David Teed shares his experience of business continuity planning for hurricanes

HANDLING THE HURRICANES

SPECIAL REPORT

BY COLIN COTTELL

The 2017 hurricane season devastated large parts of the Caribbean and Southern US, affecting the majority of businesses in the area. *Colin Cottell* investigates the lessons learned by some of the organisations who carried on in the aftermath

For business continuity and resilience professionals, the 2017 hurricane season in the Western Hemisphere will long stand out for its ferocity, even within a region where these maelstroms are not irregular occurrences.

Hurricane Irma, which made landfall at the Florida Keys on 10 September as a Category 4 hurricane, was one of only five hurricanes that have ever reached maximum sustained wind speeds of 185mph or greater. In the Caribbean, the island of Barbuda was virtually flattened. In late September, Hurricane Maria became the first Category 5 hurricane on record to strike the island of Dominica, before going on to wreak destruction in Puerto Rico.

Hurricane Irma caused damage estimated at $64.66bn (£46.57bn) in Florida alone. Bob Myhre, whose responsibilities include business continuity in his role as state director at SBDC Florida Network, a government-supported agency that supports and advises small businesses, says the areas designated as a disaster area covered 93% of all small businesses in the state. Although figures on business closures are patchy, official figures indicated that unemployment in Florida rose by 127,000 in September, primarily as a result of Hurricane Irma.

Across large parts of the Caribbean, conditions were equally dire, says Bob Turnbull, co-founder of business continuity planning consultants R & J Turnbull, based in Barbados. While Barbados missed the worst of Hurricane Irma, Turnbull says that in Dominica, Barbuda, Turks & Caicos, Anguilla, the Bahamas and parts of the Dominican Republic, "lots of small business just died". He adds: "They will never recover."

Business continuity professionals say that a common theme to emerge from last year's hurricane season was the importance to businesses of being able to continue to communicate effectively. For many businesses in the Florida Keys area, where there was a mandatory evacuation of the population, Myhre says

With entire populations on the move, the ability for businesses to continue to function proved nigh on impossible as a mandatory evacuation took hold

TIMELINE

2017 HURRICANE SEASON

AUG 25 – ***Hurricane Harvey*** hits Texas

SEPT 8 – ***Hurricane Irma*** - winds reach speeds of over 160 mph

SEPT 8 – ***Hurricane Jose*** intensifies to Category 4

SEPT 8 – ***Hurricane Katia*** – highest wind speed reached 105mph

SEPT 10 – ***Hurricane Irma*** makes landfall as a Category 4 Hurricane at Cudjoe Key, Florida

SEPT 12 – ***Hurricane Irma*** transitions to post-tropical cyclone

SEPT 18 – ***Hurricane Maria*** strengthens into a Category 5 hurricane 15 miles East South-East of Dominica

SEPT 20 – ***Hurricane Maria*** devastated Puerto Rico

As power and communication cables were torn down, back-up power generators were an essential item to keep businesses open

PHOTOGRAPHY: GETTY

the inability of businesses to communicate with their employees was effectively a death sentence: "A lot of the typical workforce housing, trailers and other homes was utterly destroyed, their employers didn't know how to contact them so they were left without a workforce. This left them with the option of closing their business for a period or of closing it completely."

Turnbull says the situation for businesses across large parts of the Caribbean was equally bad. He explains that it was only through a special communications link between the US Coast Guard and the Department of Emergency Management that businesses in Barbados "were able to get in touch with their key personnel [on the worst affected islands], who were able to ferry back what the damage to the business infrastructure was, and whether they would be able to continue business".

"In most cases," Turnbull continues, "the answer was 'no' because they had no generators and the electricity was wiped out and the communications towers were all down." This situation was so dire that even the main airport, Dominica St Maarten Airport, took three weeks to reopen.

Scott Cave is principal at Atlantic Business Continuity Services, based in Summerville, South Carolina, where a state of emergency was declared as Hurricane Irma approached. One thing Cave says he found "over and over again" was that many organisations failed to implement the most basic annual preparations for their crisis communications plans.

