APPENDIX B

Business Continuity
(Plan for the Unexpected)

WHAT IS BUSINESS CONTINUITY?

Basically the concept we're focusing on means how quickly your business could reopen and function following a flood, fire, terrorist attack or even pandemic flu. By planning in advance with managers and employees, the odds of a company surviving and recovering from a disaster increase dramatically.

According to the Department of Homeland Security's *Ready Business* site, America's businesses form the backbone of the nation's economy; small businesses alone account for over 99% of all companies with employees, employ 50% of all private sector workers and provide nearly 45% of the nation's payroll. However, according to the Insurance Information Institute, up to 40% of small businesses do not reopen after a major disaster.

A commitment to planning today will help support employees, customers, the community, the local economy and even the country.

TIPS ON DEVELOPING YOUR BUSINESS PLAN

No matter what size your business is you should plan in advance to manage any type of emergency. Obviously, a large company's plan will be much more complex than a small home office or a Mom & Pop shop, but the following tips may help you get started.

Please note, we are only covering some key issues here extracted from DHS' *Ready Business* site then listing some resources and links at the end, but realize there are many resources available to business owners including consultants who can develop a business continuity plan for your company.

Learn risks - Ask your local emergency management office what types of disasters are common in the places where you have offices or buildings and review those topics in this book.

Learn about NTAS Alerts - Review the U.S. Department of Homeland Security's **National Terrorism Advisory System** to learn about NTAS Alerts and resources available for businesses and citizens. *(see pages 80-81)*

Travel - Stay current on travel updates and restrictions by visiting www.cdc.gov/travel or www.state.gov/travel

Make a plan - Visit www.ready.gov/business to download plans, tools, etc. Also ...

- Find out which staff, materials, procedures and equipment are needed to keep your business operating.
- Create a list of suppliers, shippers, and key contacts you use daily.
- Decide where you would go if your building, office or store is not useable. (Known as a continuity of operations plan or COOP.)
- Plan for payroll continuity.
- Define who will help develop your company's emergency plan.
- Make sure everyone involved knows what to do and have backup staff trained and ready to fill in, if needed.
- Share your plans with others in your building or complex and talk to local First Responders, vendors and others to exchange ideas, experience and knowledge.
- Update and review plans at least once a year if not more often.

Keep employees in mind - A good plan includes your most important asset.

- Keep lines of communication open both ways with newsletters, alert systems through email or voicemail, Q & A sessions with management and key personnel involved with planning, etc.
- Ensure you have plans for disabled employees and assign "buddies" to help during an emergency. Visit www.nod.org for tips.
- Update employee emergency contact data often and keep a current copy with other important papers off-site or in Grab & Go kits.
- Practice, practice, practice -- make sure all employees do drills and know what to do and where to go during and after a disaster.

Make or get Grab & Go kits - Review Section 1 for tips on assembling a **Disaster Supplies Kit** for your people. Share ideas with employees too since they may want to make their own small "Office Kit" with personal items. Many companies sell pre-stocked or customized Corporate Kits based on number of employees and days needed - check online vendors like www.thecuresafety.com or call your local Red Cross.

Active shooter - Teach everyone how to respond to an active shooter incident and find resources and materials from DHS. *(see APPENDIX D - Active Shooter Preparedness on pages 235-237).*

Stay or go..? - Plan in advance how staff should **shelter-in-place** versus **evacuate** the building. *(see THINK ABOUT SHELTER in Section 1 and EVACUATION topic in Section 2)*

Things to plan for if instructed to "Shelter-in-place":

- Listen to local authorities and tune in radio or TV for updates.
- If possible, know who's in the building if there is an emergency.
- Set up a warning system (and remember folks with hearing or vision disabilities or non-English speaking workers).
- Determine which room or area will be used for shelter for each type of disaster in advance (i.e. some emergencies require staying above ground - others may be best underground or in a sealed room - review Section 2 for tips on sheltering). Discuss ideas with others in your building or complex or with First Responders.
- Calculate air requirements for sealed room. *(see HAZARDOUS MATERIALS or TERRORISM topic)*
- Consider installing a safe room. *(see MITIGATION TIPS)*
- Assign certain people to grab Kits, take headcounts, seal off room, etc. and have backups lined up in case someone's off or injured.
- Take a headcount or have a checklist of people in shelter.
- Practice, practice, practice -- make sure employees know shelter-in-place plans and be ready to explain procedures to newbies not familiar with your plans (like customers or suppliers who might be at your building when an event occurs).

