

# Get Ready Business

Prepare your business for disasters in five simple steps

Talking points for business advisors



Published by the NSW Department of Industry

**Get Ready Business : Prepare your business for disasters in five simple steps – talking points**

First published June 2018.

**More information**

NSW Department of Industry  
industry.nsw.gov.au

**Acknowledgments**

This publication was written by The Behavioural Architects, in consultation with the NSW Office of Emergency Management; the NSW Small Business Commissioner and the NSW Department of Industry.

INT18/36572

---

© State of New South Wales through Department of Industry 2018. You may copy, distribute, display, download and otherwise freely deal with this publication for any purpose, provided that you attribute the Department of Industry as the owner. However, you must obtain permission if you wish to charge others for access to the publication (other than at cost); include the publication in advertising or a product for sale; modify the publication; or republish the publication on a website. You may freely link to the publication on a departmental website.

Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (June 2018) and may not be accurate, current or complete. The State of New South Wales (including the NSW Department of Industry), the author and the publisher take no responsibility, and will accept no liability, for the accuracy, currency, reliability or correctness of any information included in the document (including material provided by third parties). Readers should make their own inquiries and rely on their own advice when making decisions related to material contained in this publication.

## Summary

- These talking points have been designed to allow Business Connect advisors to have a **natural, easy-to-follow chat with businesses that utilises the principles of behavioural science** to encourage preparatory action via:
  - highlighting the social norm of preparing for disaster
  - framing disaster preparation as just good business
  - anchoring businesses to the high cost of disasters
  - framing the importance of disaster finance planning
  - anchoring businesses to the extreme outcome of never reopening following a disaster
- The Business Connect advisors will be provided with **a glossary of behavioural economics principles and relevant examples** to help them understand the purpose of following the behaviourally constructed narrative.

## Introduction

The following points provide you with an **easy-to-follow narrative that helps to emphasise the importance of disaster preparation to business outcomes** and how preparing for disaster is just an essential part of good business.

The talking points have been shaped by the application of principles from behavioural science with the aim of helping businesses take action in their own best interests to be ready for disasters.

On the next page, there is a **glossary of behavioural science principles** to give you an understanding of the mechanisms being used throughout the narrative to help make the conversation as behaviourally motivating as possible

Ultimately, you will **advise businesses to engage with the Get Ready Business tool/booklet** to help with this preparation.

This tool/booklet lays out preparation in **five simple steps**.

This resource allows businesses to tackle each step separately, thus they can return and complete the steps at different times that suit them.

However, as we know from behavioural science, people can form very strong intentions to do something that never flow through to action—very often other things become more important and take precedence.

So, **it's important that businesses commit to returning to complete each step**. Asking them to **put dates in their diary to complete the tasks** will help stop businesses putting the task off until another time.

As you know, some businesses will already have at least some disaster planning in place where others will have nothing. Allow the conversation to be guided by what has/has not been done:

- For **those who are yet to prepare/have done very little**—you can present the tool/booklet **as a useful resource to help get them started** using the *Little/no preparation* guide
- For **those who feel they have already done a lot**—you can still encourage them to have a look through the tool/booklet to ensure they have covered off all bases using the *Moderately well-prepared* guide
- The guide for explaining how the tool works will be the same for all businesstypes.

# Glossary of behavioural science principles used within the talking points

Table 1. Glossary

Principle	Definition	Example from talking points
<b>Framing</b>	<p><b>A little change in how something is presented can change the outcome.</b></p> <p>Presenting disaster preparation as <b>just an important element of normal business</b> can change how businesses perceive disaster preparation.</p>	<p>‘I understand that you have a lot of other business demands that take up your time but <b>preparing for disaster is as important as making an annual business plan—in fact it should form part of your business plan because a disaster can cause you to lose your business</b>’</p>
<b>Discounting the future</b>	<p><b>People tend to focus on today rather than thinking about what tomorrow might bring.</b></p> <p>To encourage businesses to act now and not discount the future, emphasise the <b>importance of preparing NOW and not putting it off until a later date</b> that may be too late</p>	<p>‘We all know <b>how easy it is to put these kinds of things off until tomorrow, but tomorrow could be too late</b>’</p>
<b>Loss aversion</b>	<p><b>We overvalue and hate losing what we already have.</b></p> <p>Typically, a loss hurts twice as much as a gain feels good.</p> <p>Remind businesses about the <b>potential financial implications of disaster and how much they could stand to lose</b> with no income coming in.</p>	<p>‘The total cost of disasters <b>isn’t just the cost of cleaning up and rebuilding afterwards; your fixed costs (e.g. rent, wages and salaries, leasing, IT and energy bills) will still need to be paid</b> (show example hand out from Get Ready tool). Every week those fixed costs have to be paid, even if you have no income.’</p>
<b>Availability bias</b>	<p><b>People predict the probability of an event based on how easily an example can be brought to mind.</b></p> <p>Sharing recent and topical examples of disaster case studies helps to <b>make the threat of disaster feel more real to businesses.</b></p>	<p>‘During the Lismore floods last year, many businesses who <b>hadn’t prepared ahead of time were left devastated with their stock, equipment and premises destroyed.</b>’</p>
<b>Anchoring</b>	<p><b>We often look for a point of familiarity and rely on this point for decision-making.</b></p> <p>Providing business owners with <b>extreme anchors like never reopening after disaster or the high costs of disaster</b> helps to</p>	<p>‘It can take <b>months before businesses can reopen after disaster and some businesses never reopen at all.</b>’</p>

