THE DEFINITIVE GUIDE TO DISASTER PLANNING
Your complete guide to disaster recovery and business continuity planning

Agility Recovery

INTRODUCTION

Having a solid disaster recovery plan can mean the difference between giving into a crisis and surviving. According to the Small Business Administration, over 90 percent of businesses will fail within two years after being struck by disaster.

Perhaps you've delayed putting together your plan because you're overwhelmed and not sure where to start. Well you're not alone. Disaster recovery can be an overwhelming topic. But, the truth is, it doesn't have to be. That's why we created this guide - to help you get started AND complete your plan in less than 90 days.

This step-by-step eBook will walk you through the basic disaster recovery planning process, providing you with affordable and actionable steps you can take today, as well as tips to help keep you on track.

Are you ready to learn how to prepare your business for any crisis situation? Great. Let's get started.
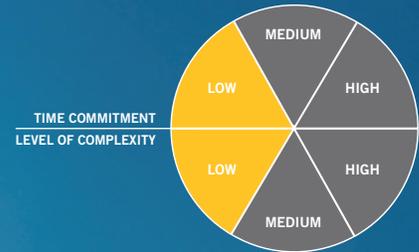

PLANNING TIP

START SMALL, START NOW, WITH THE FOLLOWING STEPS

- **Secure buy-in from executive management.** Once you have the go ahead from the top, you are ready to move forward.

- **Begin with a plan.** Put your to-do list and tasks on paper, then share them with your DRP team.

- **Start simple.** Don't try to do too much, too quickly.

- **Set goals.** Shorter term goals are more easily attainable, so start small.

- **Have a kick-off meeting.** Bring together those people who will be involved in planning and response.

- **Hold each other accountable.** Set goals as a team and announce them publicly.

STEP 1:
Pull together a disaster team.

TIME COMMITMENT
LEVEL OF COMPLEXITY

MEDIUM
LOW
HIGH
LOW
HIGH
MEDIUM

One recent study found that 75 percent of all U.S. employees did NOT think their employer was adequately prepared for a disaster. Let your employees know you're ready by involving them in the planning process.

Consider designating one team member from each department to participate in disaster planning. Your planning team should also serve as your emergency response leadership group during a disaster. Delegate specific roles for each team member, such as:

• Retrieving the emergency kit
• Coordinating a building evacuation
• Accounting for employees and communicating response updates
• Communicating with vendors, clients and other important contacts
• Shutting down utilities and safe-guarding the building
• Keeping track of disaster related costs
• Activating and communicating with your disaster recovery vendor(s) to get access
  to space, power, phone and internet connectivity and technology

Talk with your planning team to identify challenges the team might face the day of a disaster. Take into account different scenarios, i.e. what if the communications and vendor contact is out sick that day, who would take over that role? Disasters often happen with little notice; addressing these issues in advance will help ensure a smoother recovery.

Your disaster team size and make up will depend on and reflect the size and make up of your organization.

PLANNING TIP

Your biggest hurdle will likely be getting representation from every department and getting them all to work together. To ensure everyone's participation, start with a top-down directive, then appoint a communication coordinator who has a calm demeanor and is good at negotiation. Provide everyone with a calendar and/or schedule and gently nudge people weeks in advance of a meeting to remind them of their assignment deadlines.

STEP 2:
Develop or update your communications and contact list.

MEDIUM
LOW
HIGH
TIME COMMITMENT
LEVEL OF COMPLEXITY
LOW
HIGH
MEDIUM

Your ability to communicate effectively before, during and after a disaster is possibly the most important component of your disaster plan. This includes both internal and external communications. Here are some tips for developing a strong communications plan:

1) Identify and designate members of the communications team, including the lead and backup. Outline roles for each member of the team.
2) Have a central point of contact for all employees.
3) Identify and document key contacts you will need to communicate with before, during and after a disaster.
4) Develop and regularly update an Emergency Contact List for staff. Make sure you include: home phone, cell phone, business and personal email, and complete family contact information.
5) Establish a separate notification plan for employees' families in the event of loss of life, missing personnel, etc.
6) Develop ways to communicate with employees during and after a crisis. Remember that standard lines of communication often fail during a major disaster. Examples that work include text-based communication and alert systems, a web page, social media, and an automated messaging system. Consider using more than one system, but make sure everyone knows where to access the updates.
7) Establish a building evacuation plan and review it with staff.
8) Test your communications plan in advance of a crisis situation (at least once annually).

