

Forging A Strategic Partnership Between Security, Business Continuity and Human Resources

***Ralph Petti - MBCI, CBCP
Managing Director
Continuity First, Inc.
Richmond, VA
908.310.6381***

(Member, Society for Human Resource Management)



Forging A Strategic Partnership Between Security, Business Continuity and Human Resources

Today's Agenda

- *Objectives & Credentials*
- *BCP 's current trends and HR's changing role*
- *Human Resource Management as a definition*
- *HR's Traditional Role – (12) HR-Focused Areas &*
- *HR's Emerging Role – (12) BCP-Related Examples*
- *PS Prep and Global solutions affecting HR*
- *Recommendations for moving forward*



Forging A Strategic Partnership Between Security, Business Continuity and Human Resources

Today's Objectives

- *For both the Business Continuity and Human Resource professionals here today, this presentation will discuss the manner in which both professions are becoming increasingly dependent and intertwined with one another.*
- *Takeaways include ideas regarding one another's disciplines and a recommendation to work more closely together to achieve a set of common goals for recovery*



Continuity First, Inc.

Focused on a Convergence of Enterprise Risk Management Solutions

<i>Traditional BCP Planning</i>	<i>Current Key BCP-related Areas</i>
Business Continuity	Human Resources
Disaster Recovery	Commonwealth (VDEM) Plans
Risk Management	Content/Document Management

Qualifications:

- *Over 20 years of specific Risk Management industry experience*
- *Executive Board leadership in SHRM, ACP, CPE, MADRA and ASIS groups*
- *Speaker at DRJ, CI, CPM, ACP, CPE, NEDRIX, ISSA, SHRM, NYPD Shield*
- *Commended by Sen. Mary Landrieu (D-LA) for our “efforts to increase hurricane preparedness and advocacy for disaster recovery planning...”*



We know the Disaster Recovery statistics and we must consider Human Behavior factors!

“The Ecology & Society Study” in the UK in 2009 stated that:

- “Recovery cannot be effective if human behavior is not considered and accounted for...”***
- “Employees working at a diminished capacity costs companies over \$250 billion per year”***



Here are some key US Disaster Recovery statistics*:

- » “93% of Americans are not prepared for a disaster today”***
- » “75% of business plans do not factor in Human Behavior info”***
- » “61% of all small businesses do not have a plan of any kind”***

**** US Department of Homeland Security, May 2008***



HR Magazine, January 2011:

“Human Resources (HR) executives’ leadership in developing and supporting distinctive and effective company cultures puts them at the very center of new risk management strategies”



*With a global circulation of 250,000, **HR Magazine** stands alone as the most widely read and respected HR industry publication in the world.*



Critical Human Resources Strategies

Identify your key people

- ❖ *Get Security involved early*
- ❖ *Departmental management*
- ❖ *HR, Legal, Finance, Operations, etc.*
- ❖ *Any combination of these resources*



True Story...August 11, 1989 NYC power substation fire

- *“Black Friday” power outage on Wall Street*
- *Who was there to declare a disaster into a Comdisco recovery site?*
- *The fifth person on the “At Time of Disaster” (ATOD) list needed to act*
- *She knew what to do, acted decisively & saved her company million\$*

Lessons learned...any employee is a potential critical resource for you!

Are your key people always available? If not, can others make decisions in the time of a crisis?



Why do you need key staff members to be available to work to support your company?

- *With 85% of the U.S. infrastructure in the private sector, businesses need to have a solid continuity plan in order to care for themselves*
- *Critical infrastructure businesses include those with direct impact to energy (oil, fuel, electricity) water and food, transportation, and communication – which are the vital resources for saving lives.*
- *Private companies need to remain viable at disaster time:*
 - *Hardware stores provide generators*
 - *Radio stations provide info*
 - *Pharmacies provide medical supplies*
 - *Banks provide cash/loans*
 - *Supermarkets provide food/water*
 - *Insurance Co's pay claims*

Can doctors and medical personnel respond if they do not have plans for their individual practices to complement hospital plans?



Why is Human Resources interaction especially critical in today's times?

- *In the event of a disaster scenario, your Human Resources team should be trained to act in concert with other departments within your company*
- *Your Human resources organization should be a part of disaster recovery training and TableTop Exercises to fully understand their specific role*
- *Your key staff must be considered the most critical of all resources*



Engage your “Human Resource Management” team !!



Human Resource Management

- a definition -

- ***Human Resource Management*** is the strategic and coherent approach to the management of an organization's most valued assets - the people working there who individually and collectively contribute to the achievement of the objectives of the business.
- “Human Resource Management” (HRM) and “Human Resources” (HR) as terms have now replaced previous terms of “personnel or “personnel management” as a description of the processes involved in managing people in organizations.
- In simple words, HRM means employing people, developing their capacities, utilizing, maintaining and compensating their services in tune with the job and organizational requirement.

