



How ready is your business to respond to disaster?

The benefits of being prepared go far beyond financial

The frequency and intensity of disasters is increasing, and business is by no means shielded from the impact or consequences. The COVID-19 (coronavirus) outbreak is testing many businesses in supporting employees and customers, as well as the economic impact. Planning for and supporting the response to disasters can help business navigate uncertain times.

Disasters can change communities for ever: environmentally, socially and financially. Events can overwhelm local infrastructure leading to long and expensive recovery periods. For example, Puerto Rico is [still recovering](#) two years after Hurricane Maria, and the impact of 2005's Hurricane Katrina [can still be seen](#) in New Orleans today. We are yet to know the impact of the COVID-19, which was declared a global pandemic by the World Health Organisation (WHO) in March and has caused cities around the world to go into lockdown.

The increase in weather-related disasters is linked to the climate crisis. In the past five years, the US alone had [an average of 13](#) disasters that cost at least \$1bn each year. At a business level, around half of all companies that experience a disaster and have no effective plans for recovery, fail [within the next 12 months](#).

However, [evidence from the UN](#) indicates that every dollar invested in disaster preparedness saves seven dollars in relief. It therefore makes massive business sense to invest in disaster preparedness and analyse how your business response can provide humanitarian assistance and relief, while benefiting the environment and economy.

According to [PwC's recent global survey of more than 1,500 chief executive officers](#), business leaders are waking up to the reality that they need to engage in the climate agenda. Dr David Armstrong, who leads PwC's international development, team says: "The business leaders we spoke to told us that commercial resilience and climate resilience were inextricably linked. Three-quarters of UK CEOs said that their reputation in the market was now in large part dependent on how they were seen to be responding to climate change issues. We've been conducting this survey for over 20 years and this is a very clear recent shift in the CEO mindset."

A useful starting point is through the lens of the Global Goals, otherwise known as the Sustainable Development Goals. Sixty-five per cent of businesses involved in a piece of BITC research in 2018¹ said their disaster management strategy is aligned with the Global Goals. Disaster management is reflected in ten out of the 17 goals, with the goals providing a framework to match business resource with humanitarian need.





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Part of building a disaster management plan, is sharing the rationale with employees – including decisions behind what the focus area is and how staff can get involved too. Furthermore, finding opportunities to team up with suppliers can be an effective way of strengthening response and resources - for example becoming partners in a relief effort. BITC's Own the Conversation, Drive the Change is a helpful toolkit to frame these types of conversation, drawing on the Global Goals.

For more information about Own the Conversation or for support on creating your own Disaster Management Plan or Policy, contact globalgoals@bitc.org.uk.

