

Greetings,

30 November 2016

Welcome to the Weekly Newsletter of the Louisiana Business Emergency Operations Center (LABEOC).

This week includes the final page from the LABEOC "Top Ten" list for Business Preparedness, Response and Recovery. This issue provides a "Quick and Dirty" business or organizational risk assessment that you can use to develop a sense of the potential risks for your organization's safety and resilience, and a means to determine the best path to prioritize actions to improve business preparedness.

In the column to the right are three fundamental questions that set the stage for thinking about how to prepare your business for the uncertainties of the future. In the attached document, you will find a somewhat more detailed listing of potential hazards or incidents that could have a negative effect on your organization's viability. These include the obvious Louisiana events of storms, hurricanes and flooding, to the often less considered (but nationally more common) events such as workplace violence, theft of business or trade secrets and intellectual property, or workplace accidents.

By working through this brief risk assessment, you can arrive at some sense of where to put your time, effort and resources to ensure your organization is better prepared for the uncertainties of the future.

The entire "LABEOC Risk Assessment Tool," is posted as a pdf document on the LABEOC website. You are welcome to download the entire document as a quick guide for your efforts in continuity planning and preparedness for your organization.

Next week, UL Lafayette, the LITE Center, and LABEOC are helping to host the Louisiana Symposium on Recovery and Resilience for state, parish, and municipal officials. Consequently, the next letter will be provided on December 15th and will include lessons learned and points of discussion from the Symposium.

As always, thank you for your support of the LABEOC and your membership in the web portal. Please feel free to contact me and the NIMSAT staff for any ideas or suggestions on how to improve our operations and better serve the Louisiana business community ([info@labeoc.org](mailto:info@labeoc.org)).

All the best,

Michael Dunaway, PhD  
Director, NIMSAT Institute

**LABEOC "Top Ten" List for Business Preparedness, Response and Recovery.**

**A QUICK BUSINESS CONTINUITY RISK ASSESSMENT FOR YOUR BUSINESS OR ORGANIZATION.**

The attachment to this page contains a 20-point listing of the most common threats to business survivability and resilience, and a quick means for assessing their importance to your own business.

The starting point is to consider your own experience in business-related emergencies or disasters (such as the recent state-wide flooding events Louisiana has experienced) and how you can put those experiences to work for your benefit. As a starting point, here are four questions that use the attached Risk Assessment to develop a base of knowledge and experience to improve your business functions and preparedness.

**1. Within the last five (5) years, has your business or organization experienced an incident that caused a loss of work, damages to assets, or an interruption in normal business operations?**

**If you have not had an incident or experienced the impact of a disaster, has your organization conducted or participated in a table top disaster exercise to test your planning and preparedness?**

**2. Has your organization conducted or participated in a formal risk assessment to identify the vulnerabilities, hazards, and threats to the *continued* operations and *long-term* viability of your business or organization?**

(If not, the attached Risk Assessment is a good place to start).

**3. Risk is often defined as "the likelihood that an adverse event may occur, and the impact if it does," and is sometimes shown as a simple equation:**

**RISK = PROBABILITY OF OCCURRENCE x THE CONSEQUENCE**

Using this simple equation and a checklist, you can develop a sense of the immediate and long-term threats that could negatively impact your organization. The attached checklist will provide a good start.



# + RESPONSE + RECOVERY

## QUICK BUSINESS CONTINUITY RISK ASSESSMENT

The next two (2) pages provide a *Risk Assessment Worksheet* that helps you identify and prioritize the risks to your organization. Scores are relative based on the **risk equation** provided plus your **professional experience judgment** and your organization's overall **resilience**.

- 1.** Within the last **five (5) years**, has your business or organization experienced an incident that caused a loss of work, damages to assets or an interruption in normal operations? If you have not had an incident, has your organization **conducted** or **participated** in a **disaster exercise** based on a scenario that resulted in simulated casualties like those described above?

Yes       No

- 2.** Has your organization conducted or participated in a **formal risk assessment** to identify the **vulnerabilities, hazards** and **threats** to the *continued* operations and *long-term* viability of your organization or business? If so, was the assessment conducted by one of the following:

- a. A **professional** organization or individual contracted to conduct the assessment?
- b. An individual on your **staff** designated as the crisis manager or disaster coordinator?
- c. A **team** comprised of senior members from functional elements of your organization?

Yes       No

- 3.** Risk is often defined as “the likelihood that an **adverse** event may occur and the **impact** if it does” and is sometimes described by the “equation”

**RISK = PROBABILITY OF OCCURRENCE x CONSEQUENCE**

Using the *Risk Assessment Worksheet* on the next page, rate the risks posed to **continuity** of operations, **profitability** or **survival** of your organization or business.

- 4.** Based on your responses to the above questions and the scores from the *Risk Assessment Worksheet*, how would you prioritize your organization's preparedness for a disaster or emergency? Where should you put your resources (time, talent, attention and funding) to improve your organization's resilience?

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## RISK ASSESSMENT WORKSHEET

Based on a scale of **1 (low)** to **4 (high)**, calculate the risks to your organization and tally the results in the boxes to the right. NOTE: Total scores can range from a **low of 22 (1 x 1 x 22)** to a **high of 352 (4 x 4 x 22)**. Your total score should give you a good sense of the **relative risk** your entire organization faces on a daily basis. HOWEVER, the point is to use the box scores to identify the **individual vulnerabilities** you have (the 4 x 4s) and prioritize your preparedness actions based on those points of vulnerability.

CIRCLE THE VALUE THAT APPLIES

PROBABILITY x CONSEQUENCE = RELATIVE RISK

a. Fire on your property.	1 2 3 4	x	1 2 3 4	
b. Fire in a neighboring or adjacent property.	1 2 3 4	x	1 2 3 4	
c. Natural disaster:				
- Flooding	1 2 3 4	x	1 2 3 4	
- Hurricane	1 2 3 4	x	1 2 3 4	
- Earthquake	1 2 3 4	x	1 2 3 4	
- Severe storm (winter/summer)	1 2 3 4	x	1 2 3 4	
d. Theft of property (real or intellectual).	1 2 3 4	x	1 2 3 4	
e. Act of vandalism or sabotage.	1 2 3 4	x	1 2 3 4	
f. Terrorist attack in your area or neighborhood.	1 2 3 4	x	1 2 3 4	
g. Terrorist attack outside your community (like 9/11).	1 2 3 4	x	1 2 3 4	
h. Loss/corruption of computer files or records.	1 2 3 4	x	1 2 3 4	
i. Loss of connectivity to data or IT systems.	1 2 3 4	x	1 2 3 4	
j. Workplace accident (to customer or employee).	1 2 3 4	x	1 2 3 4	
k. Public utilities failure (power, water, sewage).	1 2 3 4	x	1 2 3 4	
l. Employee absenteeism (illness, injury, strike).	1 2 3 4	x	1 2 3 4	
m. Pandemic Influenza, "Bird Flu," SARS or epidemic.	1 2 3 4	x	1 2 3 4	
n. Long-term loss or absence of critical personnel.	1 2 3 4	x	1 2 3 4	
o. Workplace violence (involving employees).	1 2 3 4	x	1 2 3 4	
p. Product or service liability lawsuit.	1 2 3 4	x	1 2 3 4	
q. Interruption in supply or delivery chain.	1 2 3 4	x	1 2 3 4	
r. Loss of customer confidence or satisfaction.	1 2 3 4	x	1 2 3 4	
s. Market failure, recession or other economic crisis.	1 2 3 4	x	1 2 3 4	
<b>TOTAL</b>				