Things to plan for when making an "Evacuation plan":

- If possible, know who's in the building if there is an emergency.
- Decide in advance who in your staff and your building has the authority to order an evacuation. And if local authorities tell you to leave - DO it!
- Determine who is in charge of shutting down critical operations and systems and locking doors (if possible) during evacuation.
- Draw a map of your shop or building and mark locations of exits, disaster and first aid kits, fire extinguishers and utility shut-off points. Plan at least two escape routes from different sections of facility. Post copies of maps so employees can find them easily and share copies with local First Responders.
- Set up a warning system (and remember folks with hearing or vision disabilities or non-English speaking workers).
- Have flashlights handy or install emergency lighting to help staff exit safely. (Note: Never use lighters since there may be gas leaks.)
- Pick two meeting places (assembly sites) in advance for staff to go - one near the facility and one further away. Also discuss how employees should notify someone if they need to leave the site or aren't able to reach one.
- Take a headcount or have a checklist of people at assembly site.

- Practice, practice, practice -- make sure employees know evacuation plans and be ready to explain procedures to newbies not familiar with your plans (like customers or suppliers who might be at your building when an event occurs). Practice drills with other tenants or businesses in your complex and share plans and ideas.

Practice fire drills - Fire is the most common of all business disasters.
- Contact local Fire Marshal and request an inspection of your shop or building.
- Install **smoke detectors** and fire extinguishers and test them often!
- Set up a warning system (and remember folks with hearing or vision disabilities or non-English speaking workers).
- Do fire drills and make sure people know how to stay below the smoke, how to test doors to see if they are hot, etc. *(see tips in FIRES & WILDFIRES topic)*

Be prepared for medical emergencies - Provide first aid and CPR training to your staff and keep first aid kits stocked and accessible. *(see Section 3 for TIPS ON BASIC FIRST AID)*

Get involved - Join or form a CERT with your local EM. (*see page 223)*

Practice & fine tune - Take notes on things that should be modified during drills and get feedback from employees so your plan is continually improving. Let everyone know about changes to plans and practice drills often. And don't forget your new hires - include plan in Training Programs.

Encourage preparedness - Provide customized copies of this book to all your employees (and customers) so they can develop their own personal family plans and kits at home. Send preparedness reminder tips in emails or newsletters.

Have a communications plan - Write a crisis communications plan in advance so you are prepared to communicate with employees, customers and others during and after a disaster.
- **Employees** - Be prepared to tell workers when, if and how to report to work after an emergency (either through voicemail, email or manual call system). Explain how the incident may affect jobs.
- **Management** - Give executives as much information as possible to protect employees, customers, vendors and nearby facilities.
- **Public** - You may need to update the media and general public about the safety or status of employees or buildings and that plans are in place for recovery.
- **Customers** - Stay in touch with clients so they know when products or services are back in stock or online.

- **Government** - Let officials know what your company can do to help in recovery efforts and ask for help, if needed.
- **Other Businesses/Immediate Neighbors** - Be prepared to give neighboring companies or competitors updates on the nature of the situation in case they need to make plans for their own safety.

Help employees recover - Support your workers as they cope with the stress of recovering from a disaster. See TIPS ON RECOVERING FROM A DISASTER ... and ...
- Provide time off so workers can get their home life in order.
- Offer care or professional counselors on-site.
- Get folks back into work routines once possible.

TIPS ON PROTECTING YOUR BUSINESS

Ready Business suggests in addition to emergency planning, the following steps be taken to safeguard your company and secure your physical assets.

Review insurance - Meet with your agent or provider to review policies.
- Ask if current coverage includes physical losses, flood coverage and business interruption. Also visit www.floodsmart.gov for tips.
- Plan how you would pay creditors, employees and yourself.
- Find out what records your provider would need after a disaster and store those papers in a safe place.
- Review all the Planning topics at www.ready.gov/business.

