Better Safe than Sorry:

How to Prepare for a Natural

Or Man-Made Disaster

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In a world where natural and man-made disasters have become a normal occurrence in the news and on the front pages of newspapers, companies need now, more than ever, to have a plan. Businesses all over are asking, what steps need to be taken to avoid property damage, avoid injury, avoid possible death to employees, and minimize interruptions in the company’s business dealings. The answer to that question is simple. Companies need to devise and adopt a comprehensive disaster preparedness plan. That means that attorneys working for small or large businesses should be knowledgeable in creating a comprehensive disaster preparedness plan.

The creation and implementation of a disaster preparedness plane could save a business. The preparedness plan will help to limit a business’s liability to customers, contractors, and employees. The preparedness plan may also help to minimize loss of profits during a natural or man-made disaster that runs the risk of completely stopping the productivity of a business. Some business owners may think that current insurance policies are enough; however, that may not be true. Many businesses do not survive the effects of a natural or man-made disaster, so a disaster preparedness plan would limit the chance of a company being an establishment that does not survive.

The first step when devising a company’s preparedness plan is to check the federal and local laws to see what the minimum standards are for disaster preparation in a particular geographical area, or the company’s particular area of business operations. In order to ensure that a company is not subject to liability, all mandated safety criteria need to be followed. The Occupational Safety and Health Act (OSHA) ¹ shows what steps need to be taken to protect the lives and ensure the safety of employees during natural and man-made disasters. Even though the laws and regulations give companies the basic minimum, steps beyond those are necessary to create a valuable disaster preparedness plan.

The next step will be to assess what the particular needs of the company are, in the occurrence of different types of natural or man-made disasters. No person can determine exactly what natural or man-made disaster will occur in a particular area, so it is best to be prepared for every situation. The company’s management should create a Business Impact Analysis, which is an assessment that determines the consequences of interruptions in certain aspects of the business. Every element of business operations needs to be thoroughly reviewed during the assessment process. When assessing a company’s need, take note of what areas need to continue operations in order for the business to continue turning a profit, what actions need to be taken for employee safety, how management will ensure that business operations quickly come back online if there is an interruption, and what actions will need to be taken by different employees during a disaster.

During the process of assessing a company’s need during different types of natural or man-made disasters, the company should determine what accidents are foreseeable and preventable. It is more economical for a business to prevent foreseeable disaster now, rather than implementing the disaster preparedness plan once the disaster has occurred. To prevent the occurrence of foreseeable preventable disasters companies should create steps that must be followed by its employees in order to prevent a foreseeable accident which is discovered during the Business Impact Analysis. If a person is operating a small business, it is possible to obtain a free preparedness assessment through OSHA’s free On-Site consultation program.

Once a business determines what actions will need to be taken during a natural or man-made disaster to ensure business continuity, it is time to write out the comprehensive

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preparedness plan. There are many premade forms online that will help a business to develop a preparedness plan, but the key thing is to ensure that every aspect of a business’s operations are covered by the preparedness plan.

A company’s written plans should start with the assessment of employee safety, employee tasks during the course of a natural or man-made disaster, and how employees will be paid after the occurrence of a disaster. Employees are key factors in the operations of a business, and to ensure that business is not interrupted a company needs to have aspects of the preparedness plans to ensure that its employees are able to continue working. The plan should cover evacuation routes, team leaders and establish which employees may have to stay behind to ensure that there are no environmental hazards present. If there are employees who are trapped in a company’s facility or asked to stay behind, there should be resources available at the facility to ensure that those employees’ needs are fulfilled while on the premises. To ensure that employees receive compensation for work done before, during, or after the natural or man-made disaster, a plan should be established to ensure that payroll continues. If the employee is expected to ensure that the business thrives during a natural or man-made disaster, the business needs to ensure that the employee and their family are taken care of during disaster situations.

The next written plan should establish how data, financial records and other documentation will be preserved in case of a natural or man-made disaster. Business continuity is the key to ensuring that your business survives after a man-made disaster, and it is essential that a business has a written plan to ensure that they have business continuity. In the age of technology, many businesses depend largely of technology for their business operations, so the preparedness plan must discuss what will happen when the local technological equipment is temporarily not available or permanently damaged. Every business no matter the size should
invest in a service that backs up all files and records to ensure that no information is lost in case of a natural or man-made disaster.

The final step in the creation and implementation of a company’s disaster preparedness plan is to educate your management team on the preparedness plan. A good disaster preparedness plan starts with the management team. In order to ensure full compliance with the plan, every member of upper and middle management should be knowledgeable of the disaster preparedness plan and informed of the importance of complete implementation of the disaster preparedness plan. Management has to be ready to assign each sector of the business with what its task will be in case of a natural or man-made disaster. The preparedness plan needs to be implemented by every component of the business if it is to be effective.

