

## UNIT – II

### RISK MANAGEMENT

Disaster risk management is the application of disaster risk reduction policies and strategies to prevent new disaster risk, reduce existing disaster risk and manage residual risk, contributing to the strengthening of resilience and reduction of disaster losses.

Disaster risk management actions can be distinguished between prospective disaster risk management, corrective disaster risk management and compensatory disaster risk management, also called residual risk management.

**Prospective disaster risk management** activities address and seek to avoid the development of new or increased disaster risks.

**Corrective disaster risk management** activities address and seek to remove or reduce disaster risks which are already present and which need to be managed and reduced now. Examples are the retrofitting of critical infrastructure or the relocation of exposed populations or assets.

**Compensatory disaster risk management** activities strengthen the social and economic resilience of individuals and societies in the face of residual risk that cannot be effectively reduced. They include preparedness, response and recovery activities, but also a mix of different financing instruments, such as national contingency funds, contingent credit, insurance and reinsurance and social safety nets.

**Community-based disaster risk management** promotes the involvement of potentially affected communities in disaster risk management at the local level. This includes community assessments of hazards, vulnerabilities and capacities, and their involvement in planning, implementation, monitoring and evaluation of local action for disaster risk reduction.

**Local and indigenous peoples' approach to disaster risk management** is the recognition and use of traditional, indigenous and local knowledge and practices to complement scientific knowledge in disaster risk assessments and for the planning and implementation of local disaster risk management.

## **CRISIS MANAGEMENT**

Crisis management involves dealing with crises in a manner that minimizes damage and enables the affected organization to recover quickly. Dealing properly with a crisis can be especially important for a company's public relations. Crises come in several forms, and it is recommended that a company be prepared ahead of time with a crisis management plan.

### **What is Crisis Management?**

---

- Crisis management involves identifying a crisis, planning a response to the crisis and confronting and resolving the crisis.
- Crisis management is directed at populations and communities in urgent need of resources due to a disaster or public tragedy.
- Crisis Management has two functions:
  - Secure the scene and engage in rescue and recovery – first responders
  - Provide relief programs to populations in urgent need and reconstruct communities in the disaster aftermath.

# Disaster, Risk and Crisis Management

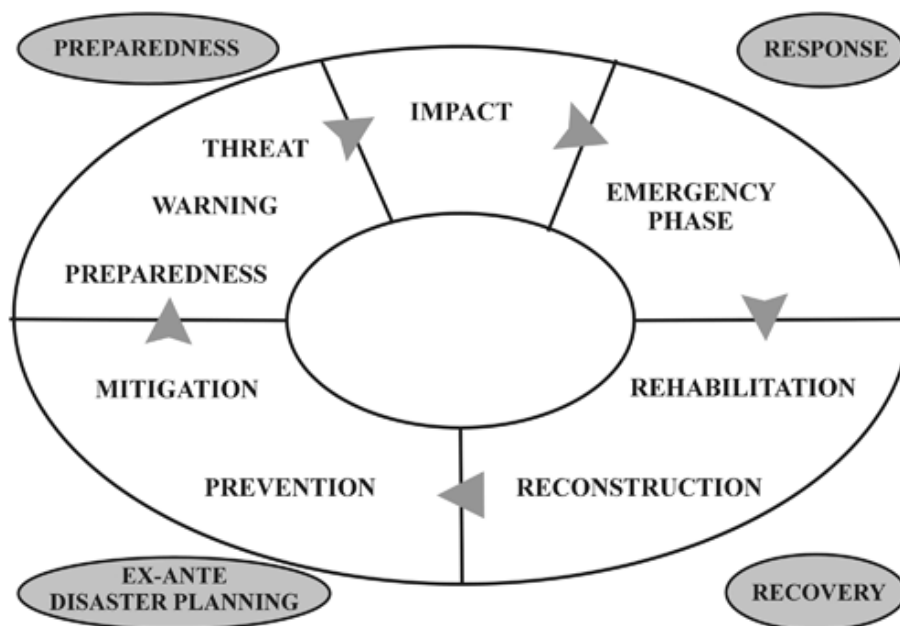


## Disaster Management Cycle

Disaster management consists of five phases:

