



Stay In Business: Organizational Continuity Planning

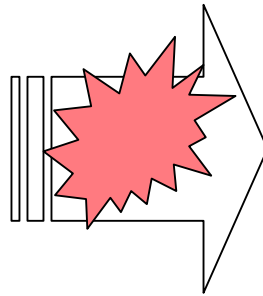
**Dr. Thomas D. Phelan, President
Strategic Teaching Associates, Inc.**

SYMPOSIUM CP901

Before Disaster Strikes: Prepare or Beware -
The Critical Role of Community Development Organizations
in Disaster Preparedness and Response

Why agencies need Emergency Plans?

Because this...



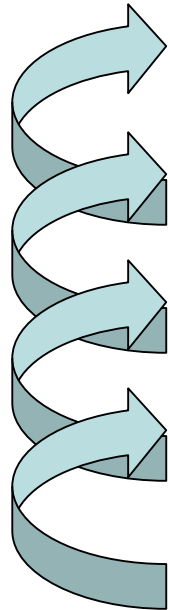
can become this!



8 Steps Every Business Should Take

1. Be Informed.
2. Develop a Business Continuity Plan.
3. Prepare and Practice Your Emergency Plan.
4. Review Insurance Coverage.
5. Secure Your Facility and Equipment.
6. Improve Cyber Security.
7. Promote Family and Individual Preparedness.
8. Build Partnerships with Others.

The Basis of National Security

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- National Security
 - Economic Stability
 - Competitive Advantage
 - Resiliency
 - Emergency Planning/Business Continuity

Source: Jeff Dato, DRJ Conference, San Diego

Growing Costs

- The cost of recovery is continuing to rise:
 - Customer Retention Issues.
 - Replacement Equipment Delivery Delays.
 - Liability for Injury or Death of Employees.
 - Relocation and Alternate Site Expense.
 - Development in High-hazard Areas.
- The cost of delayed recovery can be fatal to an organization.

Blackout 2003

- 50 million people affected.
- Businesses took an enormous economic hit from lost inventory and sales – estimated to be as much as \$8 billion in the United States alone.

(National Science Foundation)



Incredible Exposure

- Employers will lose over \$5 billion in net output, approximately 80% of which will translate into lost earnings to U.S. workers and investors.
- “If this had happened on a Monday morning, the figure could have been twice this much.” Patrick L. Anderson, Principal in Anderson Economic Group

Fragile or Robust?

- How would you characterize your key business systems – fragile or robust?
- By planning in advance, you build robustness and decrease the impact of a business interruption.



Create a Plan

- Business Continuity:
 - Save business systems – data.
 - Ensure financial viability.
 - Serve and retain clients.
- Emergency Plan:
 - Save lives and property.
 - Protect employees.
 - Speed the recovery process.

