

Emerging Technologies in the Risk Management Arena for 2010

*Critical Personal Recovery Strategies for
Executives (and ALL Employees)
...and the use of Biometrics technology*

*Ralph Petti - MBCI, CBCP
RP Risk Advisors, LLC
Basking Ridge, NJ
908.310.6381*



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Focusing on the Convergence of key solutions, including:

<i>Traditional Planning</i>	<i>Newly Emerging Considerations</i>
Business Continuity	Personal Recovery Planning
Disaster Recovery	Physical Security Planning
Risk Management	Biometric/Encryption Assurance

Qualifications:

- Over 25 years of specific BCP-industry experience*
- Executive Board leadership in the ACP, CPE, MADRA and ASIS groups*
- Speakers at NEDRIX, InfraGard, ISSA, SHRM, NYPD Shield and others*
- Commended by Sen. Mary Landrieu (D-LA) for our “efforts to increase hurricane preparedness and advocacy for disaster recovery planning...”*



Critical Personal Recovery Strategies

What are the most important components during a disaster recovery response for any company?

- *Facility/Redundancy*
- *Information/Data Backup*
- *Networking/Virtualization*
- *Management/Staff/Supply Chain*
- *Information to share with stakeholders*

- *All of the above...but, your **people** really matter most*

Critical Personal Recovery Strategies

Who are your key people?

- ❖ *Executive management*
- ❖ *Departmental management*
- ❖ *HR, Legal, Finance, Operations, etc.*
- ❖ *Any combination of these resources*

A True Story...1989 NYC electrical substation fire

- *Summertime, vacation time, Friday afternoon*
- *Who was there to declare a disaster into a Comdisco hotsite?*
- *The fifth person on the “At Time of Disaster” (ATOD) List needed to act*

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

Are your key people always available? If not, can others do their jobs?



While we all know the Business statistics, what about considering the Human Factor?

“The Ecology & Society Study” in 2008 stated that:

- “Recovery cannot be effective if human behavior is not considered and accounted for...”*
- “Employees that are working at a diminished capacity while at work end up costing companies over \$250 billion per year”*
- Some alarming 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”*

Why is Personal Recovery Planning especially critical in today's times?

As BCP professionals, we need to consider all factors that could impact a company's ability to recover.

We've spent years developing/testing Business Recovery Plans

Did you ever consider that there would be no one to run them?

Have you considered the most critical of all resources:

Your key staff members...

(will they be available and focused when needed?)



Why do you need key staff members to come to work to support you?

- *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*
 - *Pharmacies provide medical supplies*
 - *Supermarkets provide food/water*
 - *Radio stations provide info*
 - *Banks provide cash/loans*
 - *Insurance Co's pay claims*

What resources would your business supply to others?

What resources will your business need to survive?



Personal Recovery Planning to extend your current preparedness efforts

- *Extend your workplace planning so that employees , knowing all is well at home , can make a meaningful contribution at work.*
- *Some results:*
 - *Your employees value this personal consideration*
 - *Their families see another measure of the company's caring*
 - *You demonstrate commitment to a holistic family/work life*
 - *Your recovery efforts proceed with key personnel in attendance*
 - *You make decisions with confidence that all your past planning/testing can succeed as it was designed*

And...you can do this all in a very non-intrusive manner as the employees do their own personal (and confidential) planning



Incorporate resources that are readily available for Personal Recovery

Many families are already protecting themselves with:

- ❖ *Department of Homeland Security (DHS) - templates*
- ❖ *Federal Emergency Mgmt Agency. (FEMA) - templates*
- ❖ *The American Red Cross – guidelines/recommendations*
- ❖ *Ready.gov, Citizens Emergency Response Teams (CERT) - 37 in CT alone*
- ❖ *Community – Rutgers University, in NJ, offers employee CERT training*

*Most households are fine with: “**Get a Kit, Make a Plan, Be Informed**”
These are excellent programs that can help all families to prepare!*

