

Preparing for the Unexpected

You've got your business continuity plan tucked away nice and neat on your office bookshelf. You're set – whew! But are you sure that your business continuity plan is executable? Are you really prepared if a disaster were to hit your credit union?

Ken Schroeder, Southeast's VP of Business Continuity has been providing training to attendees at various conventions, chapter meetings and individual credit unions. Schroeder's mission is to help keep your credit union keep operating, in the event of a disaster, so that you can continue to serve your members.

Many of our member credit unions have requested Schroeder's help in putting together their business continuity and pandemic plans. Once a plan has been enacted, Schroeder performs hands-on training for staff at the credit union that normally includes a mock disaster. This exercise is one of the best methods to uncover where the holes are in the plan.

One of the mock disaster scenarios Schroeder uses includes having a FedEx envelope containing simulated Anthrax delivered to the credit union. Once the envelope is opened, the credit union recovery team kicks into disaster mode, role-playing while working through their business continuity plan. First you've got to get the employees out (without them being exposed to the Anthrax) and then you've got to close the building. Now the question is where and how are you going to operate offsite? "The exercise forces you to work through the plan and uncover what the ramifications will be depending on the decisions you make," said Rose Gunter, EVP of Operations at Healthcare's Cooperative CU in Jacksonville, FL. "Our team decided we would move operations to another branch. But then we realized that the branch didn't have enough computer stations or telephones in which to operate the credit union. That was the value of the exercise; you had to think through every process to determine a plan that would work. If you waited until a disaster happened to make these decisions, it would be too late," said Gunter.

Envision CU in Tallahassee, FL brought in Schroeder for pandemic training. They had a pandemic plan in place and Schroeder had them exercise their plan in a simulated pandemic. His exercise included losing 40 percent of their staff over a period of time due to a rapid pandemic. Various other problems evolved from the pandemic including Brinks not being able to deliver cash, schools closing in Tallahassee, the credit union's branches couldn't open because there was not enough staff to man them, and other surprises. "The exercise forced us to see the reality of the situation and think through our plan," said Edith Griner, SVP of Member Support Services at Envision. "As a result of the exercise, gaps in the plan became apparent and we're now revising areas of our plan," said Griner.

Every credit union has different requirements and Schroeder can do a customized business continuity plan for you. Schroeder tailored business continuity plans for both Keesler FCU in Biloxi, MS and UT FCU in Knoxville, TN. Both credit unions had purchased a business continuity software program. However, both found the software to be overwhelming and cumbersome. "It was not useable on a day to day practicality," said Debbie Jones, CEO

of UT FCU. "I attended a seminar that Ken did at a chapter meeting in the area, and I received more useful information from that than from our three years working through the software program. We contacted Ken and asked for his help in getting us a workable plan." Working through Jonathan Lodwick, VP IT at UT FCU, Schroeder helped UT create their plan. He also facilitated the first exercise for the credit union. "Fortunately, we have not had to put our plan into action, but we feel we are prepared should a disaster happen," said Lodwick. "Railroad tracks run right by our credit union and derailments could happen with the possibility of a hazardous containment spill. Ken's training forced us to look at our vulnerabilities and to build a plan taking those elements under consideration," said Lodwick.

Keesler FCU sent Schroeder the information they had recorded into the same software program. After receiving their 800-plus page business continuity plan, Schroeder extracted the information, and boiled-it-down into useable checklists for each department. While this credit union still uses the software program as a document repository, the checklists are an integral part of each management department's plans. Keesler FCU has had real life practice with their plans. Their plans were put into action in 2008 when Hurricane Gustav moved across the Gulf of Mexico into Mississippi. "Experiencing the threat of Gustav really showed us how much easier our new business continuity plans were to execute compared to the original format in the software program," said Jeff Gerard, VP of Risk Management at Keesler. "We've also recently exercised our plans for the possibility of losing staff to the H1N1 pandemic. We now have an increased level of disaster preparedness," said Gerard.

Healthcare's Cooperative CU has been so impressed with Schroeder's training that they've invited him to speak twice at the Association of Healthcare Credit Union's International Convention. "Ken is extremely knowledgeable and is a good speaker and brings the right mix of bells and whistles into his presentation," said Gunter. "Not only is his training informative, he makes what could be a dry subject – disaster recovery/business continuity – fun for everyone." Jones at UT FCU concurs. "Ken's training is interactive and light and he adds the right amount of humor to make it interesting."

As more and more emphasis is being placed on credit unions by regulators to have a workable business continuity plan, now is a good time to pull your plan off the bookshelf, brush off the dust and make sure it is executable. If you determine you need help with your plan, Schroeder is available to assist you.

Mr. Schroeder is recognized as a Certified Business Continuity Professional by Disaster Recovery Institute International. He also serves on the Board of several business continuity and disaster related organizations. To have Schroeder conduct training at your credit union, or if you would like to invite him to speak at an upcoming event, please call him at Southeast Corporate at 800-342-0203, ext. 4125. ☎