

# ORGANIZATIONAL RESILIENCE:

*The Art of Being Ready for Anything*

## 2019 Risk & Resilience Summit

Eugene, Oregon

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Presented by:

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Safety and Risk Services

University of Oregon

**DRU Network Founder and Administrator**

National Disaster Resilient Universities (DRU) Network®

# Presentation Overview

- Reframing how we look at risk and crisis management
- Gain an understanding of what resilience is and the 3 attributes, 13 key indicators and 3 cultures of organizational resilience.
- University of Oregon case study: how enterprise risk management and organizational resilience can work together.

# The Disaster Cycle



# How do we move from a reactive to proactive approach?

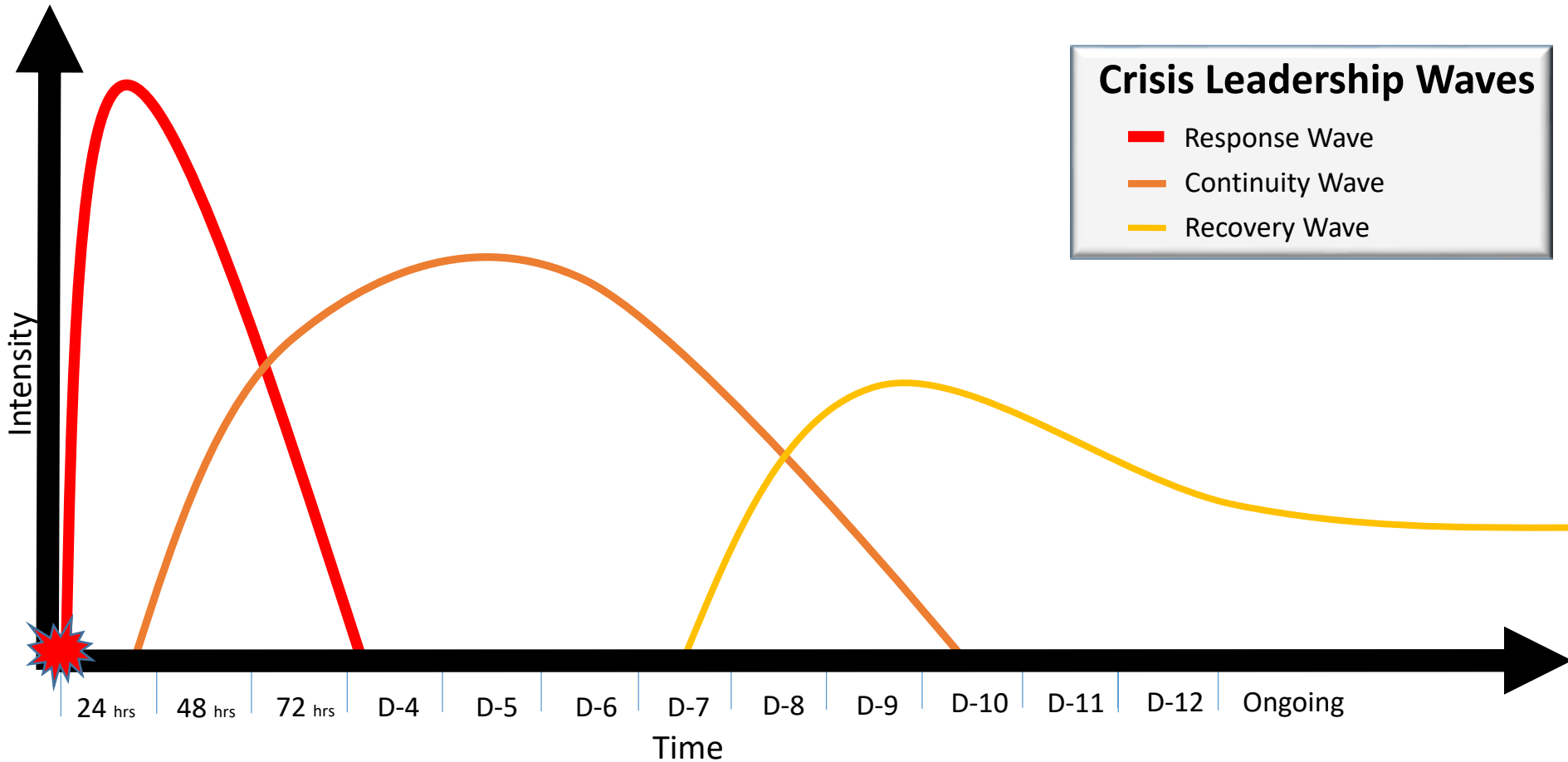
Maybe it is time to reconsider the disaster cycle?