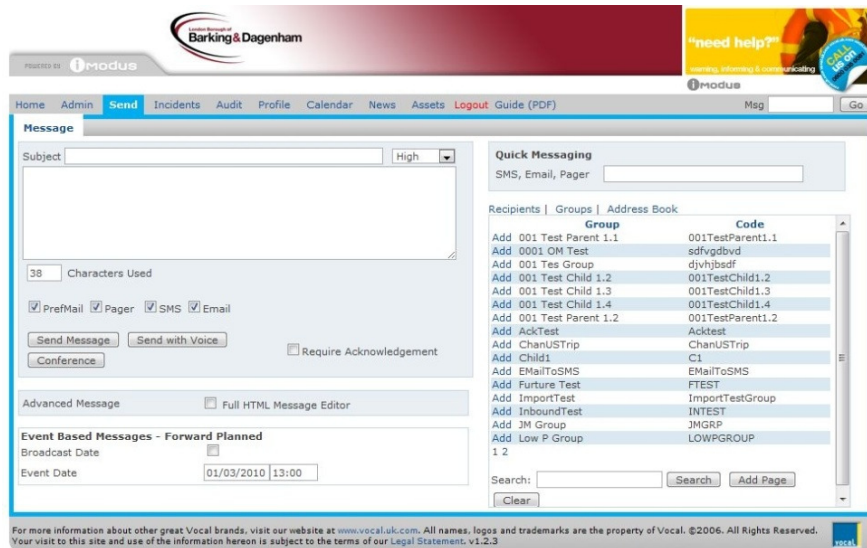
But should your company take this one step further?

- ❖ *Provide a solution to enhance employees’ personal plans*
- ❖ *Build a strong bridge between personal and corporate planning*



Connecting to your key staff is vital to successful recovery planning

After 2009's 'Climate Camp' protests in London, industry-leader, **Vocal, Ltd. UK**, surveyed many of the 1,100 businesses receiving critical notification on the issue. The conclusions drawn are, as stated, below:



“Personal Recovery Solutions need the aid of a resilient notification/messaging tool that enables you to connect quickly with your key personnel.”

“Events in a crisis can become spontaneous and change rapidly. A company needs an instant, reliable communication system to be able to pro-actively manage an emergency.”

- Source: Vocal, Ltd. UK

When things go wrong, you have to be sure that you have your best team available



- *This graphic was taken in 2008 in Cedar Rapids, Iowa as flooding affected neighborhoods, bridges, railroads (all captured in one picture)*
- *What was compromised? Everything! People, places, things, processes, etc.*
- *What do you need to do? Minimize the impact by covering as many facets of the recovery process as possible – including the ability of your staff to work effectively for your company.*

Personal Recovery Planning is a concept that has long been in place in our industry

- *It's not a new idea!*
- *Security firms have long provided unobtrusive, yet effective, Executive Protection to key executives and their families*
- *In a similar sense, companies can take a step by introducing a level of protection and assurance that most people would want*
- *The employee would have a valuable 'personal planning' tool that can help to assure them that their family is protected*



How do you get started?

- *It's not all that complicated!*
- *Explain the value proposition to your management team by providing examples with “risk/reward” scenarios*
- *There are personal recovery solutions today that are very cost-effective and can address a multitude of areas*
- *Consider a home PC-based solution that can provide more of an “intelligence-based” guide rather than a “template”. This can serve to assist an employee to identify and record all of their key resource and action items needed at home.*

What does a Personal Recovery Planning tool do to prepare an employee and their family?

- *A “home-based” methodology:*
 - *Household information*
 - *Medical information*
 - *Financial information*
 - *Security information*
 - *Community resource information*
 - *Congregation point information*
 - *Time of disaster information*
 - *No question about “who-does-what-when”*



What else does this do for a employee's family so that they can be prepared at all times

"Creating (a household) inventory and storing it in a safe location away from home is one of the most basic – and most effective – disaster preparedness steps anyone can take to help protect themselves and their financial future."

Sandy Praeger, President,

National Association of Insurance Commissioners (May 2008)



And, (shhh)...this also gets your employees and their families to be more recovery conscious

- 65% of Consumers do not have Flood Insurance*
- 58% of Consumers do not have Merchandise Receipts*
- 48% of Consumers do not have Inventory of Possessions*
- 44% of Consumers do not keep their Inventory off-site*
- 32% of Consumers do not have Photos of Possessions*
- 28% of Consumers do not know their Insurance coverage*

Source: National Assn. of Insurance Commissioners, 2008



Here is a quick benefits summary!

