

March-HR Xchange Summary

Prior to posing the question that served as the March HR-Xchange theme, -- "Business Contingency Planning for HR - Are You Ready?" -- facilitator Cindy Swigert got the group thinking about what types of disasters could happen in our local area

For example, a disaster such as hurricane certainly couldn't happen in Ohio, right? Wrong! Remember last September? (Thanks Hurricane Ike!). Other potential disasters identified were floods, tornados and -- heaven forbid -- what about a pandemic disaster wherein half of your workforce can't come to work AND it's not the half you wanted to stay home...YIKES!

The questions presented by Cindy for thought and discussion were:

1. How is HR uniquely positioned to lead disaster planning within an organization?
 2. A. Which HR functions do we need to consider in business contingency planning?
 2. B. What resource and alternatives should we consider for each?
- Bonus question: What is 40% in 5 years?

1) How is HR uniquely positioned to lead disaster planning within an organization?

- HR is the central point of contact to communicate, coordinate and disseminate information.
- HR maintains the data on the people (which is why it's important to keep it continuously updated!).
- HR has a global perspective in terms of the structure and departmental goals/missions and, therefore, can organize critical tasks from that global perspective.
- HR's role is to continuously scan the external environment conditions and network on the outside of an organization. They are responsible for training (coordinating all of the Subject Matter Experts of the organization) as well as Payroll and Safety & Security.
- HR should be the natural leader of business contingency planning because HR has the ability to lead it. Oftentimes we don't think of it until AFTER something has happened and since we want a 'seat at the table' step up to the table with a strategic plan!
- There is nothing more strategic than business continuity planning!

2) A. Which HR functions do we need to consider in business contingency planning? B. What resource and alternatives should we consider for each?

- Payroll -- Where is information stored? Offsite or web-based?
If you outsource any functions, are you outsourcing to a company down the street, which is likely to be subject to the same potential disaster? What is their business contingency plan and is it practiced? If there are physical records are they fire-proofed?
- Vendor Management -- You should have a checklist of things to consider with vendors that includes understanding their business continuity plan, their back-up and storage systems, etc.
- IT-HRIS -- Is there general IT support if IT is down?
- Recruiting -- Know who to call (both external and internal resources and know your internal staff from a knowledge, skills and abilities perspective!).
- Benefits -- Web-based access provides a great alternative as long as the web can be accessed!
- Unemployment -- If the business isn't up and running, how will you process unemployment claims for employees?
- EAP -- Resources may be overwhelmed during a regional disaster. Know what other resources are available in the community and understand how far the company will reach out to help employees.

- Workers Comp – If employees were injured or killed in the disaster, how will you gather information and appropriately file claims?
- Emergency laptop – Keep it charged and in a protected area. Note that depending on satellite signals, etc., it may or may not be useful in accessing web-based records.
- Employee Relations -- At a time of crisis you have to be prepared to offer a lot of support, encouragement and leadership; it could include finding housing or transportation for people, e.g.
- Leave policies -- What does your policy say about an emergency situation--are there special considerations?

Business contingency planning takes commitment, thought and deliberate effort (sounds like a diet doesn't it?).

Bonus question, which no one got right. 40% is the number of businesses that go out of business within 5 years after experiencing a disaster situation.

Afterthoughts:

When you take time to sit down and consider back-up alternatives, you often discover more efficient solutions to current processes, some of which allow you to "do more with less." That happened to Cindy's team at WPCU; when they thought about the fact that their physical personnel files did not have electronic back-up, they got the idea to use the credit union's system for scanning checks to also scan personnel records. Cindy and her team talked to the vendor and found they were able to set up a secure storage that is password-protected for the HR files. It took a few minutes to set it up; then, they ordered a scanner, which allowed them to discontinue using an outside vendor to scan term files. Now they are scanning all of the files and eliminating the physical records. In the past, they had to print electronic forms, such as payroll status change notices, etc., to put them in the physical personnel file. Now, they just add the electronic forms to the electronic files and there is no more printing, no more paper, no more quad lateral file cabinets full of personnel records, and zero vulnerability of records in a disaster! They've saved time and money, while significantly decreasing corporate risk - something they are able to put on their brag sheet!!

Reference information:

1. www.shrm.org (Disaster Planning toolkit)
2. NFPA (National Fire Protection Association) 1600 - This is considered the standard in disaster planning by the Department of Homeland Security. You can purchase the Standard for about \$40 and a companion Implementation Manual with a CD for about \$70.
3. www.ready.gov (Department of Homeland Security) Lots of free guidance available on this web site.
4. *Leading People Through Disasters* by McKee & Guthridge. This is a book/guide for HR professionals and retails for about \$15