

**BUSINESS  
CONTINUITY  
AND  
DISASTER  
PREPAREDNESS  
PLAN**

**IOWA LAND TITLE ASSOCIATION  
EDUCATION COMMITTEE  
SEPTEMBER 2018**

# **WILL *YOUR* BUSINESS SURVIVE A DISASTER?**

- *40 percent of businesses do not reopen following a disaster. In addition, another 25 percent fail within one year and 75% of businesses without continuity plans will fail 3 years later.*
- *All businesses should develop a disaster recovery plan (DRP).*



**Vinton Today**  
**Posted at [Vintontoday.com](http://Vintontoday.com)**  
**February 11, 2018**

# **“TOP FIVE MYTHS OF BUSINESS CONTINUITY PLANNING”**

**FROM THE  
INSURANCE INSTITUTE FOR  
BUSINESS AND HOME SAFETY**



**Myth #1.**

**We are not at risk.**

*Small businesses often fail to identify potential threats and underestimate the severity of a known potential threat.*

## **Myth #2.**

**We are too small to need a formal plan.**

- *Most small businesses operate from a single location, which makes them more vulnerable than large companies.*
- *During stressful times, it is often difficult to remember priorities and make important decisions without advance preparation. The smaller the business, the more important it is to have a plan in place.*

## **Myth #3.**

**We back up our data, which is a sufficient plan.**

*Information and information technology (I/T) are the lifeblood of most businesses; however, data backup is only part of an I/T continuity plan, which also should include hardware, software, and communications systems*

**Myth #4.**

**We have more important priorities.**

*Every business's priority list is somewhat unique; however, the risk of losing customers and clients while coping with a disruption should be every business owner's number one priority.*



## **Myth #5.**

**We don't have the time, money or experience to create a plan.**

*Effective business continuity planning does not require a big budget or special training; in fact, most people involved usually “fall into” the role without any prior experience.*

# **TYPES OF DISASTERS**



# NATURAL DISASTERS:

- *Hurricanes*
- *Floods*
- *Earthquakes*
- *Tornadoes*
- *Blizzards*

# LOCAL DISASTERS:

- *Fire*
- *Burst Pipe/Water Leak*
- *Power Outage*
- *Injury of customer or vendor at your office*
- *Disruption of vital services, i.e. Courthouse is closed due to a disaster*

# HUMAN-CAUSED DISASTERS:

## Vandalism and Theft

*Protect your office from theft and vandalism including securing doors with deadbolts and checking the window locks.*

# HUMAN-CAUSED DISASTERS:

## Terrorism or Active Shooter

*You may need to evacuate an area, stay where you are and shelter-in-place. Always know where emergency exits are located in buildings you frequent.*

# HUMAN-CAUSED DISASTERS

## Office Personnel:

### Accident or Illness

- *Stay calm and care for the injured person first. Then secure the scene.*
- *Communicate not only with the injured or ill but your other employees.*
- *Determine how to distribute work, as needed.*
- *Make a return to work plan.*

# HUMAN-CAUSED DISASTERS

## Office Personnel:

### Key Personnel Death

- *Communicate with your employees as soon as possible, before a public announcement.*
- *Contact other work-related connections.*
- *Set goals and pave a path back to normal, or the new normal.*



# HUMAN-CAUSED DISASTERS

## Office Personnel:

### Employee Theft, Fraud, and Disclosing Non Public Private Information (NPPI) of Employees or Clients

- *Checking employee references is one important step, but for employees entrusted with handling your money or financial records, a background check is better.*
- *Train employees on the responsibilities of keeping NPPI confidential.*

# HUMAN-CAUSED DISASTERS

## Office Personnel:

### Employee Error

*Invest wisely in your employees and provide them with the training necessary to succeed and minimize the risk of human error.*

# INFORMATION TECHNOLOGY RELATED DISASTERS:

- *Internet Failure*
- *Server Crash*
- *Computer Viruses or Worms*
- *Cyberattack*

# **STEPS NECESSARY TO DEVELOP A BUSINESS CONTINUITY AND DISASTER PREPAREDNESS PLAN**



# KNOW YOUR RISKS

- *Identify Your Threats.*
- *Rank the Probability of Threats.*
- *Rank the Severity of Threats.*
- *Multiply the Probability and Severity Scores for Each Threat.*



## Know Your Information Technology

Use this form to list the computer equipment, hardware and software, vital records and your back up processes that you will need to fulfill your critical business functions. Duplicate the form for each item or record.

