

Understanding the risks of poor Disaster Management Planning



The importance of proper disaster management planning cannot be underestimated. Employers who are proactive in terms of their plans for business continuity in the unfortunate event of a business disaster will ensure that they contain as far as possible, any negative impact on their businesses.

In a previous article we discussed the implementation of an *effective Fatigue Management Plan*. In this article we will assess the elements of a business disaster, how businesses may be impacted by disaster, and the importance of proper Disaster Management planning to minimise unnecessary risks in the workplace.

What is a business disaster?

A disaster within a business can be defined as a serious and sudden disruption, either causing or threatening to cause broad human, material or environmental losses which negatively impact the business's ability to cope using its available resources.

These disasters could be regarded as either human or natural based events that will test the organisation's vulnerability based on its capacity to recover from such disasters.

Examples of disasters that are more prominent in the South African environment in the last few years are as follows:

- **Floods:** The April 2022 floods caused severe economic and social disruptions, resulting in more than 400 fatalities, 40 000 displaced individuals and tens of thousands of damaged buildings, houses and schools.
- **Fires:** In 2017 Knysna experienced fires that displaced 10 000 people, killed six and destroyed 600 structures. The fires reportedly caused damage to private properties amounting to more than R4 billion.
- **Criminal elements:** During the 2021 civil unrest, the country experienced widespread looting, arson and general civil unrest. Scores of businesses were burnt to the ground, materials were destroyed, and severe financial losses were incurred due to staff shortages and absence.

How vulnerable is your business?

Vulnerability is the degree to which a business could be impacted by a disaster. Some elements that may impact on the vulnerability are location, topography, geography, structural construction, and scope of work. A workplace situated on the banks of a river that has a history of flooding has an increased level of vulnerability. Similarly, if a cash-in-transit business opens a branch in an area with a history of robberies, it would be a poor choice.

Vulnerability can be determined by means of a comprehensive risk assessment conducted by a competent assessor.

Many *OHS consultants and practitioners* have the capability to make baseline determinations regarding disaster risks as well as the degree of the risk.

Capacity refers to the organisation's ability to mitigate the impact of the disaster. As part of the comprehensive risk assessment, the OHS practitioner would determine controls, based on the *hierarchy of controls*, that can be integrated into the workplace to increase the capacity of the organisation.

Disasters give rise to financial losses and should be viewed from both a preventative and a reactive perspective. Risk elimination, substitution and engineering controls are important factors to consider.

Elimination of disaster risk elements is virtually impossible. One cannot take the weather away, nor can one eliminate crime. Substitution is also problematic. There are various engineering controls, but these usually result in extremely high costs. Building a quadruple-layered retaining wall with pillars under buildings would result in costing far beyond the reasonably practicable levels. To "loot-proof" your organisation, you would be building Fort Knox-style premises.

How can a business reduce its disaster risks?

Many businesses elect to finance the disaster risks through insurance funds.

The risk could be further reduced through the proper development and implementation of emergency procedures, operating procedures, and evacuation plans. Although these plans and procedures are predominantly aimed at the safety and security of employees, reducing the risk of human resource losses by default reduces the risk of additional costs pertaining to the recruitment and onboarding of a new staff member. This cost, as per a *Careers24* article, could be in the region of R30 000,00, aside from infrastructure losses.

In conclusion

Conducting a comprehensive risk assessment and developing controls that are applicable to your organisational vulnerabilities could therefore in the long term increase your company's capacity and exponentially shorten the timeframe for the business to return to normal operations should a disaster occur. Good disaster management practice could be a great cost benefit in the long run.

SERR Synergy assists businesses with Occupational Health and Safety compliance through the development of the necessary risk assessments, policies, documentation, training and support. Our team of OHS Professionals can relieve the stress and concerns that might affect your business's capability to stay operational and mitigate risks associated with workplace safety.

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