

# CAPITAL REGION BUSINESS RESILIENCY INITIATIVE

Presented by Valley Vision

[www.resilientbusiness.org](http://www.resilientbusiness.org)

# What does business resiliency mean?

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Building small business capacity *before* a time of crisis, to create businesses, and an overall community, better prepared to weather any storm.

Resiliency is about protecting 3 major asset groups:

- Your people
- Your facilities
- Your information

Beyond “four walls” of individual businesses, resiliency is highly interdependent with public infrastructure (power, roads, etc.)

# What will the BRI do?

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Build small business capacity *before* a time of crisis, to create a community that's prepared to weather any storm.

- Increase the **awareness of, and preparedness for,** business continuity risks faced by the region's small and medium enterprises (SMEs)
- Provide **a toolkit of interventions** to help SMEs manage risks and enhance business resiliency
- Conduct **outreach campaign** to engage leaders from the business, government and community sectors to enhance preparedness for economic resilience

# Why is the BRI work important?

1. The Capital Region faces multiple natural disaster risks that could significantly disrupt our economy.
  - Nationally, disasters are increasing in frequency and severity.
2. Businesses without business resiliency plans are the least likely to re-open or recover after a disaster.
  - Small businesses are the least likely to have put a resiliency plan in place
3. Small businesses comprise a significant proportion of our region's GDP and employment base

# Risk profile

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Sacramento is **the most flood prone city** in the nation

**At risk:** \$1.7B ag economy | \$70B physical structures

California entering its **fourth year of severe drought**

**Losses:** \$214M in crop revenue | \$35M additional costs of ground water pumping

2014 is California's **worst fire season** on record

**Impact:** >4,500 fires and counting | ~\$600M JUST to battle blazes | threats to power line infrastructure

# Disaster threats on the rise

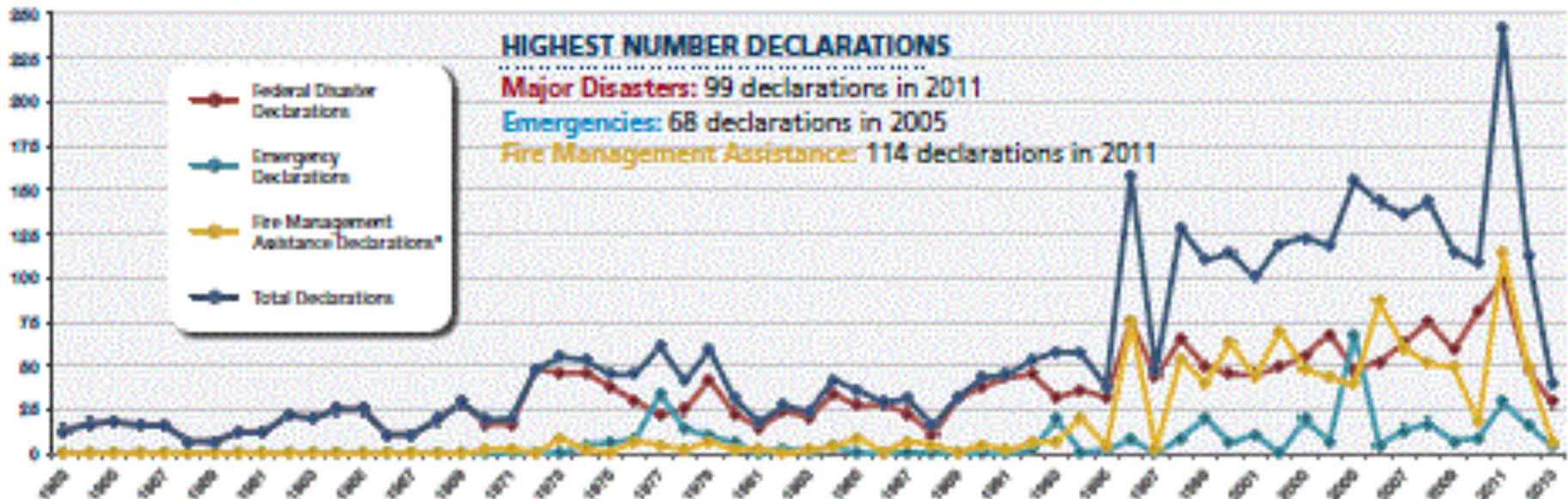
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## Federal Disaster Declarations in the United States (1953 - 2013)



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# Small business most at stake

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Wildfire, flood, drought, severe storms or heat are threats to the region's economy, and our small business sector stands to lose the most.