For employers:

- *Build a sustainable, dependable workforce*
- *Know that employees are focused*
- *Combine both internal/external; corporate/individual planning*
- *Gain the support and pride of the entire team*
- *Know that prior planning/testing will work as planned*

For employees:

- *Able to focus knowing that their families are fine*
- *Know they can go to work and do what they need to do*
- *Family members are included and know that the company cares*
- *Family members will support the employee when he goes to work*
- *Family members will have a meaningful plan & less chance of surprise*



So, what does this mean in dollars and sense?

Take a look at the costs – comprehensive programs in this product sector range cost \$70 or less per employee – for a one-time purchase of individual personal recovery software.

Measure the benefits – one company bought such a solution for several thousand employees and became a "hero" with a tax-deductible purchase that benefitted all employees!

Begin a trial – for a few hundred dollars, you can provide real solutions to key corporate stakeholders and they can personally help (and benefit) during a trial evaluation.



How have companies deployed Personal Recovery Planning?

1. As an expenditure:

- Solely an executive benefit
- Solely a management benefit
- For all employees

2. As a co-funded expenditure:

- Sharing costs (50/50) or (33/67) with employees

3. As an elective “employee-paid expenditure”

- Offering the resource as an “employee-desired” benefit

We need to focus on Human Factors as a key element in enterprise recovery planning

This quote says it all...

“A human resiliency gap persists for critical team members, that businesses would tend to rely on, to manage catastrophes and to restore operations and service at the time of a disaster.

“75% of businesses with emergency preparedness and business continuity plans had not accounted for the human resiliency factor, even though DHS emphasizes the importance of all businesses returning to productivity as quickly as possible so as to stabilize the economies in the devastated areas.”

- Forrester Research, Dec. 2006, Workforce Continuity



What do we all gain when companies adopt Personal Recovery Planning?

Greater peace of mind....and we get our key people to show up!!

How many times have we had a disaster exercise foiled by key employees not attending? If that were a real disaster, the impact could be enormous. If that person were truly torn between coming to work and staying home – that's an issue!

Help them to make that decision ahead of time!

Help your company to understand your available resources!



Biometric Use in the Business Continuity arena

*Critical new ideas that can help
a business verify....*

Biometrics Can Solve Problems

Banks Don't Want to Cash Checks

Multifactor Authentication Methods Aren't Used

Who's Really Making On That Computer?

Fake Identification

Identity Fraud Rings

Lost Access Control Cards

Not Enough Customer Identification Protection

Insurance Fraud

Medical Fraud

Audit and Regulator Compliance Issues



So, How Does Biometric Technology Help A Global Enterprise Corporation Compete in Today's World?

- ***Security***
 - ***Physical***
 - ***Logical***
- ***Convenience***
 - ***Speed***
 - ***Accuracy***
- ***Applies to All Levels***
 - ***Employees***
 - ***Vendors***
 - ***Customers***

What Do Enterprise Companies Want For Their Employees?

- *Physical Security*
- *Logical Security*
- *True Authentication*
- *Accurate Reporting*
- *Liability Reduction*
- *Data Preservation*
- *Ease of Use for Employees*
- *Fewer Support Calls*

Industry and Market Areas

- ***Existing Markets***

- ***Government***
- ***Access Control (doorways)***
- ***PC logon***
- ***Data Security***
- ***Employee Identification***

- ***What's Next ?***

- ***Banking Transactions***
 - ***ATM***
 - ***Deposits & Withdrawals***
 - ***Check Cashing for Under banked***
- ***Time and Attendance***
- ***Retail Point of Sale***
 - ***Point of Sale Software***
 - ***Point of Sale Hardware***
 - ***Transaction Processing***
- ***Consumer ID Theft Protection***
 - ***Smart Cards***
 - ***Internet Solutions***
- ***Insurance***
 - ***Insurance Fraud Prevention***
 - ***Reduce Costs for Health Providers***

Implementing Biometrics – What Can Be Accomplished?

- *Convenience*
- *Enforceable Accountability*
- *Multifactor Authentication*
- *Increased Accuracy*
- *Reduced Liability*
- *Improved Safety*
- *Customer Confidence*
- *Security*
- *Prevent Fraud and Identity Theft*

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