



# 10 Lessons from Major U.S. Hurricanes

While recovery operations in Texas, Florida, and Puerto Rico will continue for some time, here at Agility Recovery we have already identified some key lessons emerging from our customers' experiences in the affected areas. Because all business interruptions are unique, each crisis situation can offer lessons to help your organization build resilience and maintain critical functions. Below you'll find 10 lessons from the most recent U.S. hurricanes that can help any institution improve their resilience in the face of both large-scale regional disasters, as well as smaller more isolated incidents.



# #1 Know Your Power Requirements

# #1

## Know Your Power Requirements

 **60%**

Historically, approximately 60% of all business interruptions to which we respond involve the loss of power, whether they are naturally occurring or man-made incidents.

In the case of Hurricane Irma, temporary power was the number one element we deployed to support our customers. However, before any organization can provide you with generator power, you must first be able to properly identify and communicate your power needs. This involves a series of detailed, yet simple, questions that any licensed electrician can answer for you. Attempting to answer these questions in the midst of a disaster will delay your recovery for hours, if not days, assuming you are even able to obtain the services of a qualified electrician during those times.

Here are the questions you should ask to understand your organization's power needs.

- 1** What phase is your electrical service? Is it single or three phase?
- 2** What voltage is your service? Typically 208v, 240v or 480v.
- 3** Is your power requirement for a Wye or Delta generator?
- 4** How many amps do you need to power key systems?  
Tip: Determine your peak Amperage draw over the past 12-24 months.
- 5** What size generator will be required? How many kW will your needs demand?
- 6** Does your building have a power transfer switch? If no transfer switch has been installed, you will need to consider other options, such as hardwiring or a spider box for power distribution.



## #2 Ensuring Access to Multiple Vendors

# #2

## Ensuring Access to Multiple Vendors

During a normal business day, you probably rely on at least half a dozen different vendors at a minimum to perform your critical operations. They could include your Internet provider, wireless provider, and any number of IT professionals who support your networking capabilities, applications and data. During times of disaster, these same third-party entities can become potential choke points of recovery operations, as they are often overcome with requests from their customers. Additionally, even if your organization isn't directly affected, your vendor network could be.

We recommend identifying and building a relationship with alternate vendors for any elements critical to your basic operations.



Consider diversifying cellular carriers among your staff. Also look into establishing an SLA (Service Level Agreement) with third-party IT providers to have clearly outlined timeframes and policies for providing service to your organization during large-scale regional events.



It is also advisable to have multiple electricians on-call and know how to reach their emergency response team during an outage.



Finally, if you have an on-site generator or your business continuity plan calls for obtaining a mobile generator during long-term power outages, make sure you have several fuel providers in and around your region that can deliver fuel at any time, day or night. Having multiple vendors builds some redundancy into your plan during times when commodities like fuel can be scarce.



## #3 Better Prepare Employees

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## Better Prepare Employees

We often stress the need to consider the impact of major regional disasters on your employees and their families. Without fail, if an employee's family is impacted by a disaster event at home, they are far less likely to return to work. Additionally, as we saw in advance of Hurricane Irma, evacuations (both voluntary and mandatory) can scatter employees in all directions. You should institute some form of consistent, regular communication with employees to remain aware of their whereabouts and well-being.

Even the most well-developed recovery plan falls short if your employees are unwilling or unable to return to work and assist in the recovery.

Without knowing where your employees have relocated, properly understanding their timeline for returning to work, and their capability to do so is limited. In particular, if a large portion of your staff are hourly wage employees, you must consider the likelihood of those employees seeking work elsewhere if you are unable to help them bridge the financial gap when they are out of work. We've had customers lose up to 60% of their workforce literally overnight when their staff learned of the delays they may face in returning to work and earning a living wage again.

For those that do have a sufficient plan for keeping employees connected and working throughout a business interruption, there are more concerns to consider as it relates to your workforce's well-being. During times of recovery, you can expect longer shifts, odd hours, and some departments being short-handed. Burnout, fatigue, and poor training are all threats to your workforce's

capacity to perform. Consider reaching out to retired employees during times of recovery for additional help, or have a staffing agency at the ready. Additionally, schools are often closed for extended periods of time, so providing childcare to your employees on-site is very common. There are implications of offering care for minors on site at your locations, but you may be able to help employees organize their own childcare groups or teams.

If your recovery strategy hinges on one person, or a small group of informed personnel, that is an immediate red flag. Make sure you build enough redundancy into the "people" responsible for helping your organization recover. The last thing you want is for a recovery to stall because someone is on vacation or he or she is adversely impacted by the disaster such that they cannot report to work.