Principle	Definition	Example from talking points
	emphasise the importance of preparing to try to avoid these outcomes.	
<b>Social norms</b>	<p><b>When we are uncertain/lacking confidence about what we do, we look to other people to guide us.</b></p> <p>Emphasising that other business owners in NSW are already preparing for disaster <b>encourages businesses to join them and prepare also.</b></p>	' <b>More and more businesses</b> in NSW today are preparing themselves for disaster.'

## Little/no preparation

### Introduction

It helps to reference the efforts businesses are already making to conduct good business and encourage them to continue this past behaviour with disaster preparation.

- It's really great that you're looking to learn more about \_\_\_\_\_ for your business. That's so important in running a successful business.
- While we're here, **another area of good business** that I'd like to discuss briefly is disaster preparation and business continuity planning.
- The **frequency and severity of natural disasters is increasing in Australia**, so that means more floods, storms, bush fires, and heat waves impacting businesses like yours with flow- on business disruptions such as power outages and road closures.
- **More and more businesses in NSW today are preparing themselves for disaster.** Can you tell me about any of the things you've been doing to prepare for disasters?

### Talking points

Table 2. Talking points for businesses that have made little or no preparation

Steps	Talking points
<p>1</p> 	<p><b>Emphasise the business consequences of not being prepared and what businesses stand to lose</b></p> <ul style="list-style-type: none"> <li>• I understand that you have a lot of other business demands that take up your time, but <b>preparing for disaster is as important as making an annual business plan</b>— in fact it should form part of your business plan, because a disaster can cause you to lose your business. All that other planning will have been for nothing.</li> </ul>
<p>2</p> 	<ul style="list-style-type: none"> <li>• The total cost of disasters isn't just the cost of cleaning up and rebuilding afterwards; <b>your fixed costs (e.g. rent, wages and salaries, leasing, IT and energy bills) will still need to be paid weekly, even if you have no income</b></li> <li>• How long do you think your business would survive without income?</li> </ul>

Steps	Talking points
<p>3</p> 	<ul style="list-style-type: none"> <li>• Having <b>insurance is one of the best ways you can protect your business</b>, helping to cover the cost of rebuilding.</li> <li>• I know the cost of insurance each month might feel like a big expense, but if you think of how much it could cost to rebuild after a disaster it really doesn't seem like much at all. The real question you need to consider is—<b>can your business afford to not be insured?</b></li> <li>• If you cannot be insured against a particular disaster in your area <b>you should also consider business disruption insurance</b> that could help to get your business up and running again.</li> </ul> <p><b>If the customer simply can't afford insurance, then explore what financial planning could be done to ensure there are funds left aside in case disaster strikes.</b></p>
<p>4</p> 	<ul style="list-style-type: none"> <li>• During the 2017 Lismore floods, many businesses who <b>hadn't prepared ahead of time were left devastated with their stock, equipment and premises destroyed.</b></li> <li>• Some businesses also <b>failed to back up their vital information</b> on a cloud server and had all of their data wiped. They couldn't even invoice for the work they had already done before the disaster. Could you imagine how frustrating that would feel if it happened to your business?</li> </ul>
<p>5</p> 	<p><b>Emphasise the ease of preparing using this FREE tool</b></p> <ul style="list-style-type: none"> <li>• <b>It can take months before businesses can reopen after a disaster and some businesses never reopen at all.</b></li> <li>• In comparison, getting prepared only takes a few days and now there's a really simple and FREE tool available to help you do it.</li> </ul>
<p>6</p> 	<ul style="list-style-type: none"> <li>• It has been developed by the NSW Office of Emergency Management, the NSW Department of Industry and the Small Business Commissioner especially to <b>help businesses like yours become disaster-resilient.</b></li> <li>• More and more businesses in your area are using <b>this FREE tool</b> to prepare for disaster.</li> </ul>

## Moderately well-prepared

### Introduction

It helps to reference the efforts businesses are already making to conduct good business and encourage them to continue this past behaviour with disaster preparation.

- It's really great that you're looking to learn more about \_\_\_\_\_ for your business. That's so important in running a successful business.
- While we're here, **another area of good business** that I'd like to discuss briefly is disaster preparation and business continuity planning.
- The **frequency and severity of natural disasters is increasing in Australia**, so that means more floods, storms, bush fires, and heat waves impacting businesses like yours with flow- on business disruptions like power outages and road closures.

- **More and more businesses in NSW today are preparing themselves for disaster.** Can you tell me about any of the things you've been doing to prepare for disasters?