# Crisis Leadership Waves Concept



*The Great Wave off Kanagawa - Katsushika Hokusai*

# Crisis Leadership Waves Concept

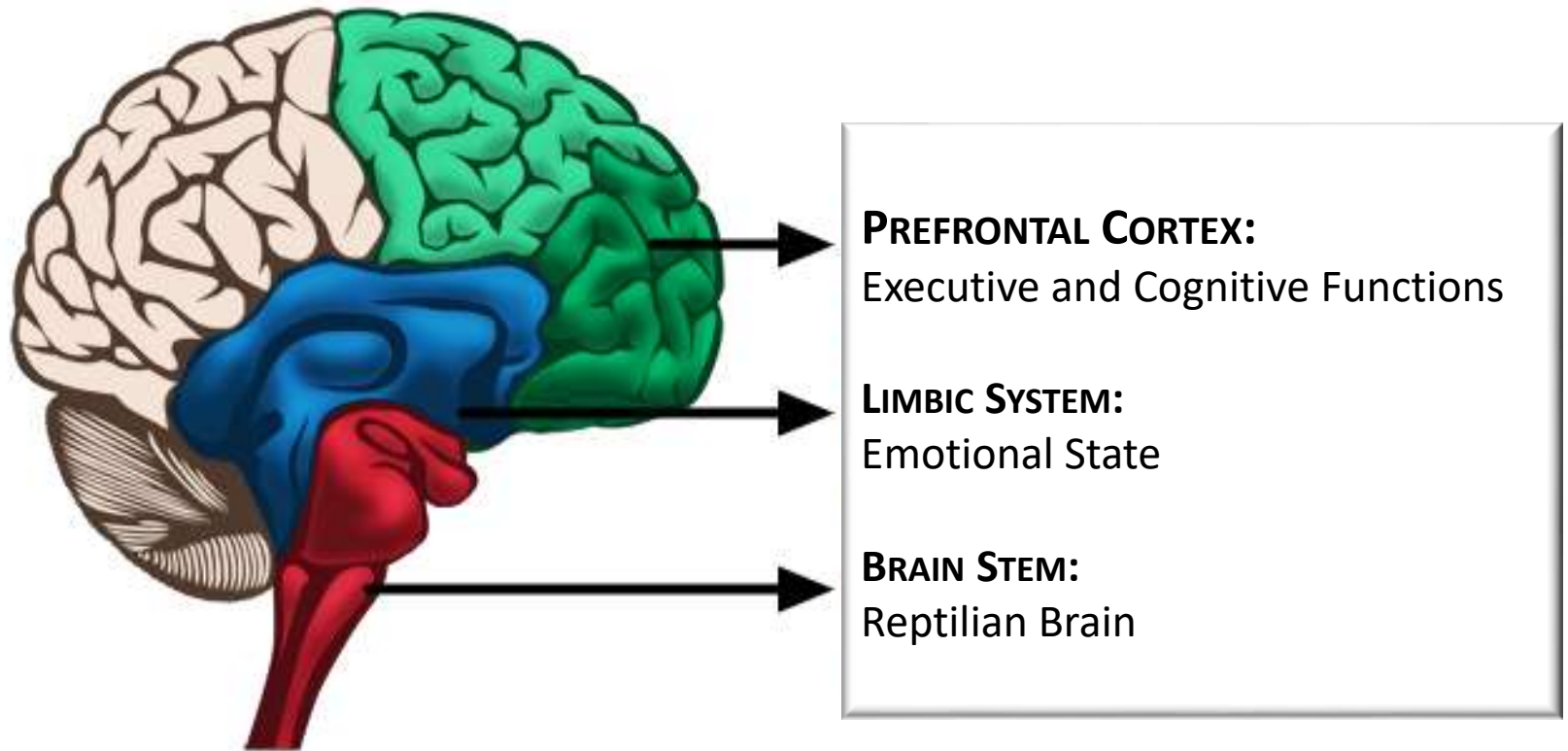


Source: André Le Duc Chief Resilience Officer and Associate Vice President, 2016



# Understanding our brain and stress

## Fight, Flight, or Freeze



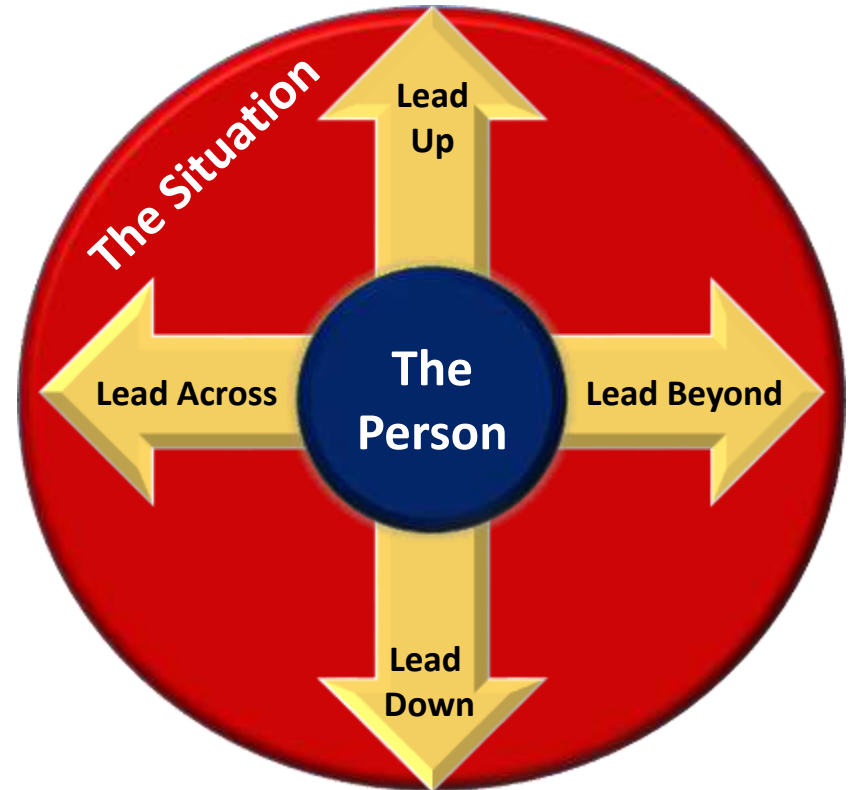


# Meta-leadership during a crisis or disaster

*“Meta-leaders...seek to influence and activate change well above and beyond established lines of their decision-making and control.”*

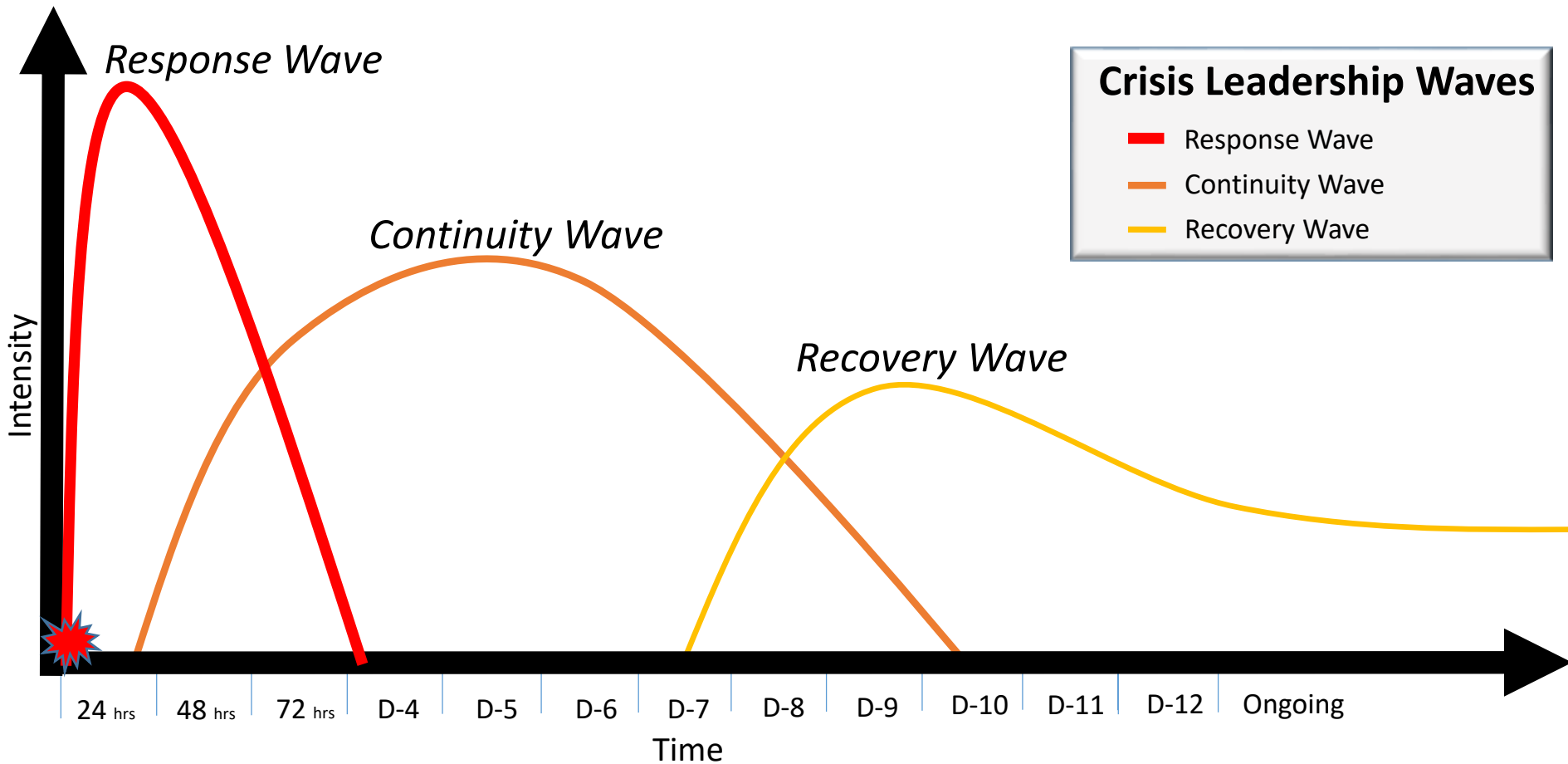
*“These leaders are driven by a purpose broader than that prescribed by their formal roles, and are therefore motivated and capable of acting in ways that transcend usual organizational confines.”*

