



# PRE-DISASTER PLANNING GUIDE

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WATER DAMAGE TEXAS







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This document is an introduction to Disaster Planning and Restoration. If you are currently experiencing an emergency, call 888 876 3710 for assistance.

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# INTRODUCTION

## **Disasters happen,".... and when they happen, people and property are at high risk.**

Many of the losses incurred by staff, physical structures, and belongings can be prevented with adequate planning. In the event of a disaster, putting together a disaster plan and implementing the appropriate precautions can help to limit the damage. Given the unpredictability of natural disasters, prevention helps a great deal toward saving lives, preserving buildings, and recouping billions of dollars in restoration costs. There's no denying that proper planning can save both lives and assets.

## **The philosophy of disaster planning is based on two common denominators. They include;**

1. Nobody expected it to happen to them or imagined it happening to them.
2. Those who prepared ahead of time were rewarded abundantly.

In what way? By preserving life, property, and, in most cases, their businesses. Recognizing and using your degree of experience is empirical to the overall effectiveness of a continuity program. That said, the purpose of this manual is to lay down some basic guidelines. This guide aims to briefly overview some of the fundamental challenges connected with business continuity planning. The content assumes that all readers have a general understanding of continuity and contingency planning and some basic technological skills. Although we will address specific processes in the following text, the materials covered in this guide will be generic.



## GOALS

### **Here is a list of some of the goals of a business contingency and continuity plan:**

- First, ensure the safety of your staff before, during, and at the end of an event.
- Reduce business interruptions.
- Reduce the magnitude of the interruption.
- Create alternate methods of operation.
- Restart critical operations within a defined time frame.
- Restore services as soon as possible.
- Assure clients you care about their interests.
- Maintain a positive perception of the company.
- Minimize the amount of money lost.
- Train and educate personnel with emergency operations.
- Create a sense of awareness.



# PRE-DISASTER PLANNING



## Planning For the Worst Is the Best for Your Business

### Executive Support

The first step in creating a viable disaster plan is gaining executive support. Without such assistance, the resources required to complete the whole mission may never be provided. Additionally, when presenting the idea to top management, be ready to outline the program's objectives while also detailing the associated budget. It is also vital to note the consequences of not having a plan in place.

### Planning Committee and Their Obligations

The committee should be in charge of the development and execution of the plan. Therefore, committee members must reflect on a comprehensive approach that includes input from all departments, from the plan's inception to implementation, to ensure proper passing of information. Only with this can the establishment and implementation of the program be successful.

### Committee Chairperson

Other companies use title designations, such as Recovery Coordinator, Risk Manager, Business Continuity Planner (BCP), etc. Still, this professional is accountable for the overall harmonization of a recovery project or claim, irrespective of title. For example, a risk manager gets frequently assigned to organize insurance coverage in large organizations and establish a connection between the insurance company and the disaster victim. As the major player in the recovery process, the individual to this duty must have the authority and capacity to decide emergency choices and assemble services as required.

### Executive in Charge

The executive in charge is ultimately responsible for the entire company and will be in charge of completing (signing) any paperwork required to speed up the recovery process. Therefore, the delegation of competent credentials from this executive to the BCP is a vital component of a well-designed recovery plan.

### Adjuster

The insurance adjuster is obliged to defend the insurer's interest because they manage the resources of third-party organizations. Most claims employees want to help in any way to make the claims process run smoothly and efficiently. The demands of the customer and the insurer do not have to be adversarial in a professional partnership. It is essential to constantly pursue the insurer's involvement and their authorized claims agent when developing the plan to assure communication.

### Agent/Broker

Adding to administering the insurance policy, your agent or broker will help with the claims reporting procedure. They also should serve as a point of contact for the disaster victim, insurance companies, and other representatives. These experts have a lot of knowledge in this field. They may be a great help when putting together a team of different vendors, such as restoration services, salvage agents, temporary equipment, and other similar services. When there are disagreements between the insured and the insurer, the broker will advocate for the disaster victim.

### Property Owner

When it comes to tenant/building owner concerns, consult the property owner in the planning process to ensure authority if and when a disaster strikes. Any decision involving structure-related issues would necessitate their participation in the recovery phase, emphasizing the importance of proactive inclusion.



