



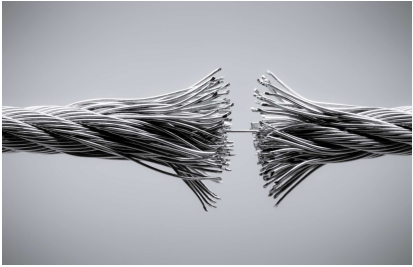
Business Resilience



Risk Management

- ▶ Why plan?
- ▶ Ways to plan
- ▶ Your plan
- ▶ Hope for the best!

What is risk management?



- ▶ Process of identifying, evaluating, and prioritizing risks, and then taking actions to reduce those risks and the liability they pose to your business.

What is business resilience?



- ▶ The ability to anticipate, absorb, adapt to, and recover from disruptions.

Why plan?



Bad stuff happens

“75 % of businesses without continuity planning will fail within three years of a disaster.” ready.gov/business



Being prepared makes it easier to deal with

“A plan increases safety of employees and customers, and helps you remain in business after disasters.”



Lots of us being prepared can make it easier for everyone

“When you are able to continue operations after a disaster, you also improve your community’s ability to recover.”



What kind of bad stuff?

- ▶ **Natural hazards** like wildfire, drought, floods, and severe storms
- ▶ **Technology-related hazards** like power outages and equipment failure, servers, computers, operating systems, applications
- ▶ **Health hazards** such as widespread and serious illnesses (including loss of key personnel)
- ▶ **Interruption of the supply chain** including failure of a supplier or disruption of transportation of goods
- ▶ **Utility outage** -water/sewer
- ▶ **Human-caused hazards** such as accidents and criminal acts (cybercrime)

NE Oregon Natural and Climate Hazards



Wildfire: Increased days of very high fire danger, increased intensity and size of fires



Drought: Increase in prolonged and severe dry periods with low spring snowpack, low summer runoff, precipitation and soil moisture



Reduced Air Quality: Increased exposure to wildfire smoke



Heat Waves: Increase in number, duration, and intensity of extreme heat events



Heavy Rains: Increased intensity of extreme precipitation (landslides, flash floods)



River Flooding: Increased winter flood risk, where precipitation falls as rain rather than snow during near-freezing temperatures



Warmer winters, coldest nights will be warmer, decrease in number of extreme cold days (less snow and snow pack)

Potential Impacts of Natural Hazards



Property loss, power disruption, closures, human safety



Water rationing, loss of crops/forage/forests, low streams/lakes



Health impacts, low visibility, curtail activities/events/reservations



Health impacts, need for A/C, curtail activities/events/reservations



Road closures/damage, property damage



Physical loss, road and area closures, human safety



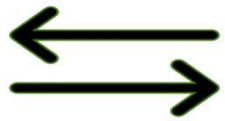
Curtail winter recreation activities, events



Key Benefits of Being Prepared

- ▶ **Reduced Financial Loss:** Decrease the likelihood of unexpected major financial losses and the amount of money spent on repairs and recovery
- ▶ **Minimized Disruption:** Maintain continuity of operations when challenges arise, able to pivot
- ▶ **Enhanced Reputation:** Maintain customer and supplier confidence during incidents, loyal and supportive base
- ▶ **Faster Recovery:** Return to normal business operations more quickly, have a plan to execute

What disruptions or hazards
have people experienced?



What hazard or disruption are you
most concerned about? Why?



A wildfire 'case study'



Double Creek Fire-September 2022



24 hours a day for 3 weeks



Saved buildings



Lost 60% of grass for the coming winter



Lost 50% of fences needed to keep cattle on our private lease



Risk Management Measures



**Equipment and
supplies on-site**



**Community
cache**



**Training and
experience**



**Satellite and
radio
communications**



**Back-up people
capacity**



Insurance

Resiliency Factors



**Maps and
records**



**Agency
Relationships**



**Supplier
Relationships**



Business savings



**Mental health
resources**

Ways to Plan

- ▶ Working 'on' your business versus working 'in' your business
- ▶ Every step you take to reducing your risks or making your business more resilient counts.
- ▶ Low hanging fruit - insurance, surge protectors, offsite/cloud record storage
- ▶ Near miss - cyber-security scare, minor property damage, almost flooded
- ▶ That could have been me - employee fraud, cancellation of lease, injured customer lawsuit

Ten Common Steps to Consider

1. Identify hazards and potential disruptions to your operations and their consequences.



What hazards/disruptions are most likely to halt, slow, or affect the profit of your business?

