

# Disaster Preparedness Business Plan

The U.S. Department of Labor estimates more than 40 percent of businesses never reopen following a disaster and, of those remaining companies, at least 25 percent will close in two years. What's more, with fewer resources than larger corporations, small and medium-sized businesses (SMBs) have a harder time recovering from virtual and physical disasters than their larger counterparts and are at a greater risk for not rebounding after catastrophe strikes.

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A proper preparedness plan can protect your small- to mid-sized business from the effects of a natural or man-made disaster. To assist you in the development of your plan, below are some business strategy tips and guidance related to disaster preparedness and disaster recovery – your technology and your business itself. It's important to realize that in many cases, having the right measures in place can help your business avoid disaster in the first place, while other tactics will aid you in getting your business up and running again if disaster strikes.



**Pull out your policies** – Though reading through all the fine print can be overwhelming, it's important that you thoroughly understand your insurance plans and policies. What physical disasters are covered? What forms or filings need to be complete after a disaster strikes?



## **Communicating with external audiences** –

In addition to providing employees with guidance, you'll also need to communicate with your external audiences, who likely will be expecting to hear from you. Make a list of all potential audiences that could be impacted by a disaster to have on-hand if and when the time comes to communicate. For instance, do you have suppliers or vendors who may be planning deliveries? What about people expecting payments or deliveries/services from your business? What do customers and clients need to know about how the disaster impacted your business? If a data breach of sensitive customer information occurred, planning an alert ahead of time can prevent customers from hearing about it through third parties and not directly from you.



**Communicating with employees** – If you're a small business with a few dedicated employees, they will be looking to you for direct guidance and encouragement during disaster. They also need to know ahead of time what to do in the event of emergency. For SMBs that don't have HR resources, internal communications around the disaster should come from the business owners, as well as any guidance you wish to communicate in advance of any potential disasters.



**Communication methods** – Determine the method of internal and external communications. Will you individually notify people via email, phone or the mail? Or will you post information on your website, social network sites or corporate blog?



**Money management** – Even during a disaster, businesses need to pay their bills, make payroll and pay suppliers. Be sure you know what all of these accounts are and have contact info for all of these parties, in addition to ensuring your financial management system is backed up properly.



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