Compile all contact information into one organized document. Distribute to appropriate employees and place a copy in your emergency go-kit. Make sure this document is available online as well as in printed form, and that employees know how and where to access it.

Who will you need to communicate with before, during and after a disaster? Below are some examples of key constituents.

- **Employees and possibly their families**
- **Clients or members**
- **Vendors and suppliers**
- **Business or operational partners**
- **The community**
- **The media**
- **Government disaster response entities**
- **Your insurance agent**

PLANNING TIP

During outages, phone lines often go down. How will your clients reach you if this happens to your business? Consider a plan to redirect your phone lines. Options include redirection to cell phones, answering service, Google Voice or rerouting through the service at another company location. Some disaster recovery partners will provide this service for free.

STEP 3:
Create or restock your emergency kit.

Make sure your office has an updated and well stocked emergency kit with everything your business may need in the event you're asked to evacuate. This kit should include:

• Important records and documents (insurance policies and agent contact information, fixed asset inventory, contracts and other business forms or documents, tax information, copy of lease agreement and other tenant documents)
• Office supplies, including pads, pens, pencils, scissors, stapler, staples
• Operating system disks & software, including licensing passwords
• Petty cash
• Mobile chargers (we recommend solar chargers for laptops and cell phones)
• Spare set of keys or card keys to enter the building
• Food and water (for at least 72 hours)
• Copy of your communications/contacts checklist
• Copy of your disaster recovery plan
• Flashlights and extra batteries

Gather and store these items in one or more central location(s) in a waterproof bag or a plastic container with wheels. If disaster strikes, your time is limited, and every second counts.

Click here for a detailed checklist you can use to create you emergency supply kit.

STEP 4:
Back up your data.

TIME COMMITMENT
LEVEL OF COMPLEXITY

MEDIUM
LOW
HIGH
LOW
HIGH
MEDIUM
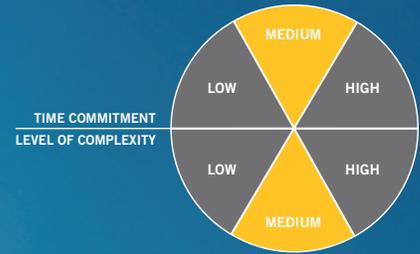
Most businesses have been backing up their data for some time. Things to keep in mind about data back up:

- Ideally, it should be done daily to ensure no data is lost. If not daily, it should be done on a regular basis.
- Automated back-ups make it easier to keep track of the process.
- Make sure the backups are completed as scheduled and test them regularly—from home, a secondary location, or via multiple data channels.
- Back up your data to the cloud, or store it in an offsite, secure storage facility outside your local area.
- Make sure you can access the data from different technology and locations, and make sure more than one person knows how to access it. If you store your data in the cloud, how will you access your data if your Internet lines are down?

SURPRISING STATISTICS ABOUT DATA LOSS

Forty-eight percent of small businesses in the United States (2-20 empoyees) have experienced data loss - up from 42 percent in 2010.

Top causes of data loss are hardware and software failure (54 percent), viruses (33 percent) and theft (10 percent).

Thirty-one percent of business owners surveyed consider backing up data a hassle.

*From a 2011 survey by Carbonite, a provider of online backup solutions.

STEP 5:
Review your insurance coverage.

