

TRSA Production Summit

Disaster Planning / Recovery October 25, 2016

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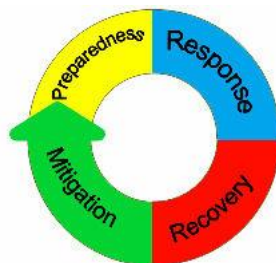


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Chemical Spills

Pre Disaster Planning

- ▶ Create and Update Disaster Recovery Plan
 - ▶ Global Harmonizing System (GHS)
 - ▶ Chemical Labeling in Facility (Dec. 2013)
 - ▶ Training (June 2016)
 - ▶ Osha.gov/dsg/hazcom/hazcom-faq
- ▶ Contact Local Emergency Management
 - ▶ Fire Dept.
 - ▶ Hazmat
 - ▶ Local Elected Officials
- ▶ Environmental Specialist Provider
 - ▶ Licensed Environmental Emergency Service Provider



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Chemical Spills

Pre Disaster Planning

- ▶ Inventory required PPE to enter building
- ▶ Supply Chain (Disaster Plan)
 - ▶ Chemical Provider
 - ▶ Other critical vendors
- ▶ Inventory required PPE to enter building
- ▶ Supply Chain (Disaster Plan)
 - ▶ Chemical Provider
 - ▶ Other critical vendors



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Chemical Spills

Disasters with notice vs. without notice

- ▶ Hurricane, Flood, Tornado, Power Outage, Earthquake, Etc.
- ▶ Planning with notice:
 - ▶ Drain Day Tanks
 - ▶ Seal Drums
 - ▶ Bulk – cancel delivery depending upon capacity and inventory level
 - ▶ Spill containment and liability becomes operators responsibility
 - ▶ Training on site personnel



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Chemical Spills

Post Disaster

- ▶ Do Not Enter premises until local authorities clear building
 - ▶ Often Local Fire Dept.
- ▶ Issue and inspect required PPE to personnel before entry
- ▶ Coordinate Spill Remediation with Local Authorities
 - ▶ Clean up activity must be completed by a **licensed** hazardous waste removal specialist.
- ▶ Contact local POTW
- ▶ Contact chemical provider



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IT Disaster

Pre Disaster Planning

- ▶ Create and Update Disaster Recovery Plan
 - ▶ Anything that inhibits business from operating
- ▶ Risk Assessment
 - ▶ Determine Disaster Risk Tolerance Level (use outside firm).
 - ▶ What is your acceptable "Uptime" to get IT Systems back up?
 - ▶ 1 hour vs. 1 Day, or more?
- ▶ IT Disasters are 2nd leading cause of disasters for businesses.
 - ▶ Weather is #1
 - ▶ Non Weather Disasters
 - ▶ Airlines (British Airways, Delta)



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IT Disaster

Pre Disaster Planning

- ▶ Key Equipment Failure
 - ▶ Internet
 - ▶ Power
 - ▶ Data Loss
 - ▶ Hacking / Cyber Security
 - ▶ Loss or theft of data by internal breach (employees) more likely than external breach (cyber security).
- ▶ The more complexity added in IT, the more redundancy is required.
- ▶ The more redundancy added to alleviate IT issues, the more failure points created, thus increasing risk.



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IT Disaster

Pre Disaster Planning

- ▶ Redundant Systems
 - ▶ Testing Frequency?
- ▶ IT Outsourced?
 - ▶ Resources not exclusively devoted to your business.
- ▶ Cloud – Housing Hardware in Data Centers over Internet
 - ▶ Server Location?
 - ▶ Redundancy?
 - ▶ Power
 - ▶ Internet



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IT Disaster

Pre Disaster Planning

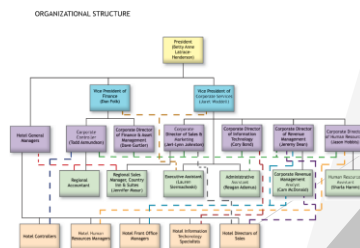
- ▶ Keys to outsourcing
 - ▶ Good Partner
 - ▶ Inquire about their Disaster Recovery Plan
 - ▶ Risk Assessment
 - ▶ Risk Tolerance



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Key Employee Loss

- ▶ Define Key Employees (Organizational Chart)
 - ▶ Is everyone replaceable?
 - ▶ Assess and plan to operate the business without each key person
 - ▶ Where are the biggest risks or threats?
 - ▶ Can your business afford redundancy in equipment, power sources, and IT?
 - ▶ Management?
- ▶ Insurance
 - ▶ Key Employee Life Policies
 - ▶ Training and Mentoring Program
 - ▶ Invest 1% of sales?



