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Disaster Preparedness: A Shared Responsibility

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Executive Summary

The damage inflicted by disasters in recent years, whether measured by economic costs, loss of lives, or social disruption, has grown increasingly severe. Because of the extensive interconnections among modern businesses, a disaster's economic impact can be far reaching and long lasting. Consequently, disaster preparedness is a shared responsibility among government and private-sector organizations who must work together to create communities that are well prepared to protect against, respond to, and recover from disasters. The Federal Emergency Management Agency's (FEMA) Private Sector Division is helping build better preparedness by promoting stronger public-partnerships to improve information sharing and collaboration among government agencies and businesses.

Dun & Bradstreet (D&B), as a member of the 2011 National Preparedness Month (NPM) coalition, is supporting these efforts through a variety of activities, including the creation of an online disaster impact tool that provides information about businesses within a disaster zone. The research tool leverages D&B's global database of commercial business information and will be made available free-of-charge immediately following a disaster to allow government officials and businesses to identify businesses located in the disaster zone. In addition, the website will be updated with fresh information about the impacted businesses as it becomes available.

The entire community, not just government, must be involved in disaster preparedness. As public-private partnerships and information sharing become stronger, D&B will enhance its disaster impact tool to provide even greater situational awareness that improves decision making and strengthens community resilience.

The Need for Resilient Communities

The United States has been buffeted by severe disasters within the past 18 months, such as the Mississippi River flooding affecting numerous states, the deadly tornado strikes on the southern states and Joplin, Missouri, and the Deepwater Horizon oil rig explosion. International disasters, such as Japan's earthquake and subsequent tsunami, also highlight the widespread damage and worldwide repercussions of major disasters. Reinsurer Munich Re announced in July that "an exceptional accumulation of very severe natural catastrophes" had already made 2011 the highest-ever year on record for economic losses, after only six months.¹ The growing destruction of disasters was also underscored in a 2005 report by the National Hurricane Center showing that 15 of the 30 costliest hurricanes (adjusted for inflation) have occurred since 1990.² And since the 2005 report, three hurricanes—Katrina, Wilma, and Ike—would likely join that list. The destruction caused by disasters today is so large and the economic impact so far reaching that preparedness, response and recovery have become, by necessity, a community responsibility. No single government organization can do it all alone. The federal government, state governments, local governments, and the private sector each play important roles. Community resilience depends on public- and private-sector organizations working closely in partnership to create reinforcing links in a preparedness network that supports the entire community.

¹ "Accumulation of very severe natural catastrophes makes 2011 a year of unprecedented losses," July 12, 2011.

² "Costliest U.S. Hurricanes 1900-2004," National Hurricane Center within the National Weather Service, National Oceanic and Atmospheric Administration, Department of Commerce.



At a national level, FEMA's mission is to support first responders and citizens in building resilient communities that are not only prepared for potential disasters but also respond rapidly and recover quickly when disaster strikes. In October 2007, FEMA established the Private Sector Division to improve information sharing and coordination between the government and the private sector. Among its responsibilities, the division fosters communication among FEMA programs that engage with the private sector. The division helps state and local governments create public-private partnership models that best fit their individual needs and circumstances by identifying and sharing best practices, as well as through grants and other resources. It also provides tools and resources to help the private sector build collaborative partnerships with state and local governments to improve disaster planning, information sharing, training, and other joint activities. FEMA's NPM call to action this year to large and small businesses alike is "*a time to remember, a time to prepare*" and is especially poignant given the tenth anniversary of 9/11.

With Tip O'Neill's famous quote, "all politics are local" in mind, emergency responders have coined their own phrase: "all disasters are local." And while FEMA officials can lead and coordinate activities following a disaster, the local communities will provide the bulk of needed resources, including law enforcement, emergency management responders, medical facilities, utilities, communications and other services. Consequently, state and local governments must also be actively engaged in disaster planning, response and recovery efforts, working closely with private-sector organizations to ensure an effective response at the regional and local level. An important step for building a collaborative public-private partnership is the **creation of private-sector programs by states and large cities**. These programs include private-sector liaisons that could help government agencies and businesses coordinate their activities to get services and operations up and running as quickly as possible, ensuring that impacted people and institutions receive the services and supplies they need. The liaisons also could help create procedures for improved information sharing to provide FEMA and local emergency officials with situational awareness about utilities, communications, medical facilities, food and supplies, roads and transportation, and other critical issues. To date, only 15 to 20 states and a few city governments have dedicated private-sector programs, but given the growing importance of comprehensive community preparedness, liaisons – in every state – would play a larger role in building resilience.

Dan Stoneking, Director of FEMA's Private Sector agrees. "One size doesn't fit all," he points out, "but there is a compelling argument that both the public and private sector benefit where there are partnerships that are publicly accessible, dedicated, resourced, engaged and sustainable."

The Need for Private-Public Partnerships

Private-sector organizations have a variety of responsibilities and goals in disaster preparedness. As individual organizations, each must develop continuity of operations plans: Where will our employees work if an office or plant operations are disrupted by a tornado or other major disaster? How can we best keep our workers safe and verify that they are able to continue working? How will our employees communicate and access information technology systems, data, and resources? Businesses that address these questions proactively before disaster strikes give themselves the best chance to mitigate a disaster's impact and resume operations quickly.



