

## **Ask SCORE**

*Hearing daily about not only natural disasters but also about political unrest and terrorism, what can I do to protect my business from the effects of these potentially devastating events?*

When Hurricane Sandy roared through the Northeastern U.S. in October 2012, few small businesses escaped unscathed. Many were left without power and Internet access for weeks, while others sustained severe damage to facilities and equipment. And even those businesses able to reopen dealt with disrupted supply chains, and limited access to gasoline and other commodities.

Sandy's multi-billion dollar impact on the Northeast's economy is the latest reminder that every small business needs a disaster management strategy. Though the likelihood of certain events will vary by location, your ability to take action is not always the same. For example, those in Sandy's path had several days to prepare; victims of tornados, earthquakes or fires rarely have any.

Here are some tips for developing a disaster management strategy for your small business:

**Take an all-hazards approach.** Consider the potential of both natural events (e.g., hurricanes, floods, earthquakes and ice storms) as well as man-made disasters such as fires, toxic material spills, civil unrest and terrorism.

**Develop operational contingency plans.** Assess the feasibility of operating out of rented office space, a nearby storefront, or even your home, and what equipment/resources will be needed (e.g., computers, data files, inventory). Store important documents and backup copies of computer records, software and other vital information in a fireproof container or at a secure off-site location.

**Ensure the safety of employees and customers.** Develop an evacuation plan that includes access to shelters, hospitals and other emergency services. Keep emergency telephone numbers clearly posted, and maintain up-to-date emergency contact and essential medical information for all employees.

**Perform a safety inventory.** Regularly clean and test smoke detectors, and change the batteries at least once a year. Make sure you have well-stocked first-aid kits, fully charged fire extinguishers and a fresh supply of all types of batteries used in your business. If you have portable generators for emergency power, make sure the fuel is fresh and safely stored.

**Review your business insurance coverage.** Your coverage should be enough to get your business back in operation and cover the replacement cost of essential facilities. Most general casualty policies do not cover flood damage, nor may they apply to special tools or equipment. Also consider purchasing business interruption insurance, which can assist with ongoing expenses during a forced shutdown.

More guidance for disaster planning and preparation is available at the Federal Emergency Management Agency's [Ready.gov/business](http://Ready.gov/business) website.

*This column is brought to you by the Merrimack Valley Chapter of SCORE, with nearly 70 current and former business executives available to provide free, confidential, one-on-one business mentoring and training workshops for area businesses. Call 603-666-7561 or visit [merrimackvalley.score.org](http://merrimackvalley.score.org) for information on mentoring, upcoming*

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