



8 Steps to Achieve Operational Resilience





The fate of a business depends on the risk it's willing to take and the disruption it endures. For every plan and strategy being carried out, there will always be stressors and unexpected events. The presence of uncertainty and possible failure, though, should not be a reason for you to stop taking risks that may lead to your growth as a business.

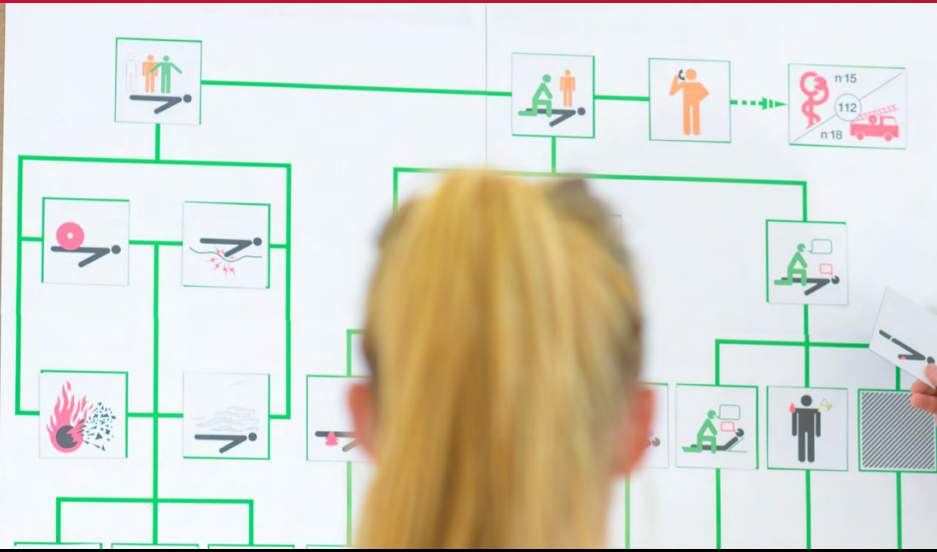
By building operational resilience, your business can meet every challenge and thrive.

How can we recognize a resilient company?

In March 2000, lightning struck an industrial building owned by Philips, a Dutch electronics company that supplied chips for mobile phones manufactured by two companies. Because of the fire, delays in the production of the chips were expected. This would gravely affect the operations of both companies.

One company was quick to assemble a team to find new suppliers. The other, however, did not have a plan B and found themselves scrambling to gather the replacement chips. Six months later, the first company's share of the handset market increased 3%, while the other company's share decreased 3%.

When comparing responses to this unforeseen crisis, it becomes apparent that having an emergency management backup plan in place promotes lasting resilience. However, this is only part of a full, comprehensive operational resilience plan.



What is Operational Resilience?

Simply put, operational resilience is the ability of a company to immediately respond and adapt to a change in environment, systems, and processes. Ensuring that the business is continuously operational even during a disruption is the primary goal of being resilient as a business.

Knowing how your employees interact within teams and across your organization will help you strategize various ways to continue operating in times of emergency or any disruptive event. Similarly, understanding how workflows cascade from one system to another will help you gauge the resiliency of your IT infrastructure and the channels you use to complete business transactions and communicate with your customers.

How Does a Business Achieve Operational Resilience?

Whether you're in energy and utilities, transportation, aviation, education, or a government institution, working towards operational resilience is a necessity.

For a business to effectively achieve operational resilience, the following steps should be taken:

1. Define Critical Economic Functions (CEFs)

There needs to be a clear recognition of critical economic functions which refer to the products, activities, services, or operations where the discontinuance of such would deal a critical blow not only to the organization but also to the economy. The failure to properly identify these functions as critical could lead to instability in market shares and stakeholder trust.

2. Identify All Your Stakeholders

During the business disruption, your stakeholders will be just as affected as the business, if not more. It's a best practice to know the right people with whom you need to communicate should an unexpected event occur.

Who are your main stakeholders?

These may include your employees, leaders, suppliers, clients, etc.

3. Analyze the Dependencies

There is no such thing as an isolated vulnerability. When there is any disruption, more than one department will be affected. With a blueprint of your supply chain, you should analyze the interconnectivity of your operations, highlighting which part of your supply chain may be impacted by disruptions.