TIME COMMITMENT
LEVEL OF COMPLEXITY

MEDIUM
LOW
HIGH
LOW
HIGH
MEDIUM
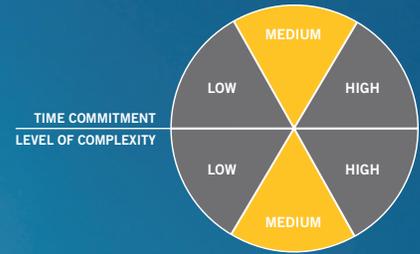
Make sure you ask your insurance agent exactly what your coverage protects and what it doesn't and make sure you are properly insured. Communicate with your insurance agent regularly to ensure your coverage is up to date. When a disaster strikes other areas, use them as an example. Ask your insurance company how you would be covered under those circumstances.

- Talk with neighboring businesses or industry peers to discuss their level of coverage.
- Make sure you have business interruption/resumption coverage to help you rebuild if there is an interruption.
- Discuss added/extra expense insurance, which covers unexpected added costs you may incur because of an interruption or unexpected event.

Keep track of your assets. Make a list and take pictures and videos so you not only know what you have before there are any potential losses, but you can prove it. Scan your receipts and keep everything together. During a regional disaster, insurance agents are likely to be overwhelmed with calls and claims. Having this information organized and at hand will help in your business's claims process.

"One of the most common lessons learned we've seen in our 24-year history recovering businesses is, don't assume you're fully covered by your insurance policy. Many businesses have made that assumption and ended up in a bad place when they realize they were not fully covered for all damages and costs."

– Bob Boyd, President and CEO at Agility Recovery

PLANNING TIP

UNDERSTAND YOUR FLOOD INSURANCE RISK

Understand your flood insurance risk. Many policies do not cover flood damage influenced by another natural disaster such as earthquakes and hurricanes. Talk to you insurance provider to make sure you're covered.

STEP 6:
Determine and prioritize your essential business functions.

MEDIUM
LOW
HIGH
TIME COMMITMENT
LEVEL OF COMPLEXITY
LOW
HIGH
MEDIUM

With your team, brainstorm each business process, system and assets your business would need to restore operations back to their previous level after a disaster.

A law firm, for example, might need access to docketing software, conference rooms to meet with clients, a complete contact list of clients and courts, and a way to communicate with clients and courts even if the local city infrastructure is down, whereas an insurance company might need laptops or tablets with Wi-Fi and portable printers for assessing claims in the field. Understanding your business essentials is a key step in planning how to get them operational again.

Begin by listing the broader business functions that come to mind and then narrow each one down to the essentials later on. It is easier to cut than to identify gaps later in the process. Document and prioritize those functions most critical for restoring operations and in the right-hand column, list how many days your company can operate without that function. In many (but not all) cases, the answer will be zero.

The amount of time this process takes can be minimized with collaborative teamwork. This step is one of the easiest places to get distracted. Stay focused and keep it simple. Start with your five most likely risks, then phase the rest in at a later time.

PLANNING TIP

"Our advice to members is to think through a worst-case scenario. If your entire office was flooded or burned to the ground, what would you need to keep your business running? This is your list of business essentials."

– Mark Norton, continuity planning expert with Agility Recovery in Charlotte, N.C.

Click here to download a form that will help you document your critical business functions.

STEP 7:

Understand your risks.

MEDIUM

LOW   HIGH

TIME COMMITMENT
LEVEL OF COMPLEXITY

LOW   HIGH

MEDIUM

Your business is unique. So is your risk. Take a look at both your internal and external risks. Understanding them will ensure that your plan is customized to your company's specific recovery needs, and is up to date. You might have created an excellent, customized and detailed plan, say, five years ago, but if you don't keep it up to date, your needs will not be met.

Questions to consider:

- What are the physical aspects of your building that may put you at risk? Is your location near a river or creek that is prone to flooding? Consider the age and structure of your building. What is the location of your server room? If it's on the first floor or in a basement, consider moving it to the second floor.

