**LPHG Disaster Recovery Scenario**

**Organizational Details**

*Organization Type*

LPHG is a medium-sized 501(c)(3) charitable foundation currently in the early stages of its business plan, and focusing primarily on the research and development of a new environmentally-friendly hair product called EFHG. Once the product has completed the research and development process, the business plan is to move to a manufacturing- and distribution-based stance, with the product being the first of many environmentally-friendly hair care products to reach the market.

*Location*

LPHG is located in Berkeley, California, on the west coast of the United States. The city of Berkeley has a population of approximately 110,000 people. The city itself is approximately eighteen square miles in size, seven of which are covered by water. It is located on the northern edge of the San Francisco Bay and is within ten miles of the Pacific Ocean. Berkeley is approximately 152 feet above sea level.

*Infrastructure*

The infrastructure of Berkeley is consistent with that of any major city within the continental United States. It has extensive communications, transportation, and emergency response facilities provided by both the state and federal governments. LPHG is located on a small eight-acre campus that consists of two buildings (the Rink and the Alley), a parking lot, and a small outdoor memorial observatory.

*People/Stake Holders*

The staff of LPHG consists of seven functional working groups. These groups contain the following number of staff:

• Management: 4

• Marketing and Design: 6

• Research and Development: 19

• Operation: 21

• Information Technology: 6

• Reception: 6

• Volunteers: 30–40 at any given time

*Budget*

The working capital for LPHG was obtained through grants from several sources, including the federal and state governments as well as other large philanthropic organizations. The company received approximately $42 million, but the vast majority was spent and accounted for under strict provisions of the individual grants. With the majority of the grant money being spent on capital improvements and investments, the foundation is currently cash poor. LPHG has enough working capital to cover approximately one quarter of its business expenses, including payroll, benefits, insurance, etc. Working capital beyond that point must be generated from sales of EFHG or raised through outside investors or additional grants. No significant money was budgeted for business continuity planning or disaster recovery planning. Management only began the two processes after repeated calls from the IT and research departments, which were spurred by faint rumblings in the earth.

The state of California is currently experiencing a $42 billion revenue shortfall, and the city of Berkeley has seen tax revenue drop by 21% due to the current economic climate. The failure to sell municipal bonds has mandated budget cuts across the board. The governor has been unable to pass budgets through the political process, and all aspects of government service are being affected. Emergency services like police, fire and rescue, and medical have, as of yet, only received modest cuts, but there is immense strain on the system.

*Critical Facilities*

There are only two facilities within the organization, the Rink and the Alley. All business functions are performed inside these two facilities. The community has thousands of critical facilities, ranging from emergency services like fire, medical, etc. to transportation like roads, air and seas ports, etc. Public utilities like power, water, sewage, and others must also be considered.

*Available Emergency Services*

Standard emergency services are available to both LPHG and the community: fire, search and rescue, emergency medical, police, etc.

**The Disaster**

The San Andreas Fault line is an 800-mile long crease that forms the boundary between the North American and Pacific continental plates. The fault line consists of three segments. Research has suggested the fault line is easily capable of producing an earthquake with a magnitude of 7.0 or greater. The earthquake of 1906 was estimated at 7.8 on the Richter scale, and was centered geographically near the Berkeley area.

Earthquakes are seismic events where enormous amounts of energy are released, creating seismic waves. Earthquakes cause the following:

• Shaking and ground rupture

• Landslides and avalanches

• Tsunamis

• Soil liquefaction

• Floods

• Fires

These effects can linger for some time after the earthquake is over, hampering recovery efforts.

Several months after the earth rumblings that worried the IT and research departments, there was an earthquake mirroring the 1905 event, registering 7.8 on the Richter scale, and lasting approximately 30 seconds to 1 minute for the primary quake, with subsequent aftershocks of varying strengths occurring for the next 96 hours. Floods and fires persisted for weeks.

The resulting damage can be categorized as somewhere between severe and catastrophic. The casualty count, for both the local community and the organization was 50%, or approximately 50,000 deaths for the city of Berkeley and 31 deaths for LPHG. One LPHG staff member died as a result of contracting the H1Z-20 virus in the resulting earthquake aftermath. Casualty counts could continue to increase as a result of the six earthquake effects listed above, or as a result of the rampant spread of the highly contagious H1Z-20 virus. Likewise, half of the infrastructure and buildings in the area were also destroyed.

The disaster and subsequent casualties heavily affected the organization and the surrounding community. LPHG’s research and development of EFHG, and the planned release to market, will have to be delayed during the recovery process. It is also important to remember that the local community’s emergency services were heavily strained during and immediately after the disaster. Communication, transportation, and medical emergency services will be stressed passed the breaking point for approximately six to eight weeks, until the federal government’s resources can be mobilized.

**After the Disaster**

LPHG’s disaster recovery plan was followed as outlined in the plan. Here are the details of what happened after the disaster: At the scene, one of the committee members took notes on the incident, including how many people were injured, what kind of additional help they might need, etc. They double-checked to make sure they were following the disaster recovery plan and set up a command system. Phone calls were immediately placed to each entity listed in the disaster recovery plan, including the primary and alternate sites to work from after the disaster. After that, the team was not really quite sure what they were supposed to do, so they found the backup recovery plan and the business impact analysis documents they had previously prepared.

They discovered their disaster preparedness plan was not nearly as detailed as it should have been because they were at a loss on how to proceed. They had no way of contacting their employees, as almost everything in the building was destroyed by the earthquake. They had to figure out where to find a list of employee names, addresses, phone numbers, etc. After locating the business impact analysis, they discovered that it had not been filled out. That put them in a predicament, since they were not sure what the impact of the disaster would be on the business. The good news is that all their data was protected.