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Disaster Preparedness: How and Why to Prepare for the Worst

As the old saying goes, “an ounce of prevention is worth a pound of cure” – and in a world as unpredictable as the current global state, it may be worth even more! Supply chain disruptions and the continuing rise in natural disasters have made it more evident than ever before just how crucial being ready for any contingency is for a successful business. Developing disaster plans and keeping them up-to-date may just be key to your organization's longevity. After all, you don't just want to *survive* an incident; you want to *recover* and *thrive*!

Be Ready in Advance

Obviously, advance preparation is the core of any disaster planning; if you can avoid the problem in the first place, then recovery would be unnecessary! First and foremost in this part of the plan is having the right team built, with the ability to mobilize and begin reacting to potential issues immediately. This team should not only include a member of risk management, but representatives of the organization's legal, financial, and insurance interests as well. In addition, a public adjuster (properly licensed) can negotiate with the insurance company on a business's behalf for the best settlement possible, eliminating the complex and frustrating process of filing claims from company management.

Determining the level of insurance and having a proper policy in place before anything occurs can also help avoid headaches. Policy coverage should be reviewed at least twice annually, to ensure that things such as new equipment or lost revenue is covered adequately. Business interruption coverage and extra expense coverage are must-haves to ease the aftermath of a disaster.

Being aware of what possible disasters may occur in a facility or company's locale is another important factor in developing a robust disaster plan. Flood-prone areas, severe summer storms, even blizzards or heat waves can all come into play in such a consideration. Of course, there are some things that may not be easily predicted (such as a global pandemic) but taking into account every possibility that can be reasonably foreseen is a must.

The various impacts of the possible disasters that may befall a business should also be considered when outlining a communication plan. If power is lost or the internet becomes unavailable in a facility due to inclement weather or other damage, how will members of the team communicate? Having multiple means to reach crucial individuals is important – as is having not only a digital copy of this information, but physical as well.

The Recovery – What Happens Afterwards?

The recovery process following a disaster will largely depend on the type and severity of what occurred. If a facility is badly compromised, proper inspection and repair of any damages should occur; and even if the visible damage is minor, the soundness of the building and its contents should be carefully evaluated. Smoke and water damage may not appear severe at face value but could lead to dramatic issues later on.

Equally as important as repairing damaged equipment or facilities after a disaster is assessing the performance of your preparedness plans. What worked? What didn't? Use the real-world scenario as a chance to improve, with a goal of having a lesser impact from a subsequent event.