



**IFMA**<sup>TM</sup> Seattle  
Chapter  
International Facility Management Association

# Seattle IFMA LUNCH & LEARN



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# Upcoming Events

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- **FM Roundtable: Sustainability**

- November 17th | 10:00am - 11:00am | Virtual

- **Lunch & Learn: Sustainability**

- November 29th | 11:30am - 1:00pm | Smart Buildings Center
- More info to come!

- **Top Golf Holiday Party**

- November 30th | Top Golf Renton
- More info to come!

# Thank You to our Sustaining Sponsors!

## Platinum



## Silver



# Risk Management

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President at Integrated Facility Management Consulting, LLC

# Agenda

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1. Introduction and Background
2. Burning Imperative
3. Risk Management Defined
4. Strategic Alignment
5. 5 Risk Management Strategies
6. Risk Factors
6. Risk Management Tools
7. Narrative of an Emergency
8. Emergency Preparedness & Business Continuity Model
9. Business Continuity
10. Professional Practices for Business Continuity
11. Resilience
12. Resources
12. Conclusion & Questions

# Burning Imperative

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***“The destination is Resilience...the journey involves Risk Management, Emergency Preparedness, and building a strong Business Continuity Program.”***

**~Teena Shouse, IFMA Fellow, Author**

# Risk Management

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- **Risk**: Uncertainty; the the possibility that an outcome will be different from what has been planned
- **Risk Management**: The process of identifying, analyzing, and testing the risks that an organization faces
- **FM Role**: To understand the vulnerabilities of the organization's structures and infrastructure and balance the critical nature of the demand organization's mission and functions against the possible occurrence and impact of a risk event
- **ISO 31000**: provides direction on how companies can integrate risk-based decision making into an organization's governance, planning, management, reporting, policies, values and culture. It places a greater focus on creating value as the key driver of risk management and features other related principles such as continual improvement, the inclusion of stakeholders.

# Strategic Alignment

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*Strategically managed organizations have high-level risk management strategies aligned with the Vision, Mission and Core Values. These are the 4 priorities:*





# Risk Management Strategies

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- **Acceptance**: does not treat the risk and accepts possible outcomes
- **Avoidance**: eliminates risk by avoiding the scenario under which the risk could occur
- **Prevention**: seeks to remove the source of risk
- **Mitigation**: decreases the frequency, probability, impact, or speed of a risk occurrence
- **Transfer**: shares the cost of a risk occurrence with another party

# Risk Factors

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# Risk Management Tools

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01	Business Process Analysis	Requirements of an essential process
02	Business Impact Analysis	Resources needed to resume essential functions after an emergency
03	Risk Matrix	Magnitude of impact vs probability of occurrence
04	Scenario Planning Grid	4 RM Strategies applied to risk scenarios
05	Table Top Exercise	Simulated emergency response exercise