## THE DIMENSIONS OF META-LEADERSHIP



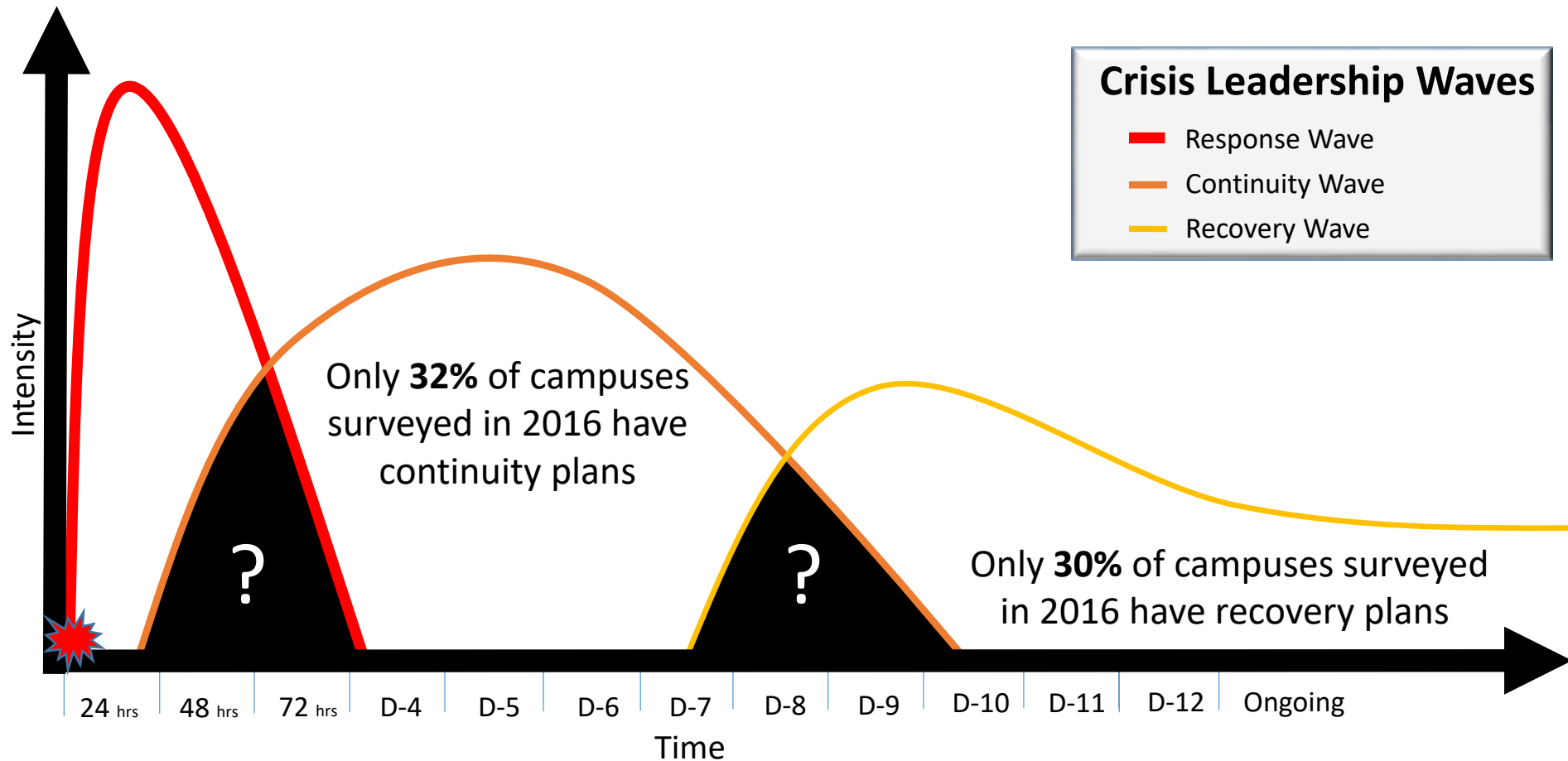
Source: Marcus, L.J., Ashkenazi, I., Dorn, B., and Henderson, J. (Spring/Summer 2008). Meta-Leadership: Expanding the Scope and Scale of Public Health. *Leadership in Public Health*, 8 (1&2)

# Wave successions and transitions



Source: André Le Duc Chief Resilience Officer and Associate Vice President, 2016

# Do you have a plan for transitions?



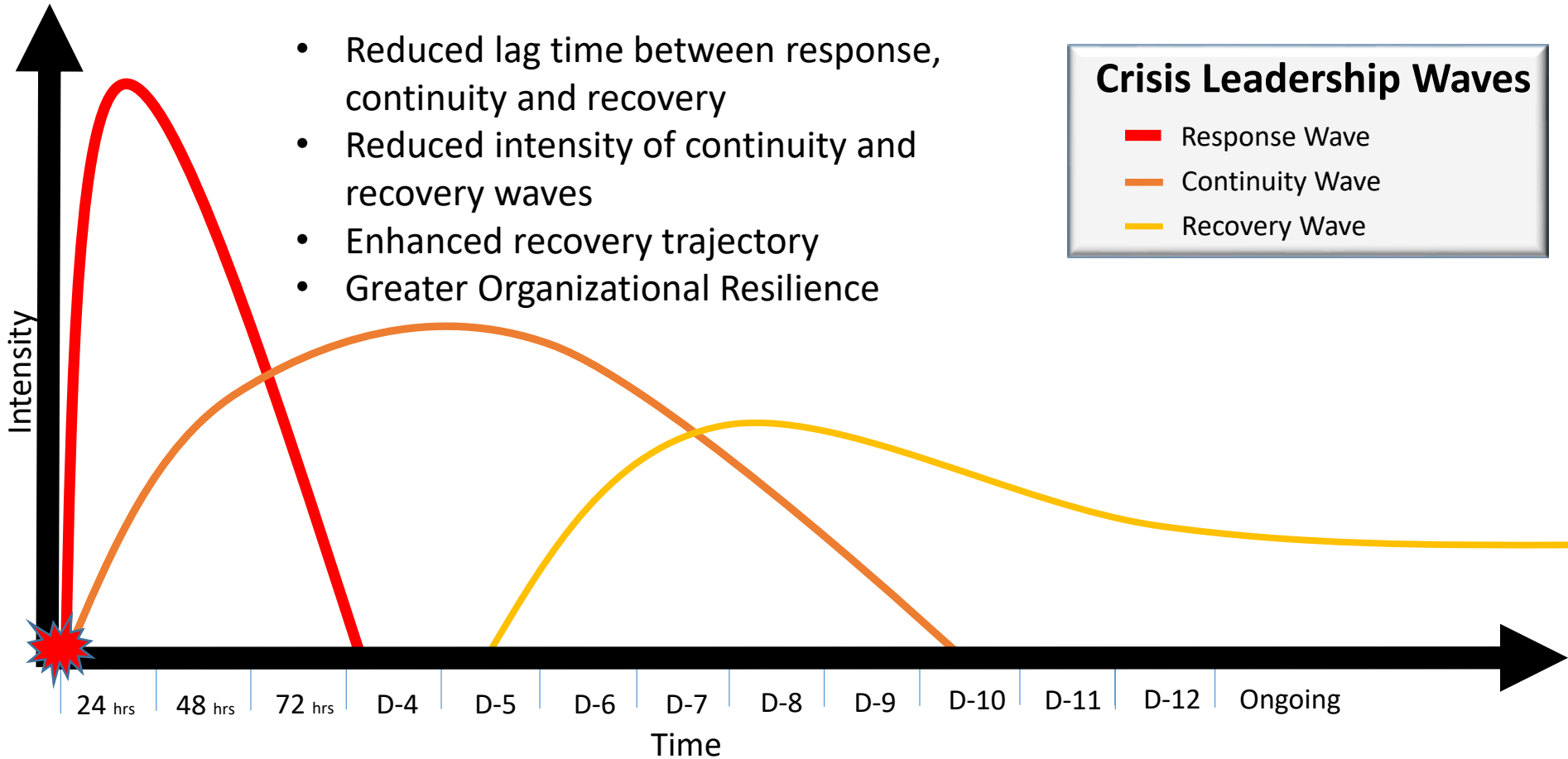
Source: André Le Duc Chief Resilience Officer and Associate Vice President, 2016

# Optimized Crisis Leadership Waves

- Reduced lag time between response, continuity and recovery
- Reduced intensity of continuity and recovery waves
- Enhanced recovery trajectory
- Greater Organizational Resilience

## Crisis Leadership Waves

- Response Wave
- Continuity Wave
- Recovery Wave



Source: André Le Duc Chief Resilience Officer and Associate Vice President, 2016

# How do we move from risk response to resilience?

The art of being ready for anything

# *The art of being ready for anything*



Change Ready?

# We live in a VUCA world!

Why  
Resilience?

**V**OLATILE

The environment demands you react quickly to ongoing changes that are unpredictable and out of your control

**U**NCERTAIN

The environment requires you to take action without certainty

**C**OMPLEX

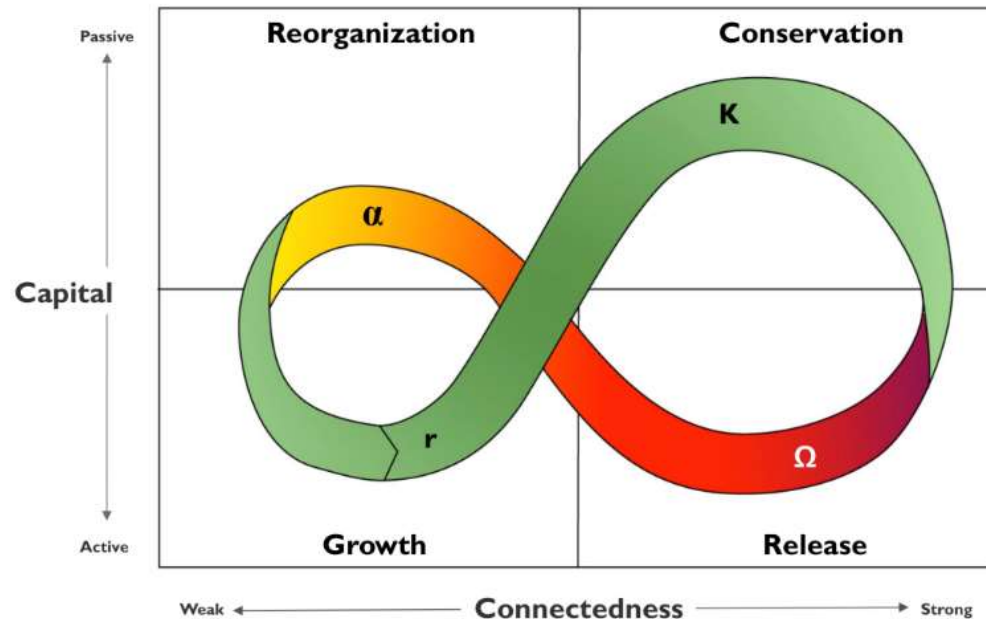
The environment is dynamic, with many interdependencies

**A**MBIGUOUS

The environment is unfamiliar outside of your experience

# Concept of Resilience

## Cycle of adaptive change



Source: Holling, 1987

(willdrake.wordpress.com)

Originally conceived as a way to think about ecosystems and the dynamic processes that occur within a system.

