



Overview

To ensure for Alabama's continued economic viability the state is launching a program to encourage small to mid-sized businesses to have an all-purpose disaster plan that will help to enable businesses to return to operation after a disaster.

The State of Alabama recognizes that the foundation of a strong homeland security program is premised on the involvement of our citizens working within their community and supported by state agencies and federal partners.¹ Be Ready Business will be one of the citizen preparedness initiatives part of Ready Alabama and will utilize partnerships with state and local government, voluntary organizations, and the business community.

Risk

A disaster is a sudden unplanned event that creates an inability for an organization to provide critical business functions for an undetermined period of time resulting in great damage or loss to that organization.

Alabama's business community is vulnerable to a number of natural disasters, including large scale disasters such as hurricanes. According to FEMA statistics between the years 1955—2007 Alabama averaged over one major disaster a year and ranks seventh in the nation in the number of major disasters with 46.² Of the top-ten costliest disasters in United States history eight were hurricanes and four affected the Gulf Coast.³ In addition to major disasters, Alabama's businesses are vulnerable to any number of local natural or man-made events that cause a business to cease to function. In 2008 Alabama has more than doubled the yearly average for tornadoes and may exceed the greatest total for one year.⁴

The ability of businesses to continue operations after a disaster is critical to the recovery of a community and the state. In Alabama, firms with fewer than 500 employees account for 50.2 percent of the state's non-farm private sector workforce.⁵ Getting those businesses back into operation quickly is critical to the overall recovery effort not only to make payroll but also to provide much needed services to their community after a disaster.

An estimated 25 percent of businesses do not reopen following a major disaster.⁶ A report by the

¹ Alabama Department of Homeland Security, *State of Alabama Preparedness Report*, March 31, 2008, Montgomery, Alabama, 2-3.

² Federal Emergency Management Agency, *Disaster Statistics*, 2007.

³ Insurance Information Institute, *Hot Topics*, August, 2007.

⁴ Based on the average of 23 and the greatest of 55 from National Climatic Data Center, *Storm Data*.

⁵ Small Business Administration, Office of Advocacy, *Small Business Profile: Alabama*, 2006.

⁶ The Institute for Business & Home Safety, *Open for Business*.

U.S. Congress following Hurricanes Katrina and Rita found that by 2007 43 percent of businesses had not reopened in the affected areas.⁷ The ability of a business to recover quickly is also important as 80 percent of businesses that do not recover from a disaster within one year are likely to go out of business.⁸

Be Ready Business

Recognizing the risk to small and mid-sized businesses in Alabama and the importance to the community and the state for businesses to return to operations as soon as possible Alabama has incorporated a business preparedness initiative into its statewide preparedness campaign, Be Ready Business.

Be Ready Business has two key components; outreach and planning.

Be Ready Business will be incorporated into the Ready Alabama preparedness initiative that is supported by a public outreach campaign, this includes PSAs, billboards, movie ads, numerous public events, and a website (www.readyalabama.org). Be Ready Business has statewide support from the Alabama Department of Homeland Security, Alabama EMA, Alabama Governor's Office of Faith-Based and Community Initiatives and the Business Council of Alabama. Be Ready Business will also work with Citizen Corps Councils to incorporate the program into local preparedness efforts and continue to work with VOADs and local chambers of commerce on promoting business preparedness.

To assist businesses in creating an all-purpose disaster plan Be Ready Business created a template with no-cost and low-cost steps for businesses to follow. The template includes mitigation strategies a business can take such as securing valuable equipment and technology, creating a communication plan, and assuring that their employees have a plan for their family. The template also includes a Continuity of Operations Plan for business to help return to operations after a disaster with suggestions such as offsite records for payroll and billing, plan to keep operations going by telecommuting and flexible work hours, and disaster training. A digital copy of the template is available the Be Ready Business website (www.readyalabama.org/business.htm).

Conclusion

Be Ready Business is an important program in the Ready Alabama portfolio of citizen preparedness efforts which works towards fostering better citizen preparedness and increasing community involvement in emergency planning, response and recovery. Ready Alabama finds its success only in the partnership and participation of the community with federal, state, and local governments.

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⁷ U.S. Congress, House Committee on Small Business and Entrepreneurship, *Gulf Coast Back to Business Act of 2007*, 110th Congress, 1st Session, 2007.

⁸ Bernstein Crisis Management, 1998.