

**2009
EDITION**

Expecting the Unexpected



**Disaster
Preparedness
Strategies
for Small
Business**

Office DEPOT®

Expecting the Unexpected

Disaster Preparedness Strategies for Small Business

When it Comes to Disaster Readiness, Can You Ever Be Too Prepared?

According to the Association of Small Business Development Centers, the effects of a disaster can be quite profound:

- ☐ More than 1 in 4 businesses will experience a significant crisis in a given yearⁱ
- ☐ Of those businesses that experience a disaster and have no emergency plan, 43 percent never reopenⁱⁱ
- ☐ Of those that do reopen, only 29 percent are still operating two years laterⁱⁱⁱ



Make no mistake about it. Disaster preparedness is central to business survival, particularly when it comes to protecting a company's most valuable and irreplaceable assets: its people and its data.

Is your small business vulnerable?

A recent Office Depot survey found that:

- ☐ 71 percent of small businesses do not have a disaster plan in place^{iv}
- ☐ Nearly two-thirds (64 percent) stated that they do not need one
- ☐ 63 percent are confident they would be able to resume business within 72 hours if impacted by a natural disaster – even though history shows this may be optimistic

To help educate small businesses on the importance of disaster preparation, Office Depot developed this guide – *Expecting the Unexpected: Disaster Preparedness Strategies for Small Business* – to provide small businesses with **simple and affordable solutions**^v.

We urge you to read on. Disaster preparedness could be the wisest investment your business makes.

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of small businesses do not have a disaster plan in place

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Expecting the Unexpected

Disaster Preparedness Strategies for Small Business

Protect Your People and Your Data

In disaster planning and recovery it is critical to protect your people and your data.

Having a sound contingency plan can help your business to successfully recover from a disaster – be that a catastrophic event, like a hurricane, tornado or fire, or a more regular occurrence like a blackout or flood.



Being prepared will also help **prevent disruptive events** that can be anticipated and **reduce the impact of events** that are unavoidable.

One of the biggest misperceptions revealed in the Office Depot survey is that disaster preparedness planning is expensive. In truth, **preparation can be achieved simply and affordably.**

One thing you can be assured of: Not having a contingency plan or back-up system in place can mean closing your doors for good. So it is critical for small businesses to take disaster planning seriously.

Planning is key. You do not need a million dollar solution, just a common sense one that protects you, your employees and your business.

Protect Your People

Employees Are a Company's Most Important Resource

In Times of Disaster, It Is Not Business As Usual

Focus must be on helping employees navigate personal issues, from family needs to home disruption. This type of employee support can come back to the company in the form of loyalty.

The most critical aspect of emergency planning is getting employees to think ahead. To protect your employees through a disaster take these four key steps.

☐ Build Solid Contact Lists

Keep contact information updated and easily accessible:

Employees. Maintain complete information for communicating with employees and their extended families. Include home/cell phone numbers and email addresses for next of kin and spouses/relatives. Do not forget to make use of text-messaging capabilities and other communications devices as they may be the only way to stay in touch.

Emergency phone numbers. Include local fire and police departments, hospitals and ambulance services, building security, utility companies, as well as government disaster-relief agencies.

Key vendors and suppliers. Maintain a list of vendors and suppliers that can be relied upon to respond quickly. For regional disasters, it may be necessary to reach out for assistance to a supplier with facilities located outside of your primary business area.

☐ Establish Emergency Communications Procedures

Institute a clear process for communications and plan how you will contact colleagues in different scenarios. Meet with your employees periodically to review and update emergency plans.

☐ Organize Supplies

Make sure the company and its outposts have access to cash, generators, batteries and supplies, such as first aid kits, ice, water, personal care supplies and food, and the ability to charge cell phones, laptops and other communication devices.



☐ Provide Employee Assistance

Train a staff member in CPR and first aid. Also, prepare Family Disaster Kits for employees that include food and other resources, such as:

- Flashlights
- Batteries in various sizes
- First aid kit
- Bottled water
- Battery powered radio
- Plastic containers to seal critical information
- Disposable camera
- Hygiene supplies
- Post-event cleaning supplies
- Travel map

Protect Your Data

Businesses Rely on Technology More Than Ever

If You Lose Your Data, You Can Lose Your Business

According to Jon Toigo, a data storage and technology expert and author of numerous books on disaster recovery planning, if you lose your data, you can lose your business.

"A company denied access to its business data for longer than 48 hours is very likely to never recover fully from an outage. Those that take longer than four days to restore their data to an accessible form tend to be out of business within a year."

Avoid losing your data by implementing a back-up system. "Backing up your data does not have to be a complex or costly process," says Toigo. "Start by identifying the fundamental business processes and applications that are most critical to your business operations then, establish the media and storage solution that fits your business needs."

To protect data, experts recommend **making a back-up and moving the media to an off-site storage facility.**



20%

of small businesses
do not back up
their data

11%

keep copies of data at
an off-site location

These helpful solutions will guide your efforts:

☐ Know How To Store Data

Find the right data storage solution for your business based on the importance and quantity of data you need to protect, the timeframe for restoration and, of course, your budget. Here are two options:

Copy data to removable media.

Consider DVD-R or CD-R discs, tapes or removable disk drives that connect to systems via their USB ports. For more than 50 percent of the small businesses that responded to the Office Depot survey, this is the preferred data storage solution.