## Adaptive Change!



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## What is Organizational Resilience?

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*“A resilient organization is one that is still able to achieve its core objectives in the face of adversity.”*

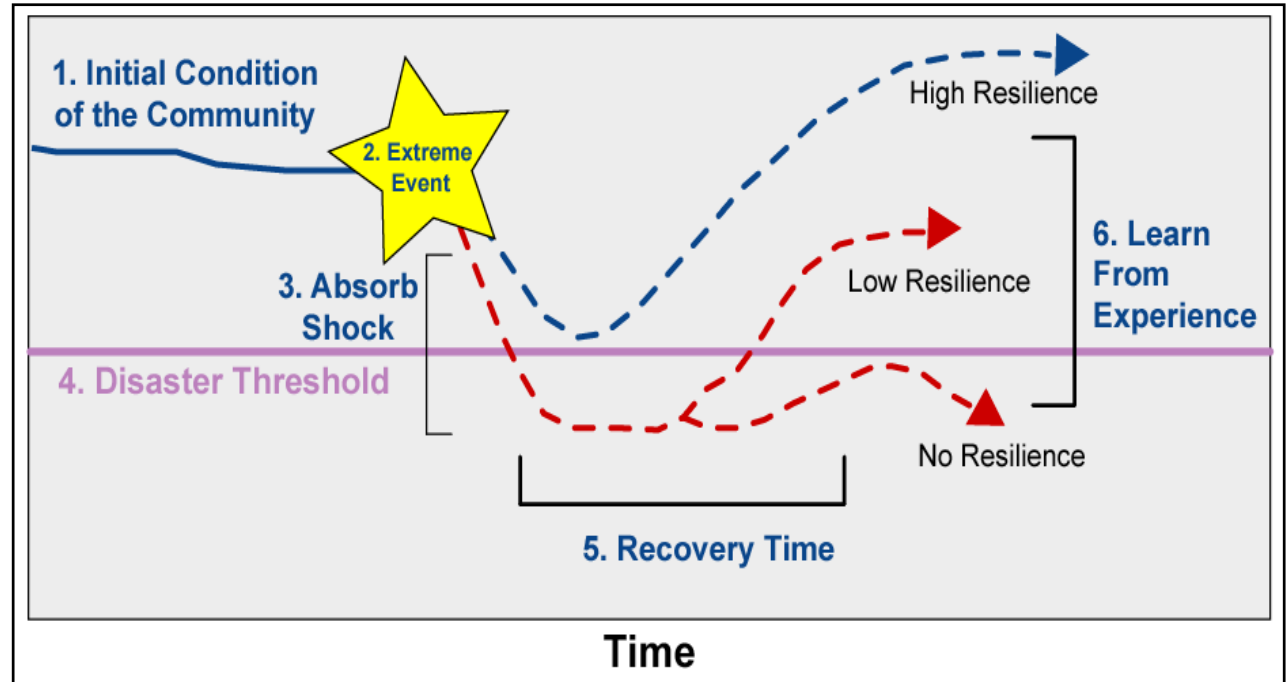
*“This means not only reducing the size and frequency of crises (vulnerability), but also improving the ability and speed of the organization to manage crises effectively (adaptive capacity).”*

*“To effectively manage crises, organizations also need to recognize and evolve in response to the complex system within which the organization operates (situation awareness) and to seek out new opportunities even in times of crisis.”*



UNIVERSITY OF  
OREGON

# Graphing Resilience



Source: USGS- University of Oregon Research Collaboration, 2006)

1. Initial condition
2. Extreme event
3. System shock

4. Disaster threshold
5. Recovery time
6. Lessons learned

How do we address  
the reality that  
communities are  
complex, open, self  
organizing social  
systems that change  
through time?



Long-Term Community Recovery  
from Natural Disasters

*Lucy A. Arendt and Daniel J. Alesch*



 CRC Press  
Taylor & Francis Group

“Plans are worthless, but  
planning is everything.”

- Dwight D. Eisenhower



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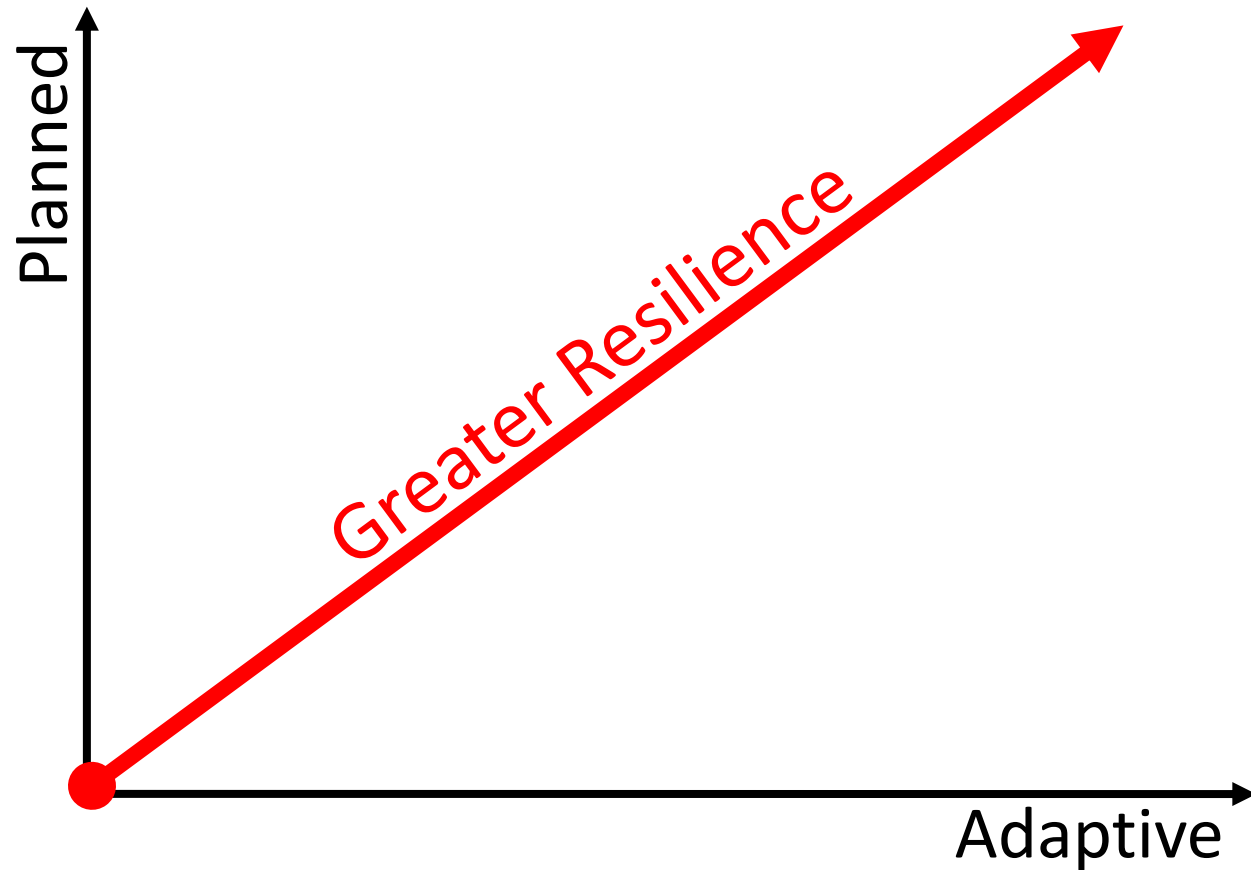
Planning  
And  
Resilience