- Are there certain physical assets of your business that may be more at risk than others? For example, if your business relies on a fleet of vehicles, how would you track these assets—and even more importantly, replace them—if a disaster struck in the middle of a business day?

- Understand your vulnerability to weather-related disasters, such as tornados, hurricanes, earthquakes and wildfires.

- Consider irregular events, such as 100-year floods or dormant fault lines. Consider the possibility of large, catastrophic regional events. How would your response differ depending on a small versus regional event?

- Are vendors, suppliers or key partners at risk? Query key business partners about their disaster recovery plan to ensure that theirs is up to date and that they will be able to help you when you need them. Share ideas, and include them in your planning meetings. Also, consider how you might use their facilities and services during a recovery period.

PLANNING TIP

Consider non-weather-related events. In 2011, Agility responded to a public sector member whose power lines were severed due to nearby excavation from a local construction company. In 2012, a disgruntled customer set fire to a multi-tenant office building in Arizona, which included an Agility credit union Member. The bank's operations came to a halt after the building's sprinkler system destroyed their computers.

Click here to download a quiz that will help you rate your risk.

STEP 8:
Find an alternative place to work.

MEDIUM
LOW
HIGH
TIME COMMITMENT
LEVEL OF COMPLEXITY
LOW
HIGH
MEDIUM

If your place of business becomes nonoperational due to a disaster, that is not the time to be thinking about where you might temporarily set up or permanently relocate your shop. These options should be part of your disaster recovery plan, and when an event happens, you simply tell your team to, for instance, activate Plan A or B. With a well-planned and tested program, everyone will know what to do and will move into action.

Options should include shared space agreements with another business, such as a neighboring facility or partner, work-at-home plans (where possible and generally for short-term situations), or a mobile site. With a mobile site, you will have already discussed with your disaster recovery vendor the amount of space you need, as well as the type of office and computer equipment. With one call, you can activate the installation of a mobile facility.

You should also have a back-up plan for an alternative work location if the original alternate location doesn't work. Consider this example. A credit union client's office was flooded with 20,000 gallons of water when a plumbing fitting broke. Company officials had a recovery plan that included relocating its employees to a break room, but the space proved unsuitable. With the help of Agility Recovery, this company was set up in a full mobile office unit and fully operational in just 48 hours.

CONSIDER THIS EXAMPLE

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Considering a work-from-home strategy? Click here to read Agility's blog article on work-from-home strategies.

STEP 9:
Prepare your employees.

|		
	MEDIUM	HIGH
LOW		
TIME COMMITMENT		
LEVEL OF COMPLEXITY		
LOW		HIGH
	MEDIUM	

A shocking 75 percent of U.S.-based workers feel their employer is not well-prepared for a natural disaster, and 72 percent of employees said they would not feel totally safe in their workplace during a natural disaster. You don't want your employees to feel that way about your business.

Develop an evacuation plan. Let employees know about the plan via email, workplace trainings and by posting the evacuation plan throughout your building. Practice the plan. Conduct a drill so employees know where to go and what to do if a disaster happens. Repeat these steps at least annually. Make sure employees have a copy of and understand how to implement your disaster response and recovery plan. Don't just send one email—consider scheduling a mandatory lunch and learn.

Here are some ways to both train employees and keep them safe:
- Compile a list of all employees trained in first-aid and CPR. Make sure employees know where to find this list.
- Help each employee create an emergency kit at work, in their vehicle and at home.
- Offer emergency and disaster skills training at the office. Many of these classes are very affordable or even free. Some trainers will offer on-site training at your workplace.
- Conduct evacuation drills semi-annually. Contact your local fire department for ideas and assistance.
- Invite speakers to present on preparedness. Some good sources of speakers are local emergency management personnel, including the fire department and the Red Cross. One-hour lunch presentations are a great way to educate employees in a way that does not disrupt their work day.