Updated: \_\_\_\_\_

Next Review Date: \_\_\_\_\_

### TYPE:

Computer Equipment/Hardware  Computer Software  Vital Records

### Item:

Title and Version/Model Number: \_\_\_\_\_

Serial/Customer Number: \_\_\_\_\_

Registered User Name: \_\_\_\_\_

Purchase/Lease Price: \$ \_\_\_\_\_

Purchase/Lease Date: \_\_\_\_\_

Quantity (equipment) or Number of Licenses (software): \_\_\_\_\_

License Numbers: \_\_\_\_\_

Technical Support Number: \_\_\_\_\_

Primary Supplier/Vendor: \_\_\_\_\_

Alternate Supplier/Vendor: \_\_\_\_\_

Notes: \_\_\_\_\_

### Name of vital record:

Name of Business Function Vital Record Supports: \_\_\_\_\_

Type of Media: \_\_\_\_\_

Is it Backed Up? \_\_\_\_\_

How Often is it Backed Up? \_\_\_\_\_

Type of Media for Backup: \_\_\_\_\_

Where is it Stored? \_\_\_\_\_

Can the Record be Recreated? \_\_\_\_\_

Notes: \_\_\_\_\_

# **KNOW YOUR OPERATIONS**

***TRAIN YOUR EMPLOYEES ON THE BUSINESS  
CONTINUITY AND DISASTER PREPAREDNESS  
PLAN AND REVIEW YOUR BUSINESS FUNCTIONS  
AND PROCESSES EVERY SIX MONTHS!***



# Know Your Operations

Use this form to identify what business functions are critical to your business' survival. Duplicate the form for each business function.

Updated: \_\_\_\_\_

Next Review Date: \_\_\_\_\_

## BUSINESS FUNCTION:

Priority:  Extremely High  High  Medium  Low

Employee in charge: \_\_\_\_\_

Timeframe or deadline: \_\_\_\_\_

Money lost (or fines imposed) if not done: \_\_\_\_\_

Obligation:  None  Legal  Contractual  Regulatory  Financial

### Who performs this function? (List all that apply)

Employees: \_\_\_\_\_

Suppliers/vendors: \_\_\_\_\_

Key contacts: \_\_\_\_\_

(For additional space, see the Notes area below)

### What is needed to perform this function? (List all that apply)

Equipment: \_\_\_\_\_

Special Reports/Supplies: \_\_\_\_\_

Dependencies: \_\_\_\_\_

(For additional space, see the Notes area below)

### Who helps perform this function? (List all that apply)

Employees: \_\_\_\_\_

Suppliers/vendors: \_\_\_\_\_

Key contacts: \_\_\_\_\_

(For additional space, see the Notes area below)

### Who uses the output from this function? (List all that apply)

Employees: \_\_\_\_\_

Suppliers/Vendors: \_\_\_\_\_

Key Contacts: \_\_\_\_\_

(For additional space, see the Notes area below)

### Brief description of how to complete this function:

\_\_\_\_\_

Workaround methods: \_\_\_\_\_

\_\_\_\_\_

Notes: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



# KNOW YOUR EMPLOYEES

*Document not only employee contact information, but include their key responsibilities. Make sure that special skills are not known by only one person.*



## Know Your Employees

Use this form to record information about all employees, including the business owner so that each person can be contacted at any time. Duplicate the form for each employee.

