



AUSTRALIAN BUSINESS ROUNDTABLE
for Disaster Resilience
& Safer Communities



When natural disaster strikes:

Five lessons to ready
your business and support
community resilience



Introduction

Members of the Australian Business Roundtable for Disaster Resilience & Safer Communities (ABR) have seen the impacts of many natural disasters firsthand, leading to a shared desire to collaborate on resilience.

Following the catastrophic bushfires of 2019–20, Members discussed individual experiences and the actions organisations had taken before, during and after these events. It was clear that Members faced similar challenges and saw great value in learning from each other about how to best support communities during these critical times of need.

By sharing knowledge, collaborating and leading by example, the ABR believes business leaders can help move the dial on national resilience in ways that support government, business and community decisions. With a window into Members' operations, this article shares five lessons and case studies, hoping to encourage other organisations to better understand – and take steps to improve – their own resilience, as well as improve the resilience of their employees and communities.

Our five lessons

1. Businesses can play a critical role in a coordinated response to natural disasters.

2. Disaster preparedness needs to be part of the business plan.

3. A transparent and authentic disaster response gives confidence to communities and stakeholders.

4. Employees can help businesses respond, create meaningful engagement and build community goodwill.

5. Institutional knowledge and business resources can be used to build resilience in customers.

Lesson 1:

Businesses can play a critical role in a coordinated response to natural disasters.

Resilience to natural disasters is a shared responsibility. When it comes to disaster response and relief, everyone can have a place at the table. There are opportunities for business leaders across Australia to use their expertise and networks to support communities before, during and after a natural disaster.

Case study

Optus' disaster response.

Optus' business operations are critical in an emergency situation. At the same time, Optus relies on infrastructure that's susceptible to damage from natural disasters.

During the 2019–20 bushfires, Optus was able to help affected communities immediately by deploying SatCats – mobile trailer-mounted satellites – to areas across New South Wales, Victoria and Western Australia where mobile infrastructure had been damaged. Its [Go Connectivity service](#) also ensures that, should the wider network fail, business customers in disaster-affected areas can stay connected via 4G backup and dual router setups.

To support longer-term efforts as communities transition into recovery, Optus also established a series of grants – known as [Green Shoots grants](#) – dedicated to helping small businesses in fire-affected regions re-establish themselves. Part of this initiative encompasses complimentary devices and internet service, as well as dedicated, ongoing IT support.

With a focus on preventing future extreme weather events from becoming disasters, Optus [partnered with Australian National University](#) to create the ANU-Optus Bushfire Research Centre of Excellence. The pilot program, launched in October 2020, seeks to develop technology-based responses to help defeat future bushfires.

Optus' response demonstrates an arc of support from reaction, to recovery, to prevention – underscoring the critical role businesses can play in supporting communities.



Source: Optus

“In 2012, following the aftermath of Cyclone Yasi, we listened to customers desperately appealing for help to locate family members who had lost mobile connectivity during the floods, and saw euphoric moments with the State Emergency Service personnel when mobile connectivity was brought back up with mobile cell-sites on wheels. These rang home to everyone the criticality of our network infrastructure resilience and unwavering customer support through the best of times and the worst of any crisis.”

— Optus

Lesson 2:

Disaster preparedness needs to be part of the business plan.

While the term ‘unprecedented’ was often used to describe the 2019–20 bushfire season, the [Royal Commission into National Natural Disaster Arrangements](#) has made clear that “unprecedented is not a reason to be unprepared. We need to be prepared for the future.” Further, as [research from Munich Re](#) indicates, anthropogenic climate change is creating a longer-lasting fire season in Australia. We’re facing hotter, more dangerous weather more frequently and for longer periods. These findings align with those of IAG’s second edition of its [Severe Weather in a Changing Climate report](#), published in partnership with the US National Center for Atmospheric Research in September 2020.

As we face an increasingly uncertain environmental future, preparation for similar – or more severe – events is a necessity, as is consideration for their compounding impacts on our communities and operations.

Case study

IAG’s grounded approach.

IAG is Australia’s largest general insurer, and its purpose is to ‘make your world a safer place’. Across its brands – including NRMA Insurance, CGU and WFI – IAG has been helping customers and communities recover from the 2019–20 bushfire season, including [responding to more than 12,400 claims](#).

To ensure it can respond quickly to disasters, IAG has embedded disaster response into its business plan. This includes its dedicated Major Events Response team that is on-call 24/7 and is supported by a dedicated Major Event Claims team that prioritises claims.

