

## Ask SCORE

*I don't know if it's true, but it seems as if there have been an increasing number of natural disasters in our country and the world recently, with each having a devastating effect on people and businesses in those areas. What can I do to protect my business?*

With the tenth anniversary of the September 11th attacks just days away, your question couldn't be more appropriate. Could the "worst-case scenario" happen to you?

Every year, this hypothetical question becomes very real to thousands of small business owners who suffer losses due to fires, natural disasters and other events. Think about all the time and money you've invested in your small business and imagine one day that it is all gone. What do you do?

Although many potential disasters are unpredictable, a thoughtful, proactive disaster management plan can mitigate their effects on your business, and help speed your return to normal operations. True, disaster planning may not be pleasant to think about, but the consequences of not doing it are far worse.

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

- Identify potential hazards. Consider 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. While your business may not be directly affected, such events could disrupt your utilities, logistics and supply chains.
- 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). Important documents, back-up copies of computer records and software and other vital information should be stored 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 that the fuel is fresh and safely stored.
- Review your business insurance coverage. At a minimum, your coverage should be enough to get your business back in operation, and cover the replacement cost of essential facilities. Note that 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.

*This column is brought to you by the Southern New Hampshire Chapter of SCORE, with more than 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 [www.score-manchester.org](http://www.score-manchester.org) for information on mentoring, upcoming workshops and volunteer opportunities. SCORE is a national, non-profit organization and a resource partner of the U. S. Small Business Administration.*

*Have a question you'd like answered in this column? E-mail it to [info@score-manchester.org](mailto:info@score-manchester.org), with "Ask SCORE" in the subject line.*