Utilities - Think about what your company would do if there's no power, gas, telecommunications, sewer and other utilities.
- Talk to providers and ask about alternative and backup options during disruptions of service.
- Ask how and when to turn off utilities and never try to turn gas back on - call the gas company!
- Consider getting portable generators but never use them inside since they produce deadly carbon monoxide gas.
- Get wireless phones, walkie-talkies or other devices that don't rely on electricity so you can stay in touch with employees and customers. Keep extra batteries on-hand too.
- Have backup providers lined up in case your telephone or Internet services are down locally.
- Make sure **Disaster Supplies Kit** includes sanitation items in case sewer lines are damaged. *(see TIPS ON SANITATION OF HUMAN WASTE near end of Section 2)*

<u>Protect assets</u> - There are some things you can do in advance to protect your building and equipment ...

- Install smoke and carbon monoxide detectors and fire extinguishers and test them often.
- Draw a map of your building and mark locations of exits, fire extinguishers and utility shut-off points. Post copies so employees can find them easily and share copies with local First Responders.
- Consider installing extra security measures like alarm systems, automatic sprinklers, closed circuit TV, keypad or card access systems, or security guards.
- Think about all the ways people and deliveries enter and leave your building and the potential risks associated with them. *(See TERRORISM topic which covers specific things businesses should be aware of about NTAS alerts and tips on handling bomb threats and suspicious packages.)*
- Learn about FEMA's Pre-Disaster Mitigation (PDM) loans and other cost-saving mitigation tips for structures and property by visiting <u>www.fema.gov</u>.
- Plan how you would replace machinery, computers or equipment quickly if it's damaged or destroyed and keep extra supplies on-hand.
- Decide where you could run the business if your shop's not usable.
- Ensure any backup location complies with local, state and federal codes and other safety regulations and ask your insurance agent if operating at another facility impacts your policy.

<u>Secure equipment</u> - Use straps or L-braces to batten down cabinets or machinery, move heavy items to lower shelves and raise electrical equipment off the floor. *(see MITIGATION TIPS at beginning of Section 2)*

<u>Airborne threats</u> - Several types of disasters can impact the air quality of a building from mold due to flooding, airborne particles from a biological attack or dirty bomb, or smoke from a wildfire. Ask if there are options to improve air quality and protection in the Heating, Ventilating and Air-Conditioning (HVAC) system.

- Make sure unit is in good, working condition.
- Practice shut-down procedures for the HVAC system.
- Secure outdoor air intakes but never seal them. Ask if they can be relocated to an area with limited access (especially intakes that are close to or underground.)
- Consider upgrading the filtration system with High Efficiency Particulate Arrester (HEPA) filter fans or get portable HEPA filters to help remove dander, dust, molds, smoke and other contaminants. *(see AIR QUALITY MITIGATION)*

Cyber threats - Computer crime and hactivism cost businesses billions of dollars every year. Whether you use one computer or a massive network, it is critical to keep your system protected from viruses and attacks.

- Make sure computers and wireless devices have current anti-virus software and firewalls .. schedule them to scan daily or weekly and update virus patterns often. Encourage employees to protect their personal home devices too.
- Set security preferences as high as possible on Internet browsers and virus packages.
- Do NOT open emails or attachments from unknown sources.
- Use long passwords (best to use numbers, letters and special characters), change them often and don't share them with others.
- Backup data often and keep a daily or weekly backup off-site.
- Make sure someone knows how to download patches or fixes in case a computer or system gets infected.
- If your business is hacked, file a complaint with the **Internet Crime Complaint Center** at www.ic3.gov (The IC3 is a partnership between the Federal Bureau of Investigation [FBI] and the National White Collar Crime Center [NW3C]. According to the FBI's Cyber Division, agents have been closely trained to be discreet, to protect your public image and your intellectual property, and to not disrupt your operations.)
- Stay current on cyber threats by joining DHS National Cyber Security Division's **US-CERT** www.us-cert.gov or the FBI's **InfraGard** www.infragard.net or visit Public Safety Canada's Cyber site at www.publicsafety.gc.ca for advisories. Or check out National Cyber Security Alliance at www.staysafeonline.org
- Find tools and guides on the Institute for Business and Home Safety's **Open for Business**® site at www.disastersafety.org
- Review ABOUT CYBER ATTACKS in TERRORISM topic.