Once a company has created and implemented a comprehensive disaster preparedness plan, the next step is testing and improvement. The plan needs to be tested for effectiveness, economical efficiency, and to ensure that all employees know how to carry out their individual tasks in the event of a natural or man-made disaster. Do not let a natural or man-made disaster be the first situation where the disaster preparedness plan is tested. In order to ensure that the preparedness plan is effective and economically sound, there needs to be periodical testing of the preparedness plan. During the test every employee and member of management should carry out their assigned tasks, to ensure they know how to carry out the task, and keep the whole company familiarized with the preparedness plan.

If during testing flaws in the system are discovered, then this would be the time to fix them. A comprehensive preparedness plan must be revised to ensure that it stays up to date and continually meets the current needs of the company. Also, after the occurrence of a real natural or man-made disaster, management should perform an assessment of how effective the
preparedness plan was, and work on the areas where improvement is needed. Like any other aspect of business, a preparedness plan must be continually revised to keep up with the growth of the company.

After implementing the disaster preparedness plan, assessing all of a company’s needs, and testing the effectiveness of the company’s preparedness plan, the company must ensure to keep its insurance up to date. Most companies have umbrella policies that will help to pay employees injured during a natural or man-made disaster and their families, but to ensure that every instance is covered, it would be wise to look into additional insurance plans. A company needs to ensure that its current policy covers every possible natural disaster. If the policy does not cover every natural or man-made disaster, the company should purchase additional policies to ensure that there is coverage in the instance that the uncovered natural or man-made disaster occurs. The extra policies may seem excessive, but there is no such thing as too prepared.

The last step in ensuring that a company survives after a natural or man-made disaster is customer relations. Businesses operate due to the services they provide to the consumers, and a company must make every effort to keep open lines of communication with its clients in the instance of a natural or man-made disaster. The company should have a plan on how to check up on clients, to see if they were affected by the natural or man-made disaster as well. The communication allows the client to see that their business is important to the company, and it also benefits the company because it can assess if the customers’ buying or spending practices will change, and affect the companies’ profits. If through communications the company finds that clients will be spending less, or on that clients will require more of the company’s services, it can plan accordingly.
There are many resources available online and in print to help companies, and its officers properly prepare for natural disasters. To ensure that a company has the most comprehensive preparedness plan, it would be beneficial to take advantage of the free resources offered online and through other sources. The following sites offer beneficial advice and drafts of disaster preparation programs for companies to implement:

- [www.sbaonline.sba.gov/services/disasterassistance/disasterpreparedness/index.html](http://www.sbaonline.sba.gov/services/disasterassistance/disasterpreparedness/index.html): This is the Small Business Association’s website. The website offers information in order to help businesses of any size prepare for business interruptions, and also how to protect their employees and the community in which they operate after a natural or man-made disaster.

- [http://www.ready.gov/business/index.html](http://www.ready.gov/business/index.html): This website is operated by the Federal Emergency Management Agency and gives information on planning, implementation, and testing of a preparedness plan. The website also offers a helpful sample preparedness plan that can be sculpted to fit the needs of any business.

- [http://www.fema.gov/plan/determine.shtm](http://www.fema.gov/plan/determine.shtm): This website is operated by the Federal Emergency Management Agency. The section that is noted offers businesses assessment tools to determine their risk, so that they can plan better for disasters.

- [www.availability.com/resource/pdfs/DPRO-100862.pdf](http://www.availability.com/resource/pdfs/DPRO-100862.pdf): This website is operated by Availability.com, which specializes in helping businesses develop plans to ensure continuity during different situations. The highlighted document is a “Business Continuity and Disaster Recovery Planning and Management: Perspective.” The document establishes a three-phase approach to developing a plan, and stresses the
The importance of having a preparedness plan that allows business to continue during natural or man-made disasters.

- [www.chase.com/online/commercial-bank/document/Perspective_DisasterPreparedness.pdf](http://www.chase.com/online/commercial-bank/document/Perspective_DisasterPreparedness.pdf): This website is operated by Chase Bank Co. The highlighted document is a perspective of a comprehensive disaster preparedness plan that was prepared to assist commercial businesses.

- [www.npccny.org/info/Disaster_Planning.doc](http://www.npccny.org/info/Disaster_Planning.doc): This website is operated by the Nonprofit Coordinating Committee of New York. The document highlighted here is a checklist that allows companies to ensure that they have covered all of the necessary aspects of a comprehensive preparedness plan. Also, the document has a list of resources that may be used by business when seeking more assistance in creating its comprehensive disaster preparedness plan.

In a world where disaster is now a natural part of life, companies need to ensure that after the smoke clears, their businesses are still operating. The tips offered in this article are just a few starting points to give your business or client a guide in developing a comprehensive disaster preparedness plan. Remember that every business is different, and every business will need a plan to fit its particular need.