

American Heritage

“Your Business and Homeland Security”

In late 2002, as a response to the unprecedented terrorist attacks that took place on our home soil, the Department of Homeland Security was formed with the primary responsibility of serving as a unifying core for the large network of organizations that serve to protect our nation. This operational arm offers a multi-faceted approach for our protection against terrorists, in addition to natural and man-made disasters.

Pre-Incident Planning

The speed in which an enterprise can return to the business-at-hand after a natural disaster, man-made disaster or a terrorist attack is generally the result of pre-incident planning. For example, the financial services firm of Morgan Stanley used the 1993 terrorist attack on the World Trade Center (WTC), (where its offices were housed), as learning and life-saving tools that eventually proved priceless during the September 11th attacks.

During a post-incident assessment of the evacuation of their offices after the 1993 attack, Morgan Stanley determined that it took 4 hours to evacuate its employees from their WTC offices. Even though none of Morgan Stanley's employees were lost in 1993, Morgan Stanley management concluded that the disaster plan they had in place was not sufficient in the event of a similar episode. Consequently, they developed a comprehensive disaster plan which was not only documented but also frequently practiced. Their planning and practice paid off on September 11th when the first tower was struck by a commercial airliner

hijacked by Al Qaeda operatives. As a result of the revised disaster plan nearly all of the 3,800 Morgan Stanley employees whose offices were in WTC buildings were safely evacuated in only 45 minutes. Although Morgan Stanley employees were killed in the September 11th attacks, it is safe to say that had Morgan Stanley not had a tried and effective disaster plan in place, their list of casualties would have been substantially greater.

Lessons learned from the terrorist attacks of September 11th emphasize the importance of pre-incident preparation. The rapidity of an enterprise returning to business after a terrorist attack or a disaster is paramount in today's planning. Even though every incident is unique, a business can be better prepared if it plans carefully, puts emergency procedures in place and frequently practices their routine. Business in the United States forms the backbone of our economy, and with businesses ready to survive and recover from a potentially catastrophic event, our nation will become more secure.

Protecting Your Business

One segment of the Department of Homeland Security's approach against terrorism and disasters is the Ready Business program. Ready Business offers commonsense measures that business owners and managers can implement to be prepared. The program offers suggestions such as: How to Plan to Stay in Business, How to Talk to Your Employees, and How to Protect Your Business Investment, all of which plan for a company's future, in the event of an attack or disaster.

Business owners and managers should be cognizant of the fact that planning now will improve the likelihood that a business will survive and recover after a devastating event. The first step in a business pre-plan should be to assess the company's internal and external functions to determine what staff, materials, procedures and equipment are necessary to keep the business operating.

This appraisal should include:

- *A review of the business process flow chart.*
- *Identification of operations which are crucial to survival.*
- *Systems for emergency payroll, expedited financial decision-making & accounting systems.*
- *The establishment of procedures for a succession of management.*

Secondly, the suppliers, shippers, resources and other companies that are interacted with on a daily basis should be identified. Owners or managers should also evaluate developing relationships with more than one supplier, in the event that the primary contractor cannot accommodate business needs. When such relationships are developed, a contact list should detail alternate sources, and be made part of the emergency plan.

A Continuity of Operations Plan should also be developed to provide alternatives if the structure that houses a business is no longer accessible. This plan establishes suggestions for operating the business from an alternate location or facility.

Communication is Key

In pre-planning, the principles of a company should determine who would actively participate in developing the plan. Employees from all levels should be part of the Emergency Management Team, with a focus on those who have expertise in both vital and daily business functions. Individual employee responsibilities and crisis management procedures must be determined in advance, with everyone involved being fully aware of their responsibilities. Consideration should also be given to assigning and training backup personnel, in case assistance is needed. Successful pre-planning also requires coordination with others, such as neighboring businesses, first responders, community organizations and utility providers. Once established, emergency plans should be reviewed minimally on an annual basis, and updates relative to newly hired employees or changes in business practices should be included as part of the review.

Today, people are a company's most valuable asset. When pre-planning for a disaster or catastrophic event, the owners and managers of an enterprise should determine what their human resources will require to recover from the event. No matter what the business, employees will need time to ensure the safety of their families, even though research has indicated that returning to work is extremely important to the individual recovery of those who have experienced disasters. As part of a company's pre-plan to address employee needs, a list of professional counselors should be formed to assist employees with the need to get in touch with their fears and anxieties; and owners/managers should not forget themselves. After an emergency

or disaster, those in leadership roles tend to experience added stress, consequently they must be mindful that their personal health and recovery is important to both their families and the business.

Communication (two-way) is vital before, during and after a disaster. Information regarding emergency preparations should be circulated through company newsletters, e-mail messages and memorandums. Depending on the size of the company, consideration may be given to establishing an employee telephone calling tree, a password-protected page on the company website, or a call-in voice mail recording to communicate with and alert employees during an emergency. Establishing a secondary (out-of-town exchange) phone number to be used as an "I'm Okay" line for employees to call-in on during a disaster may also be considered. Most importantly, in order to create an environment where questions and concerns can be openly aired, reliable staff members should be designated as official communicators between co-workers and management. Finally, with respect to communications pre-planning, employees with disabilities or special needs should be identified to determine what assistance they may need in the event of a catastrophic incident, and those co-workers who are willing to assist the special needs employees should also be identified.

A comprehensive business emergency plan should also account for utility disruptions, since most businesses are dependent on electricity, gas, telecommunications, and other utilities to function. The owners and managers of a company must plan for extended utility disruptions and examine what utility services are

vital to the business' day-to-day operations. If necessary, portable generators, alternate communication devices such as cell phones or walkie-talkies may need to be purchased, and plans for a secondary means of accessing the internet may also need to be established.

Practice Leads to Preparedness

As already noted, once a crisis plan is developed it must be reviewed, at least on an annual basis. The plan should also be periodically exercised either through a tabletop format or walk-through drills, so that employees are familiar with the plan in the event that it needs to be put into practice. A business's emergency preparedness plan should also be incorporated into new employee training and orientation programs.

With a tried and effective crisis or emergency plan in place, the potential for the survival of a company's employees and its business operations is appreciably increased. To learn more about the development of an emergency plan for your business, visit the U.S. Department of Homeland Security Ready Business website at www.ready.gov/business.



Contributed by
Stephen J. Pollak
Executive Vice
President

AHPS Can Help

For assistance in the creation of a crisis plan for your business call American Heritage Protective Services at 708-388-7900.