

# Just Start: *Developing Your Emergency Action, Business Continuity and Crisis Communications Plan*

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**N**o one can predict when disaster may strike and what impact it will have on a business, its employees or the community it serves. One year after Hurricane Sandy nine in 10 businesses reported continuing financial problems, including difficulty in covering operating expenses.

Statistically, one in four small businesses fail to reopen following a major interruption or disaster. A 2014 Business Risk Index Report developed by Travelers Insurance reported “86 percent of businesses feel that their level of risk was either increasing or staying the same.” Over half of the companies who responded to the survey reported that they were not prepared to handle the risks that face them.

## So, How Should a Business Prepare?

To quote authors Leonard Schlesinger, Charles Kiefer and Paul B. Brown from their book *Just Start*, “just start – in other words take action now and learn as you go.” While the book is a guide to help people achieve their goals, the premise is certainly applicable to emergency action, business continuity and crisis communications planning.

## Here’s How to Get Started

**EMERGENCY ACTION PLAN** – An Emergency Action Plan is required by OSHA Standards 1910.38(a). The plan outlines and describes policies and procedures necessary to protect the life and safety of employees, patrons, guests, contractors, visitors and emergency responders during/after an emergency.

Regulation 1910.38(b) further defines the plan: An emergency action plan must be in writing, kept in the workplace and available to employees for review. However, an employer with 10 or fewer employees may communicate the plan orally to employees.

Regulation 1910.38(c) provides the minimum requirements:

- Means of reporting fires and other emergencies
- Evacuation procedures and emergency escape route assignments
- Procedures to be followed by employees who remain to operate critical plant operations before they evacuate

- Procedures to account for all employees after an emergency evacuation has been completed
- Rescue and medical duties for those employees who are to perform them
- Names or job titles of persons who can be contacted for further information or explanation of duties under the plan

**BUSINESS CONTINUITY PLAN** – (also known as continuity of operations, disaster preparedness or contingency plans) The Business Continuity Plan outlines and describes policies and procedures to ensure that the organization will continue to provide its products or service to its customers and the community when/if a disaster, natural or man-made, occurs.

While OSHA does not require a business continuity plan, not having one may leave your company open to financial disaster and lawsuits.

The benefits of having a business continuity plan in place:

- Maintains continuity of operations and service delivery
- Builds customer confidence
- Helps secure business loans
- Builds confidence within the organization and employee peace of mind
- Provides a competitive advantage
- Mitigates business risks and financial exposures
- Preserves brand and company reputation
- Builds resiliency

The plan may include an alternative site, reciprocating agreements, mutual letters of understanding, work around procedures or any other resource available to the organization.

**Risk/Hazard Assessment** – The basic steps required to complete a business continuity plan vary depending on your source. In general, a business will identify its risk by completing a Risk/Hazard Assessment. Take into account the following categories and add your own, depending on your unique circumstances:

- Natural Hazards
- Infection control
- Technology

- Infrastructure
- Terrorists
- Chemicals
- Man-Made (civil disturbances, workplace violence, hazardous materials release, etc.)

Other risks/hazards for consideration may be: environment, economic and financial conditions, regulatory and contractual obligations, reputation damage or confidence in the entity.

**Risk/Vulnerability Assessment** – You will then need to complete a Risk/Vulnerability Assessment. This is used to determine the probability that the hazards identified will cause a disruption in your business operations. Consider the following:

- Past History – frequency and severity of past events
- Geographic Concerns – the hazards present because of where you are located. The Midwest is vulnerable to extreme weather, snow, straight-line winds, etc.
- Physical layout/location of the facility

Develop a vulnerability scale, with 10 the highest vulnerability and one being the lowest. These numbers will be used to determine the impact.

**Business Impact Assessment** – Next complete a Business Impact Assessment. Assess the impact of each risk/hazard on:

- Human Life/Health and Safety
- Building Structure/Infrastructure
- Critical Operations

**Risk Mapping** – Next conduct a Risk Mapping exercise. This will identify:

- Areas that require additional focus
- Mitigation measures
- Procedures for each emergency (any unplanned event that can cause death or significant injuries, shut down critical operations, cause physical or environmental damage, threaten financial position or public image)

Emergency procedures such as evacuation (designated sites on or off premise), shelter-in-place, seal-the-room and lock down are assigned to each of the hazards.

Mitigation measures are determined by implementing risk control policies and procedures identified in the plan, in the employee handbook and safety manuals. Prioritize each using high, low and medium risk.

**Risk Control** – Risk Control is defined as the technique of minimizing the frequency and severity of losses with training, safety and security measures.

**CRISIS COMMUNICATION PLAN** – A crisis is defined as a critical event or point of decision, which if not handled in an appropriate

and timely manner (or not handled at all), may turn into a disaster or catastrophe.

A Crisis Communication Plan is an initiative that protects the reputation of the organization and maintains its public image. The purpose of forming a Crisis Communication Plan is to have policies and procedures in place prior to an incident so that the entity controls the message and responsive communications before the court of public opinion evaluates the incident.

Benjamin Franklin said, "It takes many good deeds to build a good reputation and only one bad one to lose it." Assigning a dollar value to reputational loss is difficult, but history has some good examples. Both Exxon Valdez and AIG saw their stocks drop 20 percent after their respective incidents.

Depending on the industry, company size and type of incident, most authorities estimate \$50,000-\$150,000 per loss. So what type of incident can cause a crisis within an organization?

Incidents are divided into two categories – those that are "intentional" and those that are "unintentional." "Intentional" includes things like sabotage or unethical leadership. "Unintentional" incidents are natural disasters, unforeseen technical interruptions, product failure, etc.

Steps to completing a Crisis Communication Plan:

1. **Identify** the situations that can cause a crisis within your business. Have key departmental personnel brainstorm what potential incidents could impact the reputation of the business.
2. **Analyze** each situation and apply risk control procedures to mitigate and/or prevent each from occurring. Identify † mitigate † prevent.
3. **Determine** who is going to be your spokesperson.
4. **Train** the spokesperson on how to deal with the media and manage the television appearances (consider hiring a professional firm).
5. **Develop** pre-determined messages for each of the incidents that have been identified in the initial step.

Mark Twain said, "The secret of getting ahead is getting started." Anything you do beyond nothing is better than what was before. So just start! And be prepared for whatever may come. — **SBAM**



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**The following websites offer free resources to help you get started:  
American Red Cross [www.readyrating.org](http://www.readyrating.org) and FEMA [www.ready.gov/business](http://www.ready.gov/business).**