Business Continuity Management

Crisis Management & Crisis Communications Planning

Tony Adame, CBCP
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Agenda

• Business Continuity Defined
• Objectives of Crisis Management
• Crisis and Crisis Management Defined
• 7 Steps of Crisis Management
• Standard CMT Structure
• Notification & Activation of the CMT
• The CMT Plan (Full & “Grab & Go”)
• Roles and Responsibilities of the CMT
• Crisis Communications
• Q&A
Business Continuity Management (BCM) Defined

Focus on ISO 22301 & ISO 22330

The advanced planning and preparations necessary to identify, mitigate and/or reduce the impact of risk while ensuring continuity of an organization’s critical business process, customer satisfaction, financial stability, contractual/regulatory compliance, operational capabilities, and/or brand reputation.
The preparations necessary to identify the impact of potential business interruptions; formulate recovery strategies; develop business continuity plans; and administer a training, exercise and maintenance process.

The technological tenets of a business continuity program. Focus is on restoration, possibly at an alternate location, of data center services and computing capabilities.

The ability to strategically manage an event including the internal and external communications necessary to protect corporate reputation and brand image.

An organization's coordinated, effective and timely response to an emergency. The goal is to avoid or minimize injury to personnel and/or damage to company assets.

The process to identify risk and quantify impact to the business (people, facilities, operations, finances etc.).
BCM Response & Recovery Timing

**EMERGENCY RESPONSE**

Life Safety & Physical Plant Issues

**CRISIS MANAGEMENT**

Strategic Response & Analysis

**BUSINESS UNIT/IT RECOVERY**

Tactical Response & Resumption

- MINUTES
- HOURS
- WEEKS
All Unplanned Events Are Not Emergencies

All Emergencies Do Not Become Crises

All Crises Are Emergencies
What can be a Crisis?
*A Situation That Potentially Can…*

- Deteriorate With Time
- Attract Public & Government Attention
- Interrupt Normal Company Operations
- Adversely Affect Company’s Financial Position
- Damage Company’s Image
Objectives of Crisis Management

• The purpose of the Crisis Management Team (CMT) is to have a group of senior management personnel who will assemble to prepare for and respond to an incident impacting corporate offices, distribution centers or other key facilities.

• The CMT will focus on incidents that escalate from emergency response to business continuity &/or IT disaster recovery.

• The CMT may respond to the following types of incidents:
  – Natural disaster
  – Man-made emergency
  – Major system failure
  – Major operational failure
  – Significant brand issue
Seven Steps of Crisis Management

1. Quickly and Accurately Assess The Situation
2. Consider the Current and Future Impact on the Company, its People, Operations, Public Image, and Financial Position
3. Ensure Initial Emergency Response Efforts are Progressing e.g. Protection of Life, Property, Equipment
4. Once Able – Allow for Business Continuity Process to Begin
5. Closely Monitor Situation
6. Prepare for On-Going Crisis Management Activities
7. Communicate, Communicate, Communicate
# Sample Activation Levels of Incident

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<thead>
<tr>
<th>Level</th>
<th>Definition</th>
<th>CMT Response</th>
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<td>3 (Activation)</td>
<td>Crisis&lt;br&gt;• Disastrous or detrimental impact on people, facilities, operations, processes, and/or company reputation&lt;br&gt;• Significant, measurable impact on the people &amp;/or business. Future viability of the business may become an issue&lt;br&gt;• Examples of disruptions include: Significant Product Recall, Extended IT Infrastructure or Systems Outage, Terrorism, Severe Earthquake, Flood, Prolonged Power Outage, Wide-Spread Pandemic, Hazardous Chemical Spill, and Severe System Failure</td>
<td>• CMT Chairperson activates entire CMT via the CMT Coordinator.&lt;br&gt;• CMT Coordinator alerts CMT members&lt;br&gt;• CMT Members shift away from normal work to focus on crisis.</td>
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<td>2 (Notification)</td>
<td>Potential Crisis&lt;br&gt;• Significant potential impact on people, facilities, operations, processes, and/or company reputation.&lt;br&gt;• Measurable impact on daily operations.&lt;br&gt;• Examples of disruptions include: Critical System Outage, Isolated Medical Emergency, Significant Power Outage, Temporary Evacuation of Building, PR event that doesn’t affect the well-being of employees, tenants, or the general public.</td>
<td>• CMT Chairperson identifies select CMT members as needed based on situation.&lt;br&gt;• CMT Coordinator alerts select CMT members as determined by the CMT Chairperson.&lt;br&gt;• CMT members standby for potential activation as additional information is received and analyzed.</td>
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<td>1 (No Action)</td>
<td>Minor Incident (Minimal, if any Routine Disruption)&lt;br&gt;• Minimal impact on people, facilities, operations, processes, and/or company reputation.&lt;br&gt;• No measurable impact on daily operations.&lt;br&gt;• Examples of disruptions include: Limited Production Delay, Non-critical System Outage, Limited Power Outage.</td>
<td>• No CMT activation or notification required.</td>
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CMT Activation Process: Notification Criteria

