NOVEMBER 15TH, 2016

SCOTT TEEL

START BUILDING YOUR DISASTER RECOVERY PLAN TODAY

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okay, good afternoon and welcome to todays webinar start your disaster recovery plan today. My name is scott and i'll be the presenter today. I'm the vp of marketing is education here at agility and i'll give you a little look into who agility is in a moment. I want to kick things off by taking care of a couple of quick house keeping. About 30 minutes and then we'll take some questions. My colleague is on with us and she'll answer those questions. We'll be holding the questions until the very end. Additionally this webinar is being recorded and a link to the recording will be e-mailed out to all of our registrants following todays live broadcast. Finally if you'd like to download a copy of the slides you can do so by visiting the url on the screen now.

Now we'll move on to why you're all in attendance. The most effective and efficient ways to get your disaster recovery plan started. We'll walk through the steps that can help anyone in any organization improve their resilience in the face of disaster. More importantly we're going to talk about a lot of steps that you can use that have little cost and not a lot of time investment. This probably september your primary responsibility so we're going to pay attention to that. Our goal is to provide you with some real relevant actionable take aways. We base these on over 27 years of helping businesses and other organizations recover after disasters. We've learned what they can do better, what they've done wrong or right in order to help them better recover. We've distilled that into a few keep steps that will help you take action with little time or money to help you become better prepared. We're going to talk about the reality of disaster. Many of you think about the large scale news making events. Then we'll move on to where your priority should lie. This is obviously a first step in making any real progress but a lot of organizations completely avoid looking at their priorities when they're planning and instead just jump right into how to fix the problem.

We'll share real actionable steps you can take today to build resilience and then for those who may have
already taken some of these steps we'll finish off by giving a few suggestions of where to focus your energy next. Let's start with the reality of disasters. If you were to poll the audience today my bet is that many of you probably thought about today's session with natural disasters or weather related interruptions. History tells us that's a good place to start. If we take a quick look back at 2015 there were ten weather and climate disaster events with losses over $10 billion. We should also look beyond the impact of these events and instead focus on the trend that we're seeing in these huge large scale regional events over time. As you can see here in the 35 years leading up to 2015 the average each year was about five of these billion dollar events.

But in the past five years only we've seen that average double to almost 11 events per year. So we're definitely seeing an increase. As you can see here from a geographic map standpoint showing where these events take place it's pretty diverse. We'll look first at the presidentially declared disasters of which there were 45, affecting 32 states and territories across the US and Canada. On this map we're focusing purely on the billion dollar disasters. You can see the ten events that I mentioned mapped out here. Many of which affected the midwest and central southern states. You can see that trend if you look back on the billion dollar disasters over the past 50 years this is really a hot zone of activity for major regional events and as you'll see here on the list the one thing that really jumps out is the variety of these types of events. As I mentioned some of you may have some come to today's session thinking about one particular threat. In reality there are more events to consider. There are about three to four different distinct types of billion dollar events each year.

In this case we saw six different types of events costing a billion dollars or more in damage. That's another trend that we have to be mindful of. Probably made our point already but if you need some strong statistical detail to help build a consensus in your organization around investment of resources and dedication to risk management, disaster preparedness. Here's a chart showing the number of billion dollar disasters and the total cost going back to 1980. There's definitely an upward trend here. You probably
already know that because of the news stories you've seen online. It's definitely an increase.

With all that in mind we're going to wrap up this part of disaster history by making a little bit of shift in mentality. What really happens to businesses affected by these events that we talk so much about? Well it's kind of hard to say what happened in every single situation to every business affected. Think about during hurricane sandy. We had businesses on the coast that were affected by coasting flooding and then also businesses in west virginia after the storm past that were affected by a massive snow fall event. So the event and how it happens and affects you can really shift depending on what type of organization you are, where you're located, that sort of thing. So instead what we're focused on is anecdotal information based on events that which agility has responded. We respond to all sorts of disasters. We have about 23,000 locations across the us and canada in every state that we can draw data from. In 2015 we responded to about six hundred 40 events. What's so interesting about this graph and this chart is that of those six hundred 40 events, 40 percent were related to isolated events that had another doing do with weather. This includes things like construction accident, building fires, plumbing disasters, even things like it failure or communication interruptions. You name it but you it didn't have to do with what you see on the news.