 Agility Recovery

# #4

## Communication – The Keystone of any Successful Recovery

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No recovery can commence without effective, efficient communications. Whether you're referring to communicating with leaders, employees, vendors or customers...each situation and each audience requires a unique approach. During regional events, the challenges increase as telecommunications are among the first services to fail. Therefore, having secondary and tertiary methods of communicating with each target audience is imperative.



Consider utilizing a third-party texting application on smartphones, as some devices will not be able to communicate via text message to different platforms over WIFI when cellular signals are down.

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Additionally, if your corporate email system were to fail, ensure all employees have a backup email logged in your crisis communications plan so you can continue electronic messaging. Gmail or other free services can easily be set up using a standard naming convention across your company and utilized if your primary email server were to go down.

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Ensure you have emergency contact information for loved ones of your employees so you can properly communicate situational awareness to your employees' families.





# #5 Proper Insurance Coverage

# #5

## Proper Insurance Coverage

One lesson that will continue to be learned from Hurricanes Harvey and Irma, and hashed out in the courts for many years to come, is the issue of proper and complete insurance coverage. Many businesses and homeowners are now learning the limitations of standard coverage, particularly as it relates to the destructive power of floodwaters.

Most policies do not cover natural disasters related to flooding.

Additionally, the National Flood Insurance Program which does cover flood damage, will not cover business interruption or lost revenue. As a business leader, your physical locations and property may be covered by NFIP policies, but if your doors are closed for weeks or months for repairs, you will not be compensated for all that lost revenue. When looking at your comprehensive insurance coverage, be sure to understand the maximum damages payable in each scenario, and seriously consider obtaining added expense coverage. This particular coverage will help offset costs related to the actual recovery, like obtaining replacement equipment, temporary lodging or office space for employees, incidentals like supplies, fuel and travel expense and more. Without this coverage, only your physical property is covered, not the additional cost of executing a swift and effective recovery.

Related to the issue of insurance coverage is proper documentation and record-keeping for all the inventory, assets, and equipment that could potentially be damaged, destroyed or lost during a natural disaster. Consider taking photos of all physical property and be very certain to keep accurate and up-to-date records of inventory on hand. This step involves simply good accounting practices and organizational behavior, but they can become invaluable tools for filing accurate claims and ensuring you are fully compensated for all losses.





## #6 Cash

# #6

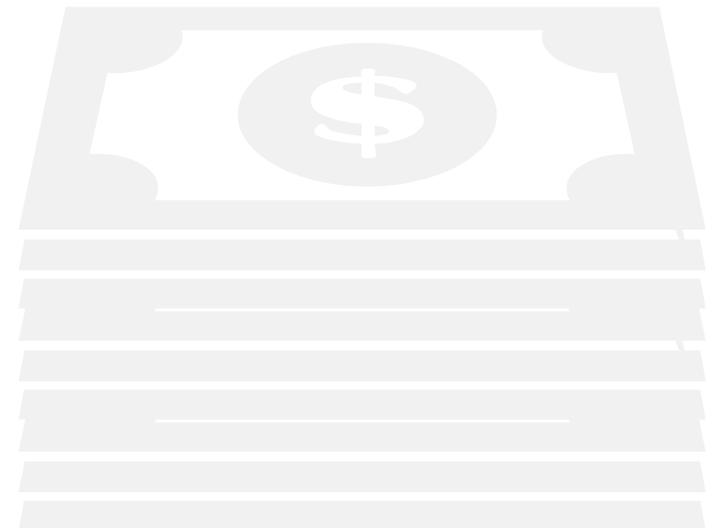
## Cash



The ease and convenience of paying electronically can be both a blessing and a burden. When the power is out and communication lines are down, retailers and vendors can no longer process credit and debit card transactions. Societies transition almost immediately to a “cash-only” economy.



Therefore, having some petty cash on hand for your most immediate, urgent purchases is recommended not only for you personally, but also your business. Consider the need to purchase fuel, food, lodging, repair supplies and more. Many of these things are often available in disaster zones, however, the sellers may require cash only transactions due to lack of connectivity to their card processing firms.