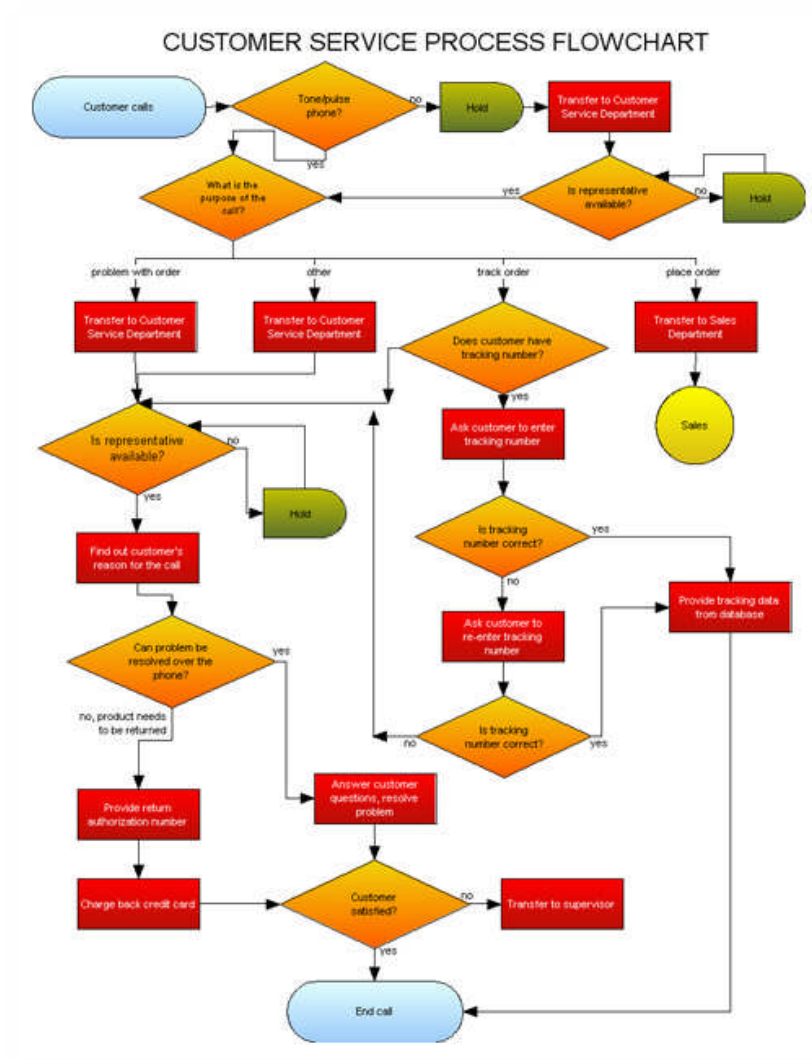


Customize Your Plan

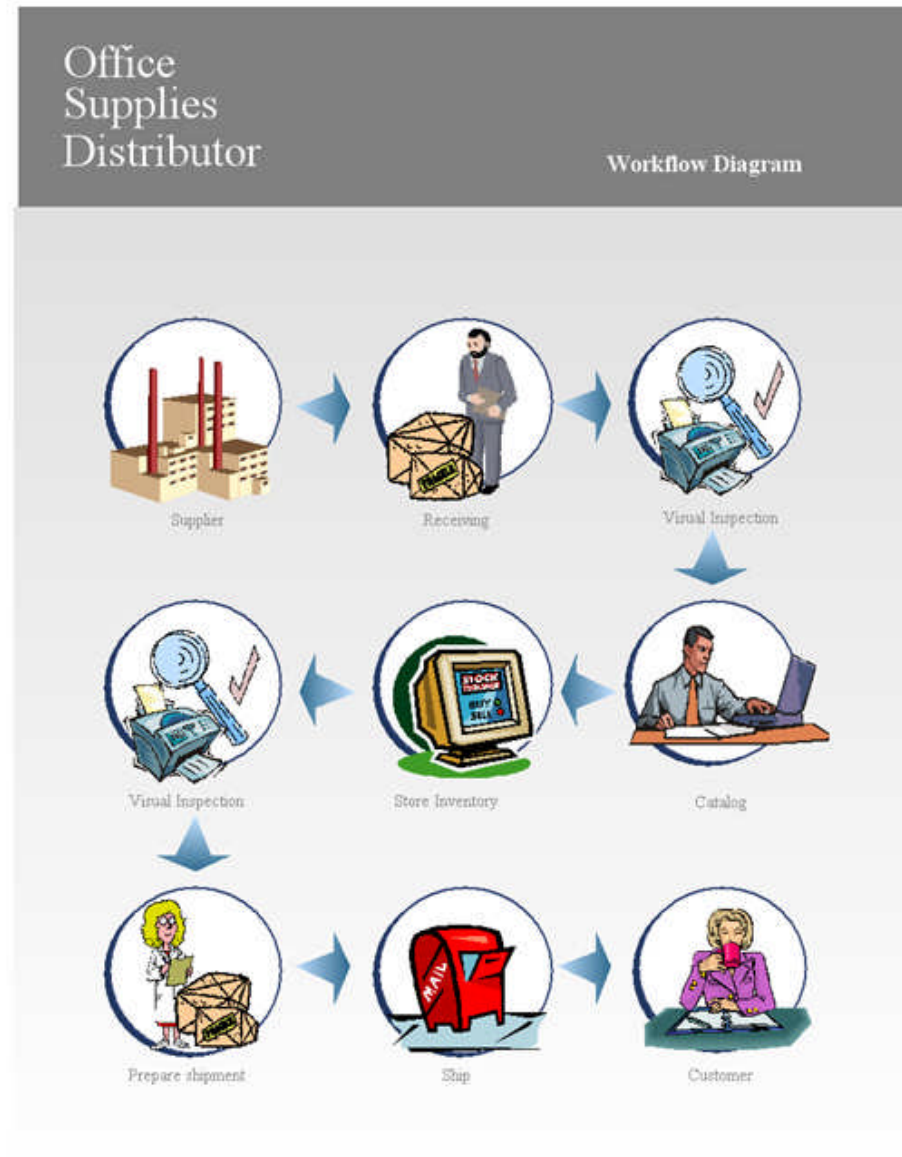
- Review your **business process flow chart** if one exists.
 - Identify **operations critical to survival and recovery**.
 - **Emergency payroll, expedited financial decision-making and accounting systems to track and document recovery costs**.

<http://www.ready.gov/business/st1-planning.html>

Classic Flow Chart



Pictorial Workflow Diagram



Succession Plan

- Establish procedures for **succession of management**.
 - Include at least one person who is not at the company headquarters, if applicable.