# PRE-DISASTER PLANNING

## Department Leaders/Delegates

To conduct a Risk Analysis, representatives from operations, integrated systems, support, records management, accounting, communications, warehouse and distribution, personnel, and any other relevant departments must take part and submit the required information. In addition, they must assess their role within the business and evaluate the probable consequences of any potential crisis.

## Purchasing

Aside from the need for raw material and stock replacement, there is also the very viable choice of temporarily or permanently outsourcing production or services. Instead of seeking to get "disaster recovery" vendor services during a catastrophic occurrence, the procurement process should account for such situations and seek these services proactively during normal business operations.

## Review Insurance Policy

Before filing an insurance claim:

1. Identify potential issues.
2. Review your insurance thoroughly to avoid the unpleasant surprises that often occur in the aftermath of a disaster.
3. Pay close attention to clauses, exclusions, values, and limits, as well as business interruption, depreciation, and other related issues.

You must complete this stage with the help of your agent or broker. However, if you do not have one yet, look no further than Commercial Water Damage Texas.

## Regulating Authorities

Following a devastating incident such as a flood, fire, or hurricane, it is likely that one or more government entities are going to take part in the emergency response. Therefore, your strategy should consider how these government entities might impact your company's recovery.

In the event of a fire, you must be "on the same page" with the local fire service. They'll want to know if you have an evacuation plan in place and if your staff is acquainted with the emergency exits and rally point. Make sure to display the appropriate signs in your facility to alert emergency responders to the potential risks and hazards that await them inside. Proactive conversations with fire department personnel can not only assist you in assembling your strategy. Still, they will equally provide an outlet of communication to those authorities, which may increase cooperation while also helping them understand your objectives.

Each municipality, county, state, and region may have a role to play in the recovery process. Since this differs significantly by region, it is the committee chairperson's or their delegate's responsibility to examine the policy within their district. Without accurate identification or credentials, gaining access to your facilities might be extremely difficult. By taking these actions ahead of time, you may be able to speed up your rehabilitation by establishing a professional yet personal relationship with these agencies.

Suppose you're dealing with a municipality or city. In that case, you need to know whether the primary point of contact is the mayor's office, the fire marshal, the police department, or another emergency agency. Will the sheriff's department or other civil defense organizations be called in if the damage is broad enough? The governor, the Department of Public Service, and even the National Guard should play a role when the region grows to the state level.

Federal government agencies, like the Federal Emergency Management Agency (FEMA), are likely to be in charge of severely damaged areas. The Federal Bureau of Investigation (FBI) and its special branch, the Bureau of Alcohol, Tobacco, and Firearms (ATF), will be the controlling authority where incident results from suspected illegal activity such as explosives or arson.





### Capital Asset Inventory

In an ideal world, you already have access to a list that describes each inventory and piece of equipment in detail. In reality, such an inventory is more likely to be constructed. When putting together the inventory, the item should get recognized by manufacturer, type, age, original cost, including freight, peripherals, installation, and modifications. A formal list and appraisal do not require the use of a third-party provider; they can be completed using internal resources. Items purchased as general expenses rather than capitalized or whose valuation is depreciated and is no longer on the ledger are frequently removed from these inventories. However, organizations and claims still value these items. Thus, they should get included in the inventory process. The inventory should be updated regularly (at least once a year) and documented on film or videotape. All inventory data should be duplicated, and the second set stored off-campus in a fire-resistant facility.

### Vital Records

Again, in an ideal world, all essential data and documents would be copied, and carefully stored offsite, and computer information would be "backed up" daily. But, unfortunately, records are kept on-site and exposed to risk, whereas computer files can take several weeks to be stored carefully and properly.

If the information on these documents is required to be replicated without an appraisal, ledger, or inventory, problems can arise. In general, records managers are among the most knowledgeable and committed individuals when putting out a backup plan. They realize the importance of taking the appropriate precautions and the possible cause and effect of catastrophic events as a group.

