The Goal of Resilient Organisations

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To understand and reduce the impact of hazard events, we need to be able to evaluate how key organisations are going to perform during and after these events.
The Challenges...

- Resilience can look very different for different organisations

- Without metrics it is difficult to secure the necessary focus and investment

- Resilience concepts need to be made relevant to the average CEO
Resilience is not something you do…it is something you are (or try to become).

Waves of Adversity (Bruce Glavovic)

Learning to Surf (Mariana Van der Walt)

For most organisation Resilience should be a goal or critical business objective
How do you Judge Resilience?

- You can’t just wait for the disaster to happen to find out!

- Many paradoxes
  - Some organisations that don't plan, actually perform very well during a crisis – why?
  - Some organisations that plan extensively, perform poorly when the actual crisis doesn’t align with planning assumptions.
Predicting which Organisations will Stand or Fall.

- Risk intelligence
- Effective planning
- Leadership
- Trust and engagement
- Ingenuity under stress
- Ability to sense and anticipate environment changes
How to Evaluate Resilience?

10 case studies of very different organisations

- Large primary producer
- Manufacturer and exporter
- Wholesale distributer
- Medium sized retailer
- Public utility provided
- Private utility provider
- Private nationwide contractor
- Small technology service provider
- Large education institution
- Small local government authority
Defining Resilience

A Resilient Organisation is one that is not only able to survive but to thrive, still achieving its core objectives, even in the face of adversity.

Four Pillars of Organisational Resilience

- Resilience Ethos
- Situation Awareness
- Management of Keystone Vulnerabilities
- Adaptive Capacity
Resilience

Shock

Situation Awareness

Keystone Vulnerabilities

Adaptive Capacity

Resilience Ethos

Reduction

Readiness

Response

Recovery

Time
A culture of resilience that is embedded within the organisation across all hierarchical levels and disciplines, where the organisation is a system managing its presence as part of a network, and where resilience issues are key considerations for all decisions that are made.

<table>
<thead>
<tr>
<th>Resilience Ethos</th>
<th>Commitment to resilience as a Goal for the Organisation</th>
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<tbody>
<tr>
<td></td>
<td>Commitment to Supporting Greater Network Resilience</td>
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### Situation Awareness

An organisation’s understanding of its’ business landscape; its’ awareness of what is happening around it, and what that information means for the organisation, now and in the future.

<table>
<thead>
<tr>
<th>Situation Awareness</th>
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<tbody>
<tr>
<td>Internal &amp; External Situation Monitoring &amp; Reporting</td>
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<tr>
<td>Informed Decision Making</td>
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<tr>
<td>Understanding &amp; Analysis of Hazards &amp; Consequences</td>
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<tr>
<td>Shared Recovery Priorities</td>
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<tr>
<td>Awareness of Connectivity and Interdependencies</td>
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<tr>
<td>Clarity around BAU and Crisis Roles &amp; Responsibilities</td>
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<tr>
<td>Awareness of Insurance Cover and its Limitations</td>
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Managing Keystone Vulnerabilities

The identification, proactive management, and treatment of vulnerabilities that, if realized, would threaten the organisation’s ability to survive.

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<tr>
<td>Robust Processes for Identifying &amp; Analyzing Vulnerabilities</td>
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<tr>
<td>Quality of Planning Strategies</td>
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<tr>
<td>Broad Participation in Exercises</td>
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<tr>
<td>Capability &amp; Capacity of Internal Resources</td>
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<td>Capability &amp; Capacity of External Resources</td>
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<tr>
<td>Ability to Leverage Organisational Connectivity</td>
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<tr>
<td>Staff Engagement &amp; Involvement</td>
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Adaptive Capacity

The organisation’s ability to constantly and continuously evolve to match or exceed the needs of its operating environment before those needs become critical.

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<th>Adaptive Capacity</th>
<th>Strategic Vision &amp; Outcome Expectancy</th>
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<td>Leadership, Management &amp; Governance</td>
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<td>Minimization of Silo Mentality</td>
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<td>Communications &amp; Relationships</td>
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<td>Management of Information &amp; Knowledge</td>
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<td>Innovation &amp; Creativity</td>
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<td>Devolved &amp; Responsive Decision Making</td>
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What is your Organisation’s Resilience Personality?

- Each organisation will have a different resilience profile

- The key is to know your strengths so you can leverage them in times of crisis...

- ...and to know your weaknesses to protect against them in times of crisis.
Of the 24 factors identified, which factors do you think contribute most towards an organisation’s overall resilience?

Please vote for your top 4.
Just a new buzzword?

- Why a **new concept and new terminology**?

- Existing practices tend to be practiced in silos and not cover the full spectrum of relevant issues.

- Resilience provides a **paradigm** or **framework** for thinking about an organisation survival potential

- RM, BCP, Strategic Planning etc are in the **toolkit** for achieving greater resilience.
Surviving what?

- Black swans and ontological risks
- Resilience concepts are a valuable addition to our current risk thinking
- The qualities that enable an organisation to survive a crisis (of whatever kind) are surprisingly similar.
Crisis can take many forms...

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### Regional Event
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### Societal Event
Events that result in extended **staffing** absences. For these events physical infrastructure is intact, but staff are either unable or unwilling to be at work.
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The heating system failed in the night. The whole place has scabbed up.
# Crises can take many forms...

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<td>Distal Event</td>
<td>Disruption somewhere in the network that the organization operates within. These events impact <strong>business flow</strong> through key suppliers or customers and their impact can be creeping rather than immediate.</td>
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From Crisis Comes Opportunity to Change...

- When life is comfortable – change is hard to initiate:
  - No sense of urgency: “why fix what isn’t broken”?  
  - Incremental rather than radical change.  
  - Prevailing cultures can be very resilient!

- Creating the Crisis to Drive the Change
  - New CEO → Restructure to create culture change
  - Remove the comfort zone
  - Show them the light at the end of the tunnel...

- A disaster/crisis presents the same pre-conditions for change!
The End Goal....

Resilience as the 4\textsuperscript{th} bottom line?

- Resilience Ethos
- Situation Awareness
- Management of Keystone Vulnerabilities
- Adaptive Capacity

How would \textbf{YOUR} organisation measure up?
Resilience Benchmarking

- Launched 16th March in Auckland to 1000 organisations

- Web-based survey filled out by a cross-section of staff, with additional questions for the senior manager.

- Diagnostic report, with action plans for areas of greatest strengths and weaknesses, and compare results against organisations of a similar size and sector, and also track progress over time.

- To nominate your organisation to participate in future studies go to: www.resorgs.org.nz/benchmark