Source: Wikipedia, 2010



A transition is taking place...with more BCP involvement by HR professionals

- *After being a BCP professional for over 25 years, it is refreshing to start seeing several of our **client VP's of HR take a strong role in BCP***
- ***SHRM (Society for Human Resource Management)** became an obvious organization to join and with whom to create an interface*
- *SHRM is starting to feature more overviews and greater levels of BCP education for their **335,000 global members***
- ***We, as BCP professionals, need to reach out to our HR teams and Security organization** to further include them in a more holistic risk mitigation process across all business processes*



The Convergence of Enterprise Organizations working together brings HR & Security together

- HR professionals are now taking a more active involvement in the planning, testing and invocation of disaster events*
- HR professionals are focusing more on the need to be better prepared to be a more specific resource at a time of disaster*
- HR professional courses need to become more specific to advise what should be done by HR to support their companies at time of disaster*
- HR professionals must become more “inclusion-based”*
- HR professionals must look to join groups such as ACP for ideas*



Human Resource Management: Traditional Areas of Responsibility

- *Recruitment*
- *Workforce Planning*
- *Skills management*
- *Personnel Administration*
- *Travel Management*
- *Payroll Involvement*
- *Labor Relations*
- *Induction/Orientation/Onboarding*
- *Training and Development*
- *Compensation in Wage or Salary*
- *Performance Appraisal*
- *Employee Benefits Administration*

Some key areas in which HR professionals are trained



Human Resource Management: Emerging Areas of Responsibility for BCP

- *Immediately understand their role in recovering the business*
- *Immediately respond and take action*
- *Immediately account for all employees & report to mgmt*
- *Focus singularly on the employees' well being*
- *Act as the employees' family single focal point*
- *Act as a focal point for understanding BCP and Security actions*
- *Provide for counseling and trained advisor resources*
- *Provide for financial resources, if so determined by management*
- *Provide ideas for returning employees back to work*
- *Provide for injured employees still not able to work*
- *Provide for deceased employees' families*
- *Small and medium-sized business HR considerations*



Human Resource Management: Emerging Areas of Responsibility with respect to BCP

Important Notes:

- *The following examples are based on the information compiled by Continuity First related to our experience with clients and colleagues focused on HR and our participation at trade association events.*
- *This series of examples are meant to be areas that are typically seen in conjunction with the combination of HR and BC/DR planning*
- *Let's quickly explore each example individually, as follows:*



HR's Emerging Role in BCP:

1. Defining their role in the recovery

- *Business Continuity professionals should partner with Human Resource professionals to ensure that they are all in synch*
- *Human Resource professionals should have a specifically defined role in a business continuity/disaster recovery process*
- *Testing of BC/DR plans should include the specific resources that HR professionals can provide – and take this to a point of actually rehearsing these plans by invoking HR deliverables*
- *Understand the component of Vital Records management and the risks inherent if the policies and procedures are not followed, as defined*



HR's Emerging Role in BCP:

2. Immediately Respond and Take Action

- *Human Resources has an immediate need to respond according to the plans as set forth and agreed upon by all parties*
- *Human Resources should have the authority to do what they need to do to get things done as a part of the overall process*
- *Human Resources should make sure to apprise Executive Mgmt often*
- *Human Resources should provide feedback to enhance recovery planning*



HR's Emerging Role in BCP:

3. Immediately Account for All Employees

- *Participation in a Notification/Messaging system broadcast*
- *Make sure that this broadcast has a verifiable response mode*
- *Report findings to management after pursuing all avenues*
- *Advise families of disposition of employees, per agreed upon plans*
- *Maintain control and a calm disposition about this matter*



HR's Emerging Role in BCP:

4. Focus Singularly on Employee Well-Being

- *Let the employees know that HR is a-b-s-o-l-u-t-e-l-y there for them*
- *Provide a conduit for employees for reach out to the company through HR*
- *Maintain a record of activities involving employees outreach to HR*
- *Provide a report to management regarding all ongoing activities*
- *Maintain employee contact, as necessary, following the event*



HR's Emerging Role in BCP:

5. Be Employee's Family's Single Focal Point

- Communicate with families of the necessity of having them contact HR*
- Encourage the employee families to tell one another to deal with HR*
- Make sure you have all of the correct contact information*
- Make sure that you continue to reach out to contact all families*
- Be calm and assuring, yet honest, of the status of the situation*



HR's Emerging Role in BCP:

6. Act as a focal point for BCP and Security

- Be the focal point for this communication*
- Assure everyone that the company has their best interests in mind*
- Make sure you have all of the correct contact information*
- Make sure that you continue to reach out to contact all key partners*
- Be calm and assuring, yet honest, of the status of the situation*