It's estimated that just about 5% to 7% of business records are still in their original format. Therefore, it's essential to clarify what is truly valuable to your organization's recovery process as the process unfolds. Federal mandates, corporate needs, and client demands are all deciding considerations. In many circumstances, a duplicate will suffice. Still, for other issues, the original document is required because it is not just the important information on the record but also the condition of the information.

### Business Impact Analysis

In collaboration with the accounting department, the Business Impact Analysis (BIA) will assess the "real dollar" value of the business or sector that is out of contract. One of BIA's functions is to define a schedule for business resumption, determining the time frame required to restore the facility to a pre-loss state or the necessity for a temporary location. A BIA must consider the many departments' interdisciplinary elements and set priorities based on their impact on the business.

### Hazard Analysis

Members of the planning committee will be in charge of obtaining the information needed to make a claim. While it is assumed that they will represent all sectors, we shouldn't presume that they are aware of their obligations or the needed sense of urgency. Once identified, you must provide them with the necessary training on the concerns pertaining to the jobs to which they will get allocated.

One such assignment is Risk Analysis or Hazard Analysis. Team members must imagine potential losing outcomes. A good plan includes a Hazard Analysis that covers a wide variety of potential disasters. And whether the hazards are technical, natural, or human-made. Finally, examine the functional area of the organization to identify the probable impact of each disaster scenario and any associated "domino effect." The major aspects to consider include:

- Financial Impacts and Risks
- Operations Impacts (Reduced Quality, Customer Service, and Loss of Competitive Advantage)
- Intangible Impacts (Public Opinion, Employee Morale and Employee Confidence)
- Critical Business Functions
- Requirements for Business Continuation
- Loss of Customers



# PRE-DISASTER PLANNING

## Hazard Analysis (continued)

Certain risks are more likely to happen than others when considering site location, operation type, building construction, domiciled region, stored materials, and other comparable factors. Even though it is impossible to predict every potential loss, creating several what-if scenarios is possible. It is critical to explore all options while developing a Business Continuity Strategy. For instance, is it necessary to relocate? If so, would it be preferable to relocate to a hotel, the Chamber of Commerce, or a customer or service provider facility for a short period? Or are you prepared to relocate to another area for a more extended period during the repair process? Is it feasible to change the current facility, undertake a rapid reconstruction, use traditional rebuilding, or combine all these elements? Is a "hot site" required for the Integrated Systems, or can they run on an emergency generator? Are they able to run "mirrored systems"? Is there a "sister facility" within the corporation, or does the company operate on a "cold site" basis? Will your suppliers be able to hold their supplies if the warehouse/distribution center is affected? Is it possible for the transportation company to divert delivery to a different facility or a backup location?

Radios, telecom companies, cellular, satellite, and an answering service are all needed to keep the lines of communication open. Will you restore or replace production equipment if it is damaged? If replacement is chosen, do the new equipment's lead-time requirements necessitate the need to restore an item, even if just temporarily? Will restoration services be handled internally or by a professional restoration vendor if restoration is chosen? How will payroll be generated to maintain your personnel base? Is it essential to rerun the preceding payroll? Is it possible to execute the assignment with the help of an outside vendor? Is it possible for a "sister" facility to accomplish the task, or would another approach be required? While these aren't the only issues to be concerned about, they give you a good understanding of what to expect. The committee needs to implement the Risk Analysis to put in place priorities for the overall functioning of the plan. Prepare for a potential loss by thinking about it ahead of time. In the event of a realistic or threatened catastrophic incident, many companies have a well-established process containing the components mentioned above. Remember that visualizing these hypothetical scenarios will make the claim settlement process more accessible, reduce company interruption, and help you retain customers.





## Using a restoration service

### Choosing a Service

There are vendors with diverse competencies and resources in every industry. Those involved in contingency planning will most likely be interested in a company that can give services on both local and large scales while also covering a large service area. When creating a recovery plan, the contingency planner must consider the "worst case" situation.

### How to Choose

There are two main ways to find a restoration company. The first and most common reason for contacting them is following a disaster. This strategy is most commonly employed because, as previously said, the customer is unaware that these services exist. As a result, they don't think about it. So, disaster victims are faced with a plethora of choices when time is of the essence, and delays might have a more significant impact. Therefore, if you have a flood in your commercial building (flooding can be devastating and cause interruptions to your business activities), immediately contact an experienced restoration company like Commercial Water Damage Texas, a professional company that specializes in the repair and restoration of water damaged properties.

