WORKPLACE STRATEGY AND BUSINESS RESILIENCE:
KEEPING THE WORKPLACE PRODUCTIVE DURING A CRISIS
Diane Coles Levine
March 20, 2018
It takes years to build a business but only minutes to lose it.

If you’re not prepared when a crisis hits.
Business Resilience is the ability an organization has to quickly adapt to disruptions while maintaining continuous business operations and safeguarding people, assets and overall brand equity.
Risk will be our biggest future challenge.

$4 Trillion Industry
50 Billion Connected Devices
Predictions for Cybersecurity as the Internet of Things Adoption Grows

Cyber attacks will increase via data accessed from third party vendors.

More hackers will target cloud data collected by IoT devices.

Employees will be companies' biggest threat.
Global ransomware damage costs are predicted to exceed $5 Billion in 2017 – a 15X increase in two years, and expected to worsen
Risk will be our biggest future challenge
The Risk of Ignoring Business Resilience

- 48% of business owners have no plan in place
- 75% of companies without a plan fail within three years after facing a disaster
- 40% to 60% of businesses disrupted by a disaster without a plan, never reopen
- Companies that cannot resume operations within 10 days after a disaster’s first impact are not likely to survive

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Companies with a plan versus companies without

- Recover faster than companies without
- Are the least likely to develop communication problems with their stakeholders
- Take longer to respond to an emergency
- Make more incorrect decisions in the early stages of a disaster

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What Does a Business Resilience program mean for your organization?

**Managed Risks**

- People
- Assets
- Brand Equity
- Financial Loss
- Stakeholder Engagement
- Regulatory Compliance
- Supply Chain

Prepared staff and supply chain

The effect of a crisis is minimized

A culture of awareness

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What can you do as a Workplace Strategist to support business resilience?
What’s in your Business Continuity Plan?
How is your Workplace Strategy connected to your Business Continuity Plan?
What are the critical functions that need to be up and running in a crisis?
## Business Unit Recovery Prioritization Matrix

<table>
<thead>
<tr>
<th>Level</th>
<th>Business Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Operations</td>
</tr>
<tr>
<td>1</td>
<td>Communications</td>
</tr>
<tr>
<td>1</td>
<td>Customer Support</td>
</tr>
<tr>
<td>1</td>
<td>Finance</td>
</tr>
<tr>
<td>1</td>
<td>Head Start</td>
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<td>1</td>
<td>Case Management</td>
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<td>1</td>
<td>Provider Payments</td>
</tr>
<tr>
<td>2</td>
<td>Resource &amp; Referral</td>
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<tr>
<td>2</td>
<td>Subsidy - Customer Support</td>
</tr>
<tr>
<td>3</td>
<td>Research</td>
</tr>
<tr>
<td>3</td>
<td>Compliance</td>
</tr>
<tr>
<td>3</td>
<td>Internal Audit</td>
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</tbody>
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- **Level 1** = Business Critical
- **Level 2** = Important
- **Level 3** = Non Essential during a crisis
People: who, where and when in a crisis?

- Who needs to be there?
- When do you need them?
- Where do they need to be working?
- Who can work from home?
- Who will be on call?
- Who can work in shifts?
- Who are you going to move out to make room for critical operations?

How many seats?
- First day
- First Week
- First 3 weeks
- Beyond 3 weeks
What is your plan, if HQ is red tagged?

Where and how will you ramp up staffing?
What are your contingency plans?

How quickly can employees be up and running?
Do you have adequate alternate sites?
Temporary Space

- Pre-negotiated
- Co-working
- Business partner
- Vendor
- Local hotel/university
<table>
<thead>
<tr>
<th>Alternate Site</th>
<th>Description</th>
<th>Readiness</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mirrored Site</td>
<td>Fully redundant, identical equipment and data</td>
<td>Highest level of availability and readiness</td>
<td>Highest</td>
</tr>
<tr>
<td>Mobility Site/Trailer</td>
<td>Designed, self-contained IT and communications</td>
<td>Variable drive time, load data and test systems</td>
<td>High</td>
</tr>
<tr>
<td>Hot Site</td>
<td>Fully provisioned IT and office, HVAC, infrastructure and communications</td>
<td>Short time to load data and test systems. May be yours or vendor staff</td>
<td>High</td>
</tr>
<tr>
<td>Warm Site</td>
<td>Partially data equipped, some office, data and voice, infrastructure.</td>
<td>Days or weeks. Need equipment, data, communications</td>
<td>Moderate</td>
</tr>
<tr>
<td>Cold Site</td>
<td>Minimal infrastructure, HVAC</td>
<td>Weeks or more. Need all IT equipment and communications</td>
<td>Lowest</td>
</tr>
</tbody>
</table>
Cost of alternate sites

- Recovery sites usually charge an annual fee
- Multiple year contracts
- Payment is obligatory whether you have a disaster or not
- Reducing the number of required seats, will reduce the annual fee
- Declaration fee
- Workstation rental fees charged no matter how many are used
- Miscalculating seating requirements results in higher rental fees
“A company with 1,000 employees earning the average United States salary (about $50,000) would lose $250,000 a day if its people couldn’t get to work and were not trained to work at home.”

-Kate Lister, Global Workplace Analytics
Business Resilience is a driver for home office working

Calgary is resilient: city joins 100 others in Rockefeller Foundation network

Mayor Naheed Nenshi said although resilient, Calgary can do better with the 100 Resilient Cities membership

By: Helen Pike Metro Published on Wed May 25 2016
Hurricane Harvey
September 2017

Remote workers and their managers had the tools, technology and training needed to communicate and collaborate in a disaster.
How will you provision employees during a crisis?

- Connectivity
- Technology
- Furniture
- Collaboration tools
- Food service
- Disaster supplies
- Security access
- Transportation
Pandemic Planning

“In a severe pandemic, absenteeism attributable to illness may reach 40% during the peak weeks of a community outbreak.

Telecommuting is a key disease contaminant strategy”

- US Department of Homeland Security
What can you do if you have gaps in your plan?

- Craft alliances
- Create a plan
- Mitigate disasters
- Test your plan
- Community partnerships
Craft Alliances

• Co-create a plan
• Governance
• Roles/Responsibilities
• Reporting
• Metrics
• Communication

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Disaster Mitigation – Cyber Threat

- Supply chain resilience
- Cyber polices/contract – vendors
- Password policies
- Auditing
- Vulnerability Assessment
Supply Chain Resilience

- General Contractor
- Architects/Engineers
- Recovery Services
- Furniture
- Food Service
- Amenities
- Facility Services
Mitigation – Site Selection Process

- Understand hazards (hurricanes, snowstorms)
- Flood zones
- Earthquake maps
- Infrastructure
- Political climate
- City emergency resources
- Health care systems
- Who’s in the neighborhood?

In 2013

Natural disasters displaced more people than war

Thought-provoking discussion
Royal Geographical Society
www.21stcenturychallenge

Source: Global Estimates 2014: People displaced by disaster
HQ Location
How do you test your plan?
I hear and I forget. I see and I remember. I do and I understand.

(Confucius)
Exercise Philosophy and Expectations

Success = Learning + Finding Improvement Items + Response

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What role does your workplace strategy play in business resilience?

In this world of uncertainty, business resilience is a path forward in preparation for the unknown.
We make business resilience a way of life at your company.

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