



# Alabama Small Business Development Center Network

Strengthening Alabama's Economy, One Small Business at a Time.

[www.asbdc.org](http://www.asbdc.org)

## How Can I Prepare My Small Business for a Disaster?

As a small business owner you should develop a disaster preparedness plan. It's just as important as developing a business plan. Having a disaster plan in place will make the difference between being shut down for a few days, and losing your livelihood.

- Meet with an insurance agent who understands the needs of your business. Business-interruption insurance—which replaces income lost when a business suffers downtime becomes of a covered peril—should be a consideration. Normal hazard insurance doesn't cover floods, so make sure you have the right kind of insurance. Make sure you know what your insurance does not cover.
- As the business owner, you should ask yourself the following questions: Am I prepared to relocate temporarily? What would happen if my suppliers shut down? Do my employees know what to do in case of an emergency?
- Employees should know where all the emergency exits are located. A safety coordinator could be appointed—someone who will take responsibility for making sure all the fire extinguishers work, planning safety drills, developing evacuation plans.
- Vital business records—information stored on paper and computer, should be copied and saved on both the hard drive and on backup diskettes at an offsite location at least 50 miles away from the main business site.
- Your business should also have a “recovery communications” plan in place. Key employees can be assigned as spokespersons who will contact suppliers, creditors, other employees, customers, media and utility companies to get the word out that the business is still viable. Also, that spokesperson can keep the public informed of rebuilding efforts, if necessary.
- Create a “Disaster Survival Kit.” The kit should include a flashlight, a portable radio, extra batteries, first-aid supplies, non-perishable food, bottled water, a basic tool kit, plastic sheeting and garbage bags, cash, and a digital camera to take pictures of the property damage after the storm.



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## What are the Costs?

The following will give you an idea of what it may cost to develop a disaster protection and business continuity plan. Some of what is recommended can be done at little or no cost. Use this list to get started and then consider what else can be done to protect your people and prepare your business.

### No Cost

- Meet with your insurance provider to review current coverage.
- Create procedures to quickly evacuate and shelter-in-place. Practice the plans.
- Talk to your people about the company's disaster plans. Two-way communication is central before, during and after a disaster.
- Create an emergency contact list including employee emergency contact information.
- Create a list of critical business contractors and others whom you will use in an emergency.
- Know what kinds of emergencies might affect your company both internally and externally.
- Decide in advance what you will do if your building is unusable.
- Create a list of inventory and equipment, including computer hardware, software and peripherals, for insurance purposes.
- Talk to utility service providers about potential alternatives and identify back-up options.
- Promote family and individual preparedness among your co-workers. Include emergency preparedness information during staff meetings, in newsletters, on company intranet, periodic employee emails and other internal communications tools.

### Under \$500

- Buy a fire extinguisher and smoke alarm.
- Decide which emergency supplies the company can feasibly provide, if any, and talk to your co-workers about what supplies individuals might want to consider keeping in a personal and portable supply kit.
- Set up a telephone call tree, password-protected page on the company website, email alert or call-in voice recording to communicate with employees in an emergency.
- Provide first aid and CPR training to key co-workers.
- Use and keep up-to-date computer anti-virus software and firewalls.
- Attach equipment and cabinets to walls or other stable equipment. Place heavy or breakable objects on low shelves.



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- Elevate valuable inventory and electric machinery off the floor in case of flooding.
- If applicable, make sure your building's HVAC system is working properly and well-maintained.
- Back up your records and critical data. Keep a copy offsite.

## More than \$500

- Consider additional insurance such as business interruption, flood or earthquake.
- Purchase, install and pre-wire a generator to the building's essential electrical circuits. Provide for other utility alternatives and back-up options.
- Install automatic sprinkler systems, fire hoses and fire-resistant doors and walls.
- Make sure your building meets standards and codes. Consider a professional engineer to evaluate the wind, fire or seismic resistance of your building.
- Consider a security professional to evaluate and/or create your disaster preparedness and business continuity plan.
- Upgrade your building's HVAC system to secure outdoor air intakes and increase filter efficiency.
- Send safety and key emergency response employees to trainings or conferences.
- Provide a large group of employees with first aid and CPR training.



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## Emergency Supplies Checklist

Talk to your co-workers about what emergency supplies the company can feasibly provide, if any, and which ones individuals should consider keeping on hand. Recommended emergency supplies include the following:

- Water, amounts for portable kits will vary. Individuals should determine what amount they are able to both store comfortably and to transport to other locations. If it is feasible, store one gallon of water per person per day, for drinking and sanitation
- Food, at least a three-day supply of non-perishable food
- Battery-powered radio and extra batteries
- Flashlight and extra batteries
- First Aid kit
- Whistle to signal for help
- Dust or filter masks, readily available in hardware stores, which are rated based on how small a particle they filter
- Moist towelettes for sanitation
- Wrench or pliers to turn off utilities
- Can opener for food (if kit contains canned food)
- Plastic sheeting and duct tape to "seal the room"
- Garbage bags and plastic ties for personal sanitation