During the 2019–20 bushfires, IAG [deployed employees](#) to recovery centres in some of the most affected areas, including Ulladulla, Batemans Bay, Bega, Bairnsdale, Mallacoota, Lobethal and Mount Barker. These employees met customers face-to-face to help them process their claims and offer financial assistance, emergency accommodation and support.

In areas where recovery centres weren’t established, IAG deployed its Major Event Rapid Response Vehicles to bring employees to local communities, where they stayed for extended periods to ensure customers’ needs were met. IAG also has established policies to prioritise the use of local tradespeople and suppliers to carry out repairs and reconstruction wherever possible, which adds another important avenue of support to local communities dealing with the aftermath of a disaster.



Source: IAG

“As Australia’s largest general insurer, responding to severe weather events is central to what we do. Our dedicated national Major Event Claims response team is resourced year-round to ensure we can respond quickly to help our customers get back on their feet.”

— IAG

Lesson 3:

A transparent and authentic disaster response gives confidence to communities and stakeholders.

The emergency response network relies on effective collaboration and trust across public, private and community sector actors. Critical actors – like weather forecasters and local government officials – are expected to be transparent and authentic in their communications, and the same applies to businesses and not-for-profit organisations during a disaster.

Case study

Australian Red Cross' public reporting.

Australian Red Cross plays an essential role in supporting people before, during and after disaster. Through the financial generosity of the Australian public and people around the world, Australian Red Cross raised \$239 million (from July 2019) to help with its work to meet the financial and longer-term psychosocial support needs of those affected by the 2019–20 bushfires.

Australian Red Cross' use of this funding was subject to intense media scrutiny. Some reporting didn't fully reflect an understanding of the complexity and long-term nature of the [response and recovery process](#).

Where a disaster has triggered an outpouring of generosity, there is a need for increased transparency. Beyond the strict compliance obligations charities are bound by, donors want to be able to see the impact of their donation, and governments need to know what gaps to fill.

Australian Red Cross recognised this and sought to embed transparency across its response, consistently producing comprehensive breakdowns of where funds had been allocated. This included regular updates on the distribution of funds to a wide range of donors, supporters and other stakeholders. Comprehensive [reports have detailed the distribution of funds](#), and reporting will continue until the funds are fully expended. As of 31 December 2020, \$207 million of the total received was disbursed or spent.

This level of transparency is an essential component of building – and maintaining – public trust.



*Heavy smoke and poor visibility on the Princes Highway in Victoria near the NSW border during the bushfire emergency in January 2020.
Source: Australian Red Cross*

“We recognise [the] need for trust and accountability and have sought to ensure absolute transparency in our operations through extensive public reports on the collection and distribution of our Disaster Relief and Recovery Fund, including our recent Bushfires Report.”

— Australian Red Cross

Lesson 4:

Employees can help businesses respond, create meaningful engagement and build community goodwill.

Disasters are often quantified in terms of their collective impact: the lives lost, the cost of the devastation, the amount of infrastructure needed to recover. These metrics help to capture the scale of these events. However, that can mean the impacts on, and actions of, individuals are lost, when often it's at the individual level that the response is led.

Case study

Westpac Group empowering employees for community support.

Westpac Group's approach to disaster response builds on a long history of disaster experience and continues to be refined through learnings from each event.

Acknowledging the scale of the 2019–20 bushfires, Westpac created a new role – CEO, Bushfire Recovery – to oversee the distribution of its [bushfire support recovery package](#). This included a dedicated team of employees who collect and prepare weekly data insights as well as work directly with state and federal governments.

To help its customers [manage their finances](#), Westpac provided around 1,980 disaster relief packages, including assistance with repayment deferrals. It also provided \$3.83 million in emergency cash grants to consumer and business customers and oversaw the collection and distribution of more than \$1.4 million in donations to community groups and charities. Any employee who donated to a charity providing disaster relief had their donation matched by the Group.

Westpac Group's Empower Me fund gave individual employees the power to directly and immediately [support](#) their customers. In just one example, a Group employee helped to replace an irrigation pipe at a devastated winery in the Adelaide Hills.

By creating the right teams for the right tasks and empowering individuals to take action, Westpac Group has been able to help customers and communities when it matters most.



Source: Westpac Group

“I remember a relatively minor but meaningful story where an employee arranged cash vouchers for a customer who'd lost some work tools and farm equipment in bushfires to help replace them, apparently leaving him amazed at the unnecessary but very much appreciated gesture.”

— Westpac Group

Lesson 5:

Institutional knowledge and business resources can be used to build resilience in customers.

