

# ENGAGING THE BUSINESS COMMUNITY IN DISASTER PREPAREDNESS

**Small businesses are unlikely to have a business continuity plan – does your economic development organization have one?**

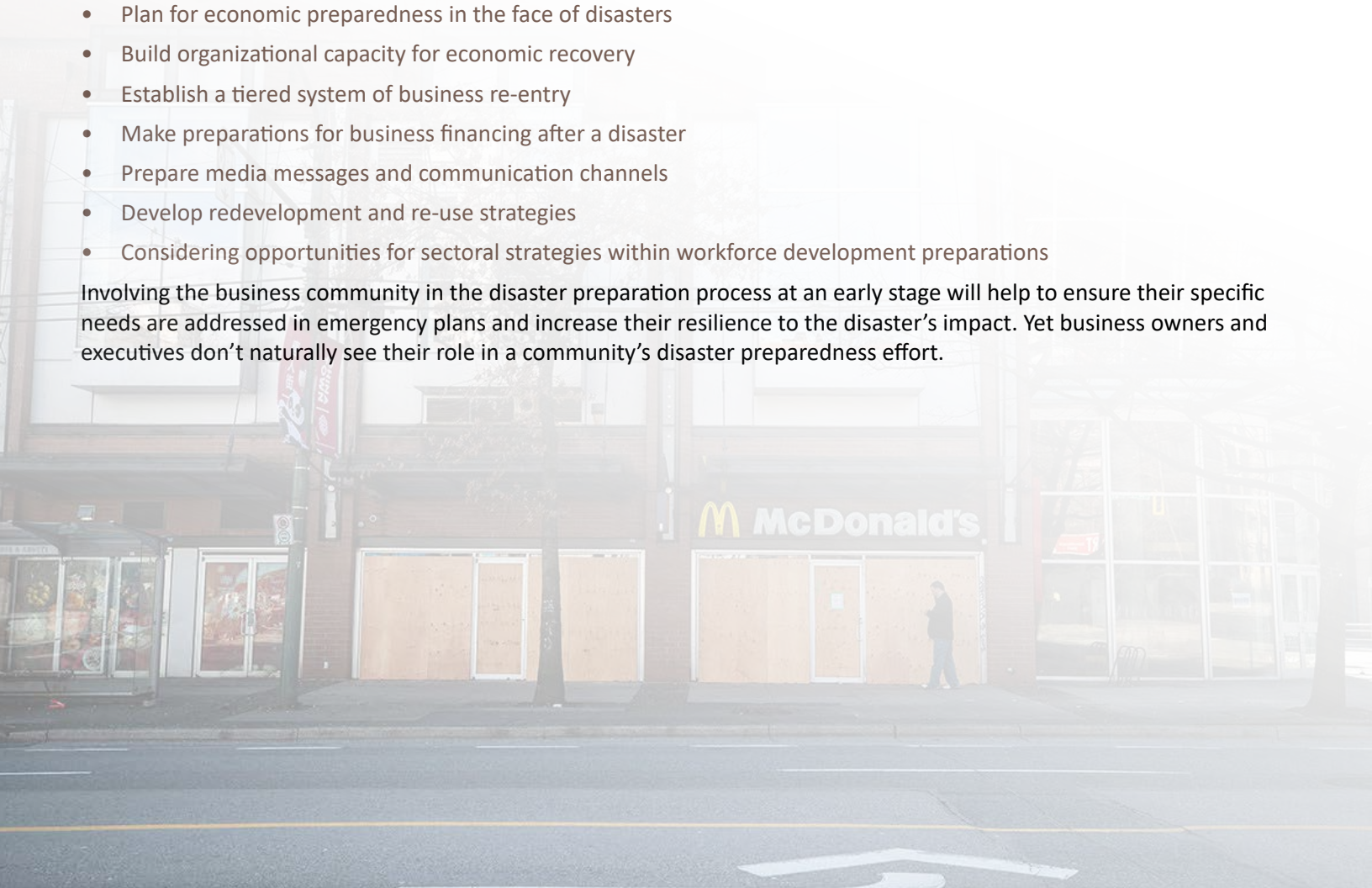
When a major disaster strikes, communication channels are commonly disrupted at a time when the community needs them most. Economic developers should prepare to have several different ways of contacting local businesses. Disasters can disrupt power sources, which means that internet and email are inaccessible. Cell phones can also be down for a period of time, but their text functions may still work in an emergency situation. Therefore, make sure to collect the cell phone numbers, or other alternative contact information, of key executives in the business community ahead of time. Having the contact information available before a disaster happens will be it easier to engage with your businesses during and after a disaster.

Economic development organizations have the unique ability to coordinate involvement and leverage resources from the business community after a disaster. They can take a leadership role in facilitating job recovery and stabilizing the community's economic base.

