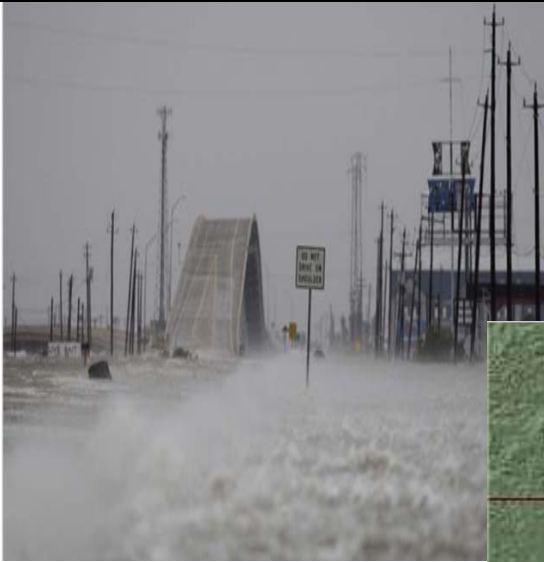


Ike Lessons-Learned



Storm Re-cap



- Landfall – September 12-13, 2009
 - Category 2 storm with Category 4 surge
 - Storm winds > 425 miles
 - Bayous > 14 feet above flood stage
-
- Over 4.5 million without power for 3-14+ days
 - 75 deaths, \$52 billion economic loss, \$815M in assistance
 - 27,000 miles of downed power lines
 - 21,000,000 cubic yards of storm debris

Industry Lessons-Learned Seminar



- 60+ companies sent representatives
- Completed 2 pre-meeting surveys
- 4 half-day industry centric panels
- 16 key lessons-learned identified



Key Lessons Learned

1. Employee Education Helps
2. It Pays to Link Company and Government
3. Have a Plan and Follow the Plan
4. Training and Exercising Makes Companies Better Prepared
5. Have an Incident/Crisis Management Structure
6. Multiple Means of Communications Are Required
7. Dedicated Weather Services/Monitoring is an Advantage
8. Emergency Notification Systems Work
9. Select the Right Alternate Site
10. Providing Employee Assistance Works
11. Consider a Longer Planning Period
12. Integrate Partners in Planning and Recovery
13. Establish Regular Business Roundtables
14. Disaster Security Control is Important and Different
15. Planning to Work Remotely May Not Always Work
16. Pre-planning Helps but Does Not Overcome All

Hurricane Ike Survey

- 86% of companies invoked their crisis plan
- Over 60% tested their plans within 6 months
- Most built plans in-house, 40% used consultants
- Most used telecommuting (88%), others moved key staff to alternate site (65%) as coping strategies
- Many used situational/weather monitoring (69%) or emergency notification systems (55%) for response
- 76% shut down non-critical operations, 65% lost facilities due to power failures, 57% had storm damage
- Most executives (86%) were “very satisfied” or “satisfied” with plan effectiveness, 10% were not
- Nearly all (90%) conducted an internal review
- Over 80% paid employees for “lost time” while offices were closed

Pre-event Employee Education

- Annual Preparedness Programs
- Speakers, Demonstrations and Preparedness Handouts
- Company Internet Campaigns
 - Home and office preparation checklists
 - Emergency notification contact updates/registration
- Overcame complacency, mitigated damage/impacts
- More efficient, more effective response actions

Linking Company & Government Plans

- Office closures tied to evacuation criteria/decisions
- Using NIMS or ICS model for corporate crisis teams
- Conducting joint exercises and training
- Access credentials for recovery/restoration teams
- GETS/WPS cards for phone/cell prioritization
- Linked plans faired better when executed than plans wrote or executed independent of government actions

Have a Plan & Follow It

- Several companies failed to invoke their plan (15%)
- Specific triggers encountered less management indecision and employee push-back
- Late execution lead to incomplete shutdowns, more damage
- Offshore better than on-shore, corporate headquarters
- Out of area corporate headquarters slowed, complicated response
- 9/80 work schedules hampered employee communications
- Several companies (40%) shutdown 3 days prior to landfall, half shutdown 2 days prior
- Early closings increased employee morale and support
- Companies with most robust plans overcame most severe damages

Training & Exercising Paid Dividends

- Most companies drilled on their plans in past year
 - All felt it increased their effectiveness & efficiency
- Several had never or not tested their plans in 2 years
 - All felt it hindered their response and/or increased damages and impacts

Crisis Management Teams Work

- 70% of companies modeled their teams after NIMS/ICS
- More efficient integration with government agencies and emergency responders (terminology, structures, processes)
- Effective transfer of command & control to alternate offices
- Helped channel high-powered executive interest/involvement away from non-productive or disruptive activities
 - Use of digital pictures/videos to update executives
 - Decreased need to visit damaged facilities, personnel

Multiple Means to Communicate

- Communications was everyone's greatest challenge
- Power outage severely limited communications even with back-up generators
- Text and P2P messaging most consistently effective; most satellite phones only marginally effective
- Loss of communications undercut "work remotely" response strategies and 800 call-in numbers
- "Go kits", out of area cell phones and POTS service proved very effective
- Employee and facility GIS data mapping aided closure and personnel accountability efforts

Dedicated Weather Monitoring

- Over 70% of companies had, used and rated their dedicated weather services as “highly effective”
 - Those without felt impeded, less effective
- More targeted and effective operational decisions than media or public weather forecasting (NWS)
 - Office closures, re-openings, evacuations, employee releases, shut-downs/shut-ins
- More specific and localized forecasting than generalized data available to public
 - Wind fields, storm surge, timing, duration