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# Planning and Adaptive Capabilities

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A resilient organization has the ability to **survive** a disaster and **thrive** in a volatile and uncertain world



Resilient   
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[www.resorgs.org.nz](http://www.resorgs.org.nz)

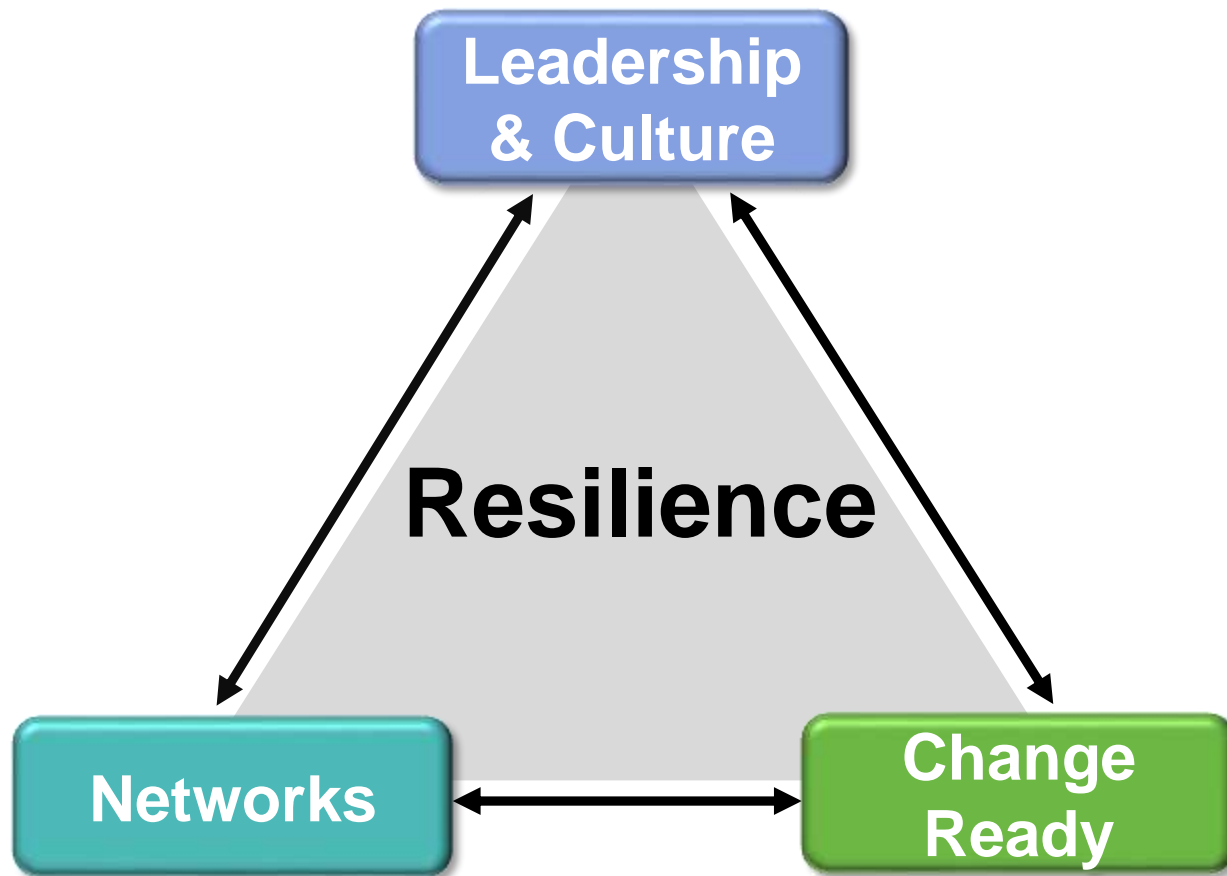
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# Resilience Organized!

3	Attributes
13	Indicators
3	Cultures



# Attributes of Resilience



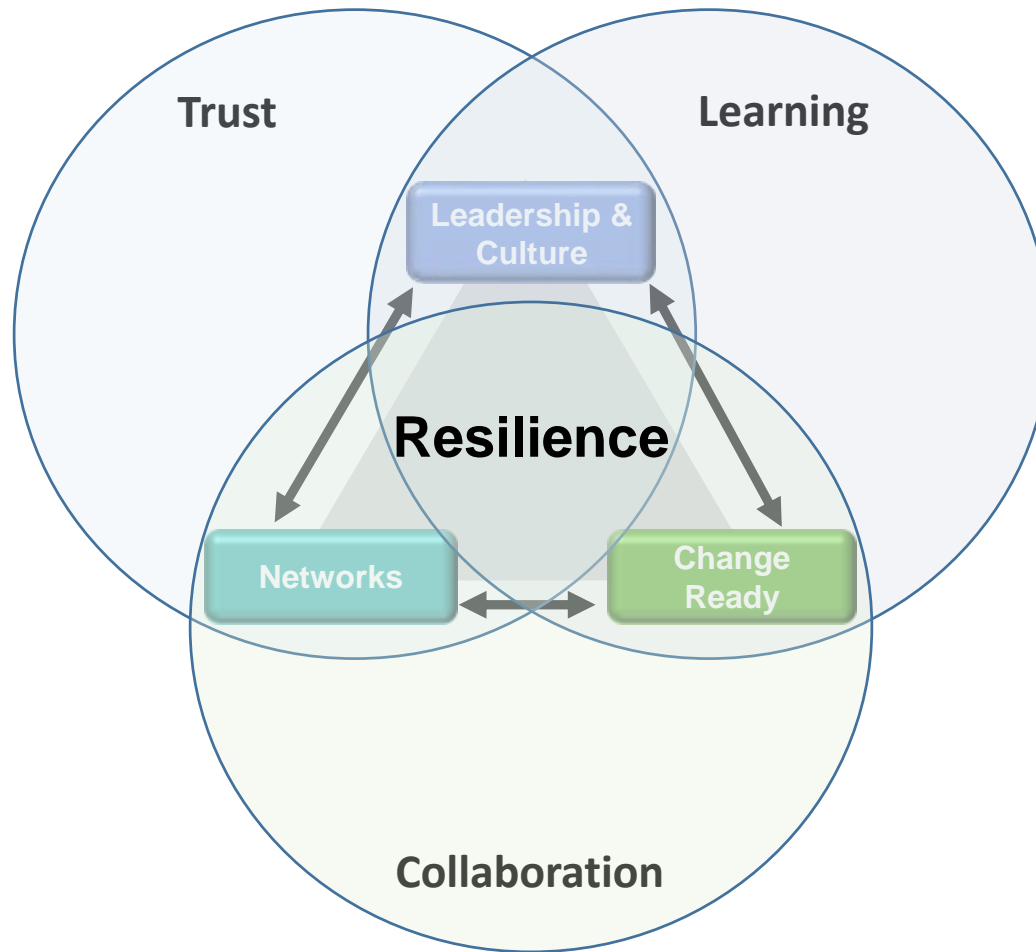
# Indicators of Resilience



# Some indicators are more impactful



# Cultures of Resilience



# Strategic Enterprise Risk Management and Compliance Committee (SERMC)



## UO Incident Management Team



## Leadership

Strong crisis leadership to provide good management and decision making during times of crisis, as well as continuous evaluation of strategies and work programs against organizational goals.

