



Post-Event Hot Wash / After-Action Analysis

Hurricane Sandy has demonstrated significant direct impacts on over a million businesses with millions more impacted through their supply chains. ***A crisis is not business as usual. A crisis is business as unusual.*** Crises have a short duration, but have consequences that can determine the viability of a business or organization for years to come.

Identifying and documenting the lessons learned becomes required under best practices and standards. Failure to do so, perpetuates these exposure gaps. An independent third party facilitated, after-action analysis empowers the audit committee, board, and senior officers with actionable information needed to meet their governance responsibilities and eliminate gaps. There is an urgency to conduct this analysis before valuable information and insights are lost. The report should be completed within five working days of the recovery and distributed all participants.

“What should we do now?” “What should we say?”

How companies answer the question “*What should we do now?*” can have far reaching implications for their company or organization. Often, these questions are complex and require far more than insurance claims. Companies need to on the human, operational, reputational, legal, and financial impacts of such a disaster or crisis. There may be life and safety issues. Security may be needed to secure the premises. Communication will be required with all stakeholders, and depending on the extent of the crisis, the press may surface, making the need for media training critical. There may be supply chain and provider disruption, creating contractual liability exposures. There may be regulatory impacts.

Actions are needed now to:

- **Assign** information review responsibility
- **Communicate** lessons learned with management team
- **Contact** public authorities and others to identify if their assistance “could have been utilized” and adjust internal procedures to cover requirements until their participation or resources are available.
- **Create** Findings Report and recommendations
- **Document** an appropriate reporting format for the information
- **Engage** independent third party to facilitate process
- **Identify** a reporting process and a person responsibility for the information gathering
- **Include** reviewed information into the internal change control process
- **Use** any available public and company information concerning the event
- **Work** with legal Counsel to ensure liability issues are addressed

Hot Wash Process

Following an event, the facilitator should review the plan and impacts with the participants. Once teams have been deactivated, the facilitator should debrief Emergency Management, Incident Management, Crisis Management, and Business Resumption teams.

The After-Action Debrief Analysis should:

- **Review** and evaluate the event
- **Obtain** feedback from all participants on what worked and what didn’t work
- **Note** issues of command, control, coordination, and communication
- **Have** each function/business unit chairs report on their experiences
- **Identify** and prioritize key lessons learned
- **Gather** cost accounting detail



- **Gather** visual records of event, e.g. digital or hardcopy photos, newspaper reports, internal and external communications
- **Evaluate** the existing plans
- **Identify** the need for further training and tests
- **Make** suggestions for improvement
- **Provide** feedback
- **Document** a summary of the current state of the business continuity plan including processes included, excluded, and any open items (or planning gaps). Emphasis should be given to potential issues and the results expected.

The facilitator should incorporate debriefing comments, evaluator observations and participant evaluations into a concise report of the event including lessons learned, issues that need correction, next steps, and additional training needed.

The Findings Report should address:

- Assessment of the validity of data processed
- Awareness program
- Command and control
- Confidentiality
- Corrective actions to address problems encountered and modifications to the Business Continuity Plans
- Description of any gaps between the Business Continuity Plan and actual results
- Guidelines for each of the items and/or issues
- Plan maintenance & distribution
- Recommendations for future test exercises
- Training requirements
- Validate process and issues with appropriate teams and review with and obtain approval from the executive sponsors

Five Common Failures in a Disaster or Crisis

In the majority of organizations analyzed, Firestorm has found five common failures in a disaster or crisis.

The failure to:

- **Control Critical Supply Chain.** It is important to identify the internal and external dependencies of critical services or products.
- **Train Employees for Work and Home.** Firestorm has found that across most companies 95% of employees do not have a plan at home. If employees do not have a clear strategy for their families, an emergency or disaster can force them to choose between family and work. Family will always trump work.
- **Identify and Monitor all Threats and Risks.** Knowing the threats an organization will face enables it to manage the results and respond to those threats. Firestorm's process identifies the potential threats, both natural and manmade.
- **Conduct Exercises and Update Plans.** Training converts written plans into actionable ones. By test exercising plans and their procedures, the problems or weaknesses identified will stimulate appropriate changes.
- **Develop a Crisis Communications Plan.** Effective communications is a crucial element in emergency/crisis management and should assume a central role in disaster preparedness. Proper communications establishes confidence in the ability of an organization to deal with a crisis and to bring about a satisfactory conclusion.