Critical Steps in Creating a Plan

- Executive Support.
- Planning Committee.
- Business Impact Analysis.
- Supply Chain Issues.
- Payroll is Paramount.
- Shelter in Place.
- Exercise and Update.

Exercise the Plan



Tabletop Exercises



Alternate Site

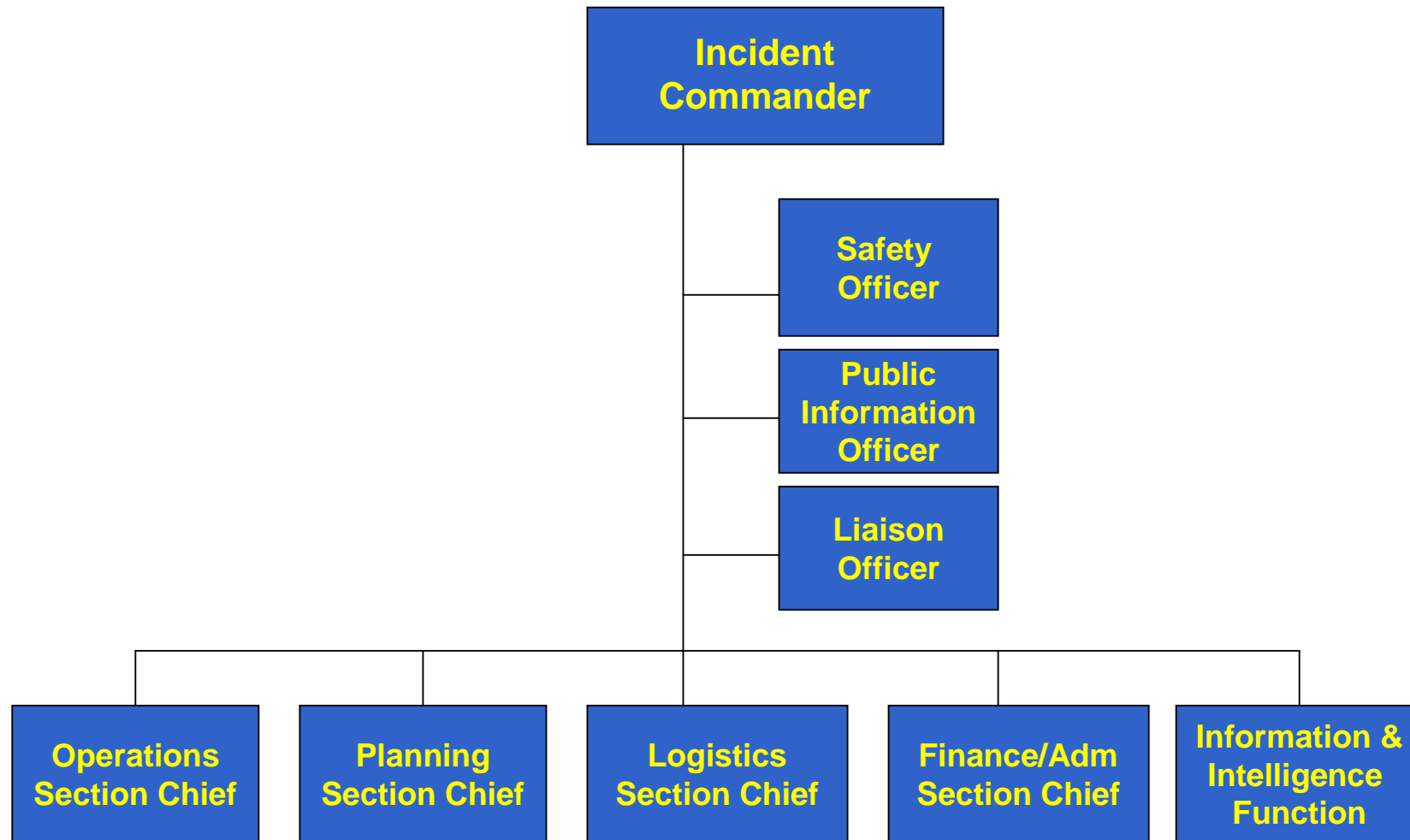


Gannett Newspaper Photo

Incident Management

- Define **crisis management procedures** and **individual responsibilities** in advance.
 - Make sure those involved know what they are supposed to do.
 - Train others in case you need back-up.

