



D-I-S-A-S-T-E-R Spells Trouble if You Don't Plan Ahead

As every Boy or Girl Scout knows, the key to survival is to be prepared! When it comes to disaster planning for a business, there are many items to consider. What does your company need to remain operational during a disaster? Should your insurance cover lost wages, and should it cover lost business revenue? How will you protect software and hardware? Is your business located in hurricane country or an area that may experience another kind of natural disaster? Disaster planning not only should be specific to your region, but also should consider man-made disasters, including fire, flood or, in these technological times, electronic terrorism.

When you look at disaster planning, you may feel like David approaching Goliath. The key is to take it step-by-step, and to do something rather than nothing. In the wake of September 11, many companies now feel more vulnerable than ever. Still, no matter where you are located, natural disasters and other devastation can strike anytime.

Thankfully, you have the luxury of time to make preparations... and time is what disaster planning is all about. It takes time to think through the scenarios and to focus on an actual, viable plan rather than something that just looks good in the company disaster manual. If you think developing this plan sounds hard, it isn't nearly as hard as developing one during a crisis!

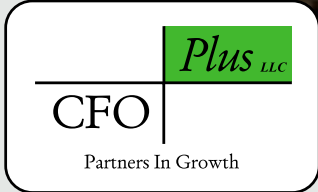
Here are some areas to consider as you develop your contingency or disaster plan:

What is your escape route? Just like you did in elementary school, hold regular fire or evacuation drills and inform all employees of the company's escape route(s). It's a good idea to have more than one route. Plan who will be the last one(s) out, along with alternates. If you have lease space, you may be able to ask the property management company to hold regular drills for your company. If this option isn't available, do it yourself by holding impromptu drills. In addition, make plans for situations where employees may be trapped within your company building.

IT and phone back-up plans. Ever think about how you would conduct business without phones, computers or the Internet? In a disaster, these commonplace work tools may be out of reach. Not only do you want to make provisions for the information technology required to keep your business up and running, you'll want to ensure your key suppliers also have back-up plans if any suppliers directly impact a portion of your business. Redundancy seems to be the name of the game for phones and IT. Secure two phone carriers rather than one, since cell phones can get bogged down during more widespread disasters. If you have a high-speed Internet connection, consider having a direct-dial back up. Finally, put a plan to paper that will enable you to access outside equipment, whether it is the company's property or the property of company employees (you will want to check with your insurance carrier to assess the risks involved with this type of arrangement).

Secure valuable data. We know of many well-intentioned business owners who diligently make backups each night, label and file these valuable disks, and promptly store them in a place that does not protect the data from fire or floods. Today, we have many solutions available. You can choose to purchase a more secure data container, such as a fire-proof safe. Or, you may want to store the data offsite. Perhaps the easiest way to protect data offsite is to upload it to the Web to a secure server. Of course, you'll need to ask the company you choose what contingency plans it has in place to access your data, should that company experience a disaster. Ensure your rights are protected through Service Level Agreements.

Where do you go from here? What happens when there's no "business" to return to? Finding a temporary location ahead of time can keep you out of a disaster bind. If you lease your office space, some property management companies can offer offsite locations for use, so ask about putting a disaster provision in your lease. If your business permits, you may want to look at developing a plan that enables employees to work from home, if at all possible. If your business relies heavily on equipment or a special facility, investigate business interruption insurance options that pay you and your employees in the event something happens. If you have highly skilled employees that may seek employment elsewhere, opting for a higher premium to cover lost wages may be a good choice.



Our mission is to provide information and strategies to business owners and managers for improvement in the effectiveness of its business management so that key objectives can be realized.

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Disaster Resources

Federal Emergency Management Agency. Visit <http://www.fema.gov/library/bizindst.pdf> to view FEMA's Emergency Management Guide for Business & Industry. The agency offers quite a bit of information about disaster preparedness.

American Red Cross. Stop by <http://www.redcross.org> to find many supply checklists for common disasters and crisis situations, including rolling black outs. This also is a good source of information for your personal and family disaster planning.

As your business performance advisor, we are here to help you make the most of every area of your business. We can help you develop your company's disaster plan and answer questions as you go through this process. Give us a call to start building your contingency plan *today*.