LESSONS FROM 2017's HURRICANE SEASON

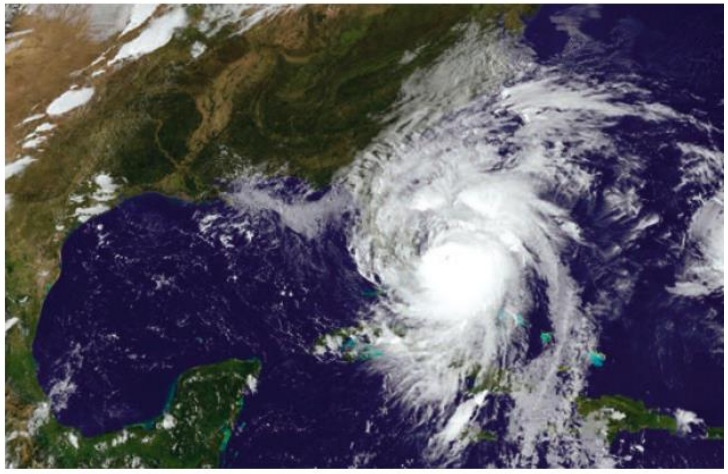
- Keep employee contact information up to date.
- Educate employees that it is important to inform you when their details change.
- Adopt a 'belt and braces' approach by having several communication channels either as back-up and/or running in parallel.
- Test your communications tools, plans and procedures regularly.
- The importance of having access to power cannot be overestimated. Consider having your own generator.
- Use modern technology channels, such as WhatsApp and other messaging services.
- Other modern technology such as automated call trees can also be invaluable in getting messages out effectively.
- Use social media such as Facebook – this can be a great source of information.
- Make use of your organisation's network to transfer responsibility for communications away from the affected area.
- Appoint a communications crisis team, but make sure they have the means to communicate effectively.

CLOSED FOR BUSINESS?

How many businesses closed temporarily and permanently as a result of last year's hurricane season?

The evidence on business closures is patchy. While there is much anecdotal evidence, perhaps the most reliable indicator is that unemployment rose by 127,000 in the state of Florida in September, most which has been attributed to Hurricane Irma.

In Puerto Rico, the Centro Unido de Detallistas (United Centre of Retailers), a non-profit advocacy group for small business, estimated that around 45,000 SMEs closed temporarily, of which between 5,000 and 10,000 will never reopen.



In the eye of the storm: Hurricane Matthew caused catastrophic damage and a humanitarian crisis in Haiti in September 2016

According to Cave this included not carrying out the seemingly simple task of keeping their employees' contact information up to date. "Most organisations found themselves just a few days before the storm trying to quickly update their employees' contact information," says Cave.

Inaccurate or incomplete employee information had a serious cascading effect on businesses. Not only did it mean that staff didn't receive the information they needed, such as when to return to work; it also reduced the effectiveness of the business recovery operation.

Myhre, who took over responsibility for SBDC's business continuity just two weeks before Irma struck, admits he was "scrambling as Irma was starting to threaten the state to make sure our employee profile information, both work and home contact information, was up to date".

As Hurricane Irma swept through the region, other flaws in organisations' crisis communications plans were revealed. According to Bob Alsan, business continuity director at Ultimate Software, headquartered in Weston, Florida, the strength of the wind brought down many mobile phone towers. "So with many organisations having only one mobile vendor, when that vendor's tower went down they were left without communication," Alsan explains.

> "INACCURATE OR INCOMPLETE EMPLOYEE INFORMATION HAD A SERIOUS CASCADING EFFECT ON BUSINESSES"

And even where towers remained up, Cave adds, widespread power outages resulting in the loss of the internet meant that the pressure on the mobile phone network was simply too much for it to bear.

Avoiding reliance on mobile phones is one of the big lessons reinforced by Irma, says Ron Magill, communications director at Zoo Miami. Magill learned from the bitter experience of Hurricane Andrew, a Category 5 hurricane that struck Florida in 1992, that landlines still have their place. When the zoo was destroyed in August 1992, landlines were the only form of communication that worked. "The landline was really a lifeline," he says. "You can't communicate in too many different ways. Our staff receives information via email, phone and by radio. We use duplicate and triple levels of back-up to ensure the message gets through."

Turnbull agrees, suggesting these could include satellite phones and CB radio. Other business continuity professionals suggest apps such as WhatsApp have a valuable role to play. Following Irma, Myhre says he intends to update his organisation's >

