

RETHINKING THE IMPORTANCE Of Public/Private Partnerships

The separation between the public and private sectors is disappearing; continuity plans must take this into account.

Executive Summary

Involvement of the public sector in any disruption is virtually a given; partnerships between the public and private sectors are important considerations in building a robust continuity plan for your business. Several organizations exist to foster these public/private sector partnerships to enhance BC.

Lee Goldstein, CBCP, MBCI
Business Contingency Group

OVER THE PAST DECADES, THE IMPACT AND SCOPE OF disasters have increased greatly. No longer can a company assume the public sector will be able to respond to its location and take care of everything. No longer can the public sector ignore the companies in their community. The economic impact a disruption would have on the local economy cannot be underestimated.

Many companies have realized this and have expanded or created a DR department. The public sector has increased training and developed new plans to deal with new threats—but this is not enough. We need to look outside our silos and form partnerships. Though a few public/private partnerships have been around for some time, most are spontaneous in response to an emergency or disaster and are soon forgotten after the initial event. These partnerships should be expanded and formalized.

Public/Private Partnerships

Partnerships Around the Country

Emergency management and DR partnerships can take many forms. One of the first pilot communities in the Federal Emergency Management Association's (FEMA) Project Impact was in Seattle, WA. Initially, the goals of the program were centered on retrofitting homes and schools and hazard mapping. Businesses were on the radar from the start of the program, but it was not until the Disaster Resistance Business (DRB) initiative was kicked off that businesses were the object of focus.

The DRB serves as a clearinghouse of information. A tool kit is in development that will help businesses write and exercise disaster plans and lessen exposures. "The long-term goal is to get DR implemented into day-to-day operations. Right now, most businesses don't see the value of DR until something happens" says Ines Pearce, program manager, Seattle Emergency Management.

The newest addition to the DRB initiative is the Business Emergency Network (BEN), which provides a mechanism for the City of Seattle Emergency Operations Center (EOC) to share information with the business community. The benefit to the business community from this type of partnership is to

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help with rumor control and better decision-making; also, it gives businesses the ability to send questions and concerns to the city's EOC. The city also benefits by being able to address specific issues within the business community, enabling businesses to recovery more quickly and lessening the economic impact on the city. BEN was tested during the TOPOFF 2 exercise in May, 2003 (see Sherry Baranek's related article in the July/August 2003 issue, page 40) and was used during the blackouts on the East Coast in August (see the Industry Focus on Utilities in the November/December 2003 issue, page 48).

Figure 1 The CEAS access credential.

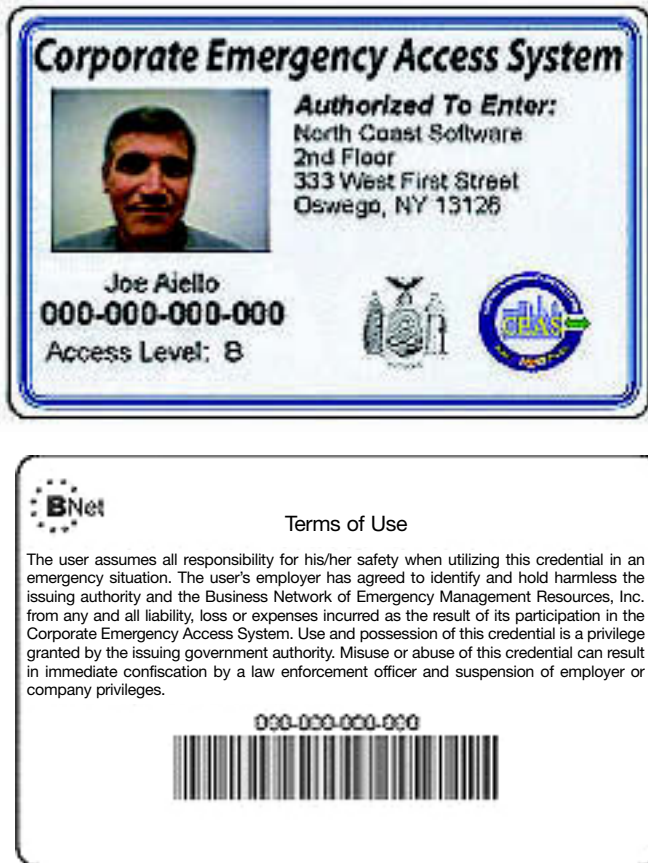


Figure courtesy of Lee Goldstein.