That's important because if you are the only organization affected by a given disaster it's far more likely to your customers and your partners and your stakeholders are going to be less likely to be feeling the same effects and therefore more intent on having you restore your operations more quickly. Especially they're not going to be as i guess forgiving to that type of situation. Even more interesting though is the type of recovery that we facilitate here at agility. We're only looking at a small segment of the population. These are agility customers but the statistics probably wear through in almost every disaster situation. Note here that 50 percent of every recovery that agility facilitated involved some element of power recovery. No matter what the cause was. It could've been a construction accident or it could've been a hurricane or tornado. Where do you think we're going to start our
recommendations? It is power loss.

This report detailed at the top risks to businesses from the nf iv center, they essentially looked at business failures. These are the top five things you need to be concerned about. Power loss. As we pointed out this is a big one. But also second on the list is the loss of sales or customers. This could mean your customers are no longer willing or able to do business. They may be relocated. Or maybe your supply chain is interrupted so you can't even make sales, you can't even perform the critical functions. There are a lot of causes for this number two element. This does not include physical destruction to your business. My point here is a disaster doesn't have to be related to physical destruction. It can be in other areas. Next on the list is a tricky one. This is something that we see time and time again here. People inevitably under estimate in a very big way the time it takes to recover their own business and sometimes more importantly how long it will take their own community and/or their industry to recover. You really need all of those things to be happening simultaneously in order for you to redo do normal business.

There were a ton of businesses that were destroyed. They had water under their building, they couldn't even bother to open their doors, but as soon as some of them were able to miraculously rebuild and bring back their employees and get them back to work they said hey our doors are open, we're ready to do business. The problem is that the rest of the population in the community was still intent on recovering. They were back at home sawing trees and ripping out sheet rock. They're trying to get their kids back to school. They weren't patronizing those businesses. The disaster lingered for a much longer time even though they were back up and running. So the length of recovery is a big component. The last you can see here is similar. They have to do with not having proper insurance for lost revenue which is number four, or not proper insurance coverage for your assets and property. In this case we certainly recommend meeting with your insurance professional. We don't have a dog in this fight, a horse in this race, but we can tell you that you need to meet with your insurance professional at least annually to talk about any material changes in your business. Whether that
means adding employees, adding locations, different business practices, new assets. But also talk to them about what would happen if you did have to shut your doors for a certain period. How long could you have those doors closed?

With all that in mind and because today's session is focused on starting your disaster recovery plan here's what you should be doing to frame that discussion within your organization. First your priorities. Now all the elements you see here should be considered before you start your plan. And obviously safety is probably a concern at every single company. But you need to stop what you're doing as far as business continuity and disaster recovery goes and make sure you are protecting your employee and guest safety as your top priority. That's why I put it at the top of this list. If you haven't done that yet that's where you need to place all your priority. Next on the list is taking action now. And I know this can seem potentially intimidating, a little bit hard to start, it seems like a massive complicated endeavor. But start small, ramp up your efforts over time. Any single thing you do right now today to improve your resilience is a step in the right direction. Now further down the list you can see we focus on attaining leadership support and then beginning your actual process of identifying risks and threats. If you're interested in those elements we actually have entire educational sessions that focus on those two things at preparemybusiness.org. That's a website that agility developed to help organizations like yours become better prepared. We're not going to dive into those in detail today but if you're interested in looking at those you can visit that website preparemybusiness.org and we will share that link later.