• The CMT Chairperson or a CMT Member may be notified via an impacted party that an event has occurred

• Basic Notification & Activation Criteria includes:
  – Serious injuries or fatalities
  – Threat to the lives/safety of employees
  – Facility is damaged to the extent that employee relocation is required
  – Disruption to critical business processes (e.g., inability to take, fulfill, or deliver customer orders)
  – Potential significant impact to revenue
  – Media or public is aware of the incident
  – The incident is reportable to an outside agency

• Based on the current situation the CMT Chairperson has the authority to activate the CMT
CMT Notification and Activation Tree

First Responder Initial Assessment

- **Technological Event**
  - IT RESPONSE
  - Types of Scenarios:
    - Critical System Outage
    - IT Security Breach
    - Data Center Damage

- **Physical Event**
  - EMERGENCY RESPONSE
  - Types of Scenarios:
    - Building Damage
    - Natural Disasters
    - Workplace Violence
    - Terrorism
    - Employee Injury/Death

- **Department Event**
  - DEPT. RESPONSE
  - Types of Scenarios:
    - Loss of Key Staff
    - Product Recall
    - Negative Media
    - Vendor/Partner Disruption

Resolve situation within the responsible Mgmt. Area

Activate CMT
Responsible to manage and coordinate the event

Contact CMT Chair or Coordinator
via Email, Phone, Text, or Verbal

Legal, CMT Chair &/or CMT Coordinator:
Does event meet CMT Notification criteria?

Notify CMT Leader or Team Member

Does Incident meet CMT Activation Criteria?

CMT Leader Assessment

Continue to monitor situation as it is resolved within the responsible Mgmt. Area

Contact Dept. BC Owners

Does impact warrant BCP Activation?

BC/DR Plan Implementation
Responsible for implementing recovery processes specific to impacted business units and applications
• High-level plan to guide CMT actions during an incident, includes:
  – Program structure
  – Escalation process and triggers
  – Roles and responsibilities of CMT members
  – Communication protocols and tools – reference existing Crisis Communication Plan
  – Contact information for CMT members and external parties
  – Exercise and maintenance guidelines
Crisis Management Plan – “Grab & Go”

### Incident Occurs...

Immediately following incident (within 30 minutes) – INCIDENT IDENTIFICATION, NOTIFICATION, & INITIAL RESPONSE

- Emergency Response Procedures: It’s a matter of life or property.
- Emergency Resource Teams: Facilities, HR
- Assess Incident & Possible Scope: Identify incident and appropriate scope. Refer to Guide to CMT, CMT Centralized Event Management (Appendix C) – Incident Levels. Determine appropriate resource & notification.
- Responsible Parties: CMT Crisis Management Team, CMT's Regional Office, and any other parties as needed
- Activate Crisis Management Team (Physical or Virtual) as appropriate
- Responsible Parties: CMT – CMT Coordinator

Within 1 hour of Incident – LIFE SAFETY, DAMAGE ASSESSMENT, CRISIS MANAGEMENT & CRISIS COMMUNICATIONS

- Determine status of safety and welfare of employees, conduct initial structural damage assessment, and report initial incident feedback
- Responsible Parties: CMT, Company/HR, Facilities, & Information Technology
- Assess Incident and make initial decisions, e.g., close business, or both internal/external communications; if possible use a未婚Channel and/or leverage
- Responsible Parties: CMT, CMT Coordinator

Within 2 hours of Incident – PLAN ACTIVATION & CRISIS COMMUNICATIONS

- Evaluate status of incident and develop next course of action; including to whether to formally declare a disaster
- Responsible Parties: CMT, CMT Coordinator
- Communicate plan status to CMT employees (both vendors)
- Responsible Parties: CMT, CMT Coordinator

Within 4 hours of Incident – RESPONSE

- Conduct an assessment of CMT and business units and report initial response & communications as appropriate.
- Responsible Parties: CMT, CMT Coordinator, CMT Communications (including customer, HR, and outside communications), Customer Service, and Ad Hoc Committees
- Provide assistance to injured or otherwise negatively affected staff.
- Responsible Parties: CMT, CMT Coordinator, HR
- Engage third-party business sites of potential impacts and estimate duration of disruption based on available information
- Responsible Parties: CMT, CMT Coordinator, and Facilities
- It is appropriate, notify key members of possible disruptive event
- Responsible Parties: CMT, CMT Coordinator, and Ad Hoc Committees
- It assesses and prepares incident incident response and recovery actions
- Responsible Parties: CMT – CMT Coordinator, Finance, Risk Management and Facilities

Within 24 hours of Incident – RELATIONSHIPS & RECOVERY

- Continue to strategically manage response and appropriate recovery actions
- Responsible Parties: CMT – CMT Coordinator
- Continue to provide assistance to injured or otherwise negatively affected staff.
- Responsible Parties: CMT, CMT Coordinator, and Ad Hoc Committees

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NOTE: If the 0000 location is compromised, the greater 0000 area is also safe and secure. The CMT can meet physically or virtually.