## Talking points

Table 3. Talking points for businesses that are moderately well-prepared

Steps	Talking points
1 	<p><b>Give positive feedback for the work they've done already, referencing specific examples and emphasise why disaster preparation is so vital for business outcomes.</b></p> <ul style="list-style-type: none"> <li>• Well done for taking the time to prepare your business by _____; we all know <b>how easy it is to put these kinds of things off until tomorrow but tomorrow could be too late.</b></li> <li>• During the 2017 Lismore floods, many businesses who hadn't prepared ahead of time were left devastated with their stock, equipment and premises destroyed.</li> </ul>
2 	<ul style="list-style-type: none"> <li>• It can take <b>months before businesses can reopen after disaster and some businesses never reopen at all.</b> So it's really great that you're taking steps to protect your business and staff from harm.</li> </ul>
3 	<p><b>Highlight that there may be other ways that businesses can protect themselves.</b></p> <ul style="list-style-type: none"> <li>• I wonder if there are any other steps you could take to ensure your business is best protected from disaster?</li> </ul>
4 	<p><b>If not insured or have no disaster finance plan, highlight the importance of financial planning.</b></p> <ul style="list-style-type: none"> <li>• The total cost of disasters <b>isn't just the cost of cleaning up and rebuilding afterwards; your fixed costs (e.g. rent, wages and salaries, leasing, IT and energy bills) will still need to be paid</b> (show example hand out from Get Ready tool). Every week those fixed costs have to be paid, even if you have no income.</li> <li>• How long do you think your business would survive without income?</li> <li>• What sort of <b>financial planning</b> do you have in place to protect your business in the face of disaster?</li> </ul>
5 	<p><b>Take them through the Get Ready Business booklet to highlight what else could be done to prepare.</b></p> <ul style="list-style-type: none"> <li>• There are <b>some simple steps</b> that other businesses are taking to get disaster-ready using this FREE tool (refer to physical copy or guide them to the online site).</li> <li>• It has been developed by the NSW Office of Emergency Management, the NSW Department of Industry and the NSW Small Business Commissioner especially to <b>help businesses like yours become disaster-resilient.</b></li> </ul>
6 	<ul style="list-style-type: none"> <li>• Maybe we could have a <b>quick read through</b> and see what other steps you could take to prepare—<b>when you think about how long it could take to get your business back up and running if you're not fully prepared</b>, it's well worth the time it takes to read it.</li> </ul>

# All businesses

Table 4. Talking points for all businesses

Steps	Talking points
Intro	<p><b>Guide businesses to the tool—either give them a printed copy, or show them online and talk them through each step.</b></p> <ul style="list-style-type: none"> <li>The tool has five simple steps:                             <ol style="list-style-type: none"> <li>Know your risk</li> <li>Plan now for what you will do</li> <li>Get your business ready</li> <li>Be aware</li> <li>Look out for each other.</li> </ol> </li> </ul>
<p>1</p> 	<ul style="list-style-type: none"> <li><b>Know your risk</b>—lets you <b>identify the disasters that your business might face</b>. If you're new to the area, it's really important to understand how you might be at risk so you know what to expect. Connecting with emergency services can be really helpful in learning about hazard-specific risks and the actions you can take to protect your business.</li> </ul>
<p>2</p> 	<ul style="list-style-type: none"> <li><b>Plan now for what you will do</b>—sit down with your staff and make an <b>emergency action plan</b> so that everyone knows what needs to be done and by whom if a disaster strikes. This step helps you to create that plan.</li> </ul>
<p>3</p> 	<ul style="list-style-type: none"> <li><b>Get your business ready</b>—there are <b>some basic actions that you can take now</b> to prepare your business, like making a disaster finance plan, backing up data on a cloud server and ensuring your stock/equipment can be easily moved. This step provides you with a preparation checklist to get your business ready now and always. The NSW SES Emergency Business Continuity Plan <a href="http://www.sesemergencyplan.com.au/business/">www.sesemergencyplan.com.au/business/</a> can help you develop your plans</li> </ul>
<p>4</p> 	<ul style="list-style-type: none"> <li><b>Be aware</b>—if disaster does strike, you'll need to act fast. <b>Knowing where to look for up-to-date information</b> could help save you vital time. Connect with emergency services now to keep you informed in the face of disaster.</li> </ul>
<p>5</p> 	<ul style="list-style-type: none"> <li><b>Look out for each other</b>—if a disaster strikes, <b>neighbouring businesses and local business chambers can be one of the best sources of information and help</b>. Develop connections with local businesses and commit to helping one another in a crisis. And connect with local business chambers for further support.</li> </ul>
<p><b>Conclude &amp; commit to calendar</b></p>	<ul style="list-style-type: none"> <li>You don't have to complete it all at once; you <b>can work through at a time that suits</b> you. But it is really important that you make time to complete each step.</li> <li><b>Can I suggest we get your calendar out now</b> and let's put in some time for you to get started? It could mean the difference between your business being back up and running a day or two after a disaster, or never reopening at all.</li> </ul>

This toolkit has been developed in conjunction with the NSW Department of Industry; the NSW Small Business Commissioner and the NSW Office of Emergency Management to help you get your business clients ready for disasters.