We always tell our customers to prioritize communications first since that is really the lifeblood. But when it comes to communication you can spend months working on your strategy. Right now I'm just referring to the basics of having a short term plan in place. That may be your employees, top customers, stakeholders. We'll talk more about this in detail in a couple slides. Data back up and complications and exercising your plan. First of all, data back up is something I assume many of you are already doing. But have you actually tested restoration of that data yet.
Have you tested the ability to restore that data to new hard wear. Say you had to go out and buy all new computers. Do they have enough band width, right operating system. How long does that take. Is it a couple hours, couple minutes, couple days. So if you haven't tested this we're going to talk about this in a moment the best ways to do so. Finally do your best to avoid any complications. It's really important to dig into detail but remember that any action taken today is a massive improvement. A lot of people are paralyzed at the beginning of this process. So please just take those small steps the baby steps if you will along the path towards a comprehensive plan. Try not to get into bogged down because you'll end up frustrating, spending too much time, miss working on other important subjects as well. Please keep that in the back of your head. Any good plan, a critical part of that is going to be how do you test or exercise that strategy. There's really no better way to find out if it's comprehensive enough, flexible enough. We'll talk about that in a moment too.

I keep saying this over and over and over again. That's why you see this slide. From today's session my challenge is take one single element if you can and implement that today. Say today it's two o'clock on the east coast, it's 11:00 a.m. on the pacific. Do I really have time. Yes, you absolutely do. You can send a couple e-mails, you can start the process. What do you want to do? We're going to jump into that right now. The next question you have is where do I begin? So if you're going to take one step today, quickly and efficiently we're going to talk about a few of those things. Let's start simple. We talked about safety a moment ago. So what I really mean around safety is the basics. Do you have first aid kits? Do you have fire safety in place? Things like this you can order online through the red cross or even amazon and you can have your team better protected in literally a day or two.

Next is cpr training. This is available in almost every city in america. Through the red cross. What we're talking about is saving lives. Something that we should all know and it should be practiced. You may have heard that they changed the method of cpr slightly. We definitely want you to pay attention to this element. It's not the old way of doing things. It's a lot more simple and straightforward and a lot easier to train your
teams. You may think I can't take all of our teams out of production for an entire day. You can learn this in a period of half an hour or so. You can make it fun. Make it a lunch event. Bring in coffee and doughnuts. You could do it after hours if need be. But this is so critically important. I was a life guard in college and had to use CPR twice and I can tell you there's no better feeling in the world than knowing what to do in case of emergency. In contrast there's no worse feeling in the world than not knowing what to do when you see someone who's health, even their life could be in jeopardy.

We talked about fire protection equipment. This is usually dictated by code. You should do an annual review especially if there's been any construction or moving around. Also you should be doing regular evacuation drills. A lot of organizations regularly practice, but don't practice -- in the spring you could practice your shelter in place drills for tornadoes and maybe in the fall you can practice your fire evacuation drills. That's just one suggestion of trying to diversify the type of exercises you're going through and helping your teams become better prepared for different types of disasters. I'm a firm believer that in order to start your plan or take any meaningful step towards preparedness you need to have the support of your leadership or ownership of your company. Even if it doesn't involve massive capital investment you still want to ensure your leadership's support so you can make sure there's buy in across your entire organization. You don't want to do this and be the only person focused on this. It needs to be across the board. Focus on the fundamentals. Try not to dig into too much detail when pitching this to leadership. Instead demonstrate the need for this type of program. Talk about what the costs of down time might actually be. There are a million different ways to calculate that. Simply take your revenue, divide that by the number of employees and days of the year and you can show a very rough estimate of the amount of revenue per employee you're generating and if they're not at work the likelihood of being effective revenue generators is at least cut in half if not more. Especially if you're talking about production environments, manufacturing environments.

