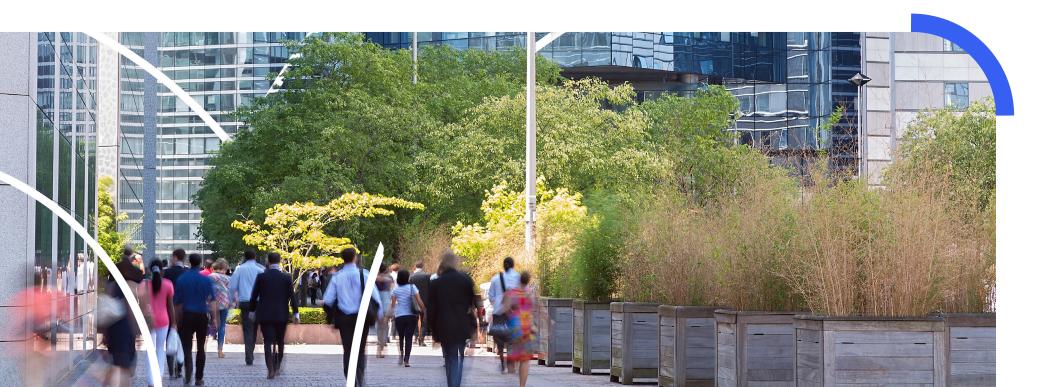
## **√**everbridge<sup>™</sup>

# Achieving true organizational resilience

How leaders can transform their approach to resilience, and build a more successful and sustainable future



In today's unpredictable world, organizations need to be prepared and empowered to persevere through a myriad of critical events. The most successful organizations have discovered how to not only anticipate and respond to challenges, but to turn them into growth opportunities.

It requires a mindset shift for senior executives to rethink their risk strategies and embrace the need for true organizational resilience. The ability to not only survive but thrive in the face of challenges is what sets successful organizations apart.

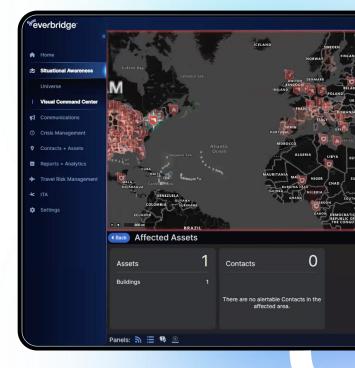


# Why is organizational resilience important?

Organizational resilience is important for navigating uncertainties, minimizing risks, maintaining operational continuity, and fostering a culture of adaptability and innovation. This contributes to the long-term success and sustainability of the organization.

In Deloitte's latest worldwide cross-industry survey of almost 700 executives, directors, and senior leaders with responsibility over resilience or crisis management<sup>1</sup>, one clear message came through: senior executives recognize the need for more proactive, forward-looking, and strategic approaches to resilience, but are struggling to operationalize appropriate strategies for their organizations.

The survey findings indicate that most organizations need to look beyond their predominant focus on operational resilience, and build resilience more equitably across other key pillars: financial, reputation, people and environmental, in order to build true organizational resilience. This entails broadening practices and capabilities related to resilience, while retaining and enhancing those that currently serve the organization and its stakeholders well.



<sup>1</sup> Deloitte's Global Resilience Report: Toward True Organizational Resilience: https://www2.deloitte.com/content/dam/Deloitte/us/Documents/01\_Global\_Resilience\_report\_October\_2022\_wc.pdf



## Moving from risk to resilience

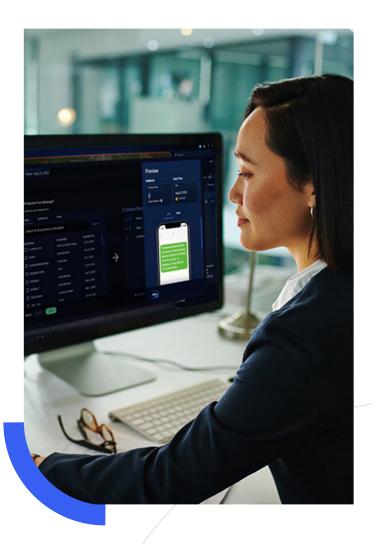
Over half of the respondents in the Deloitte survey indicated that resilience planning currently sits within the risk function. However, this typically limits the scope of resilience plans to operational or financial risk, which may mean that broader resilience plans receive insufficient senior leadership attention.

#### Breaking down silos

The research demonstrated that most organizations create plans for resilience in silos, such as creating mitigating plans for financial, reputation, people, and environmental aspects. Addressing resilience holistically allows an organization to plan better, and make processes more efficient.

