



Tips for Resuming Business in the Wake of a Disaster

Planning Makes the Difference

If disaster were to strike, do you wonder how long it would take for your business to return to normal?

In the wake of a disaster, resuming business quickly hinges on effective planning and training *before* the event. A return to normalcy requires collaboration among employees, suppliers, vendors, customers, insurance companies, insurance agents and brokers, government agencies and financial institutions, to name a few.

Setting priorities for critical business functions is one of the first steps in a disaster recovery planning process.

- Make sure you haven't overlooked any of the key processes, even such everyday activities as redirecting mail and telephone calls.
- Company records and computer information are critical to your company's ongoing operations. Be disciplined in the regular duplication, back-up and offsite storage of company data. In the event of a disaster, access to these records is of vital importance.
- Establish a disaster recovery team responsible for implementation of your plan.
- In planning, consider the company's immediate needs. How will you handle accounts payable/receivable, vendors, suppliers, customers and employees?
- Contact real estate brokers to identify potential temporary or permanent alternative space that meets process and utility requirements.

- Establish a secured line of credit and other sources of funding for emergency expenses.
- You might want to negotiate reciprocal agreements with competitors, vendors or suppliers for mutual assistance in the event of disaster.
- Work with your insurance agent and carriers to ensure you have adequate coverage for your building and operations. In addition, they may be able to help you develop your disaster recovery plan.
- Test your plan to make sure you have thought of every contingency.

Communication

In our world of 24-hour news, it becomes increasingly important to plan internal and external communications procedures in the event of a disaster.

- **Employees and customers.** Early messages should come from top management to provide reassurance and share restoration plans. It may be necessary to resume some operations at off-peak business hours or relocate to ensure full access to systems, telephones and other office equipment. Communication vehicles could include 1-800 numbers, your Internet home page and newspaper advertisements.
- **Suppliers and vendors.** Ask for their flexibility and understanding after a disaster occurs. They may be able to provide the company with

Communication *(continued from page 1)*

critical machinery or software, or be willing to establish alternative billing or delivery options until the business is back on its feet. If required, activate any reciprocal agreements negotiated before the event.

- **Government agencies and regulatory authorities.** Establish regular communication to obtain approvals for resuming occupancy of the building or to reconstruct the facility. It may be outside the company's control when and if employees are allowed to reenter the premises. If necessary, adjust plans until the proper clearances are in place.
- **Sources of funding.** As soon as possible, contact your company's sources of funding for restoration activities, beginning with your insurance advisor or insurance carriers for property, business income/extra expense and workers compensation information. Also call your financial institutions to activate your pre-arranged secured line of credit and access any funds set aside for emergencies.

Returning to the Site and Resuming Operation

Your first priority is protecting your employees. Once the area is stable, secure the building to limit future loss and inspect it thoroughly before anyone reenters.

- Validate the structural integrity of the building or facility by qualified professionals before employees return to the facility.
 - Employees should have access only to those areas that are well-illuminated and free of debris, water, dust or liquid spills.
 - Make sure the electrical systems, computers and computer cables and telecommunications equipment do not expose anyone to the dangers of electricity. Complete wiring inspections to ensure that all wiring and connections are not in danger due to water damage from rain or fire-fighting efforts.
 - Check water supplies for contamination. Consider that even the slightest contact with contaminated water can lead to illness.
 - If there has been water leakage such as flooding, seepage or leaking pipes, take precautions with clean-up and replacement of building materials and equipment. You may want to subcontract operations that your employees are not equipped to perform. Cookware and kitchen utensils that have come into contact with floodwater will require special treatment.
 - Investigate and ensure that the atmosphere in the workplace has been tested for asbestos or other chemical/toxic agents.
- Make sure all hazardous materials are safely contained. Using an existing inventory list will enable you to quickly account for all possible materials. Leakage of hazardous materials requires specialized clean-up and disposal, so be sure to address any situations with the proper precautions.
 - If there was a power outage during the disaster, investigate the heating, ventilation and air conditioning systems before energizing and pressurizing them. Clean, examine and test safety devices and controls on all equipment.
 - Identify current building code requirements including demolition and clean-up ordinances, fire protection and Americans with Disabilities Act requirements. Determine construction minimum standards for such things as earthquake, windstorm or flood protection and obtain necessary permits.

Establish priorities at the designated restoration site by identifying critical business applications and processes needed to stay in business. You cannot resume business without this step.

- Document all damage including estimates or prices for repair/replacement and outline what is needed to resume operations.
- Implement security procedures at the damaged facility to protect undamaged property. Ensure that access to the facility is controlled and protection systems have been reactivated.

Returning to the Site and Resuming Operations

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- The operational integrity of safety devices and controls requires testing before the equipment can be returned to working order.
- Replace all filters on equipment. Dust, debris and chemicals may clog ventilation systems.
- Use qualified professionals for the inspection of elevators and life safety systems to ensure they are functional.
- Have the fire and smoke alarms in the building cleaned and tested. Ensure that systems wired into other systems are still compatible and work properly.

The Human Element

It is important to prepare employees for unanticipated events during an emergency situation. Some suggestions:

- When a disaster happens, everyone involved feels a great deal of anxiety. If possible during restoration, schedule regular meetings with employees to communicate progress.
- Consider providing employee assistance services or engaging a crisis management firm to help employees deal with stress. Realize that everyone handles the emotional issues differently.
- Employees may be assigned different tasks, which may be difficult for them to perform. Provide appropriate training, including the proper selection and use of personal protective equipment such as eyewear, gloves and dust masks/respirators for people who are cleaning and restoring operations.
- When necessary, use the work done in the planning stages to refocus everyone's activities so they support the overall corporate objectives.

If you are looking for more information about disaster planning, we recommend that you review the FEMA website. And, if you would like to talk about disaster readiness for your business, contact your local Chubb loss control representative.

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