To facilitate this role, there are a series of preparedness activities that should be conducting, such as:

- Engage and educate the business community in disaster preparation
- Plan for economic preparedness in the face of disasters
- Build organizational capacity for economic recovery
- Establish a tiered system of business re-entry
- Make preparations for business financing after a disaster
- Prepare media messages and communication channels
- Develop redevelopment and re-use strategies
- Considering opportunities for sectoral strategies within workforce development preparations

Involving the business community in the disaster preparation process at an early stage will help to ensure their specific needs are addressed in emergency plans and increase their resilience to the disaster's impact. Yet business owners and executives don't naturally see their role in a community's disaster preparedness effort.





The following are practical suggestions to effectively engage local business representatives in activities that not only will protect their business assets but also expedite the recovery of the local economy in the event of a major catastrophe.

## CREATE AN ECONOMIC RESPONSE/RECOVERY TEAM

Economic development plays a critical role in engaging business leaders in disaster preparedness efforts, particularly those businesses that may have important resources for response and recovery. **It is recommended that an Economic Recovery Team be formed ahead of a disaster** to specifically address the post-disaster economic recovery issues that a community may face. The team would review the community's emergency response plan to evaluate how the business community and local economy might be impacted by decisions laid out in the plan. This economic recovery team would also play a role in working with emergency management personnel to influence a tiered system of re-entry for critical businesses that need early access back in the community following a disaster.

## IDENTIFY COMMUNITY STAKEHOLDERS FOR RECOVERY TEAM

A mix of strategic representatives from both the private and public sectors should be invited to participate in the economic recovery team. Otherwise, decision-making on economic recovery topics is left to non-business, and potentially inexperienced, individuals. Even a well-intentioned public official may not understand the scope of economic impacts with the seemingly simple decision of closing a few streets. That one decision can slow recovery, force businesses to relocate or close, and drive residents and customers away – thereby affecting the available workforce and economy.

Team members should involve the following groups of stakeholders:

- Economic development stakeholders (representative from economic development organization, chamber of commerce, small business and workforce development organizations, business or trade association, business district, etc.)
- Public and elected officials (emergency management and public safety personnel; council members, etc.)
- Significant representation from the business community

Private and public sector involvement on this team will ensure that communication flows between these two groups to reveal any potential conflicts and/or duplication of effort in the recovery process. The public sector is better informed of their decisions that could delay the recovery effort and is informed of the private sector's priorities for re-investment and redevelopment. Trust is built as these stakeholders cooperate in the pre-planning phase so that these relationships can be relied on when the disaster strikes, and there is need for an expedited decision-making process.

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The team should select the appropriate leader who has an articulated position of authority to provide proper support to the team; someone who understands the needs of the private sector and can facilitate participation from all representatives. His or her role will be to establish agendas, facilitate discussion and information exchange within the team, delegate tasks and follow-up, and evaluate group objectives and outcomes.

## ECONOMIC RESPONSE/RECOVERY TEAM INITIATIVES

The following are practical suggestions to effectively engage with your Economic Response/Recovery Team. These activities will help you to engage with your businesses, protect business assets and also expedite the recovery of the local economy in the event of a major catastrophe.

### Review Comprehensive Emergency Management Plans

The economic recovery team's first initiative should be reviewing the community's existing emergency management and mitigation plans with a focus on the plans' impact on the business community and the local economy. Most emergency management plans are primarily concerned with health and public safety issues and may overlook the economic recovery aspect. These plans discuss business re-entry, access to property, and other issues that impact local businesses' ability to respond and recover.

The team should consider reviewing other plans that are also relevant to disaster recovery, such as the:

- Economic development component of a comprehensive plan
- Economic development strategic plan
- Community economic development strategy
- Capital improvement plan

Economic development can play a critical role in engaging business leaders in disaster preparedness efforts, particularly those businesses that may have important resources for response and recovery.

### Discuss Roles and Responsibilities for Economic Development Organization Post-Disaster

The role of the economic development organization will vary based on the economic development structure of your community. Each organization has its own network of community and business stakeholders that should be engaged for information dissemination purposes. The team's role can be to help identify and secure the network. There should also be clear identification of the economic development organization's role and responsibility post-disaster.







## Business Continuity Planning Training

Economic development should take a key role in ensuring the community has training in place for business continuity for the local business community. Small- and medium-sized businesses have strong roots in the local economy and are often more vulnerable to disasters than large businesses. Most experts agree that one in four small businesses are expected to experience a disruptive disaster in the near future – regardless of their location. Approximately 60 percent of those small businesses do not have even a basic emergency response plan and a 2017 study by Touche Ross states **that less than 10 percent of companies survive a major disaster when they have no disaster recovery plan in place.**

Since small business owners are busy and may not feel they have the time or resources to prepare a plan, the recovery team can help. They can first ensure the community has available resources and training for local businesses to develop their business continuity plans. In addition, they can identify how to disseminate important disaster-related information such as business continuity efforts as well as the need for obtaining business interruption insurance.

