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An aerial photo of Santa Rosa following the wildfire, taken Oct. 12, 2017.

THE POWER IS IN THE PLAN

The time to get ready for an emergency is before one is on top of you

BY **STEVEN YODER**

Business owners in north Santa Rosa may have anticipated earthquakes and flooding, but they couldn't have imagined that a wildfire would reach their doors.

Urban boundaries are rarely breached by wildfires, but in early October of 2017 that's exactly what happened there. So strong were the winds when the flames hit city limits that the blaze jumped from trees to buildings and continued to spread.

There's no way for owners to predict the next cataclysm, but there's a way to mitigate the damage. By the time a catastrophe is approaching it's usually too late to prepare, say experts. At least a quarter of firms that close after a disaster never re-open, according to the Institute for Business & Home Safety. That's why they say that imminent or not, the time is now to gird for



Downed utility poles in front of Quest Technology in January 2010.

PHOTO: MARK HENRY, COURTESY OF QUEST TECHNOLOGY MANAGEMENT

that most ineffable of all insurance phrases: an Act of God.

THE ELEMENTS OF PREPAREDNESS

Three-quarters of small businesses have no disaster plan, according to a 2015 survey by Nationwide Insurance. It's easy to understand why — most owners think they have more immediate problems. "It comes down to comfort with financial risk," says Tim Burke, president and CEO of Quest Technology Management in Roseville, which provides disaster recovery and continuity planning services to businesses. "For some, it's just overhead. Money's tight, so some people say 'I'm going to roll the dice.' Companies roll the dice all the time in business."

Businesses that fail after a disaster usually aren't undone by the destruction of physical infrastructure. Rather, it's the lack of intellectual infrastructure that takes them down. "It's as simple as not having the records you need to function," says Mike Dever, an emergency management consultant who was previously an administrator of Santa Cruz County's Office of Emergency

Services. "You can rebuild physically. But if you don't have the documents, you're in trouble," he says.

That means emergency preparedness is as important as insurance — earthquake and flood coverage can reimburse for damages but won't get a business back up and running. And insurance costs and emergency planning intersect, since a business's rates may go down if it has an emergency management plan in place, says Dever.

Nora O'Brien, an emergency management and business continuity expert, knows what it's like to act fast during a calamity. During the 2007 California wildfires, she helped evacuate roughly 1 million people in 24 hours from community health clinics as part of her job directing emergency management for the California Primary Care Association.

She says how-to manuals on disaster planning may be long, but can be distilled down to three main components.

First, assess: What are your real or potential risks? In Sacramento, your "hazard vulnerability analysis" won't include an erupting volcano. But flooding, an

active-shooter situation, or a data breach all should be included, she says.

Second, strategize: How will you reopen? What's the likely impact of a catastrophe on your supply chain, staffing, data accessibility, and physical facilities? How soon do you have to be operational to avoid losing customers? All of those go into your continuity plan — which gets you ready to move to another building, identify alternative vendors and assign staff responsibilities, O'Brien says. Adds Dever, "The whole game is how fast can you get back to normal operations. The continuity plan is what actually gives you the ability to recover."

Third, test: A plan is only as good as your team's ability to implement it. Testing can be either a full training — involving physically going through the steps — or a tabletop exercise in which participants are quizzed on what to do in various disaster-related situations. Training also lets you update your plan, which should happen at least once a year, O'Brien says.

Those plans don't have to be elaborate or time-consuming. "It's better to have some kind of plan than none," says Dever.

And they have bottom-line benefits beyond lower insurance rates: They're a way for businesses to assess their procedures, says Lisanne Sison, director of risk management consulting, of the Sacramento office of Bickmore, a risk consulting firm.

HOW MUCH DOWNTIME CAN YOU AFFORD?

On a Wednesday morning in January 2010, Burke's employees were at Quest Technology Management's headquarters (which at the time were in Sacramento) when high winds ripped down eight utility poles in front of the building. The office went dark, and the road was blocked by hot wires.

For the team, it was time to put their disaster plan into action. The generator and backup batteries kicked on, and the computers and phones came back. The staff remained trapped until 4:30 p.m. Once evacuated, some moved to Quest's business recovery center and others telecommuted. Staff wouldn't return to the office for

a week. But the company's total downtime was a mere 15 minutes.

Different types of businesses require different types of disaster plans. Some businesses — say, a restaurant or jewelry store — can be down for a few days and not risk shutting down. That's not true of a bank, whose customers won't tolerate a closure. Quest clients can actually rent desk space at one of the firm's recovery centers in McClellan and Roseville. In an emergency, critical employees physically move to the backup center. "Businesses need to ask themselves, 'Do we care? Can we do without our systems for a few days or two weeks? Can we not contact our customers for two weeks?'" says Burke.

Data backup holds particular peril. It's obviously critical to backup offsite — out of your geographic area or to the cloud. But a step many businesses forget is to regularly test-restore at least a sample of files from the backup, says Matthew Brooks of Sonoma Technology Partners

in Santa Rosa, which provides disaster and business continuity planning. (The company had clients in the path of the wildfires but none who lost buildings.) He once worked with an organization whose leaders thought they were doing backups nightly, but someone had forgotten to designate data folders for the backup — for a year. The company averted calamity only because no servers crashed.

Brooks says the Tubbs Fire swept into Santa Rosa in the early hours on a Monday morning when most offices were empty. Businesses that had disaster plans for moving to an alternate location are now up and running. Many of those that didn't are closed and will never reopen. "That's the power of disaster planning," he says. ■

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Steven Yoder writes about business, real estate and criminal justice. His work has appeared in The Fiscal Times, Salon, The American Prospect and elsewhere. On Twitter @syodertweet and at stevenyoder.net.



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