Pandemic planning - According to the U.S. Chamber of Commerce, each year the flu kills 36,000-40,000 Americans, hospitalizes over 200,000 and costs the U.S. economy over $10 billion in lost productivity and direct medical expenses. Health experts warn a pandemic flu could kill over half a million Americans, hospitalize 2 million more, and cost the [U.S.] economy an estimated $160 - $675 billion.[11] Another scenario predicted by the World Bank estimates a pandemic could kill more than 70 million people worldwide and create havoc in global markets.

If a global pandemic occurs, it could change our way of life dramatically. Schools, work, transportation and other services may close for long periods of time. (For instance, the 1918 flu pandemic lasted 18 months while other pandemics weaken for a while then recur.) Supplies will be scarce, medical

facilities will be overwhelmed and travel will be very difficult. Planning for a crisis of this magnitude may seem overwhelming, but an informed and prepared staff and public will know how to protect themselves and decrease their risk during a pandemic.

- Talk with local public health officials and health care providers to get their input and recommendations on pandemic planning and stay current on health alerts and advisories.

- Get travel updates and restrictions by visiting www.cdc.gov/travel or www.state.gov/travel or www.who.int/ith/en/

- Adopt business practices that encourage sick employees to stay home (like using Skype or instant messaging) and anticipate how to function with a smaller workforce for weeks or months at a time.

- Think about how your business would function if suppliers, banks, transportation and delivery services are limited or shut down. And encourage staff to keep at least a few weeks supplies at home.

- Remind employees to reduce the spread of infections by washing hands or using alcohol-based sanitizers often, covering coughs and sneezes with a tissue or shirt sleeve, and wiping down work stations, phones and keyboards with disinfectant or bleach.

- Visit www.flu.gov *(more flu links on page 199)*

ADDITIONAL BUSINESS CONTINUITY RESOURCES

There are many books, groups and sites focusing on business continuity, as well as consultants who develop a plan for your business. The following links are just a sampling of the thousands of resources so spend some time researching to see which ones fit your needs. Also ask local emergency management office for any suggested business continuity plans or data.

Ready Business - A more in-depth overview of business continuity, sample plans, a **Business Continuity Planning Suite** and more are available on the *Ready* site at www.ready.gov/business

FEMA PS-Prep™ - A voluntary program, primarily serving as a resource for private and non-profit entities interested in instituting a comprehensive business continuity management system. Incorporating three industry standards, PS-Prep™ offers organizations the opportunity to develop and maintain certification to nationally recognized and respected approaches to resilience and preparedness. www.fema.gov/program-resources

IBHS Toolkits - The Insurance Institute for Business & Home Safety's **Open for Business-EZ** (**OFB-EZ**) is a free business continuity tool designed to help even the smallest businesses focus on planning for any type of business interruption. Learn more at www.disastersafety.org

NFPA 1600 - The National Fire Protection Association's 300 codes and standards influence every building, process, service, design, and installation in the United States. **NFPA 1600 Standard on Disaster/Emergency Management and Business Continuity Programs** is not a handbook or "how-to" guide with instructions on building a comprehensive program, but it outlines the management and elements that organizations should use to develop a program for mitigation, preparedness, response, and recovery. Businesses can download a copy of NFPA 1600 at www.nfpa.org.

Red Cross - Both the American and Canadian Red Cross have courses and programs designed specifically for the workplace. The American Red Cross also has a **Ready Rating™** program and a **Guide to Business Continuity Planning CD-ROM**. Visit www.readyrating.org or www.redcross.org or call your local Chapter.

Web links - The following list includes some agencies, companies and non-profit groups providing products, services, e-newsletters and resources about business continuity, planning and workplace safety.

Agility Recovery www.agilityrecovery.com

American Institute for Preventive Medicine www.healthylife.com

Association of Contingency Planners www.acp-international.com

Business Roundtable Partnership for DR www.businessroundtable.org

Centers for Disease Control and Prevention www.cdc.gov

Continuity Central www.continuitycentral.com

DERA International www.disasters.org

Disaster Recovery Journal www.drj.com

Disaster Resource Guide www.disaster-resource.com

IBHS www.disastersafety.org

Institute for Business Continuity Training www.ibct.com

Institute for Preparedness and Resilience www.preparedness.org

National Institute for Occupational Safety & Health www.cdc.gov/niosh

Public Safety Canada www.publicsafety.gc.ca

Public Risk Management Association www.primacentral.org

The ICOR www.build-resilience.org

US Chamber of Commerce www.uschamber.com

US Small Business Administration www.sba.gov