



## Plenary #2

# Best Practices in Continuity and Emergency Planning

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## Continuity and Emergency Planning

### Review

#### Ann

- What is “business continuity”
- Economic impacts
- Business continuity strategies

#### Linda

- Stuff Happens
- Viability of “*virtual as a BCP strategy*”
- Recent case study reviews
- Cost-risk and success factors



## Emergency Management –

*An ongoing process to prevent, mitigate, prepare for, respond to, and recover from an incident that threatens life, property, operations, or the environment*



## Business Continuity -

*An ongoing process supported and funded by senior management*

*Ensures necessary steps are taken to:*

- Identify the impact of potential losses*
- Maintain viable recovery strategies, recovery plans*
- Provide continuity of services and operations*

## Business Continuity Planning & Emergency Management

HIRA, Prevention / Mitigation	Preparedness	Response	Recovery
<ul style="list-style-type: none"> <li>• Risk Assessment</li> <li>• HIRA</li> <li>• Business Impact Analysis</li> <li>• Risk Mitigation &amp; Prevention</li> </ul> <ul style="list-style-type: none"> <li>• <i>Lessons Learned</i></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Strategy Development</b></li> <li>• Prepare procedures               <ul style="list-style-type: none"> <li>• IT Disaster Recovery Plan</li> <li>• Pandemic Plan</li> <li>• BCP Component Development</li> </ul> </li> <li>• Develop Business Resilience</li> <li>• Maintain Plan</li> <li>• <i>Update Plan</i></li> </ul>	<ul style="list-style-type: none"> <li>• Emergency Response Procedures</li> <li>• Crisis Communications</li> <li>• Incident Management</li> <li>• Impact / Damage Assessment</li> <li>• Business Response</li> </ul>	<p>BCP Activation:</p> <ul style="list-style-type: none"> <li>• Resumption <i>(essential time sensitive processes &amp; services)</i></li> <li>• Recovery <i>(all the business)</i></li> <li>• Restoration <i>(move back to old or new site)</i></li> </ul>



## Continuous Lifecycle





Emergency planning tries to predict future outcomes...

What could happen, rather than what will happen.



Uncertainty about outcomes  
always accelerates exposure to  
[diminishing returns](#)



To avoid that point at which more is spent – but little is achieved,  
a careful balance must be struck  
between costs and outcomes.



What is Next Logical addition to our life raft?

Simple, Cost Effective Ideas



Look at solutions that pay attention to these five principles:

Strictly cost effective

Engage practical skills

Re-cycle, re-use in-place options

Encourage cross-collaboration – self help

Enable mutual assistance

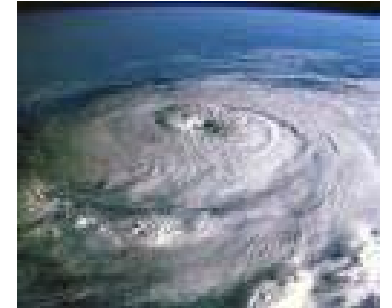


### Why Continuity Plans often fail:

Facilities – transport may be inaccessible

Loss of skills sets, key knowledge holders

Creates debilitating employer losses



## Typical strategies to support Continuity Plans

From high to low cost

Hot, Warm, & Cold sites

Redundant technology

Transfer of work



## Typical strategies to support Continuity Plans

From high to low cost

Process work arounds

Reprioritize & reschedule

Alternate – or virtual work space



## VIRTUAL as a recovery strategy

Ability to dispersed & reactivate a workforce

minimizes the negative impacts that a single point of failure can have on operations



## Virtual workplace addresses key risks to your BCP

Fast plan activation

Human resources are available more quickly

Greatly reduces lost productivity

Team is practiced – ready - to work remotely

Neutral if unused

Adds to routine workday when not in use



## Facing Facts - Most BCPs:

Plan to recover a workplace

Plan to recover the desktop technology

Plan to recover the business processes

Support the plan with PEOPLE & Place



World-wide

virtual - remote work

proving to be a critical, cost-neutral addition to plans



## Remote Work as Economic & Security Strategy

### USA Law 106

Mandatory Telework - Federal Employees – Fines, Incentives

### U.S. - Telework Improvements Act of 2009

Telework at least 20% of the hours worked in every 2 administrative work weeks

### U.S. Navy

40% of its headquarters workforce in a virtual environment by 2011



## Remote Work as Economic & Security Strategy

### Private Sector Firms - USA Trends

	2005	2006	2007	2008	2009
Telecommuting	<u>6%</u>	<u>7%</u>	<u>12%</u>	<u>18%</u>	<u>35%</u>



## Remote Work as Economic & Security Strategy

### Japan –

National Target 20% by 2010

### Finland -

50% of employers offer telework – virtual work (2000)

### Sweden -

47% of employers offer telework – virtual work (2000)



