The Lipman Report®

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Exclusively for Management

November 15, 2004

Preparedness for Security Issues During Natural Disasters

Hurricanes, Tornadoes and Earthquakes

Natural disasters are unpredictable, except for the fact that once an incident occurs, chances to minimize harm to lives and property are greatly enhanced by a pragmatic plan that has been thoughtfully conceived and regularly rehearsed. Hurricanes, floods, tornadoes, mudslides, earthquakes and wild fires take lives and cause billions of dollars in damage each year. While each type of disaster demands slightly different response, some preparations are basic to all. A company's security team has the capacity to lead efforts before, during and after a natural disaster. Equally important, he or she can help educate employees and lead sessions in preparedness procedures through such techniques as table-top exercises or mock disaster drills.

Contingency Planning Committee

While a company's director of security can make major contributions to creating a plan for emergencies, a Contingency Planning Committee should be management focused and formed to represent a broad spectrum of skills and responsibilities from across the company. This allows expertise from many points of view, while also preventing this critical process from being limited to the security division. Someone from executive and security risk management should participate, along with individuals from financial planning and human resources. Supervisors can identify critical operational elements and prioritize which areas—if lost—would most seriously damage the organization. Areas of redundant capability can be designated and provided.

The committee should meet regularly with local law enforcement agencies and with appropriate state and federal officials. Find out what can be expected in the way of assistance during the types of natural disaster most frequent in the region. Discover what type of identification is necessary for employees to get to work—and to remove or operate critical equipment—if the company's locale becomes a restricted area, but conditions permit entry.

All customers and suppliers should be contacted to learn what is needed to guarantee ongoing service under critical conditions. How much extra product supply should be stockpiled at a site in another, easily accessible region? Which client facilities are subject to the same potential weather disasters? Maintain a living database that is accessible from multiple locations.

This committee should determine evacuation routes or safe havens within headquarters and initiate this process at other facilities or plants. The purpose for all layers of the plan is to diminish the potential for harm and business interruption.

Contingency Plan

An intelligent plan proposes—in a variety of situations—to support basic response objectives:

- Stabilize the situation.
- Minimize casualties.
- Protect property.
- Recover victims.
- Assess damage.
- Assure business continuation.
- Initiate reconstruction and documentation.

A company plan must address each step in achieving these aims. Returning to business as quickly as possible is the primary goal.

Contingency plans must adapt to rapidly changing events: storms can switch directions and earthquakes can spread to unexpected areas. A plan must take into account alternate transportation, communication and lodging, as well as curfews and areas that may be open only to emergency personnel.

Systems and Record Backup

Today, most businesses are aware of the critical need to replicate records and intellectual property and keep this information at a safe, secure site that is less vulnerable. Frequently overlooked, however, are copies of insurance records, policies for property as well as health coverage. Maintain necessary

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information and duplicates to present a claim for total coverage of building and property damage. Include asset models and serial numbers, along with photos or digital images and other significant documentation. Employees may be injured and, through dislocation of medical services or evacuation, may not have easy access to information necessary for treating individuals and family members. A toll-free company emergency line—operated from another geographic region—can be invaluable for providing medical answers and as part of a "roll call" to account for all personnel. A similar number can be operated by a staff member with access to appropriate details and contacts about property damage and loss, payroll processing and other pertinent facts.

Security operating systems need backup, too, and protection against power surges. Under certain natural disaster circumstances, the entire security apparatus—cameras, alarms, video systems—can be devastated, along with access control mechanisms. Many electronic card access systems are not connected to backup generators to ensure continuous operation during a power outage. Electrical power backup is provided by generators that run on diesel fuel. These generators will not function if the fuel has been contaminated or has not been replaced. Days, even weeks, can pass until power is restored. Regular inspections and generator tests are mandatory. Securing access mechanisms with extra generators is always prudent. Most security generators will add the life safety systems first in a preordained sequence: fire alarm, intrusion alarm, video surveillance and card access.

Determine how many redundant operating sites are necessary for business continuity. Some financial institutions have several of these facilities, with staffs that interchange information constantly. A loss of one would be seamless to clients, whose need for services would be met immediately by operations at a different location. Back up each system that is critical to operations with human resources. Be sure that more than one team understands each critical facet. Potential loss of personnel for operating systems should be anticipated by having people familiar with all system nuances on site in a different region.

To protect a data center, either a computer hot site—with everything ready to go—or cold site can be prepared. For the latter, contact the company's provider to lease components that are ready to accept hardware. When the time comes to make the site "hot," have the hardware delivered, bring in the staff, and the data system can be up and running in short order.

In preparing for an emergency, have each division complete an assets inventory. Update the information quarterly and provide copies to the risk management department.

Remember that looting is not just limited to material items. Intellectual property and cash must be considered and protected. Sensitive material on hard disks in the research and development division must be guarded. Deposit cash at the bank and keep minimal amounts in the office. To prevent further damage and looting in any emergency, round-the-clock security personnel are desirable, and provisioning an on-site accommodation in advance helps to gain an advantage during a disaster.

Shelter and Food for Security Staff

In many natural disaster scenarios, a 24-hour security staff may not be able to travel between the site and home or hotel accommodations. And hotels may be unavailable due to damage. Whenever possible, prepare an on-site area where officers can sleep off-shift. Try to locate this room near toilet and shower facilities. Maintain a supply of bottled water and food that can be prepared without electricity. Provide a battery-operated radio, industrial flashlights, extra sets of batteries and duct tape. Add first aid supplies that include aspirin and antibiotic ointment.