# #7 Planning for the Worst Case Scenario

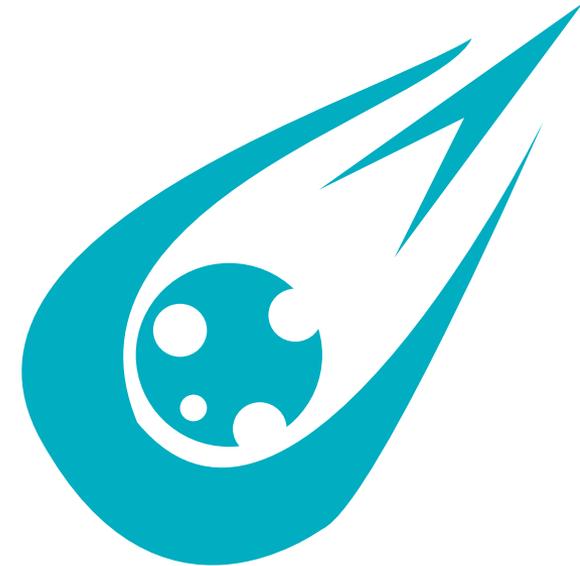
# #7

## Planning for the Worst Case Scenario

The most common sentiment we hear from our customers who have experienced the aftermath of large scale regional disaster events is: “We never thought it would happen to us.” This is a sad, but familiar refrain. However, consider your overall disaster planning approach and what goes into creating a comprehensive strategy.

If you plan for the worst, many of the more likely, common business interruptions will be covered by your larger strategy. Take the full loss of your primary office facility. You’ll be engaged in replacing a physical work environment, computer systems, communications access, data and application recovery, etc. Therefore, any utility interruption or malware infestation would also be potentially addressed by your “worst-case scenario” planning effort.

Each step in the planning process should build on the previous step, including testing/exercising your plan. Performing an exercise in which the scenario involves the full loss of your existing facility may seem intimidating and overkill, however going through those motions will allow you to build resilience in a number of areas, thereby increasing the likelihood you can overcome one of the more likely interruptions you may face.





## #8 Liaison & Communicating with Government Authorities

# #8

## Liaison & Communicating with Government Authorities

Let's face it, much of the recovery process is quarterbacked via local, state, and federal governmental entities. There will be a number of programs, services, and resources put to work in your communities to help them recover, many of which may benefit you and your business. However, knowing who to speak with and when can be a daunting task.

There is an old adage in the disaster response field that holds true here:

“ *During a disaster is not the time to be exchanging business cards.* ”

So take some initiative and reach out today to those in your community tasked with emergency management. This could involve local officials, law enforcement, CERT teams, Emergency Management Authorities, and other NGO's like the American Red Cross. Having at least a cursory knowledge of these organizations, how they operate, and who is in charge could lead to enhanced situational awareness, assistance in moving people, equipment and supplies, and earlier access to off-limits areas allowing damage

assessment and rebuilding. Start by reaching out to your city's Emergency Manager, or other local crisis response entity. Be sure to ask questions about how to gain access back into the affected areas and what credentialing will be necessary. Also consider becoming a corporate partner of your local chapter of the American Red Cross, whose priority is giving back to your community, especially to those who are most at risk.





## #9 Situational Awareness

# #9

## Situational Awareness

Similar to the lesson above about maintaining a strategy around crisis communications, you'll need to also invest some time in determining the best methods for obtaining situational awareness during the recovery. The only certainty following a disaster is that the situation will be fluid and ever-changing, perhaps minute to minute.



Consider having a direct line of communication with local representatives and community leaders, especially those who may have a leadership role during a recovery.



Additionally, be sure to utilize social media for information about areas where you cannot physically visit. Often these platforms serve as the earliest sources of information about conditions on-site in the impacted areas.



Make sure you have a formal protocol for how to share information across channels, departments, and audiences. This is often the most challenging and frustrating element of recovery, as vividly shown by the delays and logistical challenges of delivering and distributing recovery assets, commodities, and supplies to the islands of Puerto Rico, St. Thomas, and St. John following Hurricanes Irma and Maria.

Even the largest, most capable organizations struggle with situational awareness, but even a few simple steps towards a plan in this area can reap huge rewards in critical times.



## #10 Test, Test, and Test Again

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## Test, Test, and Test Again

While all of the above lessons are derived from the real world experiences of our customers and their fellow citizens in communities affected by the recent disasters, almost all could have been areas that a simple test would have uncovered prior to the actual disaster. Testing can help create a culture of preparedness across all areas within your organization. As your organization evolves, grows, and adds new offices and new employees, your business continuity strategy should be updated to address those changes.

A regular review of your plan is critical. These kinds of exercises help prepare employees for what they should do in the event of any emergency, disaster, or isolated incident.

A true disaster plan or business continuity strategy is not a simple project. It is an ongoing initiative that is cyclical in nature. You develop a plan, test, assess, and revise. Then you start all over. As an organization that has assisted in the recovery of thousands of organizations of all types and sizes, through disasters large and small, we can tell you with absolute certainty that those organizations that test their plans on an annual basis have faster, more efficient recoveries, saving thousands if not tens of thousands of dollars in the process.





For more information, stories, and actual recovery examples, we invite you to visit [Resources section](#) on our website. We've crafted those materials to prepare your organization for business interruptions and provide the tools to build a comprehensive strategy to face any threat.

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