

A RISK MANAGEMENT NEWSLETTER FOR COLLEGES AND UNIVERSITIES



In This Issue:

Environmental Health & Safety	1-2
Reputation Risk	3-5
Business Continuity	6-7

SPRING 2011

How to Best Utilize Your College Environmental Health & Safety Manager

By Stephen J. Cerro, ARM Senior Risk Control Specialist, WRM America

As students begin to leave their colleges and universities for the summer break, administrators will spend the next few months preparing their campuses for the fall term. Institutions of higher education offer new and innovative courses and programs that arguably increase their exposure to regulatory oversight. Reporting requirements, inspections, and record keeping require staff time, resources and administrative and employee support to achieve and stay in compliance with the increasing number of environmental and safety standards and regulations at the regional, national and international level. To ensure compliance with the various **OSHA** regulations, National Fire



Protection Association standards and new building codes, many colleges and universities are appointing their own Environmental Health & Safety (EH&S) Manager or a similar professional on staff.

The EH&S manger is typically an experienced professional with a wealth of knowledge in safe-work practices, fire prevention, security, use of chemicals, air and water quality, accident investigation, loss analysis, and current government regulations and industry standards.

What is the best way to utilize this person within your organization? It may just start with expectations. You will want to make sure that your expectations of their job and performance are as closely aligned with their skills and talents as possible. Those in the college's top leadership look for a person who has strong interpersonal skills,

Continued on page 2

is approachable, can see the big picture, is passionate about the work, makes others feel energized, and is able to guide the staff toward fulfilling the organization's strategic direction and objectives.

As an integral voice on your institution's safety committee, your EH&S Manager should be intimately involved in the development. implementation and administration of the college's environmental health and safety plan and should also help oversee compliance. The EH&S Manager should facilitate the analysis of losses to assess the effectiveness of the college's risk control and loss prevention efforts. This is important as it will help provide support for cost-effective, budgetary decisions affecting the risk control efforts to reduce the frequency and severity of injuries, property damage and liability exposures. You will also want your EH&S Manager to serve as a safety consultant in the planning of new college facilities and in the selection of equipment.

The EH&S Manager must keep the leadership informed of serious issues relating to hazards in the educational arena relating to environment, health and safety as well as formulating practical recommendations to control, reduce or eliminate those hazards. Consultative and in-service educational services from the EH&S manager and/or the EH&S Department should be available and offered to all head staff (including Deans, Department Chairpersons, Directors),



committees and faculty to assist each department's accident prevention plan. You will want your EH&S Manager to evaluate and measure, through the use of health and safety audits, departmental safety performance and compliance with the college's safety plan(s), policies, procedures, standards and guidelines. Coordination, development, updating and dissemination of policies/procedures, standards and guidelines for EH&S is best done by this manager. The EH&S Manager should also develop, implement and present

general health and safety related training courses for staff, students, on-site contractors, and others who have an interest in the college. Specific related departmental health and safety training can be done separately with consultation from the EH&S Manager.

Effective utilization of the EH&S function will help your college or university reduce or eliminate loss exposures and improve the higher education experience for everyone.



Dealing with the Media, Stakeholders and the University Community

By Robert Bambino, CPCU, ARM, Vice President, WRM America

The answer depends on the level of understanding your college or university administrators, Board and staff have of reputation risk – the potential impact an incident has on an institution's status in the community, and its ability to respond to such incidents.

Risks to a college's reputation arise from the activities and operations that are part of its mission to provide both educational and related ancillary services.

Consider these real world examples of reputation risk:

- A cheating scandal among students in a top-tier high school
- A private institution is under investigation for alleged teacher-student sexual misconduct
- A seminary sues a former employee to regain stolen funds
- An internet gambling ring is uncovered involving a number of students from multiple institutions
- A student commits suicide related to cyber bullying
- A teacher files a lawsuit in regards to workplace-based sexual harassment
- A situation arises of retaliation against a "whistleblower"

An institution's reputation is one of its most important assets – especially for colleges, where an intangible service is the product. This is especially true for private colleges, which often rely on tuition and voluntary donations and endowments, which are highly vulnerable to internal and external pressures that are beyond the institution's control. Although not funded through tuition, donations and endowments, public schools need community support to pass budgets and bond referendums.