Learning from Each Other

When the public sector responds to an emergency or disaster, it is not in a vacuum. The private sector has emergency response issues, too and the Los Angeles County Office of Emergency Management wanted to address these issues. By including the private sector in their exercise program, members of both sectors will be able to learn from each other.

To accomplish this, they turned to the Business and Industry Council on Emergency Planning and Preparedness (BICEPP). Founded in 1983 in Los Angeles, CA, BICEPP provides a forum for information exchange to enhance emergency preparedness and contingency planning within the business community. The county's exercise program consisted of tabletop exercises and workshops leading up to an annual full-scale exercise. BICEPP and the county jointly sponsor exercises to introduce businesses to the incident, its impact, and key challenges. Past exercises included earthquake response and various types of terrorist incidents.

Access

Access to a business' site after an emergency or disaster has always been problematic. If officials closed off an area, a company could be locked out of its site for an undetermined length of time. Access passes, created on the fly after an emergency, meant days and sometimes weeks before critical employees could have access to their site to perform assessments and start the recovery process.

A corporate emergency access system (CEAS) needs to be established before an emergency or disaster. The Business

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Neither sector will be able to recover from a major emergency or disaster alone.

Network of Emergency Resources (BNet), a not-for-profit organization facilitated just such a system (see **Figure 1**). As Mark Haimowitz, president of BNet, explains, “The public sector, although they were sympathetic, did not have the resources to implement such a system nor could they decide who were the essential employees for the businesses. The municipality owns the program but BNet administers it, sets up a database and provides training.” Although CEAS provides credentials recognized by public safety officials and is open to all size companies, these companies are limited to the number of credentials they may have based on their employee size. Before an employee may obtain a credential, he or she must participate in the required training.

During an emergency or disaster, the mayor’s office will activate the CEAS program. Once activated and after certain conditions are met, access can be permitted for credentialed employees. There are different levels of access in the CEAS program for credentialed employees, from all access, to access for critical industries only, to all access prohibited.

BNet’s CEAS was started in Buffalo, NY in late 1999 and has since been fully implemented. New York City is now in the pilot phase and will shortly open the program more widely. The state of New Jersey and the city of Boston also have programs in development, and BNet has received interest in the program from all over the country.

Terrorism

In the aftermath of 9/11, terrorism took center stage. Orange County Sheriff Mike Carona knew that businesses were a vital part of their Terrorism Early Warning Group. There were many high-level targets within the county, and many of them were in the private sector. So in February 2002, the Private Sector Terrorism Response Group (PSTRG) became an official subcommittee of the Terrorism Early Warning Group. The PSTRG addresses and coordinates private sector safety, incident management, and public health consequences of potential terrorist attacks on the critical infrastructure within the Orange County operational area. It provides its members with threat advisories and training geared to help members understand how the public sector works and responds to an emergency.

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Contact Information on the Partnerships Listed in this Article

Business and Industry Council for
Emergency Planning and Preparedness
(BICEPP)
P.O. Box 7942
Van Nuys, CA 91409-7942
(213) 386-4524
info@bicepp.org
www.bicepp.org

Business Network of Emergency
Resources, Inc.
9415 Carousel Center
Syracuse, NY 13290-9801
(888) 353-BNET
bnetinc@twcny.rr.com
www.bnetinc.org

California Utilities Emergency
Association (CUEA)
3650 Schriever Ave.
Mather, CA 95655
(916) 845-8518
barbara.mcphail@oes.ca.gov
www.cueainc.com

City of Seattle Project Impact
(206) 615-0288
www.cityofseattle.net/projectimpact

Orange County Private Sector Terrorism
Response Group (PSTRG)
2644 Santiago Canyon Rd.
Silverado, CA 92676
(714) 628-3037

Private & Public Businesses, Inc., (PPBI)
P.O. Box 510229
St. Louis, MO 63151-0110
(314) 894-2052
ppbi@drj.com
www.ppbi.org

Public/Private Partnerships

Utilities

Perhaps one of the most obvious areas for a public/private partnership is with utilities. In order for the public to dial 9-1-1 and call for help they must use a utility; for the fire department to fight a fire it needs water from a utility. The private sector is just as dependent on utilities as the public sector; the need for some type of partnership was clear. In the 1950s, the state of California chartered the California Utilities Emergency Association (CUEA) as part of the state's civil defense plan representing gas, electric, water, wastewater, telecommunications (including wireless) and petroleum pipeline utilities.