HR's Emerging Role in BCP:

7. Provide for Counseling Resources

- *Make it clear to all that resources of this nature are available*
- *Make sure these resources know what to say*
- *Encourage all parties to record feedback*
- *Keep management apprised of all such activities*



HR's Emerging Role in BCP:

8. Provide for Financial Resources

- *If the company has agreed to make certain sums available, then this should be followed out as planned*
- *Ask employees/employee families to understand the confidentiality of certain policies in light of other employees' needs*
- *Keep accurate records of all such transactions*
- *If cash is involved, then keep Security personnel closely involved*



HR's Emerging Role in BCP:

9. Provide for Return to Work for Employees

- Ascertain when the employees would be able to come back to work*
- Communicate to the employees specifically this information*
- Advise employees that this is being done on a best-efforts basis*
- If “out-placement” is necessary for some employee, note the sensitivities of some employees regaining their jobs and others, perhaps, having to move on to other jobs either internally or externally from the company*



HR's Emerging Role in BCP:

10. Provide for Injured Employees out of work

- *Find out what the provisions are for having employees work at home*
- *Discuss options for succession planning if they cannot resume duties*
- *Maintain a clear record of their status and if an incident that may have affected the company was a party to the injuries sustained by the employee*
- *Maintain close contact with the employee(s)*



HR's Emerging Role in BCP:

11. Provide for Deceased Employee Families?

- Review succession planning with management*
- Advise employees as to why they may be asked to assume new roles*
- Be very sensitive of any anniversary dates or memorials of such*
- Be consistent in your memorials (scholarships, charitable funds) for all*
- Engage clerical personnel if necessary, and agreed by all parties*



HR's Emerging Role in BCP:

12. What about Small Businesses?

- *Small businesses must also plan for the eventuality of such events*
- *Small businesses may be outsourcing their HR program, so consider that*
- *Small businesses could be supply-chain partners of larger companies*
- *Engage the SBA to see what resources are available to support your efforts*
- *Collaborate with local associations (Chambers of Commerce, etc.)*



HR's Emerging Trends: Small Businesses can focus on PS Prep

- The US Department of Homeland Security announced its intention to propose business continuity standards for adoption as part of its Private Sector Preparedness (PS-Prep) program for small businesses to adopt.*
- The British Standard BS 25999, Parts 1 and 2 was designed exclusively for business continuity - not disaster recovery - and features a 'management system' approach to coordinating all elements of a business continuity program. Part 3 was based on the existing ASIS document (SPC.1-2009)*
- Compliance with any or all of these standards should be relatively easy, assuming there is a documented business continuity plan/program in place*

Source: Paul Kirvan, FBCI, CISA, CISSP, CBCP is an independent consultant, auditor and former Board Member of the BCI



Human Resource Management – What is happening globally?

- *In the UK, Vocal, Ltd., a leading UK notification/messaging provider of continuity solutions, provides some examples of HR focuses:*
 - *“More UK organizations than ever are investing in staff protection to ensure safety/compliance with Government health/safety regulations.*
 - *Such HR solutions provide a way to ensure effective staff safety.*
 - *Collaboration of public-and private-sector agencies is essential for HR*
 - *Proactive testing of such enables HR to be prepared when events occur*

Source: www.vocal.co.uk



Summary

- *For BCP professionals, engaging with HR and Security colleagues at your company will help broaden your perspective – and visa versa!*
- *For HR professionals, participation in recovery planning is critical to the creation of a holistic plan that will enhance enterprise-wide planning*
- *The Society for Human Resource Management (SHRM) participation can be a critical endeavor for both HR and BC/DR professionals*
- *Think outside the box – consider that all areas of your enterprise should be involved in a comprehensive recovery plan with one common set of goals*
- *Visit Security events: ASIS – American Society for Industrial Security*
- *HR professionals should join ACP & BCP professionals should join SHRM*



Next steps

- *Create more educational opportunities for senior mgmt to understand*
- *Examine your Vital Records Program to make sure you are HR Compliant*
- *Make HR's involvement meaningful and input recorded to the enhancement of your recovery plan*
- *Bring your HR colleagues to your BCP industry meetings*
- *Attend a SHRM meeting so you can learn more of that area*
- *Be more proactive in other areas of your corporation*
- *Look for CEU's in the areas of HR and BCP to gain more information*



Forging A Strategic Partnership Between Security, Business Continuity and Human Resources

***Ralph Petti - MBCI, CBCP
(Member, Society for Human Resource Management)
Continuity First, Inc.
Richmond, VA
908.310.6381
www.ContinuityFirst.com***

