

# 6 Ways to Help Business Disaster Recovery



Thousands of businesses impacted by recent wildfire and hurricane disasters need assistance to reopen

We in the business community are all shocked and dismayed by 2017's long string natural disasters. Hurricanes, Harvey, Irma and Maria inundated or leveled communities in Texas, Florida and Puerto Rico. At the other extreme, wildfires in California incinerated more than 3,500 homes and structures. The loss of life saddens us as we view neighborhoods under water or leveled to ashes.

### **Business Impact**

More than homes have been lost. Texas estimates that 29% of its nearly 5 million businesses were impacted by Hurricane Harvey. Likewise, the California wine industry has been impacted indefinitely, possibly facing a 3 to 5-year shortage of grapes.

For many business owners, damage to their locations was just the beginning. Some lost inventory and records costing them future sales. Employees dealing with family emergencies or damage to their homes were unavailable to work. Companies that couldn't operate were losing revenue and profits every day.

"I lost everything in there: titles to vehicles, keys, paperwork, computers." Business owner hit by Hurricane Harvey

The total economic impact from this year's natural disasters is projected to exceed \$200 billion. This includes property damage, lost jobs and tax revenue, as well as lost business revenue.

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#### Small Businesses Hard Hit

According to a 2015 Business Insider infographic, 1 in 3 business owners said they have been personally affected by a storm or extreme weather. And, the average small businesses' loss after closing due to a major storm is \$3,000 per day.

Business losses resulting from natural disasters come from several directions and include:

- Lost or delayed sales and income
- Customer dissatisfaction •
- Increased expenses •
- Contractual penalties
- Regulatory fines
- Replacement of lost staff

A widespread, business crippling problem in the wake of a major storm is the loss of electrical power. Sadly, in the event of a power outage, 71% of small business owners lack a back-up generator.

Tragically, one in four small and medium-sized businesses hit by a major storm do not reopen. With computers and customer data incinerated or flood damaged beyond repair, business owners often can't get the business operating again quickly enough to survive.

### Many Unprepared

To prepare for future disasters, business leaders should conduct a disaster impact analysis to develop recovery strategies. Sadly, only 43% of small businesses have a disaster recovery plan. Many have insurance to pay for property damage but the process is usually too slow to get a business operating again in time to recover successfully.









Backing up documents and records is an essential component of a disaster recovery plan. Fortunately, 94% of small businesses back up critical financial data to prepare for an emergency. However, only 4 in 10 of those businesses keep the data off-site, vital to recovering from catastrophic damage.

## How to Help with Business Disaster Recovery

Consequently, thousands of businesses affected by 2017's natural disasters will not recover. As a business owner yourself or civic-minded individual, you may want to know how you can help with business disaster recovery efforts to improve the odds for those who are less fortunate.

Here are 6 ways to aid business disaster recovery:

- 1. **Supply physical labor** Show up with tools and energy to help flooded businesses clean up or firedestroyed businesses rebuild. Unless you know the affected business owner, coordinate with a relief organization to find out who to help.
- 2. Provide economic assistance Contribute to GoFundMe accounts to help individual businesses, or to community-based organizations, such as the Napa Valley Community Disaster Relief Fund to support hardhit communities.
- 3. Donate technology and expertise Used computer equipment can get a business going again. Owners will need help installing and setting up an improvised network.



- 4. Share resources You may have spare server capacity or a generator that can get business technology running again quickly until power is restored and claims are paid.
- 5. **Support the local economy** Business owners have a better chance of recovering successfully with outside assistance. Provide support by encouraging travel to affected areas. You can also refer customers and offer discounts to distressed businesses.
- 6. Work through professional associations Industry organizations often provide assistance to their members. Contact your association to see what you can do.

In addition, online resources such as the U.S. Chamber Disaster Help Desk coordinate volunteer assistance. Contact the Disaster Help Desk for Business if your company wants to contribute to disaster response efforts and/or connect with chambers or businesses in an impact area to provide support.

Be sure to work with legitimate relief organizations. Several websites and guides help with vetting local charities and relief groups.











## Business Disaster Recovery Planning

With one in three small businesses affected by extreme weather (prior to 2017), disaster recovery or business continuity planning, cannot be ignored. Failure to develop an appropriate plan and implement solutions could risk your business.

A competent IT professional will help you create a disaster recovery plan and provide a variety of options including cloud storage and backup for an effective and affordable disaster recovery solution.