Notification Systems Effective

- Six in ten companies set up and used emergency notification systems (ENS)
 - Without exception, systems worked effectively
- Multiple means of communication were needed
 - No one system met all requirements or was able to account for employees
- ENS was faster and had greatest reach; most also used call trees or personal contact to account for “outliers” and MIAs

Picking Right Alternate Site

- Sites requiring air travel more problematic than driving
 - Greater delays in decision, longer to accomplish, transport no longer available/booked
 - San Antonio or Dallas proved better than Chicago, Minneapolis or even Oklahoma
- Some chosen sites impacted by inland path of storm (flooding, power outages, etc.)
 - Ohio and Pennsylvania sites out-of-service at same time

Employee Assistance Works

- Putting “employees first” promoted faster recovery
 - More people back to work sooner
 - More effective, motivated workforce
- Direct employee assistance included generators, fuel, ice, food, batteries and shelter
- Temporary lodging for critical staff family member and pets
- Allowed children @ work when power outages closed schools and daycare
- Support to company personnel on travel and unfamiliar with area or hurricane preparations

Consider Longer Planning Period

- Ike recovery operations took 7-10 days; most companies only planned for recovery over 3-5 days
- Generator fuel supplies and restocking contracts fell short or ran dangerously low
- Extra personnel or shifts required to support critical process staffing and incident/crisis management operations
- Greater stock levels and longer supply periods would alleviate shortfalls

Integrate Partners in Your Efforts

- Companies that owned/operated their own facilities fared better than those that did not
- Not being in sync with landlord/property management complicated recovery/response efforts
 - During power failure, doors failsafe in open position
 - Reports to media not consistent with building damage or state of occupancy
- Not being in sync with government agencies increased risks
 - Employees released/directed to flooded, closed streets
 - Drivers unfamiliar with yield protocol when traffic signals were out during power failure

Establish Regular Business Roundtables

- Every attendee saw value in/recommend follow-on business roundtables
 - Pre-storm season: Preparedness
 - Post-storm season: Lessons-learned
- Overcome reluctance to share “planning information” between companies (not generally proprietary)
- Form industry specific groups to address unique issues/concerns

Disaster Security is Different

- Employee assistance distribution centers posed unique security challenges
 - Fuel, ice and generators became high value, high theft items
 - Typical facility security workforce not well-suited for monitoring/controlling large numbers of people at distribution centers
 - Procedures and checklists were lacking for distribution centers and employee assistance
- Available security companies demanded “premiums” and increased benefits (food, water and ice)

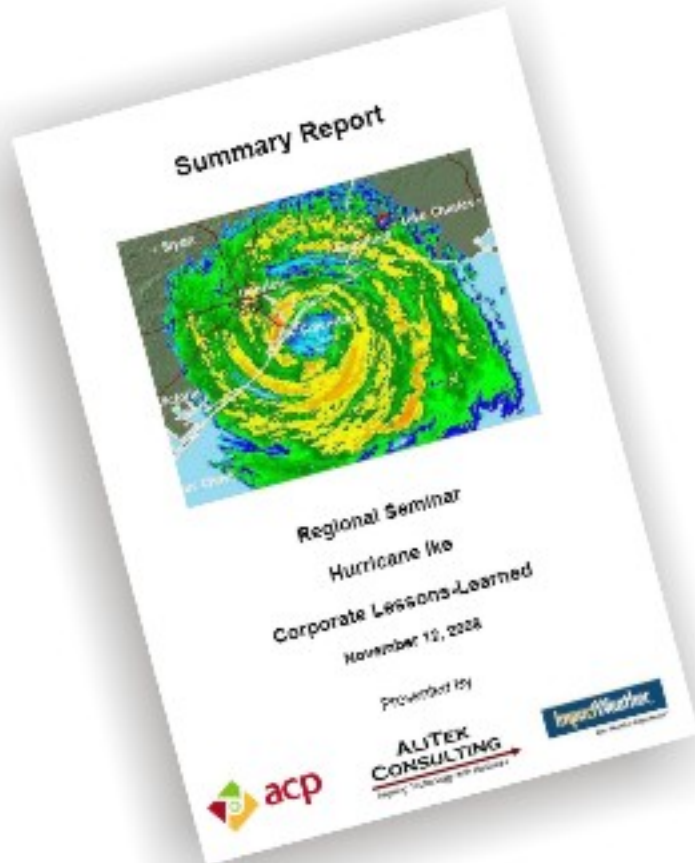
Working Remotely is Problematic

- Over 90% of companies planned for employees to work remotely (offsite, from home, on-line, by phone)
 - Only 10% of employees were able to work remotely or from home as planned
- Ad hoc efforts to indentify locations with internet or communications connectivity
- Innovative services to assist employees (“bulletin boards”), establish communications or complete critical processes when normal/planned workarounds failed

Pre-planning is Not Cure-All

- No reports that existing contracts were not honored (fuel, ice, lodging or IT support)
- Incident/crisis management teams had to overcome different vendor shortfalls
 - Delays in deliveries
 - Shortages in supplies and stock levels upstream from vendors
 - Higher demand/levels than planned in contracts

Ike Lessons Learned Report



Business Card Today

or

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Questions



Ike Lessons-Learned

