

Can your Organization survive a natural disaster?



Objectives

- Provide an overview of Business Continuity and Resumption
- Educate an emergency manager on the processes private businesses most perform preparing for disasters
- Provide tools to a business owner to prepare for disasters

- In recent years, the United States has faced a growing number of severe natural disasters and man-made events, presenting a variety of challenges for the nation.
- The spectrum has spanned all levels of government including federal, state, municipal and community levels and its use of disaster response, relief, and recovery architecture.

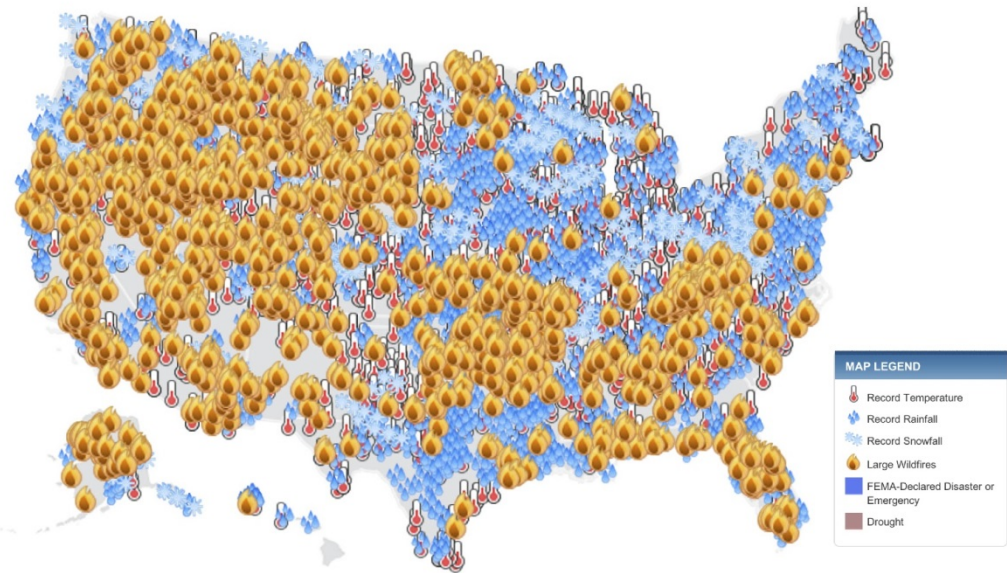


On average, the United States experiences ten severe weather events per year exceeding one billion dollars in damage, compared to an annual average of only two such events throughout the 1980s.



Extreme Weather Map

2012: Thousands of Weather Records Broken in the U.S., Costs Climbing



The time to react is now!!

According to the UN for every dollar invested in disaster preparedness can save 7 dollars worth of disaster related economic loss.



**(Building Resilience: the importance of prioritizing disaster risk reduction
15 Aug 2012: Helen Clark, UN Development Program Administrator)**

Be Safe - Then Sorry, Here's Why!

- FEMA states that **40%** of business do not reopen following a major disaster. On top of that the study shows that another **25%** will fail within the first year. (July 2013)
- The United States Small Business Administration found that over **90%** of companies fail within two years of being struck from a disaster.

Business Impacts

Consequence of Disruption

Operational and Financial Impact

- **Lost sales and income**
- **Delayed sales and income**
- **Increased expenses**
- **Regulatory fines**
- **Contractual penalties or loss of contractual bonuses**
- **Customer dissatisfaction or defection**
- **Delayed of new business plans**



60%

- Of small businesses do not have a formal Emergency Response Plan

30%

- Of businesses that backup their data do so because of prior experience of losing data

(Most US small businesses lack a disaster-recovery plan– Jeff Drew Aug. 2,2012 CGMA Magazine)

So now lets talk about what we can
do to save your businesses and
your community

Tactics

- Know what disasters your business face
- What is your risk, what threats do you face
- Where do you find resources to help you plan for disasters
- Start planning!
- Test or exercise your plan
- Review and make necessary changes
- Update annually

What disasters does your business face

- History of disasters known
- Work with local and or state Emergency Management
- Work with insurance agencies
- National Weather Service
- Newspapers, historical societies

What is your risk?

- Are you in a floodplain?
- Are you a target?
- Is your business vulnerable?
- Do you have a limited market?
- Is dependent on utilities or specific services?
- Do you work with hazardous materials?

Resources

- ReadyBusiness.gov (government)
- FM Global (Insurance company)
- Associations (BBB, OSHA, SBA, Online Resources)
- Private companies that provide services for disaster planning \$\$\$

Planning

- Continuity plans (Critical Tasks)
- Recovery Plans
- Cyber disruption plans
- Resumption plans
- Active Shooter Plan
- Environmental Plan

Exercise

- Just don't have a plan on the shelf?
- Run tabletop exercise
- Do you have fire drills
- Should you have an active shooter drill?
- As an EMA Director do you work with businesses to test their plans?
- Follow HSEEP

Corrective Actions

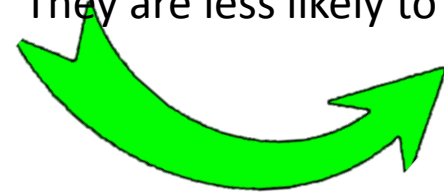
- Don't just find issues
- Commit to fixing them
- Assign someone
- Set deadlines
- Update your plan!

Think Long Term Survival



Disaster impact
on the organizations
Clientele.

If the organization is
in a declining industry
They are less likely to survive



The extent of the financial
resource lost by the organization



Availability of substitute
goods or service



The Owner/Operators
Ability to adapt to a
new business environment

