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BUSINESS X PANSION JOURNAL™

September 2003

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FACILITY MANAGEMENT | WORLD WIDE LTD.

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Back in the pre-September 11, 2001 era, an Israeli financial institution moved into a Midtown Manhattan office building. The other tenants watched in amazement as the Israelis turned their floor into a fortress – bulletproof glass, steel cladding on the walls, cameras everywhere, and armed guards. The Israelis' concern was terrorism, and they considered that the measures they were taking were entirely reasonable.

To Americans at the time, they might have been seen as over-cautious – but perhaps their measures, developed in the hostile world of the Middle East, would not be seen as unusual now.

Risk is a moving target. A relocation or expansion is an excellent opportunity to make sure that the new facilities are based not on the risks of the past, but on the risks of the future. Consider:

- Just two years ago, being near the top of a prestigious, high-rise office building was considered an asset in the competition for top talent. Who would have imagined that post-9/11, this would become widely seen as a source of risk? Or that we would be hearing stories about employees who refuse to work in any location above the second floor?
- Until recently, many people thought of poison gas as a relic of World War One, something that the world has outgrown. Now, many employees are taking a concerned look at the tightly sealed environments in which they work, aware that a gas attack could be deadly.

- At the height of the Cold War, buildings in our downtown cores included elaborate fallout shelters. Complete with stored food, water and other essentials, Civil Defense experts hoped these facilities would help at least some of the population survive a nuclear attack. That risk hasn't changed much – nuclear warheads are still aimed at America's cities – but the urgency surrounding this risk has evaporated.

Senior management needs to set the right tone – make the move or expansion an opportunity to re-examine the risks that the company faces, and plan as much as possible to meet those risks.

Understanding risk

It is important to draw a distinction between two kinds of risk.

Perceived risks are those that may keep members of the public awake at night, and divert employees' minds from their jobs. Post-9/11, many people were concerned about terrorism related to air travel, and so we saw rigorous checks of photo ID and armed soldiers in the terminals. Was there a risk? Certainly. But in cases like this, it is almost as important that the public see the steps that are being taken, as the steps are themselves.

Genuine risks are those that are more likely to pose an actual threat. For example, one of the most common emergencies in a building comes from water leaks. It could be a burst pipe or an overflowing toilet. It could be a sprinkler system that turns on in error, from something as simple as a

maintenance crew member hitting a sprinkler head with a ladder. The public may not understand how serious these risks are, but building management needs to deal with them to avoid larger problems if the risks result in actual problems.

A balancing act

Senior executives need to balance the company's response to risk against its other requirements, and consider ways that their plans for new facilities can incorporate ways to meet these risks.

Consider the company's lobby or reception area. It gives many visitors their first impression of the company and it is important that this be the right impression. However, it is also the company's first line of defense against intruders.

A company may prefer having an open-concept lobby, with only a few security guards to stop anyone who looks threatening. If it does not mind looking more unapproachable, however, it can add turnstiles and rigorous ID checks of all people entering the building.

Having a uniformed security guard sitting at the reception desk provides a much different impression than does a receptionist in a business suit.

Other changing factors, such as labor costs, also affect risk response and companies need to be sure their response is appropriate. In recent years, many companies have dispensed with a live receptionist, and instead simply present visitors with a reception room containing a phone and a directory. Visitors announce

themselves by phone, and the person they are meeting will escort them into the offices behind the locked doors.

The good news

If risks are changing, and in some ways increasing, so is our ability to respond to these risks. At one level, consider the “safe rooms” installed in many offices. If employees cannot escape the building during a fire, these fireproof rooms can be a refuge until help arrives.

Also, consider developments in information technology. In days of centralized computing, fire or water damage inside the mainframe’s “glasshouse” could be fatal to the enterprise. While mainframes are still a part of many companies, we are seeing more distributed computing, with much of the information people need to work, stored on desktop machines. One fire or flood does not necessarily spell disaster.

This trend has continued with the growing popularity of laptops that employees can take with them to work elsewhere. We are also seeing the rise of home offices, complete with high-speed Internet access, from where employees can telecommute. Cell phones help with this trend to a work environment that is less centralized and more flexible. It’s increasingly possible for a company to continue to function even if its physical premises have become unusable due to a disaster.

Planning ways to meet risks pays off

Because risks change and new ones appear, companies need to make sure that their risk-response planning can meet as many circumstances as possible. There are many situations, such as a fire, flood or air contamination, in which the best way to deal with the problem is to evacuate the building, quickly.

Merrill Lynch faced this issue when the nearby World Trade Center was struck on September 11. The company was able to evacuate some 8,000 employees quickly and efficiently and relocate most of them within eight days. How?

Merrill Lynch had a well-honed and well-practiced evacuation plan, one that had been used for a complete evacuation of the building just two weeks before. Clearly, preparation and practice paid off big time for Merrill Lynch, even against a totally new kind of threat.

Sometimes, however, we have a clearer idea of how risks are evolving. After the 1993 bombing of the World Trade Center in New York, the property owners, the Port Authority of New York, knew that the buildings might become a terrorist target again.

Accordingly, they improved the building’s ability to respond to a wide variety of threats to which evacuation was the best response. Because of the risk of explosion and fire, they made sure that the building’s stairwells maintained a positive air pressure to keep smoke and harmful fumes out of the way.

Remembering how the power outage and backup generator failure in the 1993 bombing left the stairwells in the dark, with people walking out in a long hand-to-hand daisy chain, they installed luminescent strips to provide light even without electrical power.

The result was that far more people are alive today than would be if the Authority had not taken these measures.

Emergency preparedness plans – a must-have

There is still a long way to go, despite the perceived higher risks of today. In a recent seminar attended by about 75 building managers, when attendees were asked if their companies had an Emergency

Preparedness (EP) Plan in place, only two or three raised their hands.

Senior management needs to consider the risks that the company faces, and then pull together a team of people from many areas. In too many cases, the EP plan is either ‘owned’ by the insurance department or the IT department. In fact, it does need input from insurance and IT – but also facility management, security, medical, telecommunications, public relations, human resources, and legal.

Such a plan needs to include a vulnerability analysis, and needs to consider contingency steps that can be taken. If there is a power outage, is there a backup generator? If the water fails, is there an emergency supply? Is there redundancy in telecom cabling and power access?

If the company is moving or expanding, it needs to consider any new risks that will be faced at a new or expanded location. For example, is the new location in an area more vulnerable to power disruptions, or is it near an airport’s flight path? Members also need to consider any new risks that the company may be facing, and ways that the move or expansion can avoid increasing vulnerability to these risks and if possible, mitigate them.

The result is that the move or expansion becomes an opportunity to deal with the changing risks, creating a more secure future.

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Carol Farren is the former director of facilities for AOL Time-Warner Inc. She has more than 30 years of experience in interior project management, has directed many high-profile design and relocation projects, and has led the customized teams on numerous facility and administration consulting projects.

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The mission of Facility Management World Wide Ltd. is to:

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- Maximize the value of physical assets while minimizing the costs;
- Properly review and analyze facility operations;
- Recommend organizational and operational improvements;
- Maximize employee productivity and acceptance of change;
- Streamline project management; and
- Promote green building design.

Facility Management World Wide Ltd. is a management consulting firm specializing in facility, real estate, operations, and administrative planning and management. For consulting assignments we match our team and services to client requirements in order to ascertain innovative solutions for our clients' facility and administrative needs. We conduct a study, perform an analysis, and present an assessment with action plans, options, schedules and budget. Determining the current status provides a benchmark from which future achievements can be measured.

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