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Key Employee Loss

- ▶ Family Owned Businesses (FOB)
 - ▶ Comprise 90 % of all US businesses.
 - ▶ Employ 60% of US workforce.
 - ▶ Only 30% of FOB's transfer to 2nd generation.
 - ▶ Only 12% transfer to the 3rd generation.
 - ▶ Meager 3% transfer to the 4th generation.
- ▶ Why?
 - ▶ Denial and missteps
 - ▶ Oldest member of family / Patriarch / Matriarch is considered the smartest person in the room.
 - ▶ Owner Not Watching Long Term Cash Flow.
 - ▶ Owner Not Objectively Looking at Co.'s Financial Health.
 - ▶ Family Peace
 - ▶ Harmony within family given higher priority than sound business decisions.



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Key Employee Loss

- ▶ What happens if the owner is the key employee loss?
- ▶ 90% of Business Owners have met with a financial planner to discuss succession planning.
 - ▶ 32% of business owners have a formal succession plan.
 - ▶ 36% of business owners over age 50 have a formal succession plan.
 - ▶ 16% of business owners plan to pass their business onto their family.
 - ▶ 78% of small business owners plan to sell their business to fund retirement.



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Key Employee Loss

Culture of Developing Effective Future Leaders

- ▶ Attracting, Developing, Motivating, Retaining Factors
- ▶ Identification of high-potential people (include non family members)
- ▶ Continuous improvement of people
- ▶ Ongoing training
- ▶ Standardized, highly-detailed training methods
- ▶ Planned Career development
- ▶ Promotion opportunity
- ▶ Job Rotation
- ▶ Mentoring and Coaching
- ▶ Compensation/incentives
- ▶ Formal succession planning



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Terrorism

Pre Disaster Planning

- ▶ Public ,Private,and Governmental agencies need to understand and manage the risks to their employee's and organizational assets.
 - ▶ Officials are concerned that power plants, and other energy sources are vulnerable targets.
 - ▶ Soft Targets Lower profile targets, with lower security awareness are attractive to terrorists
 - ▶ Risk Assessments Identify potential targets in your vicinity. How close are you to a potential target?
 - ▶ Emergency planning and disaster recovery operations that are in place for other types of hazards can be extended to prepare and protect against terrorist attacks.

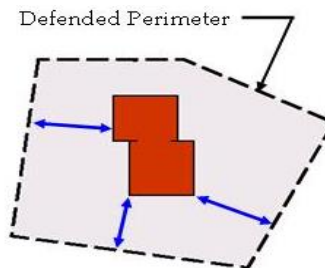


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Terrorism

Pre Disaster Planning

- ▶ A comprehensive terrorism risk management plan should, at a minimum, include the following components.
 - ▶ Protection of the facility and its occupants.
 - ▶ Effective standoff distance at all sides
 - ▶ Emergency planning and disaster recovery.
 - ▶ Extended from other types of hazards.
 - ▶ Reduction of financial risks
 - ▶ Combination of risk management measures, alternative or back up facilities, and insurance.



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Riots

- ▶ Social Media may provide new information as rapidly as possible. Some information may not be accurate.
 - ▶ Which area's are currently being targeted, and provide you with instantaneous of where to avoid.
 - ▶ Staying informed can help you avoid a riot even better than it can help you survive it.
 - ▶ Communication with employee's is key.



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Work Place Violence

- ▶ The number of shooting incidents has quadrupled since the Sandy Hook Elementary incident in Newtown CT.
- ▶ 70% of shooting incidents occur at businesses.
- ▶ Shooting incidents are over in less than 8 minutes.
- ▶ Develop an emergency plan to deal with workplace violence.