According to a 2010 study by the Reputation Institute, the top five most reputable international companies are:

COMPANY NAME	COUNTRY	INDUSTRY
Google Inc.	United States	Internet
Sony Corporation	Japan	Electronics, Media
The Walt Disney Company	United States	Media
BMW	Germany	Automotive
Daimler-Benz AG	Germany	Automotive

Although not funded through tuition, donations and endowments, public colleges need community support to meet their goals.

• **Operational risk** – risks that arise from an institution's business functions resulting from a breakdown of people, facilities and systems that result in a loss. Some examples would be a decrease in revenue due to failure to properly collect and record tuition, or a loss of state subsidies because of poor record keeping.

 Hazard or accident risk – risk from the probability of accidents, claims or lawsuits. An example is the negative publicity from a rash of employment-based harassment or sexual misconduct lawsuits.

Continued on page 4

• **Political risk** – risk from political forces, such as new board members fractured or a "run-away" board, political discord within the community, new administration, new regulations, changing political environment and unfunded mandates.

Internal and External Constraints to Maintaining a Favorable Reputation

The following constraints are examples of those that can inhibit an institution from effectively managing its reputation risks.



INTERNAL CONSTRAINTS

- Inadequate or missing internal controls
- Inadequate policies and procedures
- Poor supervision of staff and students
- Poor leadership
- Lack of complaint reporting procedures
- Untrained staff
- Fractured or runaway Board
- No media/crisis
 management plan
- Poor communication
- "Bunker" mentality in the event of a crisis
- Noncompliance with regulatory issues

EXTERNAL CONSTRAINTS

- Changing legal
 environment
- Unfavorable economic conditions
- Antagonistic community
- Antagonistic media
- Natural disasters
- Changing political environment
- Changing expectations
- Technology changes
- Uncooperative parents
- Changing regulatory environment

Risk Assessments

An effective risk assessment identifies potential threats and the exposure an institution faces as a result of these threats.

Questions to ask include:

- Has the institution been faced with reputation risk in the past?
- How was it handled?
- What can be learned from it?
- Did the crisis management plan work?

An institution's ability to respond to threats and incidents is critical. For example:

- Risks/threats never recognized or evaluated
- Risks/threats never shared with the Board and university community
- Risks/threats that were "buried"
- No attempts to reduce threats
- No plans to manage incidents
- No crisis management controls in place
- No budget/funds/insurance
- Inadequate access to experts

Direction for Board Members and Administrators

- *Identify Risk* by conducting a top down analysis to determine the degree of reputation risk facing the institution
- **Control or Eliminate** the degree of risk by making necessary adjustments
- Avoid reputation risk by not participating in certain activities, operations or programs
- Consider the institution's reputation when making employment decisions, especially decisions involving Board appointments, managers and administrations

- **Establish a relationship** with members of the local media and consult a media relations specialist
- Develop a institution-wide buy in by staff and others who represent the institution

Summary

An institution's reputation must be safeguarded in the matter that protects its tangible assets from potential loss. Once a reputation is compromised, it may never be reestablished and the cost to repair it is often lengthy and expensive.

IS IT EXACERBATING REPUTATION RISK?

Consider how quickly information can be quickly disseminated, regardless of its accuracy:

- 24-hour news coverage
- Breaking news focused newsrooms
- Cell phones with cameras, text messaging and internet access
- Parental expectations
- Blogging
- Social media
- E-blasts



Business Continuity Planning For Educational Institutions Be Afraid, Be Very Afraid

By Robert Bambino, CPCU, ARM, Vice President, WRM America

Fear is a great motivational force in everyone's life. What do you, as a university administrator; fear the most for your educational institution? Hurricane, fire, computer virus, windstorm, flood, locusts, or any other biblical plague? Do we fear for ourselves or the institutions that we have devoted our blood, sweat and tears to over many years of our lives? A college or university is regularly the heart of many communities and we often don't appreciate them when they are around and do not know how we can someone high enough in the organizational chain of command to drive real change, but also someone who is committed to the process. It is of no use to have the college president lead if they do not think anything bad can – or will – happen. With the champion must come a commitment of resources, both time and money. Without a champion, the plan will be doomed from the start and will be relegated to a stale document meant to show whatever agency comes knocking at the front doors.

