

Devising a Small Business Disaster Plan

A business, big or small, needs to devise a disaster plan in order to guarantee that you can keep moving forward to meet client expectations during, and after, a disaster. Below are some suggestions for items to add to your disaster plan and some actions to take before a disaster occurs.

The Plan

1. Set criteria for business shut down: Storms arrive typically with notice. At any given time during storm season you may be confronted with a tornado, tropical storm or hurricane *watches* or you might face *warnings*. You need to establish what parameters will cause the closing of your business and the announcement of employees to not come in.
2. Figure out how and when to contact clients: If your office is going to be interrupted and you are not going to be able to aid your customers, then you need to put together a notification plan for your customers. You can use a remote email, update your website with a note about the shut-down of your workplace and even request that your employees to make some phone calls from home or wherever they seek shelter.
3. Determine parameters for reopening your business: Your disaster plan should also include specific details about when you anticipate work to begin again after the disaster. Be sure to consider the inevitable post-disaster clean-up efforts and safety issues and try to be respectful of the personal needs of your employees during this period.

What to do Pre-Disaster

1. Establish a remote working site: If you have business that needs to carry on, no matter what the situation, then you need to have a remote working location. The site should be safe, away from the middle of the disaster, and have all the secondary reserves that you need to continue working. In your disaster plan, set the parameters for when you and your employees will head to the remote location, what supplies to transport and which employees are expected to go with you.
2. Make an easy-to-access contact list. You may need to contact clients or service providers if you shut down your workplace. Make sure you have all your phone numbers and emails in one main location that you can easily take if you decide to leave. You should also keep a duplicate list in a remote location.
3. Have a buy-sell agreement: If something should occur to you during a disaster, your family could be put in a precarious financial situation, particularly if your office is adversely affected by the disaster or your passing. Having a buy-sell agreement in place ensures that your family will receive the fair market or book value price for your half of your business and your business partner will have the responsibility of running the business.
4. Purchase appropriate commercial property insurance: If your property is affected during a storm or other disaster, you won't get compensated unless you have the suitable commercial property insurance. Even if you work out of your home, your homeowners insurance won't insure the damage unless you have specific endorsements that detail the coverage for your home office supplies.

5. Set up an automatic system for payroll: You and your employees still need to get paid-especially during a disaster. Make sure you look at setting up automatic bank transfers or some other type of system to get your employees paid.

Disaster planning is something that should be taken seriously by every business owner-whether they employ a staff of 75 or just themselves. Doing so will help keep you calm and collected during a disaster and will help ensure you have a business to go back to after one.