparedness

Key considerations for business continuity planning.



## Disasters Happen

It is never expected but a single event could set back the most vibrant business.

It is not a question of if, but when. It could be a hurricane, a pipe break, a wildfire, tornado activity, a forklift hitting a sprinkler line or some earth moving equipment hitting an overhead powerline. What we do to mitigate their consequences is what matters most. Here are some basic lessons when it comes to preparing for the unexpected.

## Opening and Staying Open Requires Planning

You don't want to just survive the storm, you want to survive and be open for business ASAP. Planning for the potential of what could close you is critical. While there are some things we can control, others we cannot. How you react and the speed of how you react is crucial.

## Cloud-based Plans are Better than Binders

Where does your plan live? In the cloud or in the building? Many take the time to draft a plan. When an incident hits however it is not always available. Having a plan that is accessible and backed-up in several forms will serve you better. Better yet, having a plan that allows for change management will help you keep it up to date.

## Empower Your Employees

Most business continuity plans do not include the company's own employees. Can your business function without employees? What can you do to help your employees prepare so they are available for you? What's more important: the business or the families of the employees? Many companies help to coordinate insurance company meetings so employees are available to work their shifts and see that both family and company needs are met.

## The First to Open Often Wins

Take an example of two pharmacies across the street from one another...one is open with generator power...the other dark. The line outside the store tells the story.

## Understand Your Risk

Perhaps you are not in a hurricane zone, but everyone has weather interruption potential. What could affect your business? How would you handle the following incidents? Do you have the bandwidth to implement "work from home" with established procedures?



## It's Not Just About Computers and IT Backups

While companies plan, many do not plan for the continuity of *facility* functions. Some functions are so important that that when production stops, the company for all intents and purposes, comes to a halt. If you have the financials protected but have not protected the production lines, you may not have any widgets to sell. Continuity planning must look at all critical functions of a business.

## Have a Viable Emergency Notification Plan

All too often we hear after a tragic event like an active shooter or a weather event where someone says... "if only they would have known." It may be as simple as communicating when the company will re-open. Having an effective communication plan for specifics such as where people should muster during an event or "shelter in place" order can make a big difference. Simple messaging to check on everyone's wellbeing ("is everyone okay?" or "all clear!") are often welcome updates.

## Business Interruption Insurance Does Not Cover All Costs

Business interruption insurance may cover the cost of lost production, lost rents, and closures due to work stoppage events, but it will not pay for the customers loss in the long term. Having a plan to open as soon as possible is critical to long-term business health.



**About the Author | Jim Wills** has over 35 years of restoration and disaster planning experience. He is a Certified Continuity Manager (CCM), a licensed All-lines Insurance Adjuster and has been the Managing Director of Commercial Loss Solutions for two of North America's largest restoration and recovery organizations. A part

of the GRS team, Jim provides a new and refreshing approach to disaster recovery focusing on total event management with rapid reconstruction capabilities. Jim has provided consulting services for major insurance companies after some of the nation's worst natural disasters. He has been a speaker at many trade and industry organizations.

## Pre-select Your Vendors

We all have local relationships and vendors (e.g. electricians, plumbers, equipment suppliers, and yes, even restoration and reconstruction vendors). But when a regional event hits, will they have the capacity and capabilities to respond quickly? Will they also be affected? Redundancy should be a common theme in your planning vocabulary. Local and national resources may need to come into play.

## Exercise Your Plan

No one is better at "practice makes perfect" than the United States Coast Guard. They respond with confidence which in turn gives boaters confidence. When we were young, we remember fire drills at schools. In the business continuity planning world, this is generally referred to as "tabletop exercises." They help companies prepare for unexpected scenarios like a hurricane is overnight at 2:00 AM. What will you do...how will you react? Exercising your plan fills in any gaps you may have.

## Billing Transparency Gets Bills Paid Faster

Companies survive the event but often cannot collect from FEMA or their insurance company. Time is money: a common theme during your recovery period. Pick a company that provides an open book model for supporting the bills you receive.