Updated: \_\_\_\_\_

Next Review Date: \_\_\_\_\_

### EMPLOYEE NAME:

Position/title: \_\_\_\_\_

Home address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Office phone: \_\_\_\_\_ Ext. \_\_\_\_\_ Alternate phone: \_\_\_\_\_

Home phone: \_\_\_\_\_ Mobile phone: \_\_\_\_\_

Office e-mail: \_\_\_\_\_

Home e-mail: \_\_\_\_\_

Special needs: \_\_\_\_\_

### Certifications:

First Aid  Emergency Medical Technician (EMT)  CPR  Ham Radio

Other: \_\_\_\_\_

Special licenses: \_\_\_\_\_

### Local Emergency Contact

Full name: \_\_\_\_\_

Relationship: \_\_\_\_\_

Home phone: \_\_\_\_\_ Mobile Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

### Out of State Emergency Contact

Full name: \_\_\_\_\_

Relationship: \_\_\_\_\_

Home phone: \_\_\_\_\_ Mobile Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

Notes: \_\_\_\_\_

# **Know Your Key Customers, Contacts, Suppliers and Vendors**

*Maintaining up-to-date contact information for your key customers, contacts, suppliers and vendors is critical.*



## Know Your Key Customers, Contacts, Suppliers and Vendors

Use this form to record information about your current suppliers, those you could use as an alternate choice and your key customers and contacts. Duplicate the form for each contact.

Updated: \_\_\_\_\_

Next Review Date: \_\_\_\_\_

### CONTACT TYPE:

Current Supplier/Vendor

Back-Up Supplier/Vendor

Key Customer/Contact

### Company /Individual Name:

Account Number : \_\_\_\_\_

Materials/Service Provided: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Company Phone: \_\_\_\_\_

Website: \_\_\_\_\_

### Company Representative

Primary Contact: \_\_\_\_\_

Title: \_\_\_\_\_

Office Phone: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

Alternate Contact: \_\_\_\_\_

Title: \_\_\_\_\_

Office Phone: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

Notes: \_\_\_\_\_

# KNOW YOUR INFORMATION TECHNOLOGY

- *If you have time, shut down and unplug all of your computer hardware before an event.*
- *Regularly backup your vital data and records.*

# KNOW YOUR INFORMATION TECHNOLOGY

- *Know your computer and internet login codes and passwords.*
- *Where flooding is possible, elevate computer equipment stored on the floor.*
- *Off-site backup may be done electronically through a trusted vendor.*
- *Consider an off-site server.*
- *Digitize your tract books.*



## Know Your Information Technology

Use this form to list the computer equipment, hardware and software, vital records and your back up processes that you will need to fulfill your critical business functions. Duplicate the form for each item or record.

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Next Review Date: \_\_\_\_\_

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Registered User Name: \_\_\_\_\_

Purchase/Lease Price: \$ \_\_\_\_\_

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Notes: \_\_\_\_\_

# KNOW YOUR FINANCES

- *Have an emergency cash reserve fund*
- *Evaluate your insurance policies and meet regularly with your insurance agent so you understand your coverage, deductibles and limits.*
- *Do you have up-to-date records of your inventory, serial numbers, and photos of your operation?*





## Know Your Finances

Use this checklist to consider and plan for your business' financial needs in the event of a disruption.

Updated: \_\_\_\_\_

Next Review Date: \_\_\_\_\_

### Overall Business Needs

Have you worked with your bank to set up a line of credit for your company?

Who is responsible to activate it and who has access to it? \_\_\_\_\_

How much cash would be needed to survive a 3-day, 5-day, 10-day, or longer shutdown?

For what purpose is the cash needed? \_\_\_\_\_

Will you have that cash on hand? \_\_\_\_\_

Who would make the decision to utilize the cash? \_\_\_\_\_

Who would have access to the cash? \_\_\_\_\_

Do you have sufficient cash to pay for various additional services that might be needed, such as janitorial or security services?

Do you have a company credit card that could be used for emergency purchases?

Who is authorized to use the credit card? \_\_\_\_\_

Will you be able to pay your bills/accounts payable?

Do you have procedures in place to accommodate a business disruption? \_\_\_\_\_

Will you be able to continue to accept payments from customers/accounts receivable?

Do you have procedures in place to accommodate a business disruption? \_\_\_\_\_

Have you identified an alternate location where you can work?

### Human Resources

In the event of a widespread disaster, how will payroll be handled?