This leads to the question, what is our objective? Are we creating a plan just to pacify the demands of



possibly go on when they are not.

Like our families, we must prepare for emergencies that can arise unexpectedly, which can have potential negative impacts on the college community. There is no immunity to disaster. For many the question is: how do we start?

Every successful project has a champion to lead it. This must be

our community leaders or regulatory agencies? Or are we creating a real, living process that evolves over time as the conditions and people around the institution change? A plan should protect both property and people, ensuring that an environment for learning continues to exist no matter what disaster strikes. If this is not the objective, then resources are better spent elsewhere.

General Dwight D. Eisenhower said, "In preparing for battle, I have always found that plans are useless, but planning is indispensable." This is also true for business continuity planning. The value is not the plan itself, but how it is enacted.

Below are some of the essential elements of a proper continuity plan:

- Assessment
- Data Gathering
- Developing a Response
- Drilling
- Executing

Assessment – What could happen?

What maladies could infect or destroy our institution? Which are more likely than others? To plan for negative events that can affect the college, each event must be studied to determine its impact and frequency in order to assign priorities. Thus, high impact, high frequency events must be addressed ahead of low impact, rare events.

Data Gathering – What is at risk?

If a tornado destroys an empty building on a college campus, do we care? Is this a disaster? If a tropical depression forms off the coast of Africa and heads towards the Caribbean Sea, do we need to activate our business continuity plan for our college in South Carolina? If yes, is there a full

Continued on page 7

inventory of equipment and back-up systems at our secondary location?

Will we have our roster of employees, our communication plan for the community and employees, in place? Documenting all of these essential elements needed to maintain an environment for learning are at the crux of any business continuity plan. At this part of the process, all departments need to participate to identify what they need to function at the most basic level.

At this step in the planning, we need to determine how long certain departments can go without various systems such as IT servers. We should be sure to identify what data must be maintained and protected, such as student names and grades, teacher salaries, budget information, accounting data, etc.

Developing a Response – What do we actually do?

This is where the written document becomes so important. The assessment and data gathering steps dictate many aspects of the written document, including how disasters are prioritized and how they could impact the institution.

The champion instructs each team to look at each possible scenario,

along with the people, equipment, infrastructure and software that will be affected, and determine how they should be addressed should one or more suffer damage.

A response plan should be lead by a champion, but the team must be instrumental in the development. A key element of the response plan is to assign certain roles so that everyone knows what they are responsible for. Roles will be determined by the team and will be based on each individual's knowledge base. Several resources are available to help the teams identify those roles and the activities that should be assigned.

There are several on-line templates available to help document each component of the plan. These templates, along with other tools, help the team further identify essential services or resources that must be replaced in order to continue educating students and prevent them from lagging behind their peers.

Generally, the first elements addressed are utilities, communications and IT. Once these elements are reestablished, essential personnel are brought together to begin mapping out, infrastructure, logistics and student issues.

Drilling - Does the plan work?

Mock disasters and table tops test the plan's effectiveness to identify weaknesses that need strengthening, but also allow the participants to feel comfortable with the plan should an actual disaster strike. Just like batters need muscle memory to hit a 95 mph fastball 415 feet, colleges and universities need repetitive testing to get their brains acclimated to disaster.

Executing/Assessing – *What did we do?*

When the time comes there should be less thinking and more reacting based on good planning. The more time spent planning and testing the plan, the better prepared you will be throughout the disaster.

Executing the plan well under harsh circumstances is the true objective and will ultimately determine the institution's survival after the disaster. Only with clear communication can a clearly written plan that encompasses most foreseeable contingencies and a strong champion/leader can the plan succeed. The one rock solid constant when it comes to continuity planning is to remain flexible and expect the unexpected.

Resources/Examples

http://www.thegrid.org.uk/downloads/info/healthandsafety/school_busines_continuity_plan_template.doc

http://www.saskschoolboards.ca/insurance/riskmanagement/EducationContinuityPlan_ECP_.pdf

http://www.semo.state.ny.us/uploads/Planning_Guide_May_2009.pdf

http://www.dplan.org/

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