## Remote Work as Economic & Security Strategy

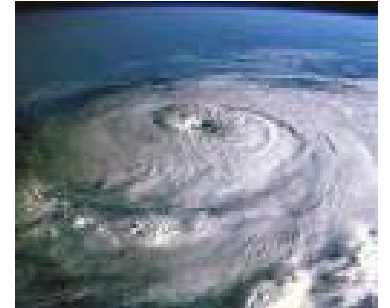
### The World -

Gartner estimates 137 million global teleworkers



## Remote Work as Security or Recovery

CANADA



Stuff happens

CANADA



# SARS

30,000 QUARANTINED

Economy down - \$1 Billion

Job Loss – 2,000



# Blackout

Before



During





# THE GLOBE AND MAIL

Three conditions for a recession: 1. Excess capacity in the private sector 2. Excess capacity in the public sector 3. Excess capacity in the financial sector

## Black Out

Output falls 5.1 per cent

71,000 Feds stay home for 6 working days

Major culprit in the 0.7% drop in Canada's GDP in August

2.4 million people lost 26.4 million hours of work



## Tough Choice

Shift where work done from place to network

$\frac{3}{4}$  % drop in Canada's GDP vs 60 cents per day for virtual & HCS



Shift from building-centric to Netro-Centric

Run Business around network vs. place

Or

Engage in Economic Activity known as [Going Out of Business](#)



*“Disasters do not have to be 100 year floods or eight-point earthquakes.*

*All it takes to be a disaster is something that could mess up*

*approximately 1,500 square feet of very important property.” (PERRY, D. S., 1999)*



*“The economic impact on a single micro-organization can be better or worse than the impact on the macro-economy.”*

*“Where fixed costs cannot be cut in the face of declining sales, profit declines can be much greater than the reduction in sales.”*



## Whatever the Emergency – Common Outcomes

### Debilitating to the Employer

1 – absenteeism

2 – facility loss

**Match response to reality**



Employees are the revenue and profit drivers of almost all corporations.

Amin Mawani, Schulich School of Business, Making a Case for Investing in Pandemic Preparedness, 2009



## Staff focused on

- 1 – Needs
- 2 – Rights
- 3 – Citizen Orders

not Recovery



What will they do?

Will you stay home ?

	Office
<b>YES</b>	<b>46%</b>
MAYBE	28%
NO	26%



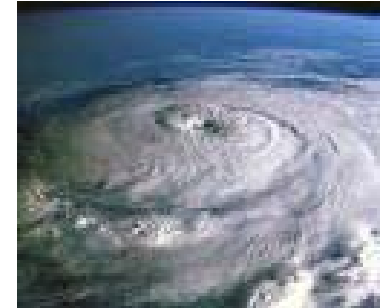
## Rights & Legal Absenteeism

Canadian Legislation  
Employment Standards Act

Section 50 – Emergency leave = 10 days

Family Medical Leave = 8 weeks - plus 8 weeks

Employment Insurance Act = 15 weeks



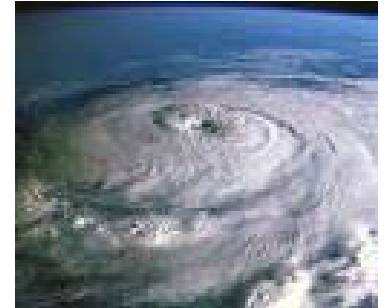
## Orders - Mandated - Absenteeism

Dr. Gardam – Director, Ontario Agency, Health Protection –

“people should have a plan - public-service interruptions, such as school closings,  
which may mean

one parent working from home.”