#### Investing in resilience

Previously, capital allocated to corporate resilience was regarded solely as a cost. Analysis now shows that more organizations have recognized the benefits of being proactive, forward looking, and strategic with regards to resilience or crisis management, and are now allocating funding as a long-term investment to give them a competitive advantage.



## The five pillars of organizational resilience

To achieve true organizational resilience, there are five core pillars to consider. A deficiency in any one of the five pillar areas can put an organization at risk. True organizational resilience consists of robust capabilities in each of these five domains. While the emphasis on particular pillars may differ across industries and organizations, enhanced capacities in one domain will not make up for deficiencies in another. Organizations therefore need to ensure that they can address and balance investments across every pillar.

#### People resilience

People resilience relates to the way in which organizations support their people. It is also about fostering creativity and growth by instilling personal resilience and instituting the right cultural norms, conduct, and behaviors.

#### Reputational resilience

Reputational resilience is about being responsive to external perceptions, scrutinizing self-limiting behaviors, building brand capital and reserves, and maintaining a foundation of trust and dependability.

#### **Operational resilience**

Operational resilience refers to how an organization withstands, absorbs, adapts to, and recovers from the impacts caused by events affecting its products and services, data, technology, cyber security, facilities, and supply and demand.

#### Financial resilience

Financial resilience describes the ability of an organization to withstand events that impact its liquidity, income, or assets. These events may include routine or severe but plausible shocks and stresses.

#### **Environmental resilience**

Environmental resilience refers to the way in which an organization works to achieve balance with the natural world, making strategic choices that are both good for the environment and sustainable for the organization.

## Measuring the effectiveness of resilience

Measuring organizational resilience is a unique undertaking that requires full organizational transparency, and a thorough understanding of existing operational structures and continuity planning.

#### **Everbridge suggests evaluating and measuring four specific areas:**



Ability to identify and assess risks to operations



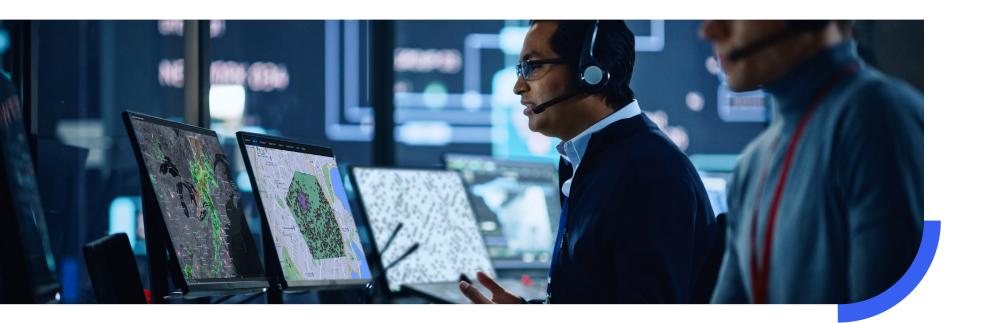
Ability to act or execute standard operating procedures (SOPs) and protocols



Ability to locate people and assets that may be in harm's way



Ability to analyze performance before, during, and after a critical or disruptive event



# How to prepare for organizational resilience

The end goal for executives who have responsibility for resilience is to move from operational to organizational resilience. To be adequately prepared for risks that could impact the whole organization, it is necessary to have a resilience plan which incorporates all areas of an organization. Being outwardly focused, and considering the geopolitical and regulatory environments are also critical.

#### Place resilience on the boardroom agenda

Moving from operational to full organizational resilience demands a change in mindset from senior executives and necessitates placing the issue firmly on the boardroom agenda. It requires a shift from reactive to proactive thinking, and a harnessing of the latest innovative technologies to ensure the organization is prepared for any crisis. It also requires a thorough assessment of all processes and procedures, to ensure that the organization is efficient, agile, and ready to adapt to changing environments. Doing so will better prepare the organization to adequately respond and adapt to any situation.



80%

of the 700 survey respondents stated that it would be prudent for their organizations to create a Chief Resilience Officer position to manage resilience programs.

#### Add a Chief Resilience Officer

According to the Deloitte resilience report, 80% of the 700 respondents stated that to manage their resilience programs, it would be prudent to create a Chief Resilience Officer position. This role would advocate for cross-division collaboration, increased visibility of the key issues, and would place resilience firmly on the agenda.