What are their impacts?

2. Identify and prioritize critical business functions.



Core Operations - Production or service essential to customers

Finance & Payroll - Ensuring cash flow and paying employees

IT Services - Data backup, servers, and communication tools

Critical equipment and inventory - records and locations

Legal/Compliance - needed to comply with regulatory requirements

Common Steps to Consider

3. Consider cyber security measures for important records.



Are you training your employees on best practices?

Using antivirus software that updates automatically, securing your network, and backing up important data?

4. Create a communications strategy, including a media toolkit to communicate with the public and/or key stakeholders.



How important is it to notify the public? Customers? Suppliers?

Who will create messaging and how will you distribute it?

Common Steps to Consider

5. Maintain an up-to-date emergency contact list for employees, vendors, suppliers, and other key stakeholders.



How will you facilitate critical communication among employees and key partners?

Contact lists and phone tree?

6. Take steps to mitigate risks to equipment, buildings, facilities, inventory, and employees.



Are there threats to critical equipment and inventory, building hazards, safety issues?

Can you address some threats with maintenance and repairs?

Employee training on equipment operation?

Safety equipment and evacuation plans?

Common Steps to Consider

7. Meet with an insurance agent to discuss what type of coverage your business needs.



What are your coverage limits, exclusions, deductibles and co-insurance requirements?

Do you need/can you afford coverage for

- buildings
- business property (equipment, inventory)
- tenants' improvements (fixtures, alterations of spaces, paid for by the tenant)
- business income disruption (lost revenue and coverage of operating expenses)

8. Back up and store vital records and data so they can be accessed off-site.



Will you be able to access important documents?

Do you have off-site or cloud back-ups?

Do you have a digital document checklist that lists the whereabouts of items such as tax returns, business formation documents, EIN#, insurance policies, etc.?

Common Steps to Consider

9. Create an Emergency Preparedness Plan.



Are there life and safety risks?

Are evacuation of people or relocation of equipment/assets likely to be needed?

If so, emergency planning should be a priority.

10. Exercise, test, and update your plan at least annually.



Do you regularly review insurance coverage and plans to protect critical equipment and systems?

Do you review and update when there are changes to your business, such as expansions, contractions, hazards you face, or your assets/property/equipment?

Your Plan

- ▶ **Activity to help you start planning**

- ▶ Part 1 - take some time to answer three questions and jot down some notes (I'll share an example)
- ▶ Part 2 - hear from each other about your answers

1. What is the threat or hazard I'm most concerned about?
2. What are three impacts from this threat that I want to avoid or reduce?
3. What are three steps I could take in the next 3 months to mitigate these impacts?

Your Plan Example

- ▶ **Threat/Hazard I'm most concerned about:** Drought
- ▶ **Three impacts I want to avoid/reduce:**
 - ▶ Loss of drinking water for livestock during late summer and early fall
 - ▶ Cost of buying tanks and hauling water
 - ▶ Disruption to grazing schedule and beef harvest
- ▶ **Three steps I could take in the next 3 months to mitigate these impacts:**
 - ▶ Find options for other range sites to use if we need to haul water or access more ponds; contact businesses who could help trail or haul cattle and water.
 - ▶ Research disaster programs that might reimburse cost of tanks and water. Monitor prices of tanks so we know what to budget or when to buy.
 - ▶ Share dates for fall beef harvest with businesses who help us gather and transport cattle to the harvest location and confirm their availability/schedule.
 - ▶ Increase beef prices to mitigate increased production costs.

Your Plan

- ▶ Take five minutes to write down your answers
- 1. What is the threat or hazard I'm most concerned about?
- 2. What are three impacts from this threat that I want to avoid/reduce?
- 3. What are three steps I could take in the next 3 months to mitigate these impacts?

Discuss with a Partner

- ▶ Find someone you didn't talk to before
- ▶ Three minutes each to share your answers
- ▶ I'll provide a time check to switch sharing



Hope for the best, plan for the worst!

Some helpful resources to get you started or keep you going.

<https://neoedd.org/news-events/resiliency-and-recovery-resources/>

<https://neoedd.org/wp-content/uploads/2026/02/Resiliency-and-Risk-Management-Resources.pdf>

Let us know if you would like more training opportunities around this topic

Congratulations!

Your Business

Has completed

A step toward Resilience!

