

# Emergency Planning, Response, and Recovery

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## SUMMARY

Emergency planning helps businesses to prepare for, respond to, and recover from disasters and emergency situations. The establishment of an emergency planning team will help a firm to assess its vulnerabilities, evaluate worst-case scenarios, assess risks and resources, and keep track of important documents. With this information, the team can develop a workable contingency plan to help the firm to safeguard its employees, customers, colleagues, and community in an emergency situation.

## WHY BOTHER?

A disaster can disrupt business operations, threaten a firm's financial security or public image, shut down the business entirely, or cause death or serious injury to employees, clients, or the public. While statistics vary as many as 40 percent of small businesses do not reopen after a major disaster. Those that do reopen often are so weakened that they can no longer compete in the marketplace and are forced out of business within a few years.

Planning is the key factor in business survival. While most emergencies or disasters cannot be prevented, planning and preparation can minimize their impact.

Emergency management is the process of preparing for, responding to, and recovering from an emergency situation or disaster. Effective emergency management is not based on a fixed plan; rather, it consists of contingencies—a range of options and resources for responding appropriately to a variety of situations.

Emergency management and emergency response must be tailored to the situation and the firm. The loss of a file server might inconvenience a large firm but might destroy a smaller firm. Conversely, the loss of certain records for a sole practitioner, whose principal repository of institutional memory is located between his or her ears, might be no more than

annoying, while the loss of similar records in a large firm could be disastrous.

## PLAN FOR THE FUTURE

Contingency planning for emergency situations is both logical and necessary. It enables firms to fulfill their moral responsibility to protect employees, serve the community, and safeguard the environment. By creating and maintaining a comprehensive emergency management program, a firm will be able to return more quickly to normal operations.

A rational contingency plan enhances a firm's ability to recover from loss of market share, damage to records and equipment, business interruption, or financial loss. Being prepared enhances a company's image and credibility with employees, customers, colleagues, and the community. In addition, it may reduce property and business insurance premiums.

As a firm develops a contingency plan, it is useful to keep three questions foremost in mind:

- Can all or part of the firm's work site—the office—cease to exist either temporarily or permanently without jeopardizing the firm's viability?
- Can the firm survive the permanent loss of work in progress, equipment, records, or employees?
- Is the firm prepared to recreate the business on a moment's notice and continue to fulfill its obligations to clients?

## DEVELOP A CONTINGENCY PLAN

**Establish an emergency planning team.** An individual or group must be charged with developing and maintaining the emergency management plan. Emergency planning must be a high-level activity that involves and is strongly supported by senior management.

**Assess risks and resources.** Assess the probability that various emergency or disaster

scenarios may occur. Identify the hazards arising from each scenario.

Enumerate existing resources available for emergency response. Develop responses to either eliminate the risk or mitigate the impact of each scenario.

Consider both internal and external factors when planning for emergencies. Some emergency situations may affect only your facility; others may involve an entire community. Consult government agencies, community organizations such as the Red Cross, and utility companies concerning their plans to respond to probable emergencies in your area. Inquire about information resources that the firm might use to develop its own emergency management plan.

**Assess vulnerabilities.** Assess the vulnerability of the firm by considering the likely impact of each emergency or disaster scenario on the firm's physical plant, community infrastructure such as utilities, and routine operations such as communications, finance, and transportation. Consider what could happen as a result of loss of access to the facility, the loss of electric power, or the failure of communication systems.

Analyze the potential human impact of each emergency—the possibility of death or severe injury. Consider the potential property losses and damages and assess the potential business impact, such as the disruption of current projects and the potential loss of clients.

The following checklist, while not intended to be comprehensive, may be useful in assessing the firm's vulnerability to each probable emergency:

- Will day-to-day business activities be disrupted?
- Will employees be able to report to work?
- Will the firm be able to communicate with clients, either through normal or alternative channels?
- Will the firm be able to continue to collaborate with other professionals?
- Will the emergency cause the firm to be in breach of contractual obligations?
- Would the firm be exposed to fines, penalties, or legal costs?

**Assume the worst.** If the facility housing the firm is completely destroyed, what would be the most important concerns in the immediate aftermath, and what must the firm recreate in order to continue?

**Develop the plan.** The emergency management plan must be detailed. It should include, at a minimum, the following basic components:

- A complete emergency evacuation plan
- A plan for an alternative work site during the emergency
- A clear set of criteria or a description of circumstances under which the firm's facility will close, clear assignment of authority for the closing decision, how the decision will be communicated, and whether the employees will be compensated for the closure period
- Contingency plans for maintaining an alternative, temporary supply of electricity, water, and other routine public services
- Designation of a public relations spokesperson with clearly defined responsibility and authority
- A requirement that individuals with key responsibilities maintain copies of the emergency plan at their homes in the event of an emergency
- A schedule to update the plan at least annually
- A list of local, industry-specific groups that offer support—such as professional societies, trade associations, or business alliance groups—and complete contact information

**Maintain important documents, plans, and records.**

Complete and accurate records and important documents may be essential to efficient emergency response and recovery. Certain records may also be required by government regulation or your insurance carriers and may prove invaluable in case of legal action after an incident. Among the records that should be properly maintained and stored to ensure their survival in the event of an emergency are the following:

- The current written emergency management plan
- Staff training records
- All written internal and external communication about the response procedures
- Documentation of drills, exercises, and follow-up critiques
- Documentation of the involvement of community emergency response organizations in planning activities

