



# Emergency Management and Business Continuity Planning

An Online Continuing Education Course for Engineers

**Course Number: BS-1026**

**Credit: 1 Hour / 1 PDH / 1 CPD**

# Emergency Management and Business Continuity Planning

William Allen Hein, P.E.

## Introduction

This course is designed to provide the basic concepts of emergency management and business continuity planning.

Business organizations and engineering projects are subject to events that go beyond their day-to-day operational exposures and threats. These include project disasters such as the collapse of structures, significant explosions from failed processes, and weather catastrophes such as tornados, hurricanes, or flooding, among other disasters.

Emergency management plans are also referred to as "*emergency action plans*" by regulatory agencies. The Occupational Safety and Health Administration (OSHA) requires all businesses to have an emergency action plan (CFR 1910.38). Businesses with ten or fewer employees may have a plan that is communicated to all employees verbally while larger employers are required to have a written plan.

Organizations with operations in some states may be subject to the regulatory requirements of a state OSHA plan that may be more stringent than the requirements of Federal OSHA. For this reason, it is important to know if operations are subject to a particular state's OSHA requirements.

Failure to have plans in place to manage emergency events can result in disastrous financial consequences that could shut down the business' operations, cause damage to the organization's value, and/or regulatory penalties.

The business continuity plan is similar to the emergency management plan. The key difference is that the business continuity plan will focus on the survivability of the organization through minimization of the financial impact of exposures faced by the

organization, while the emergency management plan will focus on the minimization of the impact of an event on life and property.

Like any other endeavor, there will be the need to continue research and education beyond this course to fully develop and manage a company's operational emergency management plan and business continuity plan.

As with any business plan, continual education, research, and revisions to ongoing plans will be needed in order for the plans to become living documents that assist with the success of the business operations or engineering projects.

This course will provide a basic understanding of:

- The benefits of implementing emergency management and business continuity plans
- The basic components of an emergency management plan
- The implementation of an emergency management plan
- The components of a business continuity plan
- The implementation of a business continuity plan

Upon completion of this course, the reader will gain an understanding of the components, resources, skills, and ongoing management of these plans.

## Overview

Various types of emergency events have become regular headlines on television, radio, and newspaper reports. While some of these headlines present no direct connection to the affected company, some may create public concern that can result in a widespread negative opinion of the organization.

When an emergency event requires a business to shut down, the financial consequences are immediate, as the organization will begin to lose revenue. According to research by the Insurance Information Institute, one out of every four businesses that shut down following a disaster never reopen.

Whether it is an active shooter, a chemical spill, the collapse of a building, project or bridge, an airliner crash, a pipeline or plant explosion, or some type of weather-related catastrophe, every business needs to be ready to manage the emergency in order to minimize the impact of the event on the organization. According to the Federal Emergency Management Agency (FEMA), "How quickly your company can get back to business after a terrorist attack or tornado, a fire or flood often depends on emergency planning done today."

While each emergency will have a different concern or public perception, the speed, and concern with which the organization responds will leave a lasting impression. Without an emergency management plan in place, the organization's response will be slower than necessary and could lead to concerns by those in the community that had been or could be impacted by the emergency.

A properly crafted emergency management plan is the key to limiting this type of concern, and also provides a blueprint for the business to follow for taking the necessary actions to mitigate the overall impact of the disaster both internally and externally.

The emergency management plan is the initial response document when an emergency occurs. The plan outlines the immediate needs and actions to be taken. This will vary depending on the type of emergency and will include the request for emergency services and the direction of employees and any potentially impacted public on actions to be taken while the emergency is being brought under control.

In some cases, evacuation of the impacted area may be required. The plan needs to include who communicates needed actions and announcements to the general public in the area, and the manner by which they do so.

The business continuity plan provides the roles and responsibilities for the actions needed to get the organization back to business as per usual. Without a formal plan, the chaos resulting from an emergency could lead to conflicting directives.

Organizations with a functional emergency management plan and business continuation plan will have a better chance of recovery following a catastrophic event that impacts the organization.

## **Benefits of Implementing Emergency Management and Business Continuity Plans**

When an event occurs, confusion generally follows. Having plans in place that outline the who, what, when, where, and how for the various components of a business immediately following an incident will reduce the confusion as well as help manage the needed responses.

These plans will facilitate a more effective response to the emergency, which could be critical to the reduction in loss of life or property for the organization, or even the local community in which the business organization operates.

Depending on the nature of the emergency, there may be regulatory or legal issues that could impact the organization. For example, in the event of an oil or chemical storage facility fire or explosion, the company may be subject to an investigation by the Environmental Protection Agency that could result in legal actions and/or fines.

The local community in the area of a disaster could also be impacted, which could lead to liabilities for the organization. Some of these types of disasters may even have long-term consequences, such as the event creating a hazardous waste clean-up site.

The emergency management plan will provide guidelines for the response to an emergency, and the business continuity plan will provide a blueprint that keeps the organization functioning while the emergency management plan is in execution. The overall benefit of these plans is the sustainability and survivability of the organization by providing an organized set of plans that direct the organization from response to recovery.

The National Fire Protection Association (NFPA) has developed the "Emergency Preparedness and Business Continuity Standard (NFPA 1600)," which is a resource for the development of these plans. This standard has been endorsed by the American National Standards Institute and the U. S. Department of Homeland Security.

## **Basic Component of An Emergency Management Plan**

For an emergency management plan to be effective, it must contain the following basic components:

- Management authorization
- Emergency management elements
- Procedures for emergency response
- Documents necessary to support the plan

## **Management Authorization**

The initial step in the development of an Emergency Management Plan is a full backing of management for the development and implementation of the plan. The plan should include a mission statement and purpose. This is the section that needs management sign-off to demonstrate support.

Management will then identify and authorize the key individuals who will be responsible for the plan and its components. Overall responsibility may be limited to a single person in management, but there will also be additional key personnel with authorization over specific areas of the operations, or over specific types of emergency events.

This section of the emergency management plan would also provide an overview of the types of emergencies that may occur, the organization's resources that can address the emergency, and its assets and resources that are exposed to the threat. This part of the plan may require efforts to identify the potential threats and exposures to which the business may need to respond. If the organization has a risk management plan, the risk identification work may have already been completed. By utilizing as many key resource

personnel as possible to identify potential threats, the list of threats that the organization is exposed to will be more comprehensive.

For each type of emergency exposure identified by the organization, the plan will have operational response policies and procedures that can respond to the event. Once developed, these policies and procedures should be communicated to everyone in the organization and, when possible, available on the organization's intranet.

When implementing an emergency management plan, it is important to develop a schedule that outlines the steps and the relevant timelines. Management of the development process is key to the successful development of the plan in a timely fashion.

The management authorization section needs to include a budget for the development, implementation, and ongoing requirements of the plan. These need to be realistic and will vary based on the size of the organization and the exposures which may be faced.

## Emergency Management Elements

The elements of the plan are the specific actions that must be considered when an emergency event occurs. The following are the elements that must be included in the emergency management plan:

- Operational
- Communication
- Life safety
- Property
- Community
- Recovery
- Administration

When an emergency occurs, the person who is responsible for the response of the authorized person who is responsible for this person or position will have been authorized in the Management Authorization section of the plan and will

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