Engaging businesses in shared responsibility

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As the south-east coast of America recovers from the aftermath of Hurricane Florence, there have been some great examples of how the private sector has contributed to community readiness, response and recovery.

U-Haul offered 30 days of free storage for those affected by the storm allowing residents to leave and store possessions in a secure location. A number of airlines waived fees for baggage and pets to support people travelling out of the area and phone carriers gave free text and data to its customers.

An inspiring collaboration between a business and the USA government is the 'Waffle House Index', created by Federal Emergency Management Agency (FEMA) former administrator Craig Fugate. The index is an unofficial metric used to track the potential impacts on affected areas. Waffle House is a 24-hour restaurant chain with 2000 locations across the south of the USA. While the index isn't an official metric it allows FEMA to monitor the status of neighbourhoods using information shared by the chain.

'If a Waffle House is closed because there's a disaster, it's bad and we call it red. If they're open but have a limited menu, that's yellow. If they're green, we're good,' says Fugate.

The concept has many advantages including providing information about how quickly a business can rebound and how the local community is coping post-incident. It enables FEMA to identify any transportation or utility issues (as reflected by store trading status) and also provides a place for FEMA crews and emergency responders to get fed.

Sharing responsibility in Australia

In Australia, the 2011 *National Strategy for Disaster Resilience* set the scene for a shared-responsibility approach following the Victorian Bushfires Royal Commission Final Report 2010 that acknowledged community readiness, response and recovery cannot be achieved by one sector alone. It highlighted that Australia needs an all-inclusive, collaborative effort between government, communities, businesses and individuals to work together to share the responsibility.

Over the last decade natural disasters in Australia have cost an average of $18.2 billion each year. As predicted by the Australian Business Roundtable the economic cost of disasters is increasing steadfast, estimated to hit $39 billion a year by 2050. As such, existing resources of government and relief agencies cannot support affected communities. Disaster prevention, response and recovery needs an all-inclusive effort using a whole-of-nation approach.

The COAG National Disaster Resilience Statement in 2009 outlined the important role that businesses play in supporting resilience. Businesses provide many of the essential services to communities including water, electricity and transport. They are also providers of resources, expertise and critical infrastructure. COAG identified private sector contributions to be understanding what risks they face and to mitigate these risks so they can provide services during or soon after a disaster situation.

The opportunity for businesses are twofold:

1. **Organisational resilience:** refers to how a business can adapt and evolve as the world around it changes – in good times and bad. The capacity of a business to manage risk and remain flexible contributes to its level of survival, and that of its local community, in times of disaster and the aftermath.

2. **Good corporate citizens:** are businesses that focus on more than the organisation itself. Programs that support corporate social responsibility allows businesses to help those in need outside the organisation and demonstrates how companies are morally committed to improving society. Consumers embrace organisations with a social purpose, and when a disaster strikes, it's often businesses that step up and help out that win the support of customers.

Time for a cultural change

Australia is experiencing a cultural shift to shared responsibility that fosters preparedness and it is vital that effective collaboration is driven by trust, shared knowledge and accountability. This is the time for Australian businesses to play a greater active role in disaster preparedness, response and recovery. Businesses, with a seat at the discussion table, can contribute to the solutions that strengthen organisation and community resilience.