Often, businesses have resources and distribution networks that allow them to communicate rapidly and widely to their customers and communities. By leveraging these resources and, where possible, collaborating with others, businesses can become trusted sources of information and education. When this is done consistently and with relevant expertise, improved brand consideration and customer loyalty can be a co-benefit of customer resilience.

Case study

Developing community and customer preparedness resources.

ABR members have been active in helping customers build resilience to natural disasters by understanding the risks they face and preparing for these major events.

IAG leverages the work of its in-house Natural Perils team, which includes climate scientists and meteorologists, to support strategic community resilience programs and advocacy. IAG publicly released [research reports and fact sheets](#) in 2019 and 2020 that drive education and risk awareness about natural perils and severe weather, with the aim that they can be of use to governments, decision makers, business and the community when they are considering how to respond to high-impact weather changes.

Taking learnings from customers, Westpac launched a [Disaster Help Hub](#) in November 2020 to help Australians prepare for, respond to and recover from natural disasters. The hub provides information on how to prepare homes for severe weather events, as well as access disaster relief, support and financial resources to help during recovery.

Infrastructure, knowledge or datasets can directly or indirectly support customer disaster resilience in partnership with others. For example, telecommunications providers like Optus communicated directly with state and commonwealth agencies when bushfires disrupted mobile service in 149 network regions; staff were [embedded in departmental response teams](#) to boost efficiencies during critical developments, and information was shared directly.

IAG and Australian Red Cross have also worked collaboratively to co-create the [Get Prepared app](#). During the 2019–20 bushfire season, both organisations stepped up their messaging efforts to promote the app and saw increased community uptake. Available for iOS and Android, the app builds on Australian Red Cross' RediPlan framework to help people create an emergency plan for a disaster. It incentivises preventive action by including simple checklists, and it encourages users to register a network of close supports who can be contacted in an emergency.

These endeavours highlight the abilities of businesses to take an active role in helping customers build resilience to natural disasters by understanding their risk and preparing for what will happen when disaster occurs.

“The bushfires of 2019–20 were a stark demonstration of what Australia’s future will look like unless we take action to help communities adapt to climate change and increase community resilience.”

— Australian Red Cross

Conclusion

While disaster response and recovery can seem continuous, there is always time for reflection to improve responses to the next emergency or event. The needs and expectations of communities and customers will evolve – and so will the business relationship with customer resilience.

In the future, the economic and social costs of increasingly catastrophic natural disasters will become even more devastating to businesses and their communities who aren't prepared. ABR Member experiences show how vital it is for businesses to act to support disaster resilience, both for their employees and the wider community.

For most people affected by disaster, the journey to recovery is long and not linear. [Research](#) by the University of Melbourne, with Australian Red Cross and others, indicates that the recovery timeline is up to five years, with emotional peaks and troughs throughout.

Therefore, human connections are vital in the face of these disasters. Whether or not they are frontline or directly affected by disaster, employees have a central role to play across disaster prevention, preparedness, response and recovery – both as employees and as members of their communities.

From building disaster preparedness into business plans, to meeting face-to-face with affected communities, to sharing experience and knowledge both among leadership and with the Australian public, business leaders have the opportunity – and the institutional know-how – to develop resilient and proactive approaches to natural disaster preparedness that will directly support their communities before, during and after the next inevitable event.



During natural disasters, Optus sets up Community Trucks to give out free mobile SIMs and charging stations to help local communities reconnect with their loved ones. Source: Optus

About the ABR



AUSTRALIAN BUSINESS ROUNDTABLE
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& Safer Communities

The Australian Business Roundtable for Disaster Resilience & Safer Communities (ABR) was formed in December 2012 by business and organisational leaders with a shared vision to ensure that communities across Australia are better able to prepare for, respond to and recover from natural disasters.

Our purpose is to make Australian communities safer by improving disaster resilience and climate change preparedness. We do this by expanding knowledge, collaborating and leading by example to help influence decisions made by governments, businesses and communities.

The ABR has established itself as the key business community representative and an influential participant in efforts to reduce disaster risk and increase resilience.

As a collective, we've commissioned five well-received research reports that provide clear evidence of how important it is to understand the increasing costs of natural disasters and recommendations for action in the public and private sectors.

Working collaboratively with all levels of government, we've also contributed to an evidence base that's been cited in policies and programs, including the National Disaster Risk Reduction Framework, National Action Plan and state-based resilience strategies. We also submitted to the Royal Commission into National Natural Disaster Arrangements (2020) and welcome the opportunity to offer our expertise and insights to government to realise these recommendations.

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