Barbara McPhail, the association's executive director, explains that the CUEA is part of a *community of practice*. Over the years, a strong working relationship was built with the state's Office of Emergency Services, enhancing government and utilities emergency coordination activities. Members of CUEA serve as the utility branch chiefs in the state's EOC. This provides rapid access to government agencies such as the California Highway Patrol, the National Guard, and the California Department of Transportation during emergencies. The CUEA helps support the provisioning of wireless (telecommunications) resources to support fire agency needs during fire storms, provides information to utilities regarding statutes in impacted areas aiding the recovery process, and coordinates with law enforcement for protection of utility critical facilities. These are just some of the examples of CUEA activities.

An organization dedicated to promoting public/private partnerships is Private and Public Business Incorporated (PPBI). PPBI is a nonprofit organization the mission of which is to help both the public and private sectors overcome the barriers in the development of partnerships between the public and private sectors to mitigate the impact of potential disasters. To accomplish this, PPBI provides training on techniques for developing effective public/private partnerships through courses, workshops and presentations at various locations throughout the country. One such course, *PPBI 101—Public/Private Partnerships for BCP and Homeland Security* gives an introduction of private and public similarities, command posts, cost/benefit analyses and plan design. To better meet the needs of a national audience, a video of this course was produced and made available on the PPBI Web site.

PPBI also intends to serve as a national clearinghouse for the exchange of information. The development of a repository of

cases, data and research on the need for and the benefits of an effective relationship between the two sectors and the development of a set of guidelines are all goals of the PPBI. PPBI addresses issues on a local, state, national and international level.

How to Get Involved

How can your business best take advantage and encourage public/private partnerships as it relates to DR and emergency management? The first step is to find out what, if any, partnership exists in your community. You can contact your city or county's office of emergency management. Your local fire and police departments also are good places to start. If there are no established programs in your area, offer your assistance. Utilize the resources PPBI has to offer in forming public/private partnerships. Host a meeting and inform other businesses in your community of the new initiative.

High-level support can make the difference between a successful initiative and one that just flounders. After a few meetings, the work can be delegated to your security, emergency/safety, or risk management departments to continue the work. This proved effective to Los Angeles Mayor Tom Bradley in 1983 and continues to be a valuable resource today.

The importance of public/private partnerships cannot be overemphasized. Neither sector will be able to recover from a major emergency or disaster alone. The interdependencies between the sectors have never been so great. The lack of adequate preparedness in the 9/11 attacks and the East Coast power outages demonstrated this all too well. The public/private partnerships featured in this article are just a few examples of the partnerships in our communities. Management must take the first steps and reach out—see what is already established in your area, make the contact. If nothing is organized, then get the ball rolling and set up the first meeting, make the initial connection. Both sectors are encouraged to seek out and help develop these partnerships in their communities for the benefit of all involved.

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Lee Goldstein, CBCP, MBCI is the president of the Business Contingency Group (Encino, CA) and serves on the board of directors for both BICEPP and PPBI. He can be reached at (818) 784-3736 or via e-mail atleeg@businesscontingencygroup.com.

Continuity Clip: POWER OUTAGE COSTS BELLAGIO HOTEL AND CASINO \$12 MILLION

A power outage struck the Bellagio (Las Vegas, NV) at 2 a.m. on April 11, forcing the hotel, casino, restaurants, clubs and attractions to close for four days. According to Yvette Monet, spokesperson for MGM Mirage, the hotel lost an estimated \$3 million for each of day the blackout, totaling around \$12 million.

More than 1,500 guests were moved to other hotels throughout the city as a result of the power outage. Guests and gamblers were allowed back into the hotel late on April 14 after a thorough electrical testing of the facilities. Monet also noted that the cause of the power outage is still unknown and the matter is being investigated.

Most of the hotel's guests were transferred to other properties within the MGM Mirage hotels, including the Mirage, but a few had to be placed at competing resorts including Caesar's Palace and The Venetian hotels.