But a business on its own cannot address all of these needs. Even if it is well prepared, a business cannot recover quickly if electricity and other utilities are not restored, communications networks are diminished, suppliers cannot deliver needed goods and services, or customers do not return. Similarly, a region cannot fully recover until its hospitals, law enforcement, transportation, and other public services resume activities. The social and economic interconnections are so vast and complex that true resiliency requires a collaborative partnership among public- and private-sector institutions to ensure a system-wide recovery of their interdependent operations. By working together, public and private organizations can plan together, establishing procedures for sharing information, staffing emergency operation centers, and mentoring small and medium-sized businesses to help them prepare for emergencies. Businesses can also join the 2011 National Preparedness Month coalition to help promote preparedness partnerships and activities.

“The private sector is engaged in every community around the country. They have resources and capabilities ready to deploy at any given moment. Public-private partnerships are essential to community resilience,” said Ann M. Beauchesne, Vice President of National Security & Emergency Preparedness Department for the U.S. Chamber of Commerce.

The Need for Business Information

D&B strongly supports efforts to strengthen public-private partnerships. In addition to implementing our own preparedness programs, we have joined the National Preparedness Month coalition and are informing our 250,000 customers about the importance of preparedness. We also have developed an online research tool to provide governments and businesses with a free-of-charge impact analysis following a major disaster. The disaster impact tool, which draws upon D&B’s unparalleled global database of 200 million businesses, was developed following the March 2011 earthquake and tsunami in Japan to help organizations identify customers and suppliers located in the impacted area. What was abundantly clear was that although *all disasters are local*, their impact can be far reaching – both at the national and global level. Thousands of business and government organizations used the online tool to help assess their exposure to financial and business continuity risk resulting from the earthquake and tsunami, including developments at nuclear power stations.

In addition to building the online research tool, D&B has prepared disaster impact analyses immediately following recent major U.S. disasters, including the Deepwater Horizon oil spill in April 2010, Mississippi River flooding in 2011, the Joplin tornado in May 2011, and the tornadoes that swept across the central and southern states in April 2011. These reports analyzed the disasters’ potential impact on businesses, employees and industries, providing government and business decision-makers with information to help assess the economic damage and guide recovery efforts.

D&B is applying lessons learned from these earlier efforts to create a disaster impact website that can be up and running within 24 hours after the company determines that a major disaster has occurred. In addition, the website will have the capability to receive and update business information as it becomes available, such as listing which businesses are closed and then updating the information as they reopen. Similarly, people can register to receive e-mail updates about businesses, economic impact reports, and other business information as it becomes known. D&B also will enable its Facebook site to allow people to post information about businesses in the impacted region. In addition to helping businesses understand a disaster’s impact on customers and suppliers, D&B



can help government officials identify truly local businesses that could assist with disaster cleanup and other response activities, thus helping government comply with Stafford Act requirements to use local businesses and facilitate the recovery process.

“With the world’s largest commercial database of business information, we can provide valuable situational awareness for both government agencies and businesses. By leveraging our business assets and capabilities, we hope to improve decision-making and strengthen disaster response and recovery for both government and businesses,” said Michael Caskin, D&B Director of Business Development for Government Solutions.

Next Steps

Stronger public-private partnerships will significantly improve our nation’s resilience. In particular, the creation of private-sector liaisons among state and local governments will facilitate collaboration among public- and private-sector organizations, thus enhancing preparedness and enabling decision-makers to direct community resources to where they are most needed. Private-sector liaisons could be especially effective in improving information flow, which would enable D&B to regularly update our online tool with authoritative information. For example, the tool could provide decision-makers with information about the status of the businesses in the impacted region. Businesses in the U.S. should pre-register their business with D&B so when disasters strike they can quickly and easily update information on their business. Similarly, business executives would have access to up-to-date information about their customers and suppliers, helping them plan and mitigate the disaster’s impact on their operations.

The policies and procedures governing this information sharing would have to be planned and rehearsed prior to the disaster, but the potential benefits are significant. D&B’s online tool and impact reports already provide important information to government and business leaders. With improved access to timely information, D&B’s disaster impact website could deliver critical situational awareness that improves decision making and bolsters both response and recovery efforts.

Conclusion

The extensive social and economic connections that tie together regional, national, and international economies have exacerbated the damage caused by modern disasters, spreading the impact to customers, partners, and suppliers far beyond the disaster zone. But these same interconnections provide a foundation for building public-private partnerships that support community and regional preparedness activities. D&B’s disaster online research tool and impact analyses can help strengthen collaboration among government agencies, businesses, and civil organizations. The disaster website will be deployed quickly following a disaster; the information, which draws from D&B’s global database of businesses, is provided free of charge. D&B is also working to improve the information gathering and reporting capabilities of its tools to help response and recovery efforts. The creation of private-sector liaisons and other initiatives to improve information sharing could help us strengthen these capabilities. Building resilience is everyone’s responsibility.