The biggest challenge in this step can be getting people to care. To get people excited, try turning it into a fun weekend fair and include emergency preparedness training classes. Consider hosting preparedness contests and free Red Cross preparedness training at your company location. Provide incentives for anyone who participates. Also, integrate emergency preparedness into all new employee training and communications, such as the employee handbook, and performance reviews.
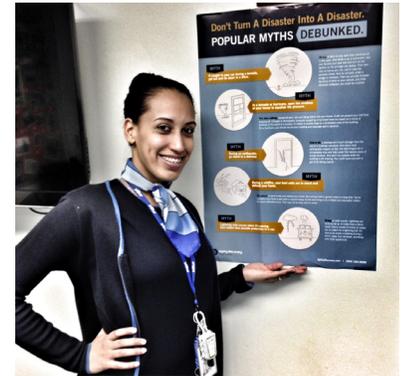
JetBlue: Employee Preparedness Can Be Fun

As part of National Preparedness Month in September, JetBlue's Emergency Response and Business Continuity team hosted a contest to remind their crewmembers about the importance of preparedness – and to have fun doing it. First, JetBlue contacted Agility Recovery asking where they might find posters focused on workplace preparedness. Agility had posters on-hand and shipped out enough for 74 of the JetBlue locations. In addition JetBlue also decided to create their own poster focused on items to include in a personal 72 Hour Emergency Kit. Staff at each of the offices was encouraged to hang the posters in the office, take a photo next to the poster and submit it to JetBlue.Contestants were then entered into a raffle to win two free tickets on JetBlue and an emergency radio. Over 50 offices submitted photos, capturing hundreds of Crewmembers. This is one of many fun and engaging initiatives JetBlue hosts to remind their crewmembers about the importance of preparedness.

PLANNING TIP

Employee preparedness may be the most important aspect of your disaster recovery plan. Without employees, there is no business. Those employees who have taken the time to prepare themselves and their families are more likely to be effective and present during and following a disaster. Encourage your employees to have personal communication plans and make personal disaster kits (including copies of IDs, cash, critical documents, food, water and supplies).

STEP 10:
Test Your Plan.

TIME COMMITMENT
LEVEL OF COMPLEXITY

MEDIUM
LOW
HIGH
LOW
HIGH
MEDIUM

Testing can be done in phases. Start with a verbal discussion around a meeting table. Work through a variety of scenarios and "what if's."

Once you've done enough of those to feel you've covered every scenario, physically go around the building and talk through a potential disaster. Test doorways, time how long it takes to get down a hallway, whether you're able to reach the go kit, how many people can fit into a safety room, etc.

Include the outside grounds in your walkthrough, and do a drive to and from the facility using a variety of routes, analyzing, "what if this road was blocked? How would we get to work?"

A GOOD TEST WILL:
• ensure you meet compliance or regulatory requirements
• increase employee and management confidence in the plan
• uncover holes, gaps or misperceptions in your plan
• set realistic expectations for recovery team members and
• improve your readiness.

Testing a recovery strategy is the only sure-fire way to see if a business continuity program can be successfully executed prior to an interruption, so test your plan at least once a year. Incorporate lessons learned to keep improving your plan over time.

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PLANNING TIP

Consider testing for a process failure rather than an event. In other words, test your response for a widespread utility failure before you test for a major weather event. That way, your response is more flexible and adaptable to multiple scenarios.

Click here to learn from Agility's annual test and download a table top testing checklist.

Armed with these tips and action items, you'll be able to implement a disaster planning strategy that is flexible and prepares your business for any interruption.

Most importantly, remember to keep it simple. A simple plan is far better read and utilized than a 500-page document that no one will remember when disaster strikes.

Are you ready? Start planning

RESOURCES

http://www.ready.gov/business-continuity-planning-suite
www.preparemybusiness.org
www.agilityrecovery.com
http://www.disastersafety.org/open-for-business/