

## **Extension Notes**

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By Gary Hall, Iowa State University Regional Extension Education Director

### **Continuity Plans Help Companies**

The floods and tornadoes made it clear that many Iowa businesses weren't prepared for disasters. These companies lacked a business continuity plan, a strategy for how to recover their operations following a disaster.

So Iowa State University Extension's Center for Industrial Research and Service (CIRAS) stepped in, developing a new approach and template for business continuity to meet the needs of Iowa companies.

Business continuity planning is a well-defined, complex field, involving risk analysis and mitigation, with a major subfield of information technology continuity planning. Business continuity plans can mean the difference between whether a company shuts down or recovers in the wake of a disaster. The U.S. Department of Homeland Security estimates that one in four businesses that close their doors due to a disaster never reopen. Beyond that, these plans by themselves bring immediate benefits, such as increased security for investors and customers.

In researching business continuity planning resources, CIRAS determined that existing off-the-shelf tools were either geared toward very small businesses, making them too general and compact, or were for large manufacturers, requiring more resources than available to small or medium firms.

Since one size doesn't fit all, CIRAS works with a company's leadership team in a one-day on-site workshop, identifying the manufacturer's critical business functions. Those functions might include such things as the management of facilities and suppliers as well as financial operations. The CIRAS-developed process highlights some of the common risks that might affect any of these core functions, such as a fire destroying financial records or a tornado putting a supplier out of business.

As a next step, workshop attendees learn best practices for mitigating these risks or—worst case—how to recover should a flood, fire or other major disaster affect a core function. The emphasis is on resuming normal operations in the fastest and most cost effective manner.

To learn more about CIRAS business continuity planning, contact your local Extension office. ISU Extension has many tools to help your business grow and thrive.

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