



5 Steps Toward a Successful Disaster Plan

Put Together a Comprehensive Disaster Response Plan Now

Most businesses are not adequately prepared for a disaster, whether it takes the form of a 7.5 magnitude trembler along the San Andreas Fault or sabotage by a disgruntled network administrator. But getting ahead of the curve today will provide better odds of being in business tomorrow.

A rock-solid disaster preparedness and recovery plan, beyond just writing checks to the insurance agency can mean the difference between success and bankruptcy – or even a workplace tragedy.

Doing it right takes time, but the following five steps offer a template to help California businesses prepare for unexpected crises.

1. Evaluate Critical Equipment and Systems, Then Plan for Contingencies

Eight years ago, virtually every organization was busy preparing their computer systems for the so-called Y2K bug. It never amounted to much, but the internal assessments and reprogramming work meant to ward-off a systems meltdown was not all in vain, says Ian Mitroff, founder and president of Oakland-based Comprehensive Crisis Management.

"The companies that learned from Y2K realized that it was an opportunity to review their systems and procedures," says Mitroff, whose team conducts audits of companies to determine the vulnerabilities of their systems.

For most businesses, telecommunications and data networks play a critical role in day-to-day operations. Even if an organization has the best insurance coverage available and backs up its data, getting up and running days after the office building burns down still poses challenges.

One option is to contract with a company that provides contingency services in the case of an emergency, such as Agility Recovery Solutions, based in Charlotte, N.C.

"If your building was burned down, for example, we would bring a mobile recovery unit so your people could continue working," says Bob Boyd, Agility's president and CEO.

The mobile recovery unit is roughly the size of an RV and consists of workstations equipped with electricity, Internet, telephone, satellite connection, computers and related gear for up to 50 employees. The company can deliver the units to its customers within 48 hours of notification, Boyd says.

Agility charges customers \$250 per month for on-call access to a 50-person mobile unit, with more expensive packages available to companies with greater needs. Customers often are able to pass the costs onto their insurers, Boyd says.

2. Back Up Your Data and Store it Off Site

One of the more simple measures organizations can take to ensure business continuity is to back up digital content and data. This can be done daily with inexpensive CDs and tapes, but some services make the process more streamlined and automatic.

The biggest mistake otherwise proactive businesses make is to keep backup discs of critical data inside the office, sometimes on top of the very computers the discs are meant to back up, says attorney Susan Fowler McNally.

"Realistically, a lot of people back up their data and then put the backup tapes or discs right next to the computer," says McNally, partner with Santa Monica-based law firm Gilchrist & Rutter P.C.

Intronis LLC, based in Englewood Cliffs, N.J., charges between \$10 and \$200 per month, depending on storage requirements, for its automated data back up service. Users install Intronis' network device to the company's main server, choose which applications to back up, then the system collects and encrypts that

data and sends it to an off-site storage facility.

"Once you install it, you never have to touch it again. It will wake up in the middle of the night and back up all the files selected for backup," says Sam Gutmann, president and CEO of Intronis.

But if you choose to do it yourself with tapes or discs, experts say it is only effective if that backed-up data is taken off site at the end of each day.

3. Focus on the Human Element

It may sound obvious to say an organization's people are its most important resource. But businesses often fail to address things like evacuation planning, alternative contact information for employees and emotional issues pertaining to disasters.

"What makes businesses work are people. Most business continuity plans don't deal with that human element," says Agility's Boyd.

One important consideration is whether or not your workforce is cross-trained, allowing employees to jump in where they are needed in the event of a major disruption, says Joyce Bastoli, national vice president of Ajilon Finance Solutions, based in Saddle Brook, N.J.

A back up communication plan, for example an 800 number with regular updates, could help employees connect in the wake of a disaster and get back to work more quickly, Bastoli says. She also recommends employers provide their people with wallet-sized cards printed with emergency contact information and an evacuation map.

"Let's say there's an earthquake. If you cannot communicate to your 1,000 employees to tell them it's okay to return, then you'll lose additional days of productivity," Bastoli says.

Making sure an organization's staff works together as a cohesive unit and trusts one another can help ensure a successful disaster recovery, says Mitroff.

"The most important problem is the emotional health, or lack thereof, in business organizations," says Mitroff, pointing out that a disaster preparedness plan is only as effective as the employees' level of mutual respect and willingness to cooperate.

4. Stock the Workplace with Emergency Response Supplies

When California's next big earthquake finally hits, assuming it strikes during business hours, many businesses will be faced with injuries, could find themselves trapped in their offices and may be impacted by a lack of access to water, food and power.

To prepare for such a scenario, businesses should stock the workplace with much more than the typical box of bandages and bottle of aspirin.

"Most businesses today are cognizant of the need for emergency response" but remain woefully under-prepared for a serious crisis, says Howard Wallace, president of Camarillo-based Survivor Industries Inc.

Survivor sells medical, search and rescue, food and water provisions with a long shelf life to individual consumers and businesses. The company's Small Business/Family Support Unit – consisting of more than 250 general and medical supply items stashed in a duffle bag – retails for \$315.

McNally's law firm, for example, purchased earthquake preparedness kits for each of its employees and also maintains two large storage containers with extra supplies. It may also be wise to carry a change of clothing, preferably something rugged and comfortable, and a pair of athletic shoes or boots, McNally says.

Keeping small amounts of cash in accessible places around the office also is recommended.

5. Involve Everyone and Practice, Practice, Practice

As mentioned in the first part of this series, even the best disaster preparedness plan is worthless without an effective execution – that means getting the whole staff involved and on the same page, delegating tasks within the plan and practicing the procedures via drills and simulations.

"If you want to get your staff's attention, let them know what you would do for them in case of a disaster," Bastoli says. "If I had a smaller company, I would possibly have a team that brainstorms all the things that could go wrong. Having them involved makes it their plan; they'll own it."

Bastoli also suggests having periodic disaster plan meetings, perhaps once every couple of months, to keep

it fresh in employees' minds.

And, as mentioned in the last article, a disaster response and recovery plan lacks meaning if it remains in the abstract. Drills and simulations translate into success in the event of a disaster, Mitroff says.

"It's like having a marketing plan without executing that plan," Mitroff says.

In the midst of crisis, employees should not be expected to effectively execute a disaster plan they have never seen before, according to literature provided by International Management Assistance Corp., based in Cleveland, Ohio.

"All parties involved will need to be trained on all of the new procedures or practices envisioned under the plan as well as their assigned roles. The best training practices include walk-through, tabletop exercises, and functional simulations," reads the advisory.

The hope is that companies will never have to execute a disaster response and recovery plan, but not having one actively in place is simply bad business.

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