From: Steve Elliot
To: selliot@mail.com;
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Elliot Consulting Services - Business Resiliency Tips

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The power is out -- now what?

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Greetings!

This is typically the time of year when we encourage our clients to re-visit their business continuity plans and review their checklists and update any critical information.

What are the mission-critical business functions within your organization? Has anything changed since the last time that you evaluated your planning strategies? Do your mitigation strategies still make sense?

Update your personnel lists, your supplier information, your technology infrastructure and communications plans, etc. Spend some time reviewing your safety checklists and apply any lessons learned from past experiences. Evaluate the safety and security of your facility, and make any necessary repairs.

Conduct a training seminar for your staff to re-acquaint them with your emergency procedures, and discuss their specific roles and responsibilities. Answer their questions about the company's plans for managing various incidents. If appropriate, consider a disaster simulation exercise to measure your level of preparedness.

Even though your plans may focus on the worst-case scenarios, don't forget the smaller disruptions which can significantly interrupt your daily operations. Make sure that your planning strategies consider a wide variety of risks and response strategies. Flexibility is the key to a successful recovery.

The following article highlights how a simple power outage in Florida had wide- reaching impact on the business community.

Stay safe and be prepared!

Steve Elliot, CBRM

President and CEO
Elliot Consulting Services
Tampa, FL

813-792-8833

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The power is out -- now what?

At approximately 1pm on Tuesday afternoon a series of events at a power station in southern Florida triggered a massive blackout impacting millions of users throughout the state. Officials said the outage was caused by a failed switch and a fire at an electrical substation near Miami. The substation trouble set off a sequence of events that within two to three minutes had knocked numerous power plants off-line -- including the Turkey Point nuclear power plant south of Miami. That failure from the fire caused other parts of the system to shut down to protect the integrity of the state-wide electrical grid.

According to a spokesperson for Florida Power and Light, "In a fraction of a second, the demand was far greater than the power plants that were on line generating electricity could handle. When you have that kind of imbalance, we have a system that kicks in and it starts turning people's lights off, essentially balancing the demand with what's available."

The power suddenly went out across a wide swathe of Florida, from Miami in the south up to Daytona Beach in mid-state, from the east coast over to the west coast. The outage caused traffic jams, forced schools to lock down, and prompted many businesses to close for the afternoon. For many businesses the power disruption was simply an inconvenience lasting a few hours in the middle of the work day, while in other areas the outage lasted well into Wednesday.

Mike Stone, a Florida Department of Emergency Management spokesman, said 2 million to 3 million people were affected at the height of the outage. The outage was the country's largest since August 2003, when about 50 million people were left without power across the northeastern United States and Canada, plunging New York City into darkness and halting its subway network.

This article will address some lessons learned from the power outage incident, and raise some questions which you can use to measure your organization's level of readiness to respond to similar unplanned incidents.

Consider this scenario -- you're working at your desk when suddenly the office is plunged into darkness. The emergency lighting system flickers on just as the building's air conditioning stops blowing cool air. The UPS power backup on your computer starts beeping as you shut down the open files and applications on your desktop. An employee from down the hall pops their head into your office and says, "The power is out -- now what?"

The employees congregate in a windowed office or conference room as they wait for the power to come back on. Minutes tick by and the anxiety level increases. Phone calls are made and received by the employee's cellular phones as the digital PBX is not working. Email is down, and critical machinery has stopped functioning. Perhaps someone has a battery-operated radio and they learn of the state-wide outage. At some point a decision must be made -- how long do we continue to wait? Should we send people home for the afternoon? How are we going to notify everyone if the power is still off tomorrow morning? Should we activate our emergency plans?

It's now thirty minutes after the initial outage and the emergency generators have kicked on at some businesses, while in others the automated IT failover plans have seamlessly re-routed production traffic to backup servers. In those businesses without generators, employees have gathered up their personal effects and headed for the exits. Elevators may not be working in high-rise buildings, and people may have to walk down flights of stairs to exit the building and make their ways home.

