



## **7** Disaster Recovery Planning Guide

*Critical Steps to Protect Your Business and Keep it Operating*

**H**aving a plan for emergencies is the key to getting back to business with the minimum disruptions. All businesses, large or small, should develop a disaster preparedness plan. Having a disaster plan in place will make the difference between a business being down for a few days, and possibly suffering severe financial loss. Start planning now to improve the likelihood that your company will survive and recover.

### **Step 1: Determine Your Risk**

Check with your local building official, city engineer, or planning and zoning administrator to determine whether your business is at risk from natural hazards such as hurricanes, floods, earthquakes, wildfires or tornadoes. Other forms of “disasters” include:

- Hazardous materials incident
- Winter storm
- Communications failure
- Radiological accident
- Civil disturbance
- Loss of key supplier or customer
- Explosion

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Cobb Technologies is Virginia's leading document management dealer. Cobb's experts can develop document management programs that match your organization's unique needs and budget. For more information on document management systems, contact your Cobb Technologies sales representative or visit our Document Solutions section at [cobbtechnologies.com](http://cobbtechnologies.com).

### **Step 2: Assess the Potential Business Impact**

Consider the potential loss of market share. Assess the impact of:

- Business interruption
- Employees unable to report to work
- Customers unable to reach facility
- Company in violation of contractual agreements
- Imposition of fines and penalties or legal costs
- Interruption of critical supplies
- Interruption of product distribution

### **Step 3: Identify Critical Products, Services and Operations**

You'll need this information to assess the impact of potential emergencies and to determine the need for backup systems. Areas to review include:

- Company products and services and the facilities and equipment needed to produce them.
- Products and services provided by suppliers, especially sole source vendors.
- Lifeline services such as electrical power, water, sewer, gas, telecommunications and transportation.
- Operations, equipment and personnel vital to the continued functioning of the facility.

## **Step 4: Do an Insurance Review**

Most companies discover that they are not properly insured only after they have suffered a loss. Lack of appropriate insurance can be financially devastating.

- Meet with your insurance carriers to review all policies.
- Make sure you know what your insurance does and *does not* cover.
- Maintain written and photographic inventories of all important materials and equipment.
- Store inventory in a safety deposit box or other secure location.

## **Step 5: Continuity of Operations Plan**

Plan what you will do if your building, plant or store is not accessible. This type of planning is often referred to as a continuity of operations plan, or COOP, and includes all facets of your business.

- Consider if you can run the business from a different location or from your home.
- Develop relationships with other companies to use their facilities in case a disaster makes your location unusable.
- Make contractual arrangements with vendors for such post-emergency services as records preservation, equipment repair, maintaining payroll records, or providing customer service.

## **Step 6: Protect Business Records and Inventory**

The loss of essential records and files during a disaster is commonplace and can not only add to your damage costs, but also delay your return to normal operations. To reduce your vulnerability, determine which files are most important and take steps to protect them, such as:

- Storing vital documents (plans, legal papers, etc.) in a secure off-site location.
- Regularly backing up vital electronic files (such as billing and payroll records and customer lists) and storing back-up copies in a secure off-site location.

## **Step 7: Install a Document Management System**

Document management systems allow businesses to back up important paper documents/files electronically and store safely off-site in case of a disaster or catastrophe. The benefits of a document management system include:

- Scan large volumes of paper documents and store on off-site servers or computers.
- Access files from anywhere there is an Internet connection: laptop, satellite office, home.
- Documents can be emailed, faxed, printed – so businesses can keep running.
- Index, search, retrieve large volumes of documents electronically.
- Systems are available that can be customized to any size business – large or small.

### **What to Do if Your Business is Damaged**

Business loans are available to people who have suffered damage to business property or economic injury. These low-interest loans are available through the Small Business Administration to repair or replace damaged property not covered by insurance, and to provide working capital.

You can obtain information at the Disaster Recovery Center (DRC) that may be set up after the President declares a major disaster. You can also call 1-800-621-FEMA (TTY: 1-800-462-7585) for information.

#### **Additional Resources:**

[www.fema.gov](http://www.fema.gov)  
[www.redcross.org](http://www.redcross.org)  
[www.ibhs.org](http://www.ibhs.org)  
[www.sba.gov](http://www.sba.gov)  
[www.cobbtechnologies.com](http://www.cobbtechnologies.com)



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