



Business Continuity Awareness

Is your business prepared to deal with a local, regional or even national disaster?

As we deal with the hustle and bustle of our daily responsibilities, it is often easy to overlook the potential risks our business faces that could cause us to shut our doors, resulting in lost income or even permanent closure.

We often think of our only threats for closure being large natural disasters of the Hurricane Katrina proportion, and consequently fail to recognize something similar could actually happen to us. In reality, even a temporary regional power outage could force your business to close, if you don't have a plan in place that addresses how you will continue working under those conditions. Conversely, what would happen if one of your primary suppliers is suddenly unavailable and can't deliver the goods you depend on to service your customers; will those customers be willing to wait on you or move to your competition?

There are other benefits to business continuity planning besides just averting a disaster. Planning ahead requires you to take a good look at your operations. You're likely to find some areas you can streamline; for example, while reviewing your critical business functions, you may find that a project has to go through several hands before it is finalized, when one or two might suffice. Or, you may find that only one person knows how to perform a specific function that requires timely attention, and choose to train someone as an alternate in the event the primary person is unavailable.

Before you start creating a business continuity plan, you need to identify your risks. Use the IBHS ZIP Code Tool to determine what regional natural hazards — such as earthquakes, flooding, freezing weather, hail, hurricanes or tornadoes — could force your business to close. Also consider every day issues such as loss of basic utilities. Think about what you can do to protect yourself, your business, and your property, and then think about what you must do to keep your business viable.

Now, you are ready to focus on the construction of your business continuity plan. Here are the main steps.

RECORD BASIC INFORMATION:

- Employees, including owners; suppliers and vendors; key contacts

IDENTIFY:

- Critical business functions

- What is most important in terms of maintaining an income stream;
- How will you keep your competitive advantage and reputation; and
- What will be required to meet your legal, regulatory, financial or contractual obligations?)
- Possible alternate locations (Where could your business resume operations if you could not work from your existing location?)

LIST WHAT YOU WOULD NEED TO FULFILL YOUR CRITICAL BUSINESS FUNCTIONS AT THAT ALTERNATE LOCATION:

- **Vital records;** critical telephone numbers; critical supplies; equipment, machinery, and vehicles

IDENTIFY THE ITEMS YOUR WORKERS WILL NEED:

- **Computer equipment and software;** voice and data communications; miscellaneous resources, such as office supplies.

Once your plan is complete, create multiple copies in print and online. Some people keep an extra encrypted backup copy on a computer flash drive on a key chain. Experts recommend updating the plan at least once a year, perhaps on an anniversary date or before storm season.

Additionally, consider taking some immediate steps to reduce the potential for damage from your identified risks. You may want to install storm shutters, buy flood insurance, strengthen the roof, purchase a generator, or regularly back up critical information and data.

The Institute for Business & Home Safety (IBHS) offers several tools to help you understand the ins and outs of planning ahead for a disaster, as well as identify other areas where you may benefit from planning on a day-to-day basis. The [Open for Business®](#) program is available in multiple formats and includes resources such as worksheets and checklists. If planning still seems too daunting a task, take a look at the [Open for Business® Trainer](#) to walk you through the process one step at a time, with optional e-mail reminders to help you stay on track.