**Manage the emergency.** When an emergency or disaster occurs, certain tasks must be performed.

Some tasks should be assigned to specific individuals and designated alternates. Others should be performed by all staff members. Among the tasks that should be performed are the following:

- Account for all personnel
- Maintain telephone logs
- Keep a detailed record of events
- Maintain a record of injuries and follow-up actions
- Contact employees at home
- Notify family members
- Issue press releases
- Manage finances
- Coordinate personnel services
- Document incident investigations and recovery operations

**Establish direction and control.** Someone must be in charge in an emergency. The system for managing resources, analyzing information, and making decisions is called direction and control. A responsible person or group should be designated to assume command and assess the situation. The chain of command should be clear and understood by all employees. The authority may range from activating emergency resources to ordering an evacuation. Employees should understand how and to whom to report an internal emergency so that immediate action can be taken. A leader must be present to oversee all incident response activities and declare that the incident is “over.”

**Prepare a detailed evacuation plan.** Protecting the health and safety of everyone in the firm is the first priority during an emergency. Evacuation planning is essential. Identify personnel with the authority to order an evacuation and designate personnel to assist others during an evacuation. Evacuation procedures should be specific and should include a system to account for personnel. Incidents requiring evacuation could range from a highly localized problem to a community-wide evacuation. Factors to consider in evacuation planning include the following:

- Employees’ transportation needs during an evacuation
- Accessibility of important personal information about employees (i.e., home phone, next-of-kin, medical)

- Procedures for obtaining an accurate account of personnel after an evacuation
- Procedures for accounting for non-employees such as suppliers, contractors, and clients
- Protocols for prolonged evacuation, including sending employees home by normal means or providing transportation to an off-site location
- Emergency escape procedures and routes
- Assignment of responsibility for critical operations to specific employees
- Assignment of medical or first-aid duties to specific, qualified employees

**Restore communications.** A firm’s emergency plan needs to address both temporary and long-term communication deficiencies. Identify communication systems that can work during an emergency and provide a bridge to the restoration of firm activities. Restoring a damaged communication system requires time, skill, and resources. Identify critical communication services and operations, and determine the need for backup systems and equipment for the continued functioning of the firm.

**Establish an alternative work site.** Protecting facilities, equipment, and vital records is essential to restoring operations. While the value of preserving on-site operations is evident, firms often overlook the importance of an alternative work site—a “hot” site—where backup equipment, software, communication systems, and records are ready for use.

Even the smallest firm can and should plan to use an alternative site. Reciprocity agreements with other firms can provide temporary refuge without the expense of maintaining a separate facility. Mutual-aid agreements, perhaps coordinated through professional societies or trade associations, are another way for a firm displaced by a local emergency to carry on its practice.

**Preserve vital business records and documents.** Earnest efforts should be made to prevent the loss of business records. Facilities and equipment can be replaced; original documents may not. Explore and implement procedures before a disaster occurs to avoid a total loss, such as keeping duplicate records at a different site. Store copies of critical information such as accounts receivable, client information, or outstanding billings in a safe and secure place. Keep daily backups of records and work in progress—and backup/restore equipment needed to access the information—at a location other than the work site to enable rapid resumption of operations.

**Get back to work quickly.** Business resumption goes right to a firm’s bottom line. Professional service firms are fragile business entities—the interruption of services, loss of facilities, or absence of professional and technical staff can seriously threaten cash flow and the viability of a firm. Keeping people employed and the firm running is essential to meeting contractual obligations and keeping clients satisfied.

Make advance contractual arrangements with vendors for such post-emergency services as records preservation, equipment repair or replacement, and immediate communication systems restoration. Identify critical operations and plan to restore those systems promptly.

Assume that not every key person will be readily available or physically at the facility or replacement site during or after an emergency. Establish protocols in advance that allow recovery and operational decisions to be made without undue delay, including the authority to disburse funds to restore normal operations or the authority to perform normal management tasks such as signing checks, signing and sealing documents, and entering into contractual agreements. Firms that are incorporated should consult legal counsel to ensure that procedures conform to the requirements of law and the corporation’s bylaws with respect to continuity of management.

**Support your employees.** Employee support is essential during a recovery period. Because employees are your most valuable assets and will rely on you for support after an emergency, consider the range of services that the firm could provide or arrange to allow employees to regain productivity while preserving family relations.

**Contact your insurer.** Consult with your insurance carriers for advice in developing your emergency management plan. Contact the appropriate carrier immediately in the event of a property or casualty loss. Finally, meet with your insurance carriers during the recovery period to coordinate and review property restoration and business resumption procedures.

**More Best Practices**

The following AIA Best Practices provide additional information related to this topic

- 04.01.01 Starting a Firm: Essential Resources
- 04.02.01 Multi-state Practice Certificates of Authority
- 04.02.02 Legal Structures of Architecture Firms

**For More Information on This Topic**

See *Security Planning and Design: A Guide for Architects and Building Design Professionals*, Joseph A. Demkin, AIA, editor. The *Guide* can be ordered from the AIA Bookstore by calling 800-242-3837 (option 4) or by sending e-mail to [bookstore@aia.org](mailto:bookstore@aia.org).

See also *Emergency Management Guide for Business and Industry: A Step-by-Step Approach to Emergency Planning, Response, and Recovery for Companies of All Sizes* by the U.S. Federal Emergency Management Agency (FEMA). This 67-page book can be downloaded at no cost by visiting this Web site: <http://www.fema.gov/pdf/library/bizindst.pdf>.



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