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Leadership

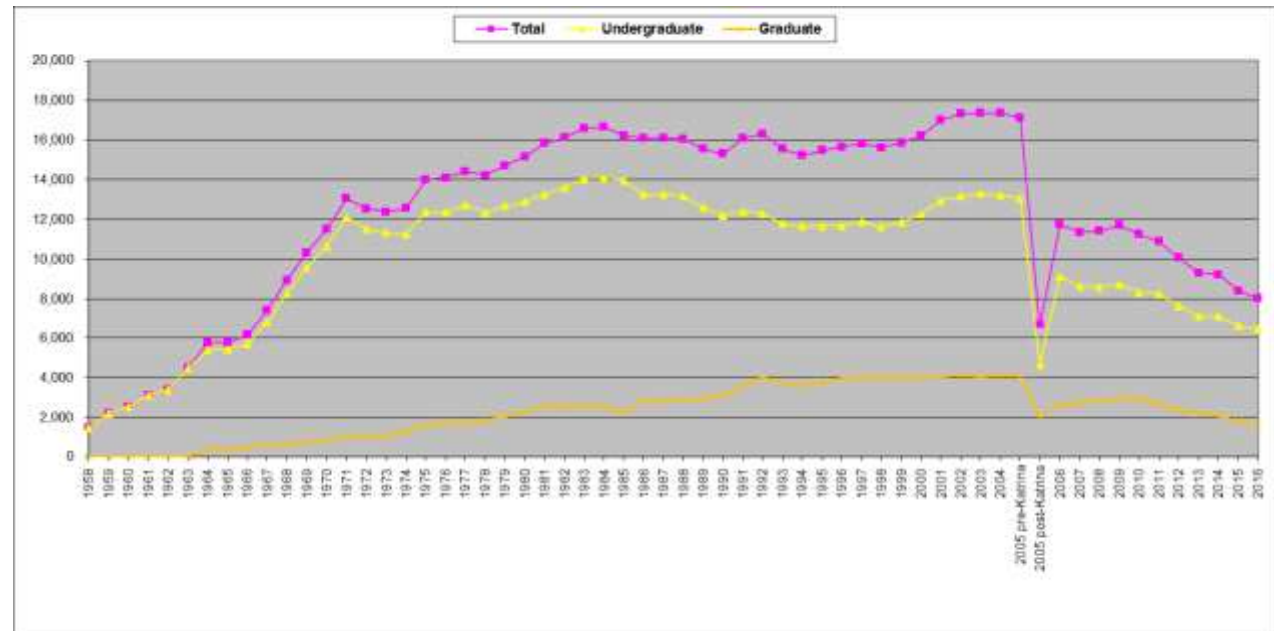
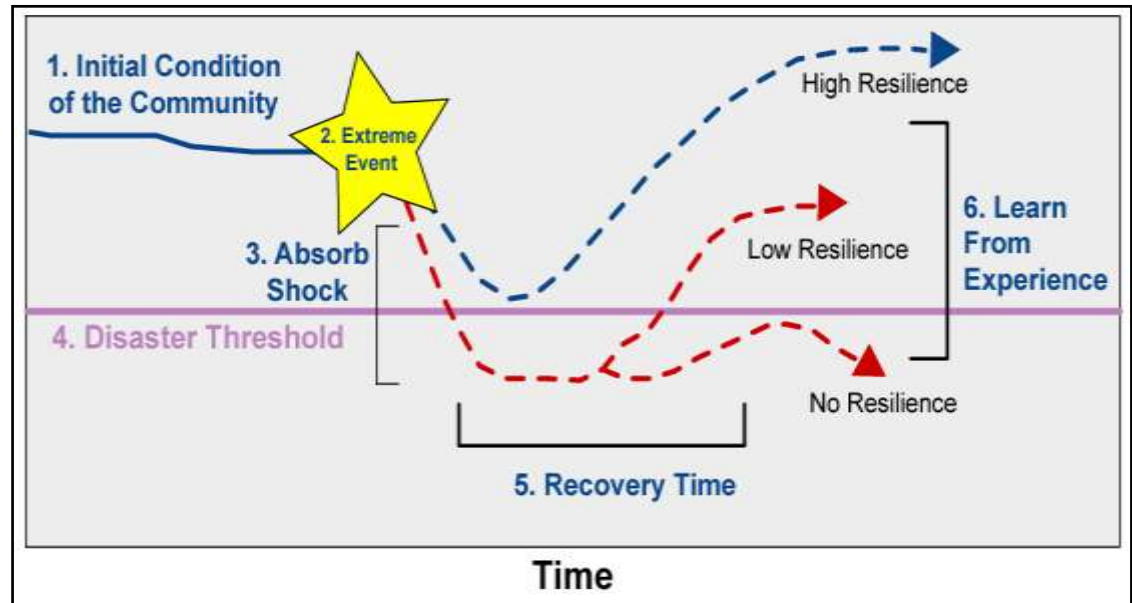
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Setting the  
Values and  
Tone



# Situation Awareness

Focus on the important things



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# Silos

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Working as  
a team with  
unity of  
purpose

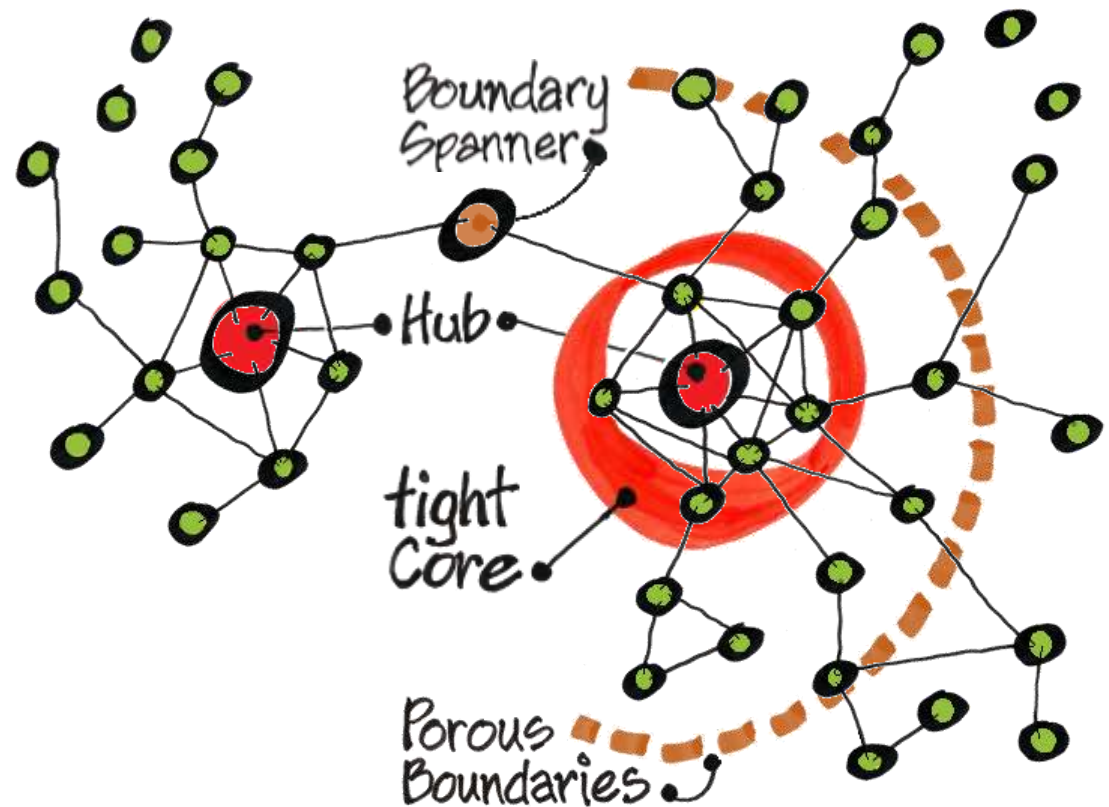




# Silos

Working as  
a team with  
unity of  
purpose

## Network structure & combining networks



# Innovation & Creativity

Willing and open to finding new and innovative ways to solve problems

**UNIVERSITY OF OREGON** Lead Mitigation

Building List

- Flag MOSS - NLI  
No Readings Exceeded EPA Levels
- Agate Hall  
No Readings Exceeded EPA Levels
- Alder Building  
No Readings Exceeded EPA Levels
- Allen Hall  
No Readings Exceeded EPA Levels
- Arnett Hall  
No Readings Exceeded EPA Levels

BAKER DOWNTOWN CTR

LEAD MITIGATION

Current lead testing and mitigation status by building. Data will be updated on a weekly basis. Safety & Risk Services

- No Readings Exceeded EPA Levels
- Readings Exceed EPA Levels, Mitigation Completed
- Readings Exceed EPA Levels, Mitigation Pending
- Testing Pending

**UNIVERSITY OF OREGON** UO SRS/CPFM Call Log

Call Log

Show Filters Show Logs

Call Data: Today (3)

- Huestis Hall 300**  
Content/workbench damaged  
Call Date: 11/14/18  
Call Time: 11:14 pm  
Call Type: Other  
Work Order #: 8004232
- Fine Arts Studios Sculpture (ART)**  
Sculpture Studio A out of paper towels  
Call Date: 11/14/18  
Call Time: 11:14 pm  
Call Type: Custodial  
Work Order #: 8004237

**UNIVERSITY OF OREGON** Sidewalk Inspections

Current status of sidewalk inspections across campus.