- The smallest businesses are **less prepared to rebound** after a disruption
- **They are more vulnerable to impacts** of extreme weather
- ~57% do not have a disaster recovery plan
- ~40-60% **never reopen** after a major disaster

# Disaster Impacts on Businesses



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## Preparedness Helps Minimize Risk:

- Loss of sales & customers, both immediately and longer-term (reputational impact)
- Business disruption and downtime
- Uninsured loss
  - ▣ continuing operations costs
  - ▣ destruction of physical property
- Supply chain and/or distribution impacts
- Cash flow and cash balance challenges

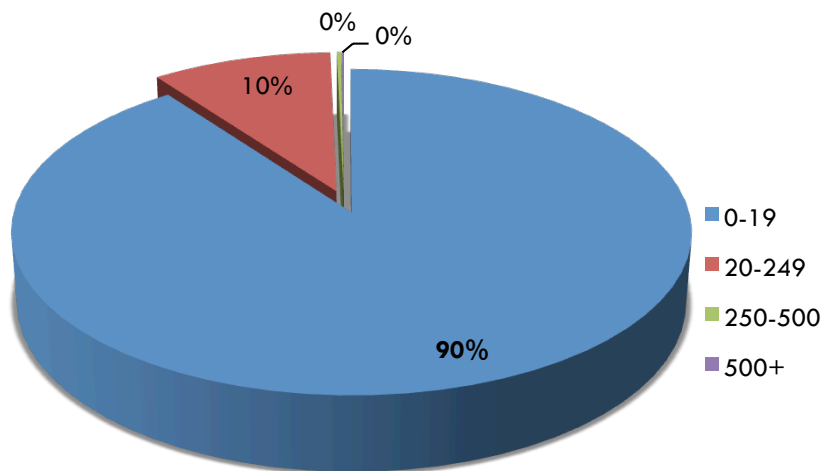


# Small business critical to our economy

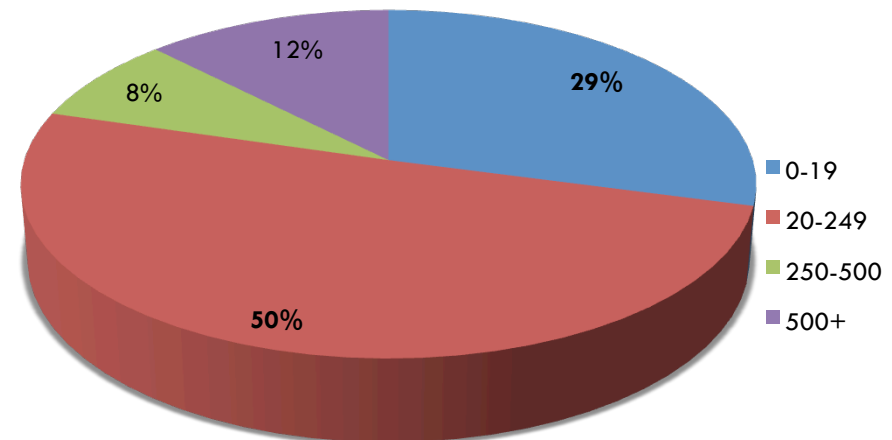
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- Businesses with <20 employees account for **90%** of the region's 60,000 businesses in 2012
- Businesses with <249 employees account for almost **80%** of all private sector jobs

**Total Businesses**



**Total Employees**



# BRI Method / Approach

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Best Practices  
Research



Business  
Resiliency Toolkit  
Development



Outreach &  
Education

Best practices and existing resources, adapted to our region's particular risks and needs.

Toolkit of actions to develop a resiliency plan, as well as direct actions to respond to specific hazards.

To build knowledge and drive action. Targeted to the small business audience, conducted with channel partners.

# The Resiliency Toolkit

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- #1** **Understand** Your Risks and Your Environment 
- #2** **Assess** Your Readiness 
- #3** **Take** Action 
- #4** **Test** and Update Your Plan 
- #5** **Engage** with Community Resiliency Efforts 

# Specific Hazards: Quick-Hit Actions

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## Any Type of Disaster

- Review your insurance coverage
- Provide bank wire instructions to your insurance company
- Secure a line of credit for emergency use
- Prepare and update emergency kits
- Obtain alternate phone numbers for employees, customers, and suppliers

## Wildfire

- Maintain 100-feet of defensible space around structures
- Have fire extinguishers on hand and people trained in use
- Keep tools to fight fire onsite – shovels, axes, buckets, etc.
- Designate a shelter or safe room
- Maintain water supply onsite

## Flood

- Elevate equipment at risk of flood damage
- Know how to shut off gas and electric equipment
- Keep accurate inventory of assets
- Install flood vents or drain plugs
- Identify critical items to take with you if evacuated

## Extreme Heat

- Shift high energy-demand processes to early morning
- Increase room temperature setting; allow casual dress code
- Inspect cooling equipment regularly
- Involve employees in energy savings goals
- Improve lighting; reduce energy use

## Drought

- Set water conservation goals for your business
- Measure daily water use
- Monitor for leaks and look for sudden spikes in usage
- Eliminate unnecessary water and energy use
- Install water-efficient equipment

# Integrated Business Action Program

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- Education / Outreach:
  - ▣ a series of workshops (in-person and webinar)
- Voluntary Registry:
  - ▣ To track / report the number of small businesses with such plans in place
- Recognition and Publicity:
  - ▣ Create an annual recognition and awards program, with nominations from companies in the registry
- Integration with Public Sector Response:
  - ▣ Implement communication connections linking public sector and private sector disaster responsiveness
  - ▣ Modeled on Manhattan's CorpNet

# Funders and Project Advisors

**Funders:**



**Channel Partners:**



**Project Advisory Team:**



**Technical Advisory Team:** SMUD, Mulvaney's B&L, River City Food Bank, Connect Consulting Services, Association of Sacramento Area Planners

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The Capital Region Business Resiliency Initiative is a project of Valley Vision, a 501(c)3 nonprofit organization. [valleyvision.org](http://valleyvision.org)



# Contact Info

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