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## Will Your Company Survive A Disaster?

By Kira Vermond

Hurricane Katrina. The big blackout. Sept. 11. Whether for natural calamities or man-made ones, more businesses are giving disaster and continuity plans a second look. Not that many are prepared right now. A 2006 Fusepoint/Léger Marketing survey revealed that 72 per cent of Canadian business leaders have no disaster recovery or business continuity plan at all.

While most multinational corporations have detailed readiness plans, the trick is to get the little guys on board.

### **What If**

There are ways to tackle some of the most likely scenarios, says Michael Smith, president of ReadySmith Inc. in Oakville, Ont., which helps companies plan for emergencies.

Start with a risk assessment. What are the threats? Which ones are highly probable and would likely have a high impact on the company? Is it more probable aliens will take your vice-president of sales away, or that he'll be home bound after a big snowstorm?

Then do a business impact analysis. "Ask yourself, 'If I need 30 people working on Day 2 somewhere with this set of computer applications, how do I do that?'" he says.

### **Pandemic Planning**

Many health care officials say that when it comes to pandemic it's not a matter of "if," but "when." The U.S. Department of Health and Human Services says that during a flu pandemic, business absenteeism could reach 40 per cent.

"What separates the pandemic from other disasters is that the impact is on the employee as opposed to the bricks and mortar of the company," says Dan Miller, chairman for Hoffmann La Roche Ltd.'s Internal Pandemic Planning committee in Mississauga.

Roche, which manufactures the antiviral flu medicine Tamiflu, has a pandemic disaster plan that also includes more typical things such as teaching employees how to wash their hands properly - scrubbing with warm water and soap - and the importance of social distancing to teach them to stay away from crowds. It's also handing out Tamiflu pills now to protect employees.

The program is voluntary, but Mr. Miller says the company feels it must ensure business continuity during a pandemic because it can't afford vast absenteeism at its busiest time.

## **Will Telework Save Us?**

That's what businesses hope, but don't count on it. "Well, when everyone goes on the Internet at once, what happens?" says John Rostern, director of technology risk management for Jefferson Wells International, Inc. in New York.

Mr. Smith knows: "The Internet will come to its knees."

## **The Little Guys**

Smaller businesses are most at risk in a disaster. Jeanne Hurlbert, professor of sociology and an affiliate of the Hurricane Center at Louisiana State University in Baton Rouge, says that a year after Katrina, more than 40 per cent of small businesses hurt by the hurricane failed.

Why? With cellphones and land lines down, employers couldn't find their workers.

Most evacuations last days, at most. "But with Katrina, people were gone a month," she says. "They literally didn't know where they were."

Ms. Hurlbert says small businesses need a contact system. Have employees identify a contact person about 200 kilometers away to be a relay point. Or turn to social networking sites - a boon for small businesses with a little extra cash.

## **Keep At It**

But plans have to be kept up to date, especially when staff changes are made, says Dale Avis, chief information officer for insurance adjustment firm Crawford & Co. (Canada) in Kitchener, Ont.

## **Inexpensive Advice**

Some advice is cheap and easy, Mr. Smith says.

Do your employees know what to do if there's a tornado? A noxious chemical spill? If a tornado rages, employees should stay in the strongest internal room in the building. If there's a noxious chemical, they need to head to the second floor to get away from the ground-hugging gasses.

"If you haven't helped them think it through before though, people don't know what to do," he says.

## **The Upside**

"It's important to practice and run these simulations. It really gets you to the next level of preparedness." Dan Miller, Hoffmann-La Roche Ltd.

## **The Downside**

"A lot of people will look at this as an exercise and start building 'The Plan' without first considering 'What am I planning for?'" John Rostern, Jefferson Wells International Inc.

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