

REMEMBERING 9/11



Annie Searle

The Risk Universe columnist Annie Searle remembers the events of 9/11 and asks whether the lessons learned have also been remembered

The 2005 London subway bombings carried out at multiple locations are embedded in the memories of British first responders, operational risk experts and ordinary people, including those who can recall the London Blitz of 1940-41. For the first time at a widespread level, survivors photographed themselves and used social media for updates to say they were alive. Some of us in the United States studied those bombings for what they could tell us on home-grown terrorism and militant Islam. For Americans, who had really not experienced any form of domestic terrorism since the 1995 Oklahoma City federal courthouse bombing, we have an imprecise but equally harrowing equivalent: the three locations in the United States that were hit by planes taken over by terrorists on 9/11. The operational risk challenges in identifying terrorism in both countries are very high to this day.

On that day, having listened to an early radio broadcast that the Manhattan towers had been hit by airplanes, I drove to work at Washington Mutual Bank because I had a team to lead. I listened to additional details as I looked about

in driving in. Was Seattle at risk? I was not at that time a member of the bank's crisis management team, but I was responsible for over 100 people, who looked to me for direction. I can honestly say that most of my expertise as a crisis manager was learned at high cost that day.

People Executives of the bank were holed up in a makeshift command center, watching a single television set. There were no communications out, either to managers or to employees. Even though there were two tiers of executives who could have communicated – the executive committee or the crisis management team – we were on our own. In retrospect, I believe that executives were trying to gather sufficient information to send out a communication but ended up too horrified and paralysed to act.

Process There had been little or no formal process for recovery from the 6.8 magnitude Nisqually earthquake in Seattle earlier in 2001. And there was none now. Everything was done by the seat of the pants outside the data center, which appeared to be operating just fine. I spent several hours trying to find the answer to "Shall

we dismiss our people or ask them to work?" I could find nothing in the bank's policies or my orientation manual that would give me direction. Once a fellow manager explained the concept of "manager discretion," I told my team that they would be paid that day whether they chose to stay at work or to go home. I eventually walked across the street to the makeshift command center, knocked on the door and asked to speak to the CIO, who agreed that communications to employees were important and promised to get on it. On this day, the crisis management team was not heard from. My comments about that team can be found here in the operational risk category of "external events".

Systems The Washington Mutual network was up, both the internet and the intranet platforms, but it was not being utilised effectively. We had employees on the East Coast, several in fact based or expected to be in meetings on the World Trade Center 16-acre campus, but it took a long time to

locate them because most lines had been knocked out in Manhattan. In those days, SMS messaging was not so common. **External Events** The bank had a crisis management team with roughly 23 senior managers as members that would be activated in the event of any major disaster. Crisis management in those days consisted of long conference calls, often scheduled at the same time the lines of business were running their own calls. In theory, information would flow from the lines of business to the crisis management team so that communications could flow to employees. After 9/11, the technology group was asked to appoint two members to the team, and I volunteered along with my colleague, the head of technology infrastructure. We spent several years as committee members trying to winnow down the team and push for more definition – and shorter calls. When eventually, I was asked to take over continuity of operations for Washington



Mutual in 2003, I became chair of the crisis management team and reduced the team size for 25 to 8. We never activated the crisis management team unless the line(s) of business asked for help. We increased the number of annual scenario tests from two to 12. Our approach became a federated one to disaster response.

The crisis management team was there to help make decisions that were larger than any single line of business: "Determining whether employees should stay at work, report to work or work from home; Evacuating employees if necessary from foreign locations; Determining whether emergency assistance may be offered to employees; Authorising unusual expenses... such [as] ...extra security personnel to monitor a facility that has been damaged; Authorising internal and external communications; Consideration then action on legal advice that may cover a wide range of topics, from liability to reputational risk exposure; Updates to regulators and to boards of directors, so that there are no surprises."

Some things have changed in that approach over the past five years as I work with various companies to streamline their people, process, systems and respond to external events. Because of near-immediate, real-time coverage of events, hierarchies collapse between reporting teams, especially in the area of cyber response, where incident response teams become the crisis response. Emergency

Names wheeled into the dim warehouse of memory So many names, there is barely room on the walls of the heart Billy Collins, *The Names*

management protocols around anticipating large storms like Hurricane Sandy have been refined and simplified so that there can be both local and governmental responses that work in synch with one another.

In this country, we have never lost so many first responders on one day. The communications failures that day, especially those where police and firefighters were unable to talk to each other by radio, loom large still and are documented in the 9/11 Commission Report. The commission recommended a national interoperable broadband communications network for emergency first responders to communicate with one another. Twelve years after 9/11, we are not any further along in this effort because it requires Congressional legislation and approval. We have only to look at large scale events like Hurricane Sandy to see how beneficial such a dedicated radio spectrum would be. Imagine even more: than the private sector would be allowed to listen on the same spectrum so as to have immediate access to decisions as they were made.

There is more than enough work still to do, for all of us, not just the Congress. The world has sped up and decisions need to be announced soon after CNN or the BBC starts covering a disaster. To get a firm handle on operational risk management, we have been recommending increased and varied scenario testing, and the creation of "canned" messaging for various types of events that can be deployed within minutes. Given the discipline behind such testing and tiered messages, it becomes possible also for companies to measure just how much financial loss they might suffer from each type of event.