The Globe and Mail, June 6, 2009



## Orders - Mandated - Absenteeism

Folks do have a plan – they plan to stay home



### *High Absenteeism can Mimic Facility Loss*

Staff who won't or can't come to work – have no way of contributing to recovery,

unless you give them a way



## Canadian Municipalities - Telework Roundtable

### Public Sector

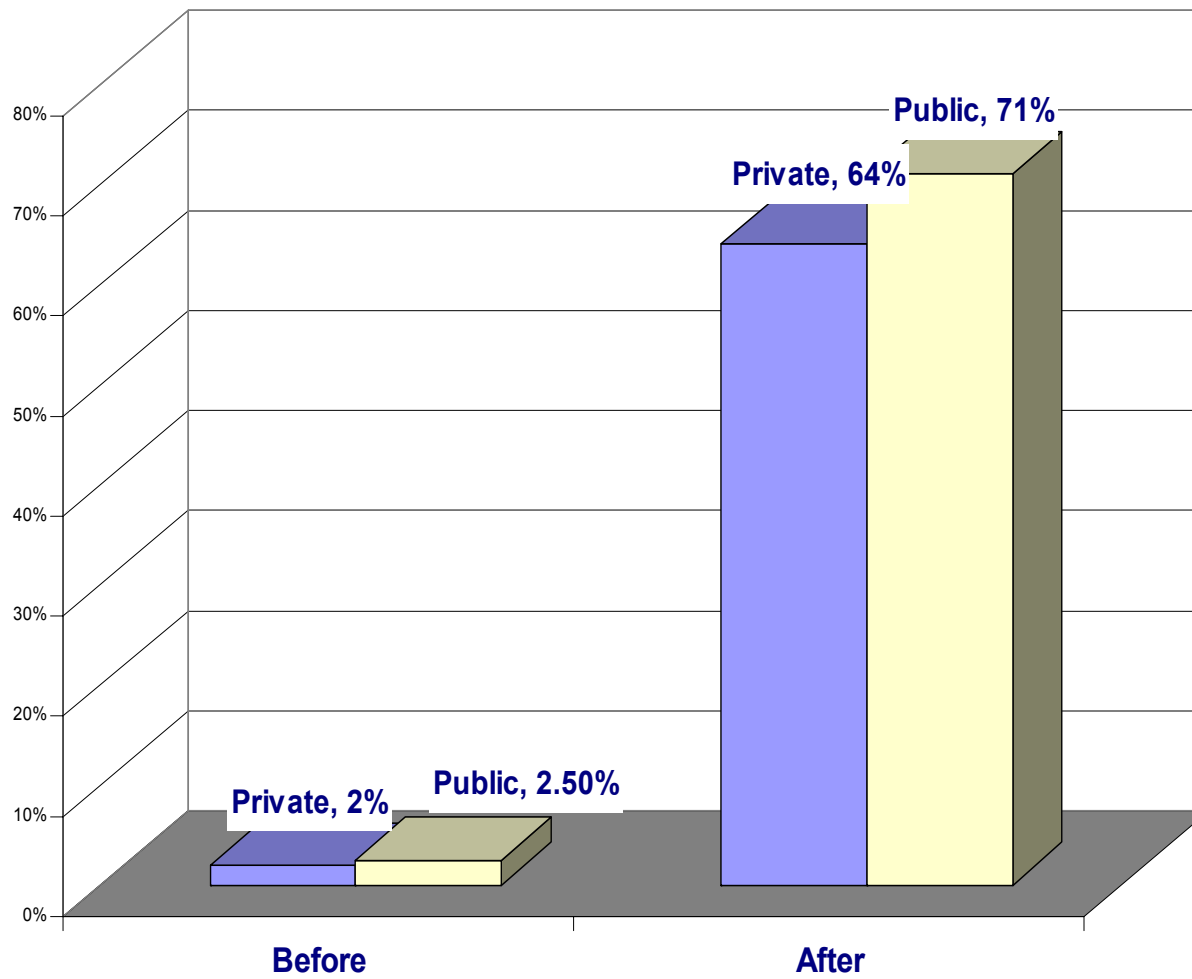
– 83% of all depts have staff with capacity to Telework

Only 2.5% TW routinely

- Practice – available productive workers increases from 2.5% to 71%



### Shift - in Available Workforce





Research showed

75% telework informally

**BUT**

Fewer than 2% are prepared to begin to telework tomorrow

**Telework “Break Glass in Case of Emergency” Policy is No Remedy**



Most Employees already have the basics:

Inventory of home office technology

Experience using informal/formal virtual work



## Existing Experience

75% of staff work from home informally, after hours

## Existing Inventory

81% of staff have a home office or space

83% have a high-speed connection

86% have a personal home computer

27% have an employer-issued laptop

34% have access to the company VPN or network



Create a simple bridge - tap into what is already there





## “Practice” Virtual

Easy to implement - Low cost

Rotate models – 30 staff can use 3 models over 1 month

Stockpile for activation when needed



## Case Study ROI Ontario Municipalities **Enterprise Solution**

Leverage existing remote access investment

Facility space, parking costs = - 37%

Productivity = + 22%

Absenteeism = - 38%

Retention = + 67%

Employee satisfaction, work-life = + 87%



## Case Study ROI

### Ontario Municipalities

Year One: the net offsets from 62 Critical Staff = \$868,587 = \$14,010 per staff.

Year Two, the net offsets from 62 Critical Staff = \$911,067 = \$14,700 per staff.



## Virtual

Costs a little delivers a lot

Reduces complexity of your BCP

- Infinitely expands capabilities - from 2% to 70%

Is it a logical Next Step?



## Virtual

Attitude shift – Virtual as possible employee benefit – to survival tool

No longer only for the “special”, the carefully vetted

From who can't - to, why not

Assume everyone can do – unless proven otherwise



## Virtual

Pays for itself

Increased productivity

Reduced real estate needs

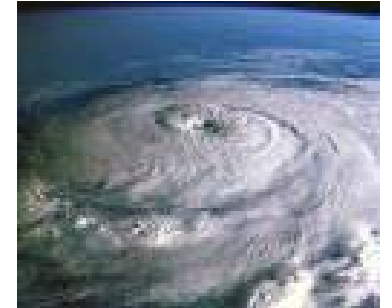
Improved retention

Reduced absenteeism



Virtual work – a simple idea in the event of:

- Unprecedented absenteeism
- Needs to manage face-to-face contact
- Damage to transportation systems
- Reduced or lack of access to facilities, tools



In conclusion:

Virtual staff – WILL contribute – even if they are not there