

Disaster planning doesn't end with COVID-19—let the SBA help you stay prepared

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COVID-19 changed the way we do business, but there's one thing that didn't change—the need for cohesive small business disaster plans. As we dive into spring, traditional weather threats are obvious. Not so obvious are threats from civil unrest or cyber security.

The [U.S. Small Business Administration \(SBA\)](#) is here to help. To date during the COVID-19 pandemic the SBA approved 3.77 million Economic Injury Disaster Loans (EIDL) and 3.99 million Paycheck Protection Program (PPP) loans giving American small businesses access to over \$420 billion to keep their dreams alive ([SBA COVID Relief Program Report 04/01/2021; Paycheck Protection Program Weekly Reports 2021 \(sba.gov\)](#)).

Regardless of where a disaster comes from, there are five words you need to remember—prior planning prevents poor performance. Here are some tips to get you started.

1. **Check your insurance.** Not all insurance policies cover every type of disaster. Know what your business insurance protects against – and expand your coverage if necessary.
2. **Know your risks.** What are the most serious threats to your business? What will their impact be? Create a list. Review your county's hazard analysis and mitigation plans. It will provide clues to what has happened in the past so you can be prepared for the future.
3. **Know your operations.** Identify business functions and processes that are vital to your survival. Write them down then document procedures for workarounds and/or manual processes. Identify who can do what in cases of emergency and develop a training plan to cross train your team.
4. **Know your employees.** Your employees are the number one asset of your company. Their safety is key. Make sure you can keep in touch with them no matter what. Create a contact tree and keep it up to date. Print a hard copy in case internet goes down. Designate a phone number and/or intranet site where employees can get status updates and leave messages.
5. **Know your equipment.** What do you have, where is it located, and can it be moved to a safe place? If not, where can you outsource production? Take pictures. Inventory all equipment and review every six months. Keep hard copies of all equipment invoices, sales receipts, maintenance records, warranties, and user manuals. Bundle these with those pictures and keep them in a safe, dry place you can access any time.
6. **Know your key customers, contacts, suppliers, and vendors.** Like your employees, these folks are vital to continued operations. Know how to contact them in case of emergency and share contingency plans.
7. **Know your Information Technology.** Develop a severe weather plan to protect your equipment. Use the 3-2-1 backup rule. Save 3 copies of your data to 2 types of media and keep 1 backup at an offsite location. As with your other equipment, take pictures, keep invoices, sales receipts, maintenance records, warranties, and user manuals and keep it in a safe off-site location. Create a separate inventory list of everything you would need to purchase or lease to perform critical business functions. Know who to contact and where to get it during a crisis.

8. **Know your finances.** Replenish or re-start your emergency reserve fund. Build reserves with the goal of being able to cover costs for at least one year. Consider getting a business credit card or establishing a line of credit. Create a must be paid list of folks who won't be lenient when their bill is due. Review insurance to make sure it will adequately cover costs and production processes.
9. **Create a plan, write it down and test it.** Your disaster plan should look a lot like your regular business plan and include sections covering operations, finances, and communications. Need help? Contact an [SBA resource partner](#) for advice. Once your plan is in place, contact your county's Emergency Management team. Ask to be a part of their next community disaster readiness exercise.
10. **When disaster strikes, know where to go for help.** Become engaged with your community. Get to know your county's emergency management team, local elected officials, police, and fire. Become involved with your local chamber and other small business and/or community organizations. Above all, reach out to the SBA and our partners for help. We're in this together, so let us help you keep your small business growing strong.

Since 1953 the U.S. Small Business Administration has made the American dream of business ownership a reality. As the only go-to resource and voice for small businesses backed by the strength of the federal government, the SBA empowers entrepreneurs and small business owners with the resources and support they need to start, grow, or expand their businesses, or recover from a declared disaster. It delivers services through an extensive network of SBA field offices and partnerships with public and private organizations. To learn more, visit www.sba.gov.

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Stacey Poynter is the Acting Great Lakes Regional Administrator for the U.S. Small Business Administration (SBA) and Indiana District Director. He oversees SBA operations in six states which includes Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin. As Indiana District Director, he is responsible for the delivery of all SBA programs and services throughout the state. These programs include access to capital, business counseling guidance, and government contracting assistance. Poynter oversees coordination of services between the district office staff, other federal agencies, over 130 lending institutions, and state and local resource partners including the Indiana Small Business Development Centers, SCORE chapters, and Women Business Centers. Prior to coming to the SBA, Poynter worked for over 15 years in financial services management and sales with an emphasis on consumer and commercial lending. An Indiana native, Poynter grew up in Columbus. He graduated from Purdue University in West Lafayette with a degree in Management.