4. Set Metrics for Impact Tolerance and Risk

Once you have a strong understanding of your supply chain, create the necessary metrics for the expected impact and tolerance of your operations to such disruption. These metrics may come in the form of checklists or thresholds that will signal alerts across all members of the supply chain. These alerts can serve as an early warning system to mitigate adverse operational impacts.

5. Recognize Critical Business Services

What services are deemed highly critical by your business? Identify them to plan out different risk and tolerance assessments for each service to achieve continuity of operations.

6. Identify Points of Failure

With historical data from past incidents, you will be able to identify which portion of your plan needs further improvement. Understanding the weak points in your strategy will help you outline safety measures that can mitigate the potential risks that come with disruptions. For more information about creating and improving emergency response plans, read our [blog](#).

7. Build a Communication Plan

Your communication plan should involve informing your stakeholders. Transparency is key, especially when unexpected events occur that cause disruption in business operations. Planning how to best reach stakeholders through more effective communication and coordination is essential to be resilient to any emergency or business disruption.

8. Develop a Quick Response Plan

Use the data gathered from outlining failure points, critical business services, and expected impact tolerance and risk to aid in the development of a quick response plan.



Did you know that emergency management software can help you accomplish all of these important tasks?

Mitigating the Risks

Emergency preparedness does not fully equate to zero risks. Even with the existence of operational resilience plans, there may still be some unexpected risks that can jeopardize the business. Understanding how to mitigate those risks when they arise is the best approach that organizations can take to stay afloat during emergencies.

People

Your company is as strong as its workforce. Without a team that is focused, engaged, and flexible, operational resilience is hard to come by. Implementing a collaborative and productive approach to managing your workforce will help your organization to maintain operations during a disruption or emergency. Ensuring that your workforce is not only aware of the response plan but also fully understands their role in it is essential to achieving operational resilience.

Technology

Management must adapt and invest in advanced technologies that help manage people, systems and operations. Innovative solutions such as emergency management software are needed to continuously improve your response plan, your business's ability to mitigate risks, and your overall operational resilience.

Compliance

Compliance should be a company-wide requirement for the people, the processes, and the technology that runs it. Whether it be compliance with IT security standards, regulatory agencies, emergency management planning, or internal policies—all of these are essential to running a less risky, if not risk-free, business operation. These compliance regulations are in place to keep businesses in check and employees accountable for their activities that contribute to the overall growth of the business.

The Dependencies

Understanding the connections between stakeholders, processes, and operations allow you to develop an effective plan for operational resilience. It is critical for you to determine the dependencies between the upstream and downstream of your production process as well as how disruptions can affect vendors, suppliers, and your customers.

The Recovery

To accomplish a successful recovery from any disruptions, organizations must focus on achieving operational resilience. Returning to business as usual requires planning, conducting disaster recovery reviews, and evaluating what part of the plan worked and what needs to be updated. But a resilient company does not merely rely on these pre-planned activities. By investing in tools, such as an emergency management system, your organization can be better prepared to adapt quickly should an emerging threat come into view.

Organizations must also focus on ensuring that the critical business services are operational. This is only possible if the infrastructure that supports the business is readily available and functional. Lastly, knowing the impact of adverse events in relation to how they affect the organization is important. This way, organizations will be able to combat threats should they occur again in the future.

Armed with this knowledge, organizations can reduce the time to recover business operations and, thus, risk to loss of market share and reputation.

Operational Resilience is Made Easier with WebEOC

Advance technologies such as WebEOC have been established to make planning, response, and recovery a lot easier for organizations. As an emergency management software platform, WebEOC is used to prepare for, respond to, and recover from emergencies of any scale. This system is designed to adapt to an organization's existing and future business processes and is scalable for use at a single site to worldwide, enterprise operations.

WebEOC is distinguished with several ISO certifications and provides bi-directional data sharing, internationally accepted industry workflows, multichannel communication, drag-and-drop form building capability, mapping, and more, all in one place. Learn more about the capabilities of [WebEOC](#).

Or better yet, [request a demo today](#) to see firsthand how this technology can accelerate your journey to becoming a more resilient company.

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