1. **Prevention** - Prevention was recently added to the phases of emergency management. It focuses on preventing the human hazard, primarily from potential natural disasters or terrorist attacks. Preventive measures are taken, designed to provide permanent protection from disasters. Not all disasters, particularly natural disasters, can be prevented, but the risk of loss of life and injury can be mitigated with good evacuation plans, environmental planning and design standards.
2. **Mitigation** – In electrical risks, a periodical power quality audit and exhaustive preventive maintenance process with the help of electrical consultants can avert fire risks due to electrical reasons, which is the major cause (>85%) of fires. In earthquake prone areas, these preventive measures might include structural changes such as the installation of an earthquake valve to instantly shut off the natural gas supply, seismic retrofits of property, and the securing of items inside a building. The latter may include the mounting of furniture, refrigerators, water heaters and breakables to the walls, and the addition of cabinet latches. In flood prone areas, houses can be built on poles/stilts.

3. **Preparedness** – Preparedness focuses on preparing equipment and procedures for use. This equipment and these procedures can be used to reduce vulnerability to disaster, to mitigate the impacts of a disaster or to respond more efficiently in an emergency.
1. Conduct disaster risk assessments
  2. Integrate broader social and environmental issues into business strategies and operations
  3. Enact measures and systems that reduce risks
  4. Develop plans for response and recovery
5. Disaster risk management (DRM) is a systematic application of management policies, procedures and practices to the tasks of identifying, analyzing, evaluating, treating and monitoring risk. Disaster risk reduction (DRR) entails measures to curb disaster losses by addressing hazards and people's vulnerability to them.
6. The most effective disaster risk management often happens before disasters occur, continues after a disaster and incorporates lessons learned, thus mitigating risks to future disasters.
7. Disaster risk reduction is about modifying hazards, reducing vulnerability, increasing capacity.



4. **Response** - The response phase of an emergency may commence with Search and Rescue but in all cases the focus will quickly turn to fulfilling the basic humanitarian needs of the affected population.
  1. Disaster response refers to actions taken during and immediately after a disaster to ensure that its effects are minimized, and that people affected are given immediate relief and support.
  2. These include providing food, water, shelter, and medical aid, removing people from danger, among other outreach efforts.
  3. Disaster recovery refers to the coordinated process of supporting disaster affected communities in reconstruction of physical infrastructure and restoration of emotional, social, economic and physical well- being.
  4. This includes re-building houses and businesses, and providing medical aid and counseling, among other efforts.
5. **Recovery** - The recovery phase starts after the immediate threat to human life has subsided. The immediate goal of the recovery phase is to bring the affected area back to normalcy as quickly as possible. During reconstruction it is recommended to consider the location or construction material of the property.

## **Disaster relief**

**Disaster relief** is the monies or services made available to individuals and communities that have experienced losses due to disasters such as floods, hurricanes, earthquakes, drought, tornadoes, and riots. A disaster may also be defined in sociological terms as a major disruption of the social pattern of individuals and groups. Most countries have agencies that coordinate disaster relief and planning. Many have statutes that define appropriate procedures for disaster declarations and emergency orders. Such statutes also empower relief agencies to utilize local resources, commandeer private property, and arrange for temporary housing during an emergency

The term "disaster" has been applied in the United States and many countries throughout Europe in a broad sense to mean both human-made and natural catastrophes. Human-made catastrophes include civil disturbances such as riots and demonstrations; warfare-related upheavals, including those created by guerrilla activity and terrorism; refugee crises involving the forced movements

of people across borders; and many possible accidents, including transportation, mining, pollution, chemical, and nuclear incidents.