# Narrative of an Emergency

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1

**Risk Management,  
Emergency  
Preparedness, and  
Business Continuity  
Planning**

2

**Emergency  
Response**

3

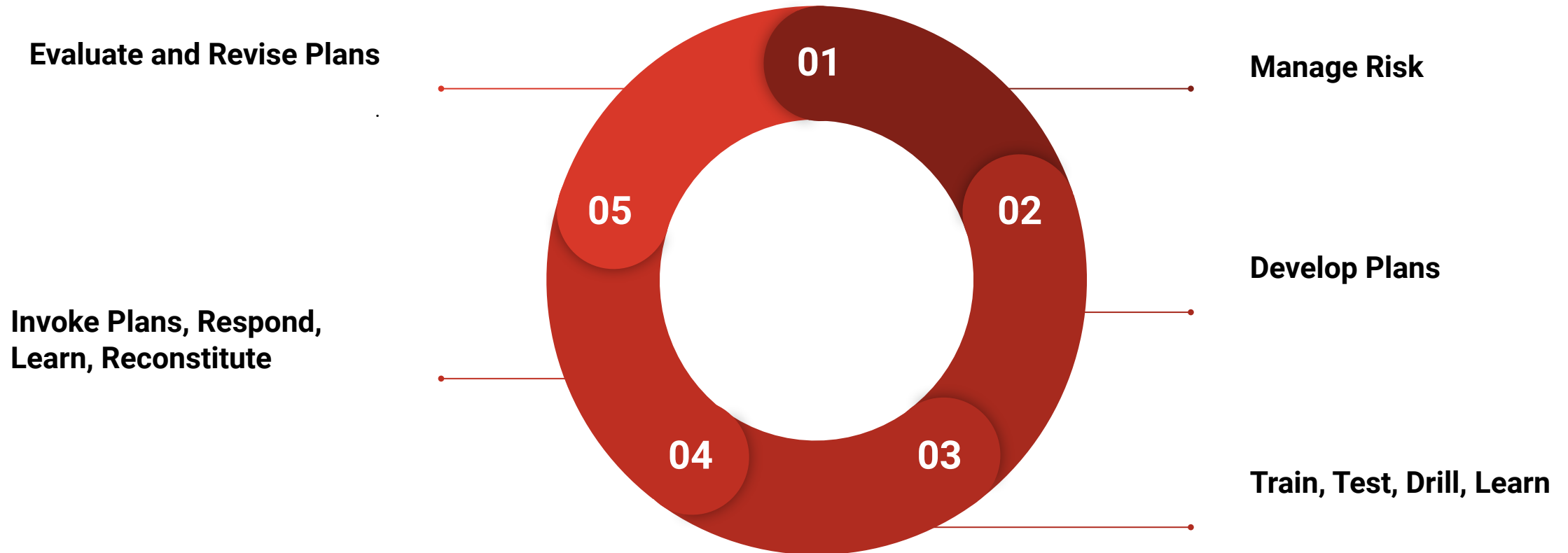
**Crisis Management**

4

**Restoration and  
Recovery**

# Emergency Preparedness & Business Continuity Model

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# Business Continuity

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- **ISO 41011**: *“the capability of the organization to continue the delivery of products and services at an acceptable level following a disruptive incident.”*
- **Contingency Planning**: business continuation requires effective risk analysis, but also operational and supply chain resilience.
  - What actions must be taken to ensure uninterrupted services/production/operations?
  - Analysis of primary/secondary continuity requirements
  - Contingent workplace, workforce, equipment, services
- **Reconstitution**: minimum requirements in returning to normal operations, internal/external communications, Continuity of Operations Plan

# Professional Practices for Business Continuity

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- 1. Program Management:** Establish the need for a business continuity program and assemble a team.
- 2. Risk Assessment:** Identify risks that could impact an entity's resources, processes or reputation.
- 3. Business Impact Analysis:** Identify and prioritize all of functions, processes, and dependencies in order to determine the greatest impact upon the entity should the functions not be available.
- 4. Business Continuity Strategies:** Select strategies to reduce gaps as identified during the risk assessment and business impact analysis.
- 5. Incident Preparedness and Response:** Understand the types of incidents that could threaten life, property, operations, or the environment and their potential impacts.
- 6. Plan Development and Implementation:** Document plans to be used during an incident that will enable the entity to continue to function.
- 7. Awareness and Training Programs:** Establish and maintain training and awareness programs that result in personnel being able to respond to disruptive incidents in a calm and efficient manner.
- 8. Business Continuity Plan Exercise/Test, Assessment, and Maintenance:** Establish a business continuity plan exercise/test, assessment and maintenance program to maintain a state of readiness
- 9. Crisis Communications:** Create and maintain a crisis communications plan.
- 10. Coordination with External Agencies and Resources:** Establish policies and procedures to coordinate response activities with applicable public entities and private resources

# Resilience

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- **Defined:** *the process of identifying strategies and mitigation tactics to improve the **capacity** of facilities to accommodate changes overtime and maintain functionality*
  - **Examples:** HVAC cannot keep up with extreme temperatures
  - **Distinction:** different from emergency prep and response and business continuity in that it is focuses on the longer term functionality of the facility: seeks to remove the source of risk
- **4 Steps of Resilience Planning:** 1. Comprehensive asset inventory 2. Assess current and emerging vulnerabilities. 3. Identify resilience interventions 4. Incorporate resilience into investment and operations planning



# Resources

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- **Disaster Recovery Institute**: [drii.org](http://drii.org)
- **OSHA Plan Requirements**: requires plans for 49 emergencies/threats
- **Strategic Partnerships**: insurance companies, landlords, vendors, fire department, City emergency services, FEMA
- **Technology**: Fire safety, BAS Analytics, leak detection/temp sensors
- **Safety Committee**: Cross-functional team of stakeholders
- **ISO Standards**: Risk: 31000, Business Continuity: 41011, Security & Resilience: 22320

# Conclusion and Questions

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