For larger volumes of data requiring quick restoration, look for specialized software for continuous data copy.

Protect Your Data

Businesses Rely on Technology More Than Ever

Preserve Critical Data, Move it Off-Site

☐ Back-Up Data On A Regular Schedule

To protect your business and resume operations after an interruption, you will want to:

Back-up your key data at least every week. If you don't have a tape back-up system, make copies of your most important data on CDs, portable disk drives that quickly connect to your computer's USB port, or even to a laptop.

Take a copy of your back-ups to a secure, off-site location. Follow these guidelines:

- Don't leave your back-ups sitting next to your daily operating systems. If there is a flood, a power outage or worse, you don't want to lose both your data and the back-up.
- Move back-up media to a secured, alternate or off-site location.
- Establish a routine back-up system to ensure the most current data is retained.
- Make sure to mark the media with a description of its content and dates.



Store copies of key forms and documents you use day-to-day at a safe location to help keep your business functioning.

- A simple consultation with your operations people will guide you to critical application software and documents you should protect.
- Scan critical documents (e.g., insurance) for electronic storage.
- Include photos of major building and manufacturing sites – protected in watertight storage containers and stored in a fireproof safe – in case you need to present these materials to your insurers.
- Periodically review the data being stored to ensure that the right data is being copied and that it can be retrieved and restored.

Disaster Preparedness Checklist

Protection and Prevention are Vital to Readiness Planning

Prevent What Is Preventable

Protection



Laptop with durable hardware enhancements (e.g., shock absorber) and protective case



Flash memory drive



External hard drive



Writable CDs and DVDs, CD-Burners



Zip® drive



Surge protector and battery back-up



Fire and waterproof safe



Fire-resistant file cabinet



Camera/film or digital camera



Scanner



Mobile folding file cart



Waterproof file folder compartment

Prevention



Smoke alarm



Fire extinguisher



Systems and security management software



Network management software (protect against hackers, service attacks, etc.)

Disaster Recovery Checklist

Helpful Solutions to Weather Any Storm

**Recover
Quickly
From an
Unexpected
Event**

Recovery



Battery-powered weather radio and extra batteries



Garbage bags, filter mask, mops, pails, etc. for sanitation



First aid kit



Tool kit



Flashlights



Water and food supplies



Waterproof plastic bags



Supply clipboard box



Markers, pens, pencils and paper



Contact sheets of employees, vendors and local emergency agencies

Building Your Disaster Preparedness & Recovery Plan

Without Testing, Plans Can Falter

A disaster recovery plan should be flexible. It is important that your plan is scalable to the event – whether it is simply a server failure or blackout, or something more serious requiring you to evacuate the building.

When implementing your disaster preparedness and recovery plan, keep these factors in mind:

Test the Plan

Testing is the only way to spot gaps and make necessary changes. Without testing, plans can falter. Establish an ongoing schedule of routine tests, including spontaneous ones and be sure to involve various employees.

Centralize Knowledge

Centralize all information in a database or an intranet site. It is much easier to keep the details of the plan up-to-date, and to report on changes, if all the information is centralized and readily accessible. Always retain a copy off-site that can be easily obtained. Many companies keep their plans online but have back-up hard copies at other locations.



Invest in Preparation

**You've
Worked Hard
to Build Your
Business,
Don't Put it
at Risk
Unnecessarily**

The cost of your disaster recovery planning will depend on the nature and size of your business, the potential hazards, and the types of preventive and protective strategies required. Regardless of these qualities, there are simple and affordable solutions all businesses can use.

In the final analysis, those who prepare for the possibility of a disaster are much more likely to recover from one than those who do not.

42%

of companies surveyed by Office Depot do not know how much it would cost to adequately prepare for a disaster

30%

believe the costs range up to \$20,000

“Disaster recovery planning does not have to cost a fortune. A \$1 piece of media, like a CD-R to store data, could provide the right amount of security for your business.”

— Jon Toigo

Data Storage and Technology Expert

Additional Resources

The Small Business Administration **(www.sba.gov)**

Provides disaster relief loans to qualifying businesses after disasters.

American Red Cross **(www.redcross.org)**

Offers disaster planning information and emergency training.

The U.S. Department of Homeland Security's Ready.gov **(www.ready.gov)**

A common sense framework designed to launch a process of learning about citizen preparedness.

Disaster Recovery Planning.org **(www.drplanning.org)** and

Data Management Institute **(www.datainstitute.org)**

Two comprehensive online resources for disaster recovery and data protection planning.



ⁱ A January 2005 survey conducted by Continuity Insights magazine and KPMY Risk Advisory Services

ⁱⁱ The Hartford's Guide to Emergency Preparedness Planning published by The Hartford Financial Services Group

ⁱⁱⁱ Ibid

^{iv} The "Disaster Preparedness" survey conducted by TNS NFO for Office Depot was designed to better understand the attitudes and perceptions that inhibit small business from investing in business continuity planning. The poll of 2,500 people (representative of the U.S. household population 18+ on age, gender, geographic division, income, household size; household designation and market size) was conducted February 13-16, 2007. In order to qualify for this study, respondents must have stated that they were either a business owner or a decision maker (e.g. Executive/Senior Management)

^v Developed with contributions from Jon Toigo, a data storage and technology expert and author of numerous books on disaster recovery planning