Finally when you meet with leadership to establish this support you want to also talk about the resources
that are going to be required and make sure that you are backing up kind of a return on investment approach and also reinforce the competitive advantage. If you're in business and your competitor is not guess who's going to get all the business. Guess who's going to be able to keep that business long term and take away market share from competitors. You're going to earn good will in your community, keep your employees at work, also going to become a better entity in terms of a competitive landscape. Next assuming you have support you're probably going to want to form a team. For almost all the organizations online i'm betting this probably isn't your primary responsibility. Therefore you're going to need the assistance of others. For time investment but also because any initiative is going to involve personnel from other departments, you're trying to protect everybody. So you're going to need the input of those other folks in those disciplines and gain their perspectives. You have the best chance of completing the plan across your organization. You also want some organizational hierarchy. That's going to create alignment between departments but possibly more importantly the possible implementation of your plan. Now if i'm you and i'm looking for that magic first step this is the slide that i'm going to focus your attention on.

Communication is really the key stone of any successful recovery. So here's a laundry list of what we believe are some of the most simple but easy to implement tasks that you can under take in order to build a better communications strategy. Start simple with things like phone lists. We're a quickly growing organization. We have three new hires in the past week. However you have to pay attention to that and the pace of that and issue new phone lists and do we have our phone trees set up so those new hires are notified of any sort of issues. You need to talk to hr and maybe it folks to understand that. Make sure that phone list is complete, it's updated and it's comprehensive. That leads me to my next point which is a back up e-mail address or telephone. You could have everybody in your company on the same wireless provider like sprint. What if that goes down? Do no phones function? If so do they have a land line. Maybe their spouse or significant other can be a back up number. Same thing goes to your e-mail system. If your internal company server goes
down for any reason do you have back up personal e-mail addresses for all your employees. A lot of people may ask well can i really ask my employees to give me their personal e-mail. At least set up a back up g mail account or hot mail account or anything. A free e-mail account that they can rely on as a back up alternative in the event that your primary e-mail server goes down. Text messaging is a great resource during disasters because it is nearly impossible to make a phone call if every single person is jamming the phone lines at the exact same time. Perfect example was the earthquake that happened in washington dc. It wasn't a massive disaster people didn't die, there weren't buildings falling down, however you literally couldn't make a phone call for almost two hours on a mobile device in the dc metro area because people were jamming the phone lines. However some people were able to get text messages through and the reason is that's a much much smaller data use and most is that right phones are going to consider sending text messages even after a failure for a certain amount of time. Continually trying and trying to send that through. Therefore you may either institute a text messaging system in your organization or you can at least use text messages as a formal means for communication and have everybody understand that they may receive texts and should be able to respond.

Next is you letter notification system. There's free systems and pay to play systems. We're not going to make recommendations one way or the other but it's certainly something you should look into. As would be a call in recording system. Do you have the ability to remotely change your out bound voice greeting on telephone calls to your organization. This would be really helpful say now that we're getting into the winter season. You might have an ice storm. You may have to delay opening of your building. While you're at home can you change the out bound telephone greeting on your answering service, your after hours answering service. That's a great way to be able to communicate to your other audiences. Finally social networks can be a great way. As can be your website. Can you access those things via mobile device and make sure you have the most updated information available to your customers. Another great question to ask your entire team.

As we look at emergency kits in the office now this
is something that you might think oh well food and water and shelter and those kind of things, that's all important, but also you need to develop a kit that allows your office, your business to continue operating. So think about things like important records. These could be contracts, inventory documents of what physical assets you have on site at a building. If you could house all that off site you could then access that later. Time and time again we'll see a situation where a dozen desk top pcs are compromised because of an office flood or building fire or something and people have to run out and buy new computers or lease computers. But beyond that they also have all these applications that they're used to use they've already paid for those applications. If they don't have the licensing fees and pass words they're going to have to pay over again. If you're able to store those pass words in a secure environment somewhere else you can usually download the application from a given website and install that on a local brand new piece of hard wear and log in, or not log in but have access to that application using those pass words. That will save you a lot of time and a lot of money during a recovery.