CATEGORISING HURRICANES

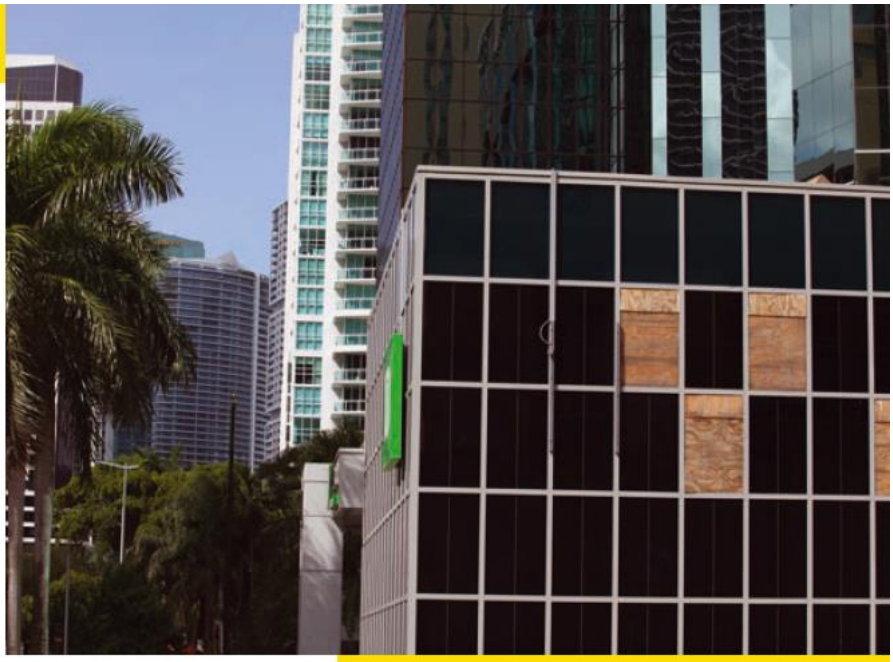
1. **CATEGORY 1** Winds moving at speeds **74 to 95 mph** (119 to 153km/h) – very dangerous winds will produce some damage
2. **CATEGORY 2** **96 to 110 mph** (154 to 177 km/h) – extremely dangerous winds will cause extensive damage
3. **CATEGORY 3** **111-129 mph** (178 to 208 km/h) – devastating damage will occur
4. **CATEGORY 4** **130 to 156 mph** (209 to 251 km/h) – catastrophic damage will occur
5. **CATEGORY 5** **157 mph or higher** (252 km/h or higher) – catastrophic damage will occur

Source: US National Oceanic & Atmospheric Administration

David Teed shares his experience of business continuity planning for hurricanes

SPECIAL REPORT

STORM SEASON



Businesses in Florida have to be prepared as it is one of the first places for hurricanes from the Southern Atlantic to make landfall

crisis communications plan to include both apps and social media such as Facebook.

Banks, credit unions and radio stations are some of the best-prepared businesses in the Caribbean, says Turnbull. Examples of such preparations included two generators, wireless communication, landline communication and a hotline set up with their telecoms provider, based in the telecom company's hurricane-proof bunker "so they can communicate out". Unfortunately, with dire economic conditions in the Caribbean, too few organisations are willing to make the investment, even in a business continuity plan, Turnbull says.

Another lesson reinforced by Irma, says Magill, is the importance of maintaining power. The zoo now has its own generators for everything. "This enabled employees to continue to communicate by email during Irma – albeit it periodically," he says.

To augment this, the zoo has invested in powerful radios of the type used by the police. These are pre-charged, with spare batteries, and are allocated to staff in the zoo's different departments.

As well as highlighting the necessity of having multiple ways of communicating, business continuity professionals say the 2017 hurricane season focused minds on the need for business to test their communication plans and procedures.

Cave says this was brought home to him when one client discovered that failure to test their satellite phones for a year meant that when the storm hit "they had forgotten how to use them, and had trouble figuring out how to make a call".

The value of doing exercises "is that this is when people really challenge the assumptions being made – for example, assuming that a supplier will respond by doing X", says David Teed, who runs Teed, a global business continuity consultancy, and who advised companies in the region before and during last year's hurricane season. Exercises act as a trigger "to actually to clarify what their recovery plan response is going to be", Teed says.

At the same time, Teed points out, it is important to realise that in situations where employees, their homes and communities are in peril, "the business is not necessarily their highest priority".

So although it is sensible to allocate tasks locally to facilitate communications, when the organisation is large enough it could be a good idea to transfer those responsibilities to its offices outside the affected area. However, this will mean training up people so they are ready to step in.

Following the devastation of 2017, it's a lesson, among many others, that businesses in hurricane-affected areas would do well to heed.

CASE STUDY

FRANK KANE, SUNDOG SOFTWARE

The experience of Frank Kane, founder of Sundog Software based in Winter Spring, Florida, which was hit by Hurricane Irma, demonstrates how many of the lessons learnt can pay off for businesses if applied in advance.

Kane says last year's experience highlighted the importance of not relying on high-tech solutions. "When we did lose power, we used our car to keep a cell phone charged, which at least allowed us some internet access for keeping our customers updated. So at least we were able to respond to emails with 'we are affected by the storm and we appreciate your patience'," says Kane. "It's not a high-tech solution but it did the job."

Losing power emphasised the value of using cloud-based services for the company's email and website. As a result, Kane says: "We were able to maintain a presence and communication even without power at our office, and we were able to work seamlessly from home while the roads were closed."

Because of the problems caused by losing power, the company has purchased a small generator. "Even being able to keep a laptop charged and tethered to a cell phone is enough to maintain operations in a pinch," Kane says.

The storms last year also demonstrated the value of social media. This allowed the company to inform its customers before the storm struck that it might be closed while it recovered.

The need for contingency planning also came to the fore: a company employee based in New York was primed to handle the company's communications and customer support, if the need arose.

David Teed
Teed Business Continuity Ltd
david@teed.co.uk +44 (0)1786 406370
www.teed.co.uk