

## Small Companies Need Plans for Natural Disasters

From East Coast to West Coast, hurricanes and wildfires recently created huge losses of lives, property, and emotional wellbeing. In the middle of the United States, crippling natural disasters can range from blizzards to river flooding to tornadoes. News reports naturally focus on homes and families, but local businesses also are among the victims.

There may be little a small company can do when it's in the path of record winds or a wall of flames. However, there are steps a business owner can take when things are calm to reduce the impact of catastrophic conditions in the future.

### **Be Sure About Insurance**

For example, relevant insurance should be in place. Whether you rent or own the facilities you use, you should have adequate property insurance from a well-established company. Business interruption coverage may provide cash if revenue producing operations are curtailed for any length of time. Your firm also may obtain special flood or earthquake insurance (or both) if that's deemed necessary.

You probably won't have the time or the inclination to evaluate all the coverage you might need. Therefore, you should work with an experienced agent or insurance consultant who can provide expertise. This professional also can suggest the scope of personal insurance needed by you and your employees, payable after a natural disaster. In the wake of a dreadful event, the less time people spend worrying about personal losses, the sooner your firm can get back to operating at full speed.

### **Staying Online**

Business interruption policies may or may not cover problems that disable information technology systems, which are vital to many small companies. Special cyber policies might be available. Besides insurance coverage, there are things you can do to proactively keep data and other records intact, even in worst case scenarios.

Backing up computer files is an obvious yet vital procedure. Store the backups offsite or use a cloud-based solution. If your company operates in different areas, one place might store backup records for the other place. Some small companies have gone from desktop computers and related accessories to laptops, which are easier to move quickly, if circumstances require swift action.

### **Power Play**

As we've seen, some storms bring high winds that can bring down power lines. Hurricane Irma impaired electricity for millions of users in Florida and surrounding states. If you have a generator that can supply emergency power for critical usage, that can reduce the time operations cease altogether.

Again, during and immediately after a disastrous event, it's vital for employees to have power at home so they can go on with their lives and perhaps get some work done. Your company might inform key people about sources of backup power and even provide a financial incentive to have a residential generator installed.

These steps can serve as part of a natural disaster plan. To create a complete course of action, take on the role yourself or assign an employee to head this effort. The leader's first job might be to find a local consultant or other expert to create a formal policy for your company. Asking your own company's executives and staffers for suggestions can lead to valuable input from all areas of the firm. Once a plan has been adopted, it should be circulated to all employees so they know what to do and who to contact in case of a true emergency.