The NIMS ICS Model



Partnerships Pay

- Coordinate with others:
 - **Businesses in your building** or complex.
 - First responders, emergency managers, community organizations and utility providers.
 - Suppliers, shippers and others with whom you regularly do business.
 - Share your plans and encourage other businesses to plan.
 - **Offer to help others.**

Industry Standards

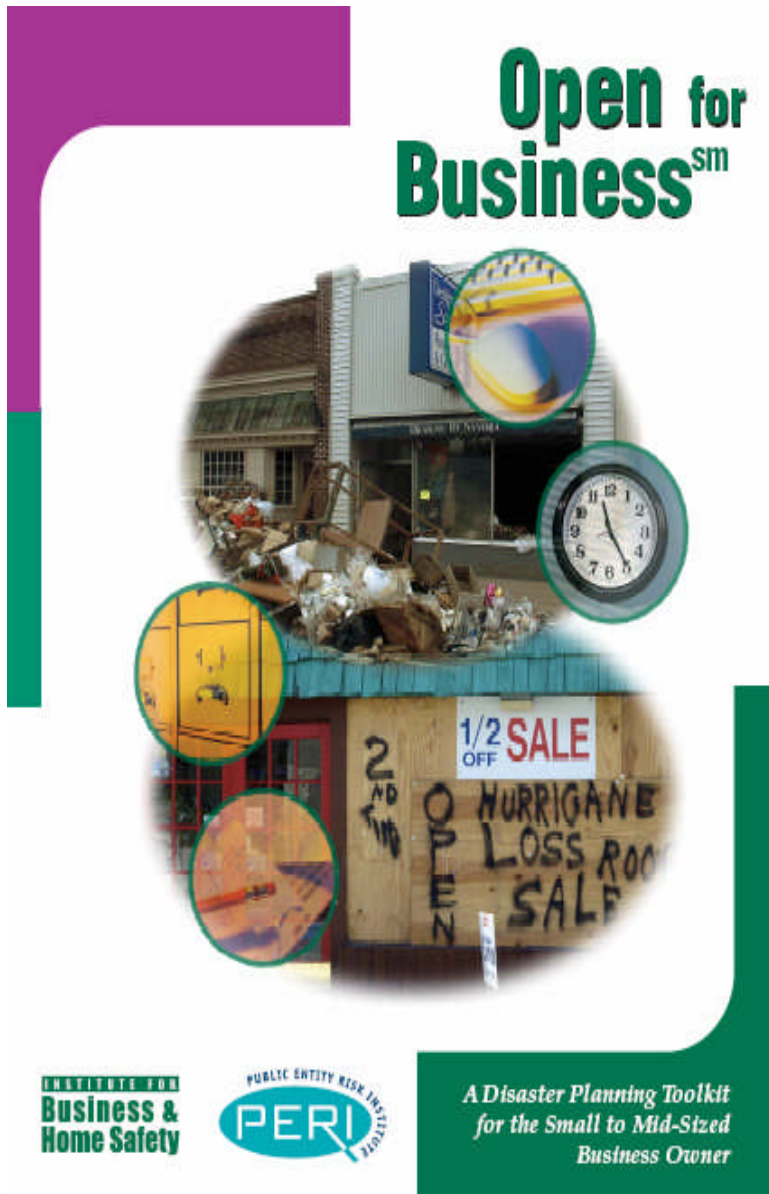
- An excellent source for industry standards on emergency planning, where ICS can effectively be implemented is the National Fire Protection Association (NFPA) 1600 Standard (2004).
- <http://www.nfpa.org/PDF/nfpa1600.pdf?src=nfpa>

NFPA 1600 Program Elements

- Laws & Authorities.
- Hazard Identification, Risk Assessment, and Impact Analysis.
- Hazard Mitigation.
- Resource Management.
- Mutual Aid.
- Planning.
- Direction, Control, and Coordination.

NFPA 1600 Program Elements

- Communications and Warning.
- Operations and Procedures.
- Logistics and Facilities.
- Training.
- Exercises, Evaluations, Corrective Actions.
- Crisis Communication and Public Information.
- Finance and Administration.



An Excellent Resource!

Institute for Business and Home Safety
www.IBHS.org



Business Continuity Forms

FORMS to assist in creating
A Business Continuity Plan

People Make the Difference

- Promote family and individual preparedness among your co-workers.
- Include emergency preparedness information...
 - In employee e-mails,
 - During staff meetings,
 - In newsletters,
 - On company intranet.



Basic References

- Website Assistance
 - www.ready.gov
 - FEMA Business Continuity Plan Site
 - www.redcross.org
 - Red Cross “Preparing for the Unexpected” Site
 - <http://www.fema.gov/pdf/library/bizindst.pdf>
 - FEMA Guide for Business & Industry (1993)
 - <http://www.ibhs.org/publications/downloads/556.pdf>
 - Institute for Business & Home Safety Disaster Planning Toolkit for the Small to Mid-Sized Business Owner
 - <http://www.nfpa.org/PDF/nfpa1600.pdf?src=nfpa>
 - National Fire Protection Association Standard

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