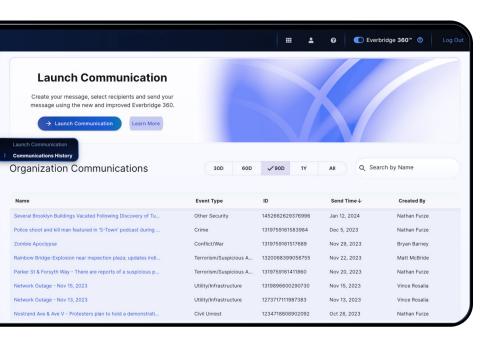
#### Leverage digitalization

The capabilities of data mining, analytics, and visualization technologies can enhance the monitoring and reporting of risks. Additionally, digitalization, AI, and digital twins can be utilized to offer predictive insights, facilitate coordinated responses, and manage communications across various silos, supply chains, and stakeholder groups.

### **Predictions**

#### ESG will rise in importance quickly

ESG (environmental, social, and governance) encompasses many issues, each of which can differ significantly for a given organization. The broad nature of ESG may partly explain why fewer than 20% of organizations cite the ESG function as having an active role in resilience. The topic, however, is moving higher up the boardroom agenda, with some seeing a good possibility that ESG could be the framework to identify risks as well as ensure compliance in their organizations within five years.



## Harnessing the power of future-focused regulation is key to growth

Governments are now dictating the timescales for resilience policies they need organizations to address and meet, and regulators are expected to play an even greater role in resilience moving forward.

Often regulations focus on how to manage past or current crises, rather than how to manage or adapt to future opportunities. Moving forward, organizations will need to focus on far more proactive strategies, demonstrating that they can withstand, respond to, and recover from all potential crises. Continually coordinating with, and understanding the views of regulators, will be key.

More information on ESG issues and evolving disclosure requirements can be found in "Why boards need to address climate risks and evolving disclosure requirements"



## What tools and technologies can leaders harness?

The following specific capabilities can assist a leadership team seeking to achieve true organizational resilience:



"Resilience is the key to companies thriving- not just surviving."

**Financial Times** 



#### **Enhanced risk monitoring**

Risk monitoring capabilities should be extended beyond the usual types of risks and impacts that the organization considers. Risk sensing capabilities should be deployed to identify and monitor emerging risks in areas outside, as well as inside, the organization's usual scope of operations.



#### Extended scenario planning

Scenario planning should be extended in similar ways. In addition, it should go beyond tabletop exercises limited to specific functions to model a broad array of events and potential responses, with the latter including actual dry runs. Scenario planning should also include all senior leaders rather than purely risk function leaders.



#### Proactive reputation management

As many leadership teams have found, reputation can change on very short notice, particularly given today's media environment. Therefore, reputational resilience should be considered integral to organizational resilience, and should include the careful monitoring of enables carefully monitoring social media, news channels, and other sources to continuously gauge the organization's reputation in the face of constantly changing stakeholder expectations and emerging risks.

#### **Act now**

# Planning and preparing ahead of a critical event is key

While most organizations are traditionally positioned to excel in stable conditions, today's landscape is characterized by unpredictability and demands a shift in approach. Resilient organizations will not only withstand such challenges but thrive amidst current and emerging threats.

#### The Everbridge Best in Resilience™ journey

The Everbridge Best in Resilience™ journey is a systematic approach that empowers organizational resilience with decades of expertise, award-winning solutions, and industry-leading best practices. We help organizations navigate regulatory landscapes and standards compliance, optimize operational excellence, maximize investments and ROI, and elevate brand integrity, reputation, and overall shareholder value. Our comprehensive approach integrates essential elements of organizational resilience and empowers organizations to manage risks, maintain continuity, and foster a culture of safety and sustainability. We are committed to making resilience a strategic asset, preparing businesses to proactively address current challenges and seize opportunities that enhance stakeholder value.



Organizations achieving the Everbridge Best in Resilience™ certification cite a multitude of benefits, including:

- 98% feel optimistic about building resilience against critical events in the future
- 84% can notify impacted/ potentially impacted parties in less than 10 minutes
- 84% routinely assess risk events and determine their impact in less than 15 minutes of learning about the event
- 68% can account for the safety of most employees in less than 30 minutes

<u>Learn more</u> about becoming Best in Resilience™ certified today.



## **About Everbridge**

Everbridge empowers enterprises and government organizations to anticipate, mitigate, respond to, and recover stronger from critical events. In today's unpredictable world, resilient organizations minimize impact to people and operations, absorb stress, and return to productivity faster when deploying critical event management (CEM) technology. Everbridge digitizes organizational resilience by combining intelligent automation with the industry's most comprehensive risk data to Keep People Safe and Organizations Running™.



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