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CMT Responsibilities

Prior to an incident:

• Generally oversee company’s response & recovery planning efforts, including:
  — Emergency Response / Life Safety
  — Crisis Communications
  — Technology Disaster Recovery
  — Business Unit Continuity Planning
• Understand and drill on basic CMT-oriented activities
• Establish priorities and direction for the Business Continuity program
• Recommend and approve Business Continuity strategies and plans
CMT Responsibilities - continued

At time of incident:
• Generally oversee company’s response & recovery efforts after a large-scale disaster or incident
• Coordinate efforts between response and recovery teams
• Coordinate efforts between the department Business Continuity Team Leaders during an incident
• Assist with requests for additional resources, etc. from a site
• Approve disaster-related funding
• Develop and distribute messages to employees, customers, and vendors – Crisis Communications

Post incident:
• Facilitate “lessons-learned” activity to identify strengths and areas of opportunity in current planning.
• Initiate actions to enhance programming as necessary and ensure implementation
Role of the CMT Chairperson

• Evaluate incidents based on initial assessments from first responders / Emergency Response Team
• Notify CMT members of the incident as necessary
• Activate CMT members based on type and severity of incident
• Coordinate CMT response and recovery efforts
• Assign tasks and responsibilities to CMT members
Role of CMT Members

• Assist the CMT Chairperson in making recovery decisions
• Obtain and review damage assessment/impact information from the Emergency Response Team and affected departments
• Provide operational, administrative, financial, technical and other services as needed by the recovery teams
• Contact and mobilize personnel or external parties under your area of responsibility to address the impact of the incident
• Provide status updates as requested by the CMT Chairperson
A Few Words Regarding Crisis Communications

• A crisis can not only put an organization’s operational integrity at risk, it can also jeopardize its reputation and trusted partnerships (e.g. with employees, customers, vendors, investors, shareholders, the media, government agencies and officials).

• The ability to communicate effectively with key stakeholders after a major disruption can play a critical role in overall resiliency.

• The basic elements of the crisis communications response are:
  — notifying internal team members and others needed for a communicative response,
  — determining and developing an appropriate messaging, and
  — managing the communications response.
10 Steps of Crisis Communications Planning

1. Identify Your Crisis Communications Team
2. Identify Spokespersons
3. Spokesperson Training
4. Establish Notification Systems
5. Identify and Know Your Stakeholders
6. Anticipate Crises
7. Develop Holding Statements
8. Assess the Crisis Situation
9. Identify Key Messages
10. Issuing the Communications
11. Assess Feedback & Ride Out the Storm
Tony Adame, CBCP
Associate Director
Aon Global Risk Consulting
Irvine, CA
t. 949.823.7202
m. 949.632.2649
tony.adame@aon.com
| **Experience** | Tony is responsible for providing Business Continuity Management (BCM) — emergency response, crisis management & communications, IT disaster recovery, and business unit continuity — planning services to Aon clients. He has over 20 years’ experience in identifying, assessing, and mitigating business risks and impacts for clients domestically and internationally within various industries including food & beverage, retail, supply chain, manufacturing, consumer products, construction, financial services, entertainment, hospitality, energy, transportation, real estate, gaming, hi-tech, information technology, automotive, pharmaceuticals, life sciences, public entity, education, and travel. His experience includes providing business and property risk assessments, crisis communication planning, and facilitation of information systems response to large scale computer incidents. **Prior Industry Experience:** Prior to joining Aon, Tony spent 13 years as an external BCM consultant with companies such as Marsh USA, Ernst & Young, and PwC. He also spent a combined 8 years as an internal BCM resource for the Automobile Club of Southern California and Avco Financial Services. |
| **Areas of Focus** | Design & implementation of response and recovery programs, including specialized expertise in enterprise-wide risk assessments and development of mitigation protocols to close acknowledged gaps. |
| **Education Professional Designations & Affiliations** | Tony earned a BA in Business Administration and a BA in Political Science from the University of California, Riverside. He is a Certified Business Continuity Professional, a member of the Association of Continuity Professionals, and an Affiliate Member of the Business Continuity Institute. He is also an Alternate Committee Member on the NFPA 1600 Standard on Disaster/Emergency Management and Business Continuity Programs standing committee. |
| **Contact Info** | **Tony Adame, CBCP**  
Associate Director Consultant  
Aon Global Risk Consulting  
Irvine, CA  
t. 949.823.7202  
m. 949.632.2649  
tony.adame@aon.com |
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