The disaster victim is responsible for selecting the restoration vendor as the property owner. If no effort is made to identify a vendor properly, the disaster victim usually depends on the advice of the insurance company's claims representative. As a result, various vendors could also be approached and asked to submit proposals (scopes of service). From these offers, decisions are often taken based on economic reasons. Therefore, it is recommended that the reader compare the submitted estimates carefully. As a general guideline, if the scopes of work provided are similar, the costs should also be similar. A different price range usually indicates that either the vendors disagree on the level of damage or one of the estimators made an error during calculation.

The second way to find a restoration vendor is through "pre-selection." In disaster planning, having a member of your institution proactively looking for a restoration vendor is highly encouraged. Usually, when the planning committee prepares a company recovery plan, this stage is sometimes omitted. However, selecting a restoration vendor in advance of a loss can significantly impact recovery time because restoration services can begin immediately.

### Service Relationships

It is critical to emphasize a handful of essential points. First, as the property owner, you are in charge of choosing the service providers. While the claims agent is a party with a vested interest, the contract must be between you, the property owner, and the service provider for legal reasons.

Consequently, the restoration vendor will establish an agreement, which will be signed by your vendor's chosen representative, permitting the vendor to proceed. This agreement is a contract, or a covenant, between two parties who have agreed to fulfill their respective responsibilities. The restoration provider should specify the services they'll supply, how they'll carry out the jobs, the duration, and how much it'll cost in writing. On the other hand, you agree to pay them for their services.

Finally, the service provider is accountable to the client, the disaster victim and must comply with their instructions and provide all reports. For transparency, it is logical to allow communication between the vendor and the insurance company's claims representative and encourage trilateral communication throughout the process. If the damage is severe enough to necessitate long-term restoration work, the restoration company may request "progress payments." But, again, this is a subject that each organization has its own policies and processes for, and they should address it from the start of the recovery process.

# RESOURCES

## Using a restoration service

### Service Capability Differences

There are vendors with diverse competencies and resources in every industry. Those involved in contingency planning will most likely be interested in a company that can give services on both local and large scales while also covering a large service area. When creating a recovery plan, the contingency planner must consider the "worst case" situation.

If a commercial facility get impacted, can the service provider under consideration handle the building and all of its items if full-scale contamination occurs? Many providers are staffed and ready to handle a specific volume of work in a short period.

A restoration vendor specializing in large-scale commercial services is the preferable choice in scenarios where the damage is severe or the volume of work that must be completed in a short period exceeds vendor resources. In contrast, commercial disaster victims face distinct challenges than residential disaster victims.

For instance, electronics and automated production equipment have distinct recovery demands and technology than what is generally seen in a home. As a result, the ideal restoration vendor can tailor their services to the customer's needs. The disaster victim and interested third-party claims personnel value the ability to execute a considerable volume of work in a short period as it is essential for quick recovery. It's also vital to think about the vendor's goals and ethics before making a decision. A vendor prepared to tell all parties the truth about the problem rather than ease with "things you want to hear" is a priceless asset to the recovery process.

### Steps in Dealing with a Restoration Vendor

You will want to choose a vendor you can trust, who delivers excellent service, is cost-effective, and meets your expectations. Here are some pointers on how to complete the task.

