

Basic Emergency Management Guidelines

DIN0490-0602

Be Prepared!

Most of us think our chances of being hit by a major disaster are remote. However, enterprises increasingly operate in a “lean and mean”, technology dependent, environment. Such dependency can undermine the ability to respond in a time of crisis. While threat of major disaster from storm, earthquake, and flood is always present, it is more likely that a business would experience a communications disruption, technology failure, or loss of power. Most small to medium sized businesses and organizations are ill-prepared to manage emergencies. Studies in North America on the impact of disasters/emergencies on businesses show that:

- a) 43% of businesses that experience a major crisis never reopen;
- b) a further 29% close within 2 years.*

Time and money spent on preparing to deal with emergencies is a good business investment. Planning and preparation before a disaster can minimize the loss of revenue and, more importantly, loss of life. Planning can also help ensure an effective recovery.

“Emergency Management” refers to the steps that every organization should take to protect their assets, essential services, operations and functions.

The following guidelines are designed to help owners and managers of small to medium sized businesses in the event of crisis or emergency. They are not intended to address specific sectors or industries. They are meant to provide business managers with a basic set of guidelines, checklists and questions that can help in the preparation of specific emergency plans.

Basic Emergency Management

These are the basics—if you don’t do anything else, complete the following steps!

1. **Assign responsibility for managing a crisis.**
2. **Identify any threats to your business.**
3. **Mitigate against the threats identified.**
4. **Prepare an emergency plan.**
5. **Practice the plan.**

1. Assign Responsibility for Managing a Crisis

- Nominate a person whose responsibility it is to action these five steps (and perhaps develop a more comprehensive protection plan in the future). This person should become an “advisor” on protecting the mission of the enterprise and should be part of the emergency management team.
- Next, set up an Emergency Management Team—people who are responsible for responding to and managing any potential emergency. The senior executive is not necessarily the best choice to lead the team. During an emergency, the team devotes 100% of its time and effort to managing the response and recovery. The senior executive, while called on to make executive decisions, would remain free to manage all the affairs of the company.

Points to consider:

- Not everyone performs well under pressure. During an emergency it is essential that the leader and members of the Emergency Management Team be able to make decisions quickly under stressful conditions.
- Take into account other commitments when assigning roles & responsibilities.
- Key members of the team may be unavailable (due to injury or absence) when a crisis occurs—appoint alternates if there is sufficient staff.
- In the event of a prolonged emergency, the Emergency Management Team may need to work long hours for an extended period of time under extremely stressful conditions—another reason to appoint alternates.

2. Identify Any Threats to Your Business

Consider the most likely threats to your business with respect to:

- **your location, e.g.:**
 - region (risk of earthquake, floods, severe weather);
 - proximity to railways & freeways (chemical spills), rivers/lakes or waterfront;
 - proximity to manufacturers of dangerous goods;

* Source: Gartner Group/University of Wisconsin

- **the nature of the business, e.g.:**
 - the risk of fire, hazardous materials, flood
- **single points of failure:**
 - examples: key personnel, key suppliers

Consider each threat in terms of:

- **Probability** of occurrence
- **Vulnerability** to this threat
- **Impact** on the organization

3. Mitigate the Threats Identified

Take measures to reduce or eliminate the threats identified.

- **Fire**
 - Install/upgrade fire safety equipment.
 - Move flammable materials away from potential sources of fire.
- **Flooding**
 - Relocate computer equipment away from areas prone to flooding (e.g., basement).
- **Earthquake**
 - Install tie-downs for equipment, files, etc.
 - Reposition equipment or furniture to minimize risk of injury.
- **Loss/Damage to computer records**
 - Maintain back-up materials/data off-site.
- **Security**
 - Install/upgrade security system.
 - Install firewalls to safeguard computer files.
- **Equipment failure**
 - Establish/renew maintenance contracts. Consider replacing any unreliable equipment.
- **Insurance**
 - Review your insurance coverage and seek advice from a broker regarding coverage for business interruption.

4. Prepare an Emergency Plan

Document essential procedures and reference lists that are needed in a crisis situation:

- **Evacuation procedures**
 - These should be reviewed and practiced every 6 months. Include alternate exits from the building. Have at least two reporting areas in different locations. Include procedures for reporting on those present/missing.
- **Contact lists**
 - List all emergency numbers (home, mobile, cottage, etc.) of those you would need to contact (including Emergency Management Team, Department Heads, clients/customers, suppliers, banks, insurance brokers...)
- **Essential operations or functions that must be recovered in order of priority**
- **Computer back-up procedures**
- **Vital records**
 - Maintain a list of all records that are critical to the operation/business (including paper, electronic and other media). Consider storing copies of essential information off-site.
- **Network of outside resources that may be available to assist you**

5. Practice & Test Your Plan

The emergency plan must be kept up-to-date if it is to be of any value. The plan should also be tested at least once a year to determine what works and what does not—remember, a plan that has not been tested is not a plan.

Conclusion

These guidelines are only the basic steps in maintaining an emergency management program. The Canadian Centre for Emergency Preparedness has extensive links to other public and private organizations. Examples of emergency plans and templates can be downloaded free of charge from their website at www.ccep.ca

Legal Notice: This publication and its contents are for the members of the Canadian Federation of Independent Business ("CFIB") only, and are not intended for any other recipient. The contents of this publication are for informational purposes and the CFIB does not warrant the accuracy, currency or suitability of any of the information provided herein. Before acting on the basis of any information contained in this publication, please seek the advice of your professional advisors.