



Facility Safety

Will Your Manufacturing Facility Be Ready if a Disaster Strikes?

Gillian Scott | Apr 05, 2018

What You Need to Know

Emergency action plans help a company prepare for what to do in the event of a disaster, with a focus on preventing loss of life or damage to facilities, equipment and other resources.

Business continuity plans help a company get back on its feet after a disaster has occurred.

Vital parts of a business continuity plan include identifying key processes, analyzing the impact of a disruption to business, identifying resources needed for recovery, and developing business recovery strategies.

A business continuity plan can work hand in hand with other policies, including a crisis communication plan and an employee assistance plan.

Is your plant ready for a disaster? Advance planning can keep employees safe and help you get your facility back in working order as quickly as possible.

Disasters come in many shapes and sizes. Natural disasters in particular, such as hurricanes, floods, earthquakes and tornadoes, can cause significant facility damage. In 2017 alone, weather disasters—including three tropical cyclones, eight severe storms, two inland floods, a crop freeze, drought and wildfire—**cost the U.S. \$306 billion**. But disasters can also be manmade or malicious.

In a disaster, individual facilities may suffer not only physical damage, but also loss of power, loss of information systems and disruptions to the supply chain. Two types of plans are essential for facilities hoping to survive: a disaster preparedness or emergency action plan, and a business continuity or recovery plan. Both are invaluable not just in major emergencies, but also when business is disrupted for less spectacular reasons.

“When people think of business emergency preparedness plans, they tend to imagine massive newsworthy catastrophes like hurricanes, floods, earthquakes, tornadoes, bombings and shootings,” Tony Keane, president and CEO of the International Facility Management Association, told *EHS Today*. “But for most organizations the bulk of business interruption risk actually comes from more mundane threats like a leaking or bursting pipe, an internet access outage or a power outage caused by an external event.”

Think You're Too Small for Disaster Recovery?

Even small facilities should have a business continuity plan. A *Nationwide survey* showed that 75 percent of small businesses don't have a disaster plan in place, even though 52 percent said it would take at least three months to recover from a disaster.

The Insurance Institute for Business & Home Safety offers a *free toolkit* to help small businesses develop a plan, with modules and worksheets that guide businesses in identifying risks and knowing key operations, employees, customers, contacts, suppliers and vendor

In Disaster Recovery Mode: From Action Plan to Business Continuity

Once the emergency is over, recovery can begin. Depending on the scope of the disaster, this may require hours, days or even weeks of work.

While an emergency action plan assesses risks and develops a plan to prevent loss of life or property, a business continuity plan aims to minimize the disruptions to business once those damages have occurred. It identifies individuals who need to be notified, processes that need to be maintained, workaround procedures and more.

Though no OSHA standards exist for the development of a recovery plan, the National Fire Protection Association created *NFPA 1600 Standard on Disaster/Emergency Management and Business Continuity/Continuity of Operations Programs* to guide businesses in creating plans.

In the OH&S article "Same Planning, Different Disasters," Vivian Marinelli, Psy.D., and Rod McWilliams, crisis management directors for FEI Behavioral Health, write that the same basic principles apply to natural, manmade and technological disasters:

"Having a solid disaster plan with an emergency response manual is key to determining how a business survives and recovers. No matter the type of workplace, disaster planning should take an 'all-hazards' approach that demonstrates the flexibility to respond to any disruption in business continuity."

"Having a solid disaster plan with an emergency response manual is key to determining how a business survives and recovers. No matter the type of workplace, disaster planning should take an 'all-hazards' approach that demonstrates the flexibility to respond to any disruption in business continuity."

Vivian Marinelli, Psy.D., and Rod McWilliams
Crisis Management Directors, FEI Behavioral Health

What's in a Business Continuity Plan?

According to Ready.gov, an effective business continuity plan will *address*:

- Identification of critical processes
- Analysis of the effects of a business disruption
- Identification of resources required to support recovery strategies, including employees, space,

equipment, inventory, records, utilities and more

- Development of recovery strategies to restore business operations after a disruption

The first step in any recovery is to determine the extent of the damage. If power is down, what's the timeline on having it restored? If a facility flooded, how much equipment suffered damage and will need to be repaired or replaced?

The business contingency plan then lays out steps for recovery. An effective plan will identify which crucial processes and services need to be restored first. As with an emergency action plan, it will also identify which employees are needed for different tasks. If there was a cyber attack, an information technology team may need to address ways to get systems back online or restore data. If there was damage to the facility, a support team may need to communicate with customers, finance, legal and others.

The plan should also identify workarounds. For example, some companies may be able to shift work to other facilities, or some employees may be able to work from home. The business continuity plan not only includes an inventory of equipment, but also identifies where needed replacements can be found. Similarly, it should identify alternate suppliers that can be used if the supply chain is disrupted.

Read more about developing a **business continuity plan** at Ready.gov.

No Business Continuity Plan Is an Island

A business continuity plan can and should work hand in hand with **other policies**, including a crisis communication plan and an employee assistance plan, says Ready.gov.

A **crisis communications plan** describes procedures for reaching out to relevant parties and resources. The communications aspect of a business continuity plan should encompass employees, the community, first responders, utility and service providers, suppliers and customers.

"In many facilities' emergency response plans, communication involves evacuation alarms and a checklist to ensure that all employees safely reach the gathering point," **writes** Karen Hamel, a technical specialist with New Pig Corp., in an article for *EHS Today*. "Because a BCP is more than just a response tool, a good communication plan should be more comprehensive and multifaceted."

An **employee assistance plan** addresses the human impact of disasters. Were employees physically or emotionally affected? Are some employees out of work while recovery is underway? Following a major disaster, some facilities may open a family assistance center or help employees find a center operated by another organization, such as FEMA.

Do you have a disaster recovery plan for your facility? Share your experiences.

www.mscdirect.com/betterMRO

Copyright ©2024 MSC Industrial Supply Co.