



Disaster Recovery *In an Interconnected Age*

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Some Timely Reminders

Hurricane Andrew (1992)

- Estimated damage near \$25 billion.
- Destruction of over 25,000 homes and damage to over 101,000 in Dade County, FL area.
- Estimated damage of \$0.5 billion in Gulf of Mexico, including damage to oil platforms and satellites.



Hurricane Katrina (2005)

- Estimated economic impact exceeded \$150 billion.
- Destruction and damage to over twenty offshore oil platforms.
- Estimated daily casino tax revenue loss of approximately \$600,000.

Source: National Hurricane Center web site.

Agenda

- Learning the hard way
 - Lessons from past natural disasters
- Fundamentals of contingency planning
 - Key elements of emergency preparedness
- Protecting your enterprise
 - Tips to ensure your company is prepared

Lessons Learned

- Plan, plan and plan some more
 - Up front planning is key to a successful contingency response
- Solid communications strategy
 - Contact information of staff and service partners is critical
 - Multiple contact methods provide needed redundancy
- Diversify your resources
 - Geographic, vendor and technical
 - Do not put all your eggs in one basket
- Partnerships
 - With suppliers
 - With neighboring companies

Key Elements of Planning

A - Creation of Disaster Recovery Plan

- Plan should address critical impact items that require a quick response
- Risk assessment should be completed to identify immediately needed items
- Examples:
 - Send/receive electronic transactions (ACH, wires).
 - Access/provide cash (cash can become KING!)
 - Positive pay processing

Key Elements of Planning

B - Communications Plan

- Assess capabilities for getting in touch with staff during crisis situations
- Distribute critical telephone numbers and contingency instructions to ***all*** staff
- Provide key contact information for service partners, regulatory agencies and local law enforcement to key staff
- Implement contingency web sites and/or call-in lines for staff to access and obtain updates
- Provide alternative communication that provide updates and are accessible by customers and other stakeholders

Key Elements of Planning

C - Employee Welfare

- Contingency plan should address employee welfare items including:
 - Temporary shelter
 - Food resources
 - Immediate family care
- Don't forget families
 - Employees don't!
- A "safe haven" for staff is important to a quick and successful turnaround of a crisis situation

Key Elements of Planning

D - Continuation of Financial Services

- During natural disasters, cash becomes KING!
- Contingency plan should identify pre-determined locations for placing reserve cash
- A key element in delivering financial services quickly during contingency situations is equipment/hardware preparations

Key Elements of Planning

Regarding equipment and hardware:

- Mirror primary hardware/software set up at another location
- Alternate location shouldn't be anywhere near your primary location (i.e. another city/state)
- Have multiple subscribers set up to process financial transactions
- Keep additional subscriber credentials in separate location
- Cell phones can be a critical communications tool
- Set up an alternate internet service provider to accommodate unavailability of primary service provider
- Contingency location should remain in "ready" mode

Key Elements of Planning

E - Partnerships

- Investigate “partnering” with other organizations to provide assistance during crisis situations
- Inform key service providers of partner arrangements
- Include “partners” and other stakeholders in contingency testing and make sure they have a current version of your contingency plan

Key Elements of Planning

F – Plan Testing

- Complete frequent walk-through or test of plan
 - Quarterly, semi-annually or annually
- Organize each walk-through, creating such items as a testing schedule and test script
- Involve *all* stakeholders in the walk-through
- Review and identify vulnerabilities
- Consider unannounced/unscheduled tests
- Update plan accordingly and ensure distribution of updated plan to all stakeholders

Key Elements of Planning

G - Connection with Community

- Coordinate efforts with local law enforcement
- Include law enforcement phone numbers in contact section of contingency plan
- Inquire where your company stands on local responder list during crisis situations

Integrate Planning With Policy

- Review business continuity policies when reviewing disaster recovery plans
 - They need to match
- Key elements of a business recovery policy include:
 - Definition of critical business data and systems
 - Responsibility for each of these elements
 - Criteria for recovery
- Guidelines for testing and accountability
- Enforcement

Protecting Your Enterprise

- Create a flexible disaster recovery plan
 - Disasters run on their own schedule
- Include provisions for the safety and welfare of employees
 - And their families
- Back up critical information at alternative locations
 - Out of range of contemplated disaster

Protecting Your Enterprise

- Use alternative service partners to support contingency plan
 - Preferably on different grids
- Make advance arrangements with local law enforcement and other first responders
 - Help them help you
- Test contingency plans regularly
 - And, check the batteries in your home flashlights and radios while you're at it

REMEMBER – PLANNING IS KEY!



Questions and Certification



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