## Local Business Emergency Contact Information Database

Economic development should have several different ways of contacting local businesses in the event of a major disaster – particularly when the incident causes widespread damage to power and transportation systems. As discussed above, cell phone numbers should be collected so that text messages can be sent in a blast format to business owners. They will need access to critical and reliable sources of information such as when the power restoration, the location of critical supplies such as generators, gas, water, etc., and where they can access business recovery resources.

Immediate outreach to business owners within your network will demonstrate that you are concerned for their personal welfare as well as their business concerns. Through a text blast, the economic development organization with assistance from the Economic Response Team as needed can inform the business community of important recovery services and initiatives that they should be involved in.

## Establish a Business Re-entry Program Following an Evacuation

After a disaster, business owners may be restricted from returning to their property depending on the nature and scale of the incident. In the process, these businesses may lose their inventory (if perishable), employees, and their customer base. The closures also mean decreased employment opportunities for local residents and a significant decline in the tax revenue base.

To respond to this issue, in partnership with your emergency management personnel the Economic Response Team should develop a tiered system of community re-entry following a wide-scale evacuation. The purpose of this tiered system is to allow for the safe, orderly return of community members, such as emergency responders, critical service providers, relief workers, businesses and citizens and to facilitate a timely response to the disaster.

Establishing a tiered system of business re-entry to facilitate priority businesses gaining early access to their facilities can essentially work as a credentialing program as ID cards or passes are issued for individuals and businesses. Local law enforcement is trained to recognize these cards/passes and allow access when the appropriate “tier” is activated. These passes don’t guarantee re-entry, but they can be used by law enforcement officials to expedite the return of critical personnel.

A tiered re-entry system will facilitate timely re-entry of critical businesses to assist in the community's recovery effort. Without a re-entry plan, the local economic recovery engine will be severely hampered at a time when the community needs this engine to be available. Preparing a tiered re-entry system also assists community stakeholders in administering recovery efforts in a more timely and organized manner.

#### Identify Location for a Business Recovery Centre

Within the first or second week following a disaster, a community should establish a business recovery centre (BRC) to meet pressing needs in the business community. A BRC serves as a one-stop shop to provide local, provincial, and federal resources to businesses after a catastrophic event. The BRC can play a crucial role in getting local companies the assistance needed to re-open and/or stay open as well as carry out a number of communications and outreach strategies. Services not tailored to businesses or the owner's needs should be separated from a BRC.

The economic development organization, together with the Economic Response Team, should develop a plan for establishing business recovery to outline the proposed location, services, and economic recovery partners that will serve the center. These centers can be located in a local business' conference space, a vacant retail space in a mall or downtown location, vacant space in a business or industrial park, or trailer. They often need to be centrally located for those businesses most impacted by the event. Typical partners to have representatives at the centre are usually business assistance providers. The plan for a business recovery centre should be shared with all other economic recovery stakeholders and partners.

#### Your Financial Partners for Business Recovery

Before a disaster, local banks and other financial institution should be invited to the table to discuss how they can make business loans available to disaster-impacted businesses for recovery purposes. Although federal grants and disaster recovery loans are important resources, these resources take time to be distributed and come with a unique set of federal requirements.





### Local Government Business Preparedness

Communities are often unprepared for the chaos that is likely to emerge after a disaster strikes, and have difficulty planning for long-term economic recovery when there are pressing humanitarian, cleanup and rebuilding needs to address. A community engaging in difficult conversations regarding redevelopment choices before a major disaster strikes can help the community avoid dissatisfaction in an already challenging situation afterwards. Through the Economic Response Team the community and business stakeholders should be engaged in a process to discuss sensitive topics such as land use, property re-use, and redevelopment priorities, particularly in environmentally sensitive areas.

The community should hold discussions around improving building codes and using improved building materials to build more resilient communities. Community and business leaders should consider both disaster resiliency as well as energy efficiency in these conversations. Improved building codes are likely to increase the cost of construction, which can meet with some resistance from the business community. Conversations with local government need to include discussions on changes to bylaws, expedited processing permits and deferral options.

**Communicating with your local businesses pre- and post-disaster is key to recovery.**

### Communications Before a Disaster

Communication is always compromised in a post-disaster situation. Local channels of communication are disrupted due to a breakdown of both physical and social infrastructure (telecommunications and power outages, displaced residents and employers, transportation blockades, etc.). There is confusion regarding where local businesses can access accurate information to assist in their business recovery operations and to get access to additional business recovery resources.

The Economic Response Team needs to **appoint a lead individual who will be responsible for all communications as it relates to businesses and economic recovery**. This individual has two important roles in communicating with businesses in a post-disaster situation. The first is listening to businesses to understand their needs. The second is quickly disseminating relevant information to businesses regarding available resources and service providers who can help with cleanup, financing, and rebuilding efforts. In a post-disaster response environment, communication to businesses should be frequent, consistent, and provide useful information to help businesses and other economic recovery stakeholders to rebuild.