If your business is forced to shut down temporarily, will some or all employees continue to be paid?

For how long? \_\_\_\_\_

Will they be able to use their sick and/or vacation time without restriction? \_\_\_\_\_

Are there union considerations? \_\_\_\_\_

Have your employees been made aware of your policies that will be in place during a disruption? \_\_\_\_\_

If banks are closed, will your business provide payroll-cashing services?

What is your business' policy on cash advances, check cashing, and employee loans? \_\_\_\_\_

Will your employees be expected to work overtime? \_\_\_\_\_

# KNOW WHEN TO UPDATE YOUR PLAN AND WHEN TO TEST YOUR PLAN

## Maintain Your Plan:

- *Have employees also review the plan to determine if anything is out of date, changes in business priorities and responsibilities, and ensure that all contact information throughout the forms in your plan are up-to-date.*
- *Create a disaster exercise.*

# KNOW WHEN TO UPDATE YOUR PLAN AND WHEN TO TEST YOUR PLAN

## Maintain Your Plan:

### *Know Where to Go for Help and Training -*

- *DisasterAssistance.gov*
- *American Red Cross*
- *FEMA*
- *Small Business Administration*
- *Small Business Development Centers*
- *County Emergency Management Agencies*
- *Iowa Emergency Management Association*

**COMMUNICATION,  
COMMUNICATION,  
COMMUNICATION!**



# NOTIFICATION OF CUSTOMERS

- *Assure customers of the safety of their property and information.*
- *Provide a timeframe for delays, and temporary location – if needed.*
- *Provide information on any changes on how to contact you.*

# **RISK PREVENTION AND SAFETY**



**THE BEST RISK INSURANCE IS  
PREVENTION!**

# WORK ENVIRONMENT SAFETY

- *Is there asbestos?*
- *Is hazardous material stored on site?*
- *Are heavy items and shelving secured?*
- *Are there functioning smoke detectors?*
- *Is there a fire extinguisher?*
- *Is there a First Aid Kit?*
- *Is there a person or persons in your office trained in first aid and CPR?*



# WORK ENVIRONMENT SAFETY

- *Do you and your employees know where to exit the office building or where to go in an emergency?*
- *Do you have the following items in a safe room or vault?:*
  - *First aid kit, water, flashlight and batteries.*
  - *Essential documents (back-ups, tract books, insurance policy, and your server if on-site).*
  - *Wrench or pliers (to turn off utilities).*

# AUDIENCE PARTICIPATION

Q&A

Share Best Practices

Give an Example When....



# CITATIONS AND RESOURCES

FEMA: [http://www.fema.gov/media-library-data/1510690310680-1e6c4874b251c3022ac4b57b0369e2da/Inland Flooding Ready Business Toolkit Interactive Final 508.pdf](http://www.fema.gov/media-library-data/1510690310680-1e6c4874b251c3022ac4b57b0369e2da/Inland_Flooding_Ready_Business_Toolkit_Interactive_Final_508.pdf)

IBHS 5 Myths About Business Continuity Planning: <https://disastersafety.org/ibhs/top-5-myths-business-continuity-planning/>

IBHS' Free Business Continuity Toolkit: <https://disastersafety.org/ibhs-business-protection/ofb-ez-business-continuity>

Investopedia: <https://www.investopedia.com/articles/financial-theory/09/risk-management-business.asp>

24/7 Wall St.: <https://247wallst.com/special-report/2018/06/04/states-with-the-most-tornadoes/>

Wikipedia - Tornadoes in the United States: [https://en.wikipedia.org/wiki/Tornadoes\\_in\\_the\\_United\\_States](https://en.wikipedia.org/wiki/Tornadoes_in_the_United_States)

Iowa Title Guaranty Update: Marshall County Tornado

## YouTube Videos:

Business Continuity Planning: Homeland Security Business Continuity Planning Suite

Dilbert – Disaster Recovery Plan

Iowa Homeland Security & Emergency Management: Sign Up for Alert Iowa

Fire Drill - The Office US

FEMA Ad Warns You to Prep for Disaster

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