

## *Disaster Recovery Plan Guideline*

Every business has the risk that a natural or man-made disaster could disrupt normal operations and ultimately threaten the viability of the business. Fires, floods, earthquakes, thefts and terrorism are all threats that should be considered.

Having a disaster recovery plan is critical. You may want to organize the preparation of a plan around four objectives:

- Safety of employees.
- Preservation of business property, equipment and data.
- Keeping the business running until normal operations are resumed.
- Communicating with various constituencies.

### **1. Employee Safety**

Depending on the situation you are facing, the need for medical assistance may vary. At a minimum, here are things to consider:

First aid kit - Have one or more kits that are easily accessible with everyone knowing their locations.

Trained staff - It may be advisable to have one or more employees trained in basic first aid procedures such as CPR.

Getting assistance - Be sure everyone knows how to get additional medical assistance if needed. Phone numbers and locations of doctors, hospitals and ambulance services should be readily available.

Evacuation plan - Everyone should know how to leave your business in the chaos of a disaster. You may also want to establish a meeting location to ensure that everyone evacuated safely.

### **2. Business Property, Equipment and Data**

Physical property and equipment can be protected or moved if time and safety permit. If floods are a risk in your location, you may want to consider how you could elevate the equipment to avoid floodwaters or have sandbagging capabilities.

Keep a regularly updated inventory of your firm's equipment and other fixed assets. The inventory should include information such as identification numbers, costs, locations and where you purchased it.

Make sure all your physical assets are adequately insured.

Protecting your data deserves special attention. The information you use everyday and that which you use only occasionally must be protected.

- Store a copy of all computer operating system and important files off site.
- Back up critical data on a regular basis and rotate storage disks (floppies, CDs, tapes) to an off site location.

- Be sure to keep a list of computer passwords. With many programs having a "remember this password" feature, it is often easy to lose track of all the passwords (and IDs) you use.
- For important financial records, like balance sheets, income statements and tax returns, keep copies in a secure off site location.
- Be sure to keep copies of critical contracts, licenses, patents and operating agreements off site. You may want to update the off site materials quarterly.

### **3. Interim Operations**

If disaster strikes and you cannot resume normal operations for some period, your customers will still be depending on you for products and your employees will still be depending on you for their livelihood. You need to be prepared.

- Location - Consider identifying somewhere you could function until your existing location can be reoccupied. If you have a very small business, it could be a spare room in your home. If you have a small staff, your accountant, lawyer or banker may have a conference room they would make available. If your business is larger or if you have special needs, stay aware of available space in your area that you could lease on a short-term basis.
- Supplies - Keep a supply of usual office supplies off site in case you can't reach your business location. This includes stationery, envelopes, business cards and often used brochures. You may also want to keep a record of your sources of these supplies so you could reorder in a hurry.
- Business interruption insurance - Be sure to ask your insurance agent about this type of policy. It may not be too expensive and could cover some of the added expenses of operating during a period of disruption.

### **4. Communications**

In the event of a disaster, communication becomes critical, both immediately and afterwards.

You must know how to reach all your employees to check on their safety and to let them know your plans. The information you may need includes phone numbers, addresses, email address and contact information of their family members.

Similar information should also be available for customers and vendors.

You may also want to develop a plan to communicate with outside parties. This could include establishing an official contact source for the press who would be knowledgeable and constantly available. It will be critical to convey the appropriate impression.

### **Conclusion**

No one likes to think of disaster striking their business. However, it is something that should be considered and prepared for. Recent history has shown that in times of emergency, some companies are able to handle adversity well and others are not. Be sure your company is prepared.