This accommodation can also assist managers, supervisors and employees who volunteer to help jump-start operations. Camping equipment stores carry a large selection of dehydrated food. Gas lanterns provide a surprising amount of illumination. A sterno burner is useful, and a regularly tested portable generator can be added to the mix of equipment. While not luxurious, providing a safe environment, food and warmth will be appreciated by those who must remain on site.

Emotional Factors

People who have been through a natural disaster are in a state of shock and can be physically sound but very unpredictable emotionally. Tempers are frayed. Those affected are tense and under terrible stress. Management is focused on business continuation. Individuals are primarily concerned with personal damage or loss. Under extreme conditions, violent confrontations can occur.

Awareness training can help to prepare for this potential behavior. Well prepared security officers are versed in handling such situations. Having a toll-free number and call center in a state less prone to violent weather provides a resource for those who need information and can serve as an outlet for venting frustration. Situational depression and mood swings present a security dilemma during the aftermath of a disaster. Access to professional counseling is important.

Hurricanes

High winds and water associated with hurricanes are a primary cause of property damage. Huge coastal storm surges of the ocean—as high as 12 and 14 feet—cause most deaths, which are by drowning. The Saffir-Simpson scale rates the severity of a storm in terms of damage, ranging from one to five, with five the most severe. Since record keeping began in the United States, only two Category 5 storms have hit the mainland directly: the 1935 Labor Day hurricane and Camille in 1969. Yet the costliest to date was hurricane Andrew in 1992, not a Category 5, which had inflation adjusted insured losses of about $20 billion.

The quartet of storms in late summer 2004 brought extensive damage and a new set of security-related problems in the Southeast, especially in Florida. Charley, which hit August 13, caused an estimated $6.8 billion in damages. Frances came to land over Labor Day weekend, September 3, and caused $3 to $6 billion in loss. Ivan, which raged through the Caribbean, made landfall in Alabama on September 16 and brought destruction worth between $2 and $10 billion. Jeanne arrived near midnight on September 26, causing three million people to evacuate and leaving a trail of havoc estimated at $6 to $14 billion. No state has been struck by four hurricanes in a single season since 1886, when Texas was devastated.

Because of previous experience, people followed evacuation instructions: a pattern of behavior not seen in areas that are targeted by hurricanes less frequently. The consecutive nature of the storms strained security forces, demanding increased support and presence by colleagues from other states. Issues about reciprocity between states can be complex and are best learned in advance. Research with local law enforcement officials on a quarterly basis is necessary to learn approved procedures to reach sites after curfew has been announced or to access a building in an area declared “emergency workers only.”

Logistics become an issue when highway and road signs have blown away or bridges and roadways are inaccessible. Maps are essential for alternative routing. Correct assessments as to when to deploy are critical. In one instance, security personnel had to evacuate only 72 hours after arrival, because of the onset of the third storm, Ivan.

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Preparedness with the ability to move in several directions is essential, along with a proactive assessment as to when to make changes and to which purpose.

Tornadoes

Another aspect of hurricanes is that tornadoes are frequently formed. While tornadoes usually occur inland and often on the prairie as a consequence of thunderstorms, adding these wind funnels to an already forceful hurricane is horrific. Principal damage comes from wind and flying debris. Nothing can prevent a tornado from hitting a facility that is directly in the twister's path. Backup procedures described above are recommended. Safety for employees is paramount. Develop a safe room, in the basement if possible or in an area with no windows. Many affected communities use a siren system, with one signaling the need to take cover and another issuing an "all clear."

Earthquakes

The best preparation for an earthquake is to be sure that new company facilities meet current building code standards. While Americans are most familiar with West Coast disasters near the San Andreas fault, the worst occurrence in national history was along the Mississippi River during the 19th century. The seismic record of the southeastern United States is still dominated by the 1886 earthquake in the Coastal Plain near Charleston, S.C. In the U.S., 45 states and territories are considered to be at moderate to high risk by the Department of Homeland Security.

Systems back up and duplicate copies of records at another site or in a vault are important. As with hurricanes, evacuation routes are unpredictable and can change during an incident. Securing the facility is paramount, because security officers may not be able to remain on site. In an area with great exposure to earthquakes, consider ornamental metal bars as part of window treatments or a security grille.

Disaster Communications

Like crisis communications, a communications plan during a disaster uses a corporate spokesperson and follows a matrix. In a disaster, the first contacts may be the communications officer and director of security. The communications officer notifies a short, prioritized list of executives and managers. He or she assembles accurate, current information and provides updated statements to senior management and the call center, as well as the media when necessary. The call center conducts roll call as employees make contact and updates the communications officer on a timely basis.

Employee Education

Once the contingency plan is complete, the Contingency Planning Committee creates information and instruction for employees as to policies and procedures to follow in an emergency. This material can be revisited in corporate newsletters and during fire or evacuation drills as appropriate. Valuable lessons can be gained from simulations and rehearsals.

Natural disasters cannot be prevented, but advance warning is frequently available. Having a solid contingency plan is a significant factor in preventing harm, in protecting life and property. A team approach to designing and practicing a plan also enables organizations to help speed essential business recovery in the aftermath of destructive forces.

The Lipman Report Editors

Editorial Office, 22 S. SECOND ST., MEMPHIS, TN 38103-2695, U.S.A.
Subscription Service Center
P.O. Box 444, Memphis, TN 38101-0444, U.S.A.
Telex: GUARDSMARK MFS 533230; Telefax: (901) 522-7905
E-mail: lipmanreport@guardsmark.com