Next are things like letterhead and office supplies. This is just a great way to continue communications. If you have to issue some urgent letters to your banks, if you need to show business cards in order to access a building and say yes i actually work here. There's a lot of problems around credentially during times of disaster where they won't let you into a building or city. Sometimes business letterhead with what your job is, your title, your name, that plus photo id can often get you into places that you might otherwise we able to access. Also cash. Many situations where you have a regional event where the power goes out, you cannot swipe a credit card and you also can probably not use a check either. Therefore we've become a cash only society. You can run out and buy some temporary shelter. You can get some emergency supplies. It's best to have cash on hand. Depending on the size of your organization is going to dictate how much you have. I can't give you any guidelines but definitely make sure you have enough money to go out and maybe by gas for a few employees, get some emergency supplies or maybe some food for your employees that have to stay over night. Those things.
A few other good things to have on hand are any of the procedures and scripts that you would use to restore your data, restore your applications or redirect your phones. Those are things we often see people having to do remotely. If they don't have those documents on hand often times it's a very difficult process. We're wrapping up the last few elements here. Data back up is something that most everyone these days is already doing. However has it been tested. Is it audited regularly and have you restored it to local drives and tested how long that takes and how the process works. Don't rely on a single person to do this or on your own memory. During disasters there's so many complicating factors. Just relying on your memory is not a good strategy. That's relying on hope not a plan. Also remember when it comes to data back up if you're backing it up on site that is not a plan either. It has to be multiple sites locations that are outside the immediate vicinity of your business or organization and you need to test it. Also use multiple different types of bandwidth connections. If you're used to this massive internet pipe coming into your office, when you have to restore your data using hotel wifi you're going to find that this process can be very very lengthy.

All right our last point today is exercising your plan. Remember i said that no plan is complete unless you can test it and you can exercise that plan. So my recommendation to you because todays content is focused on where do i start, a lot of folks call this a desk top exercise. You're in a conference room with a few key stake holders, possibly all department heads and you walk through a scenario. You talk about what would happen if. And then you go through that scenario. And you talk about ways to keep your critical business functions operational. A few suggestions is that you involve some outside suppliers and vendors and partners because obviously if you have those partners and they're part of your critical processes, you can't operate in a vacuum without incorporating them and understanding what they would do if they were interrupted and they can't provide the products that you're used to receiving from them.

We also recommend that you do these at least annually and you take very detailed notes and conduct
a review afterwards so that you can learn what happened during that walk through and improve your plan based on that. Finally please remember that even though this is called a test it is not a pass fail. The point is to push the limits and push the envelope of your strategy so you constantly improve it. Many say if we didn't fail we didn't learn anything. That is certainly the case. You aren't finding ways to improve your test was probably a waist of time and money. You want to push the envelope. Those are the areas everyone can take away something to implement and put into place in their organization to become better oriented together as an organization but also better protected for any sort of event. It could be tonight, could be tomorrow, but you will be better prepared. However i realize a lot of these steps are elementary for a lot of organizations. They're simple things. So let's talk about the next steps. What can you do to move further down the path. What we've done here is listed some very high level suggestions.

What you see on the right here is 12 step prep.com. This is a link to a website that will offer resource in the areas noted in red. So if you wish to dive down deeper into any of these elements we certainly recommend you visit that site and therefore you can download a checklist and case studies and executives summaries on some of these elements that we're about to talk about. We talk about assessing risks and threats. This is probably the first step in any real business continuity plan development process. We didn't talk about it much today because we wanted you to take steps right away. But if you're going to build a comprehensive strategy you need to know what the potential risks are. Also you need to understand how those risks will affect business. How those will continue in the event of some disruption to your business.