This same scenario played out for many businesses in Florida on Tuesday afternoon. Perhaps something like this happened to your organization, or to one of your suppliers, or to some of your key customers. What lessons can you learn from this incident? Does your business continuity / emergency readiness plan only focus on the big events such as hurricanes, or are you prepared to handle these smaller incidents?

Some thoughts for your consideration:

- Do you have a supply of flashlights within your offices?
- Do you have a battery-operated radio?
- Have you checked your emergency lighting system and posted evacuation maps?
- What policies and procedures are in place to declare an emergency and begin releasing employees early?
- Who has the authority to make those decisions?
- Do you have a way of efficiently contacting your employees to advise them of any changes for reporting to work?
- Does your company have a phone number which your employees can call for pre-recorded announcements?
- Is it reasonable to consider a generator as an alternate power source for your facilities?
- Have you checked the uninterruptible power supply (UPS) systems which protect your servers? Are they tested regularly? What is the amount of runtime the units will be able to provide when the power fails? Is this adequate to allow a gracefully shutdown of your computer systems?
- What options do you have to fail-over to production- ready servers which are located within a protected environment? How much downtime will your organization tolerate?

Tuesday's incident may not have directly impacted your organization, however consider the cost of one lost phone call from a customer with a service problem, or an email order from a new prospect. There are a number of valuable lessons which can be incorporated into your readiness plans. Take the time to review your procedures to ensure that you have given consideration to managing unplanned disruptions.

Don't wait for someone to stick their head into your office and say, "The power is out -- now what?"

Useful BCP Links

- Florida Business Disaster Survival Kit
- Dept of Homeland Security / FEMA
- IBHS - "Open For Business"
- Florida Division of Emergency Management
- National Hurricane Center
- Tampa Bay Hurricane Guide

About Elliot Consulting

Elliot Consulting Services (ECS) was founded in 2003 to provide organizations with business continuity planning, emergency preparedness, and disaster recovery services. Being prepared for the unexpected is the key to the resiliency of one's business. A disaster can be the smallest setback that disrupts normal operations or an unavoidable catastrophic event. Business resiliency is not just about the process of recovering from a disaster - it is also about maintaining continuous daily operations and protecting your critical business operations, systems, and procedures. A resilient business is prepared to help prevent or minimize the loss or damage to life and property, and more quickly return their employees to work, restore essential services, and re-open the business in order to affect a full and swift economic recovery.

Business Resiliency Planning is a process which helps companies protect their information, their people, their physical infrastructure, and their means of doing business before, during, and after a time of crisis. A solid Business Resiliency Plan starts with a thorough understanding of your critical business functions and then explores the risks and vulnerabilities which could impact those procedures. This impact analysis factors in the downtime tolerance of an organization to operate during a crisis, and helps prioritize the recovery and restoration procedures. Elliot Consulting has the experience to review all components of an enterprise's business operations and then to propose solutions to protect those assets. The ultimate goal of this plan is to ensure the stability and continued success of your business.

Elliot Consulting functions as a third party advocate and facilitator to help companies create, develop, and implement all-hazards business resiliency and crisis management plans, and pandemic response strategies, which are designed to protect their vital business resources and operational processes. ECS can also review, audit, and help modify existing disaster recovery and and business continuity programs to ensure that the essential components of their organization will continue to function in the event of an unplanned disruptive incident. The team from Elliot Consulting will also assist with staff training and simulation exercises, and regular plan validations and updates to test the thoroughness of a company's preparedness model. The ECS consultants are professionally- certified business continuity planners and business resiliency specialists with Fortune 200 experience. Our consultants are trained in the Incident Command System as developed by the National Incident Management System (NIMS); and a variety of recovery, restoration, and resiliency strategies.

Click here for more information about Elliot Consulting Services.

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Elliot Consulting Services, Inc. | 7853 Gunn Highway | Suite #326 | Tampa | FL | 33626