#### Choose a vendor that is a good fit for your company

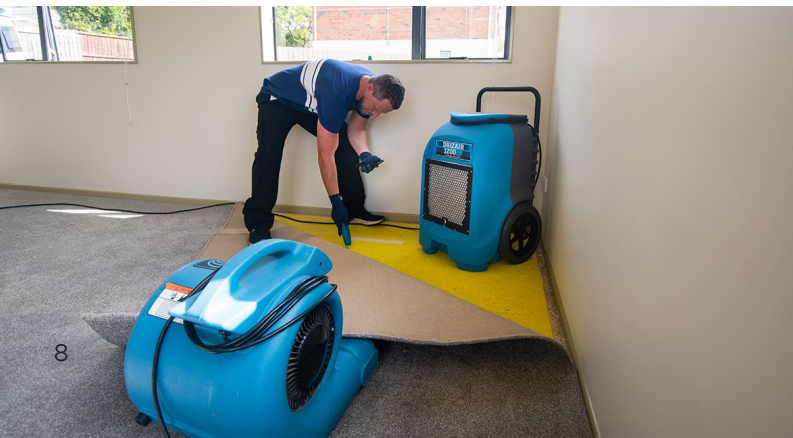
A local vendor like Commercial Water Damage Texas can respond to your need if you have one or a few nearby locations. However, if you have many properties in different parts of the country, we can work with you and our partners nationally to create solutions.

#### Decision Factors

You should hire a restoration vendor with qualified staff and equipment and the technical competence to match the production requirements. Although restoration competence is primordial, determine whether they have the experience required to deal with a commercial loss significant enough to equal a restoration vendor's yearly production. There are too many distinctions between a residential loss and a major commercial loss to be discussed here. However, experience in that field is, of course, required. Additionally, look for a provider that values its employees (and yours) enough to have a written health and safety strategy besides quick reaction times available 24 hours a day.

#### Things you should know

Besides recommendations, do your due diligence and research about the restoration vendor. Examine the suggestions offered to see if any of them include clients with similar profiles to yours. While the company's experience is vital, you should also check the person's experience providing the assessment. Relevant information should also include response time, service assurances, and the extent of services offered. That said, Commercial Water Damage Texas could be the best restoration company for you.





# **PLANNING CHECKLIST**



ITEM	DATE	RESPONSIBLE PARTY
Obtained Executive Support		
Planning Committee Assembled		
Insurance Policy Review		
Regulating Authority Contacted		
Municipal		
County		
State		
Federal		
Capital Asset Inventory		
Vital Records Established		
Business Impact Analysis		
Hazard Analysis		
Loss Classification Established		
Plan Written		
Practiced		
Maintained		

# POTENTIAL CLAIMS ITEMS

**Consult with your accountant regarding potential claim items. They may include the following:**

Advertising	Legal Fees
Bad debts	Licenses
Bonuses	Other Taxes
Claim preparation expense	Overtime
Commissions	Postage
Consulting Fees	Payroll Tax
Corporate Charges	Rent
Depreciation	Repairs/Maintenance
Discounts	Sales Department
Dues and subscriptions	Supplies
Engineering services	Telephone
Experimental expenses	Tooling
General administration expenses	Travel
Insurance and benefit cost	Unemployment compensation
Interest	Utilities
Labor	Worker's Compensation



# EMERGENCY CONTACTS



VENDOR TYPE	CONTRACTOR/VENDOR	BUSINESS PHONE	AFTER HOURS PHONE
Architect			
Carpenter			
Computer Service			
Data Recovery Service			
Electrician			
Disaster Restoration & Reconstruction Partner	<b>COMMERCIAL WATER DAMAGE TEXAS</b>	<b>888 876 3710</b>	<b>888 876 3710</b>
Fork Lift Service/Rental			
Freight Service			
Freezer Space			
Hardware			
Janitorial Supplies			
Locksmith			
Pest Control			
Plumber			
Rental Space - Temporary			
Rental Space - Storage			
Rental Space - Work Overflow			
Specialty Item			
Telephone			
Truck, Refrigerated			

# HAZARD ANALYSIS

The planning committee should develop a range of prospective loss scenarios.

POSSIBLE DISASTERS	NATURAL THREAT	TECHNICAL THREAT	HUMAN THREAT
Earthquake			
Landslide			
Tsunami			
Tornado			
Hurricane			
Flood			
Storm			
Rural Fire			
Urban Fire			
Chemical Spill			
Power Failure			

The planning committee should review potential impacts associated with each disaster scenario such as:

Critical Business Functions	Intangible Impacts
Business Continuation Requirements	Public Opinion
Financial Impact	Investor Confidence
Financial Exposure	Employee Morale
Operational Impact	Employee Confidence
Customer Service	
Quality	
Competitive Advantage	





# NOTES







# COMMERCIAL

WATER DAMAGE TEXAS