Found Issue

Created By: jmentzer Created On: 3/27/2018 Issue Rating: 0

Height: MEDIUM Slope: LOW

Driveway Vias: HIGH Park Proximity: LOW Streetfront: HIGH

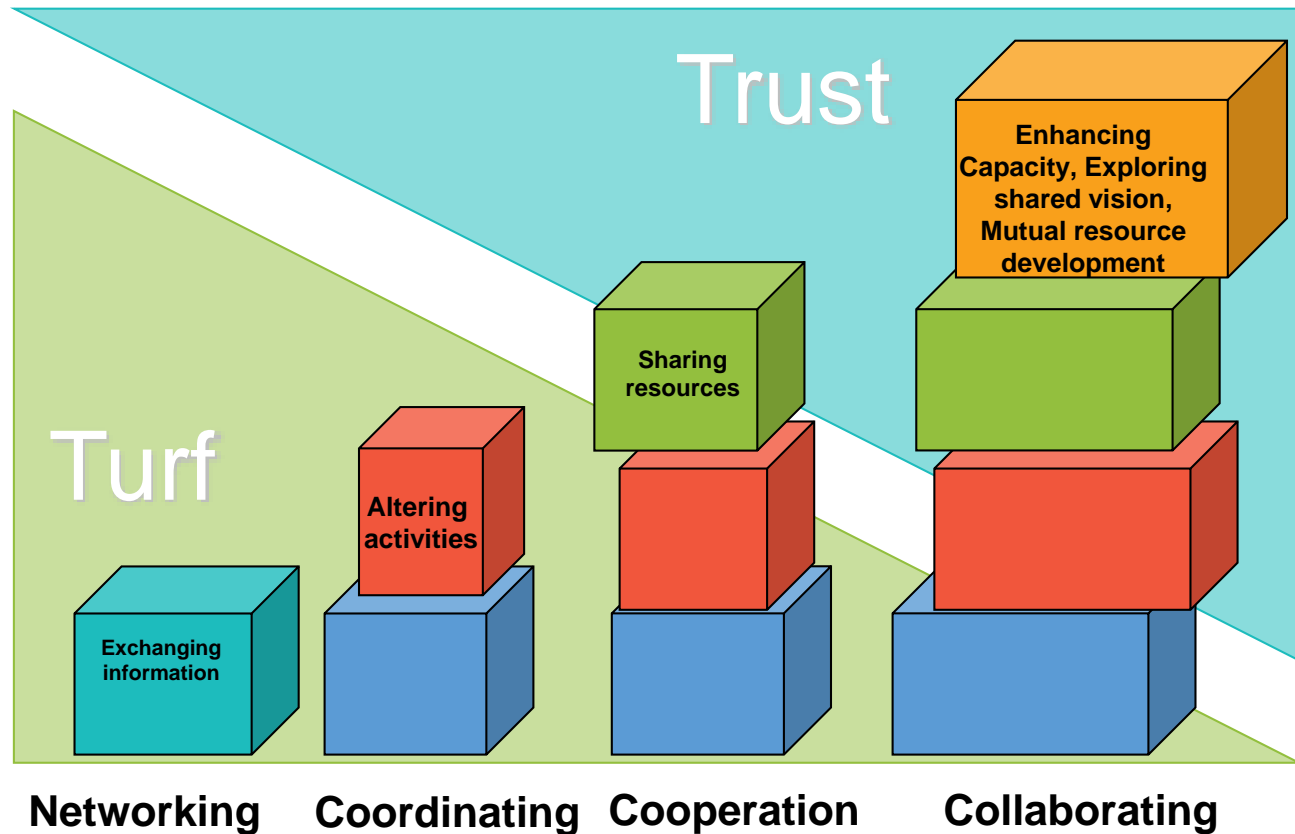
Source Encumbrance: Photo: [Click to View Photo.](#)

Map showing campus buildings and inspection locations. Buildings labeled include Carson, University Health, Counseling, and Testing, Hamilton, and Matthew Knight Arena.

Trust

Supporting others to contribute

# Understanding Collaborative Behavior



*Adapted from Collaboration Continuum from ACT for Youth*

# Resilience Diagnosis Tools

RESILIENT  
BUSINESS

## Introduction

Resilience is the ability of an organisation to survive a crisis and thrive in a world of uncertainty.

This questionnaire will help estimate the resilience of your organisation. The questionnaire will take approximately 5 minutes to complete. At the end of this survey you will be emailed a Resilience Report which includes an assessment of how your organisation's resilience compares to other small and medium sized organisations, as well as practical things you can do to improve the resilience of your organisation.

We use the term 'organisation' throughout this questionnaire. By an organisation we mean anything from a one person small business, to a very large corporation, from a small not-for profit to a large Government department.

The questionnaire has been developed by the Resilient Organisations Research Programme at the University of Canterbury in New Zealand. **The questionnaire is confidential and any data identifying your organisation will not be shared with any third parties.** The names of the participants or their organisations will not be used, published, or reported in any of the results. The Resilient Organisations research team may use your data to guide them in updating and improving the questionnaire, and to research ways to improve the resilience of organisations. Confidential and aggregate results and analyses will be published in reports publicly available on the Resilient Organisations website [www.resorgs.org.nz](http://www.resorgs.org.nz), and in peer reviewed academic journals.

This project has been reviewed and approved by the University of Canterbury Human Ethics Committee, Private Bag 4800, Christchurch; email [human-ethics@canterbury.ac.nz](mailto:human-ethics@canterbury.ac.nz). By choosing to participate, your organisation is consenting to involvement in this study. You may withdraw your participation at any time, including any information you have provided after you have completed the questionnaire. All data will be retained for 10 years, then all of the data with identifiable information will be destroyed.

For more information, or if you would not like your data to be used as part of ongoing research, please contact Erica Seville or John Vargo (Co-leaders of the Resilient Organisations Research Programme) at [ericasevilles@rsrc.co.nz](mailto:ericasevilles@rsrc.co.nz) or [johnvargo@canterbury.ac.nz](mailto:johnvargo@canterbury.ac.nz), or go to our website at [www.resorgs.org.nz](http://www.resorgs.org.nz)

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ORGANISATIONS  
A collaboration between research & industry

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# Benchmark Resilience Tool

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- Developed and refined over nearly a decade at University of Canterbury in New Zealand
- The data collection tool and findings are robust and benefit both large and small organizations
- A combination of an organization-wide survey and subsequent focused discussions with subsets of the organization's population

# Part one: Survey

## Decision making

Staff have the appropriate authority to make decisions related to their work, and authority is clearly delegated to enable a crisis response. Highly skilled staff are involved, or are able to make decisions where their specific knowledge adds significant value or where their involvement will aid implementation.

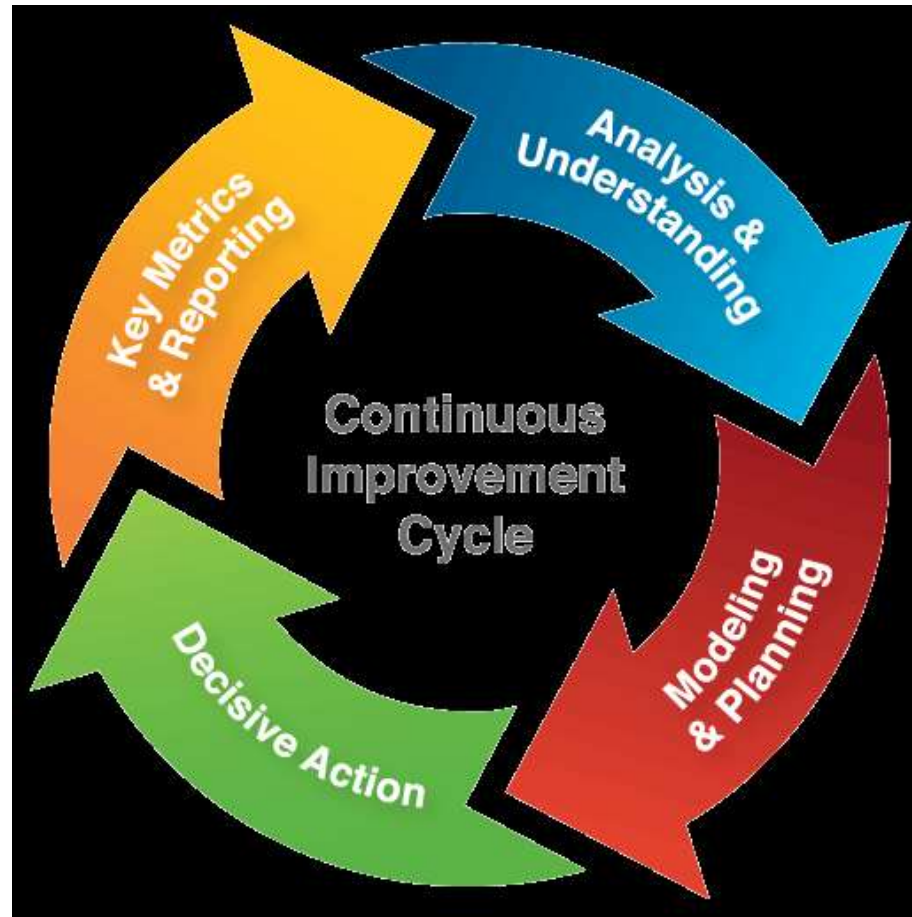
\* 23. To what extent do you agree or disagree with the following statements for your organisation?

	Strongly disagree							Strongly agree	Don't know
	☹	-----	-----	-----	-----	-----	-----	☺	
Should problems occur, staff have direct access to someone with authority to make decisions.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
We can make tough decisions quickly.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
In our organisation, the most qualified people make decisions, regardless of seniority.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

# Outputs: Where are we now



# Outputs: Where do we go next







Is your organization change ready?

# University of Oregon

## Enterprise Risk Management and Organizational Resilience Model

*Helping the UO plan for the best, mitigate the worst, and not only survive a disaster, but thrive in the face of adversity!*

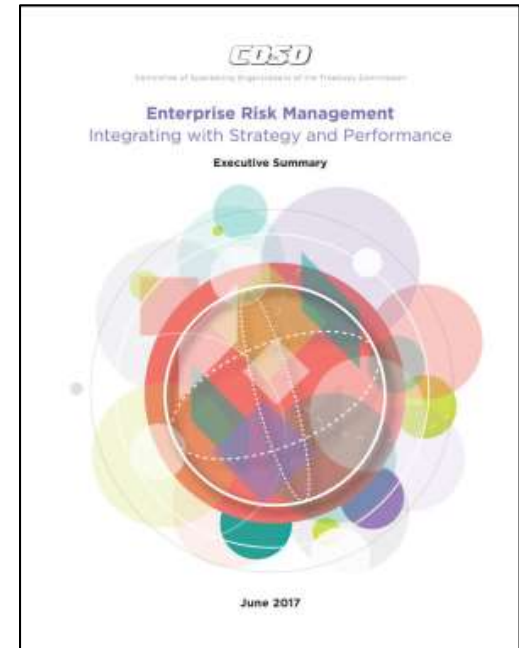


***Risk aware, not risk-averse***

# Enterprise Risk Management Defined

*"The culture, capabilities, and practices, integrated with strategy-setting and performance, that organizations rely on to manage risk in creating, preserving, and realizing value."*

*...Over the longer term, enterprise risk management can also enhance enterprise resilience—the ability to anticipate and respond to change."*



Committee on Sponsoring Organizations of the Treadway Commission (COSO)

# Enterprise Risk Management: A Focused Framework



## Governance & Culture

1. Exercises Board Risk Oversight
2. Establishes Operating Structures
3. Defines Desired Culture
4. Demonstrates Commitment to Core Values
5. Attracts, Develops, and Retains Capable Individuals

## Strategy & Objective-Setting

6. Analyzes Business Context
7. Defines Risk Appetite
8. Evaluates Alternative Strategies
9. Formulates Business Objectives

## Performance

10. Identifies Risk
11. Assesses Severity of Risk
12. Prioritizes Risks
13. Implements Risk Responses
14. Develops Portfolio View

## Review & Revision

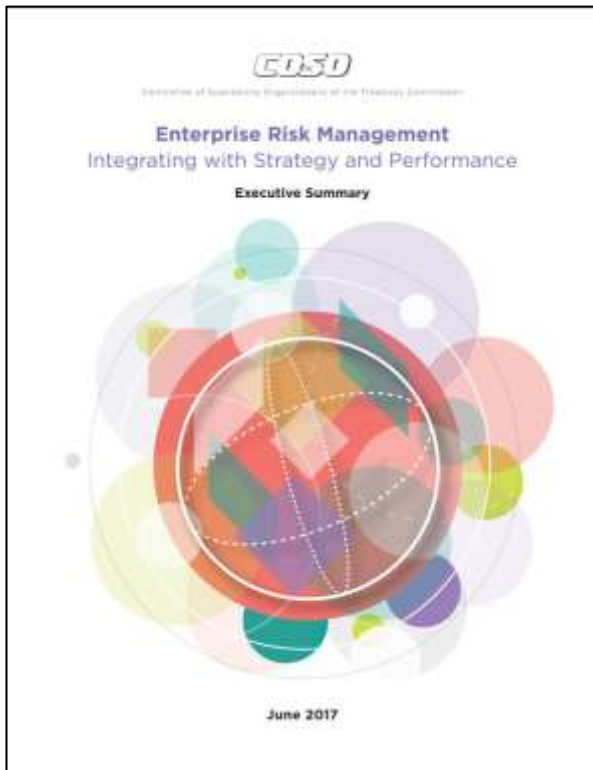
15. Assesses Substantial Change
16. Reviews Risk and Performance
17. Pursues Improvement in Enterprise Risk Management

## Information, Communication, & Reporting

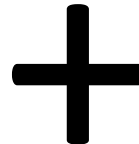
18. Leverages Information and Technology
19. Communicates Risk Information
20. Reports on Risk, Culture, and Performance

Source: Enterprise Risk Management Integrating with Strategy and Performance Committee of Sponsoring Organizations of the Treadway Commission (COSO) June, 2017

# Enterprise Risk Management & Organizational Resilience



Committee on Sponsoring Organizations of the Treadway Commission (COSO)



# The benefits of blending ERM and Organizational Resilience

- Identifies and allows leadership to manage and monitor multiple cross-enterprise vulnerabilities, risk exposures and capacities.
- Increases situational awareness and reduces operational surprises and losses
- Improves decision-making, adaptive capacities, and risk response
- Aligns strategy with operational capacity and risk appetite
- Improves deployment of limited resources - both human and financial
- Enhances organizational resilience at multiple levels of University



# University of Oregon: Strategic Enterprise Risk Management and Compliance Committee

Committee charge, membership, and structure



# Strategic Enterprise Risk Management and Compliance Committee (SERMC)

Committee charge from the President:

1. Develop tools and processes to actively identify, evaluate, and manage university risks
2. Ensure that systems and processes are in place to provide accountability for compliance with University's legal and policy obligations
3. Encourage communications, problem-solving, and collaboration across divisions, units, and departments

# Committee Members

- Vice President, Finance and Administration and Chief Financial Officer
- Vice President for Research and Innovation
- Vice President for Student Life
- Vice President for Student Services and Enrollment Management
- Vice President for University Communications
- Vice President for University Advancement
- Vice President and General Counsel to the University
- Vice President for Equity and Inclusion
- Executive Vice Provost for Operations
- Vice Provost for Information Services and Chief Information Officer
- Chief Resilience Officer and Associate Vice President for Safety and Risk Services
- Chief Human Resources Officer and Associate Vice President for Human Resources
- Chief Auditor
- Associate Vice President for Business Affairs and University Controller
- Senior Associate Vice President for Research and Innovation
- Director of Intercollegiate Athletics

# Committee Operational Process

- Committee meets monthly to review:
  - Strategic, enterprise-wide, and cross-unit risks
  - Compliance, operational, and financial risks
- Brief each other on emerging exposures and/or mitigation efforts
- Receive updates from standing committees and work groups
- Prioritize risk exposures, discuss risk tolerance, and actively monitor the University's risk exposure matrix

# Vulnerability, Exposure, and Risk Assessment Overview

*“Every choice we make in the pursuit of objectives has its risks. From day-to-day operational decisions to the fundamental trade-offs in the boardroom, dealing with risk in these choices is a part of decision-making.”*

Committee of Sponsoring Organizations of the Treadway Commission (COSO)  
Enterprise Risk Management Integrating with Strategy and Performance, June, 2017

EXCELLENCE IN RISK MANAGEMENT XIII