I talked a little earlier about reviewing your insurance coverage. Remember i talked about covering lost revenue. That's what business interruption coverage is. Added expense coverage is say you have to run out and purchase a generator and fuel and pay an electrician. That added expense is then covered by your insurance coverage. The expense. We also talked a little bit about preparing your supply chain. My biggest recommendation there is if you're going to have
any planning development meetings, look to who your biggest providers are, who are your main partners and if they were to go down, do you have a back up? You also can talk about how you might share resources and collaborate together during a recovery. Next is a physical asset management program. Most organizations are probably going to have this but equally as important if you have an entire loss of your building you need to know what assets are on site including inventory of product and be able to articulate that and show that to an insurance professional for claims purposes. The last few things here are definite elements that you can implement over time. Finding that place to physically relocate. This is worst case scenario. This is probably the one thing that could happen in a lifetime of doing business. But at the same time it could also happen tomorrow so you need to plan for that. You need to diversify that network. We talked about cell phones. If there 50 employees are on verizon don't you think it would be a good idea to diversify. Granted it might cost your organization a few extra bucks but it could save in down time. We talked about testing your plan and exercising your plan. What i would recommend once you have a testing strategy down and you've gone through a few internal tests look to participate in regional exercises. Some of you may have seen the great shake out programs. There's a great south eastern shake out and western shake out. These are drills facilitated by the ready campaign in partnership with a lot of other organizations governmental and nongovernmental organizations to help people do a very brief earthquake exercise. You have your whole organization stop and practice what you would do. That's just one example of a regional exercise.

So a few tools to remind you about when it comes to next steps. I've talked a lot about prepare my business.org. This is a website that agility developed. What you'll find are archived webinars like today session on a variety of topics around all different elements of comprehensive disaster recovery plans. They're all recorded and you can download some useful checklists and other resources to help you prepare. Ready.gov'. It's under the fema umbrella. But they also have a wonderful site to business preparedness. Ready rating. This is a tool the red cross developed to go in and register and conduct a self assessment. It's about a hundred questions. They give you scoring
and you can prioritize where your organization needs to invest time and resource. It also has tools to say here's where you go in order to better your preparedness. Finally red cross.org is a great place to go in order to download resources that you might be able to share with your customers with your employees. Ladies and gentlemen i know that was fast and that was a lot of information. We ran over time but i would like to stay on the line for a few more minutes for questions and nicole if you'd like to facilitate that we can go ahead and move forward.

Speaker: thanks. We have had a couple questions roll in. The first question, our management believes data recovery is the extent which we should plan. Do you have any suggestions on making the case to leaders that our plan should involve more than just data recovery?

Speaker: this is actually quite common. You're not alone. But at the same time if you are backing up your data and you're a leader of a business and you consider that the ultimate means of preparedness you're over looking the human element. Who is going to use that data, how, do you have a place for people to work, do you have connectivity for them to access that data, do they have the hard wear in order to get to that data and do the employees physically have the ability to return to work and use that date you. It's obvious that that's a primary concern of most people when it comes to disaster recovery. But at the same time that's only one element of a comprehensive plan. You need to think about the human element as well.

Speaker: thanks. Our next question was do you have any suggestions on how to best prioritize your various business functions prior to a disaster?

Speaker: absolutely. We talked a moment ago about assessing the risks and threats to your organization and then conducting an analysis of your critical business functions. A lot of people in the industry call this a bia. That stands for business impact analysis. Therefore what you're doing is looking at what are the biggest potential interruptions to your business not only in terms of how dramatically and how much effect they'll have but also their likelihood and then you're looking at the certain elements of your functions, your
business functions that would be interrupted and you need to determine how long can i go without that function of my business being operational. In those cases what you want to do is look at both the threats and the critical business functions and assess how long you can go without those critical business functions as it relates to a particular threat and how likely it is. That's where i would prioritize your energy. There are a lot of different assessment tools online. We're based in denver. That's highly likely. We're going to give that a moderate to high score. Hurricane is not necessarily a threat. That's going to have a zero. You're going to you sign different scores to different elements.

Speaker: thanks. I think that's it for now.

Speaker: all right. I want to thank you for your attention. Greatly appreciate your focus on this particular element of your overall business plan. This is significant when it comes to not only helping your business remain viable but also keeping your employees at work and able to support your families and communities. Thank you all. Just a reminder this part of the is just one of many we present as part of the prepare my business program and you can find more information about prepare my business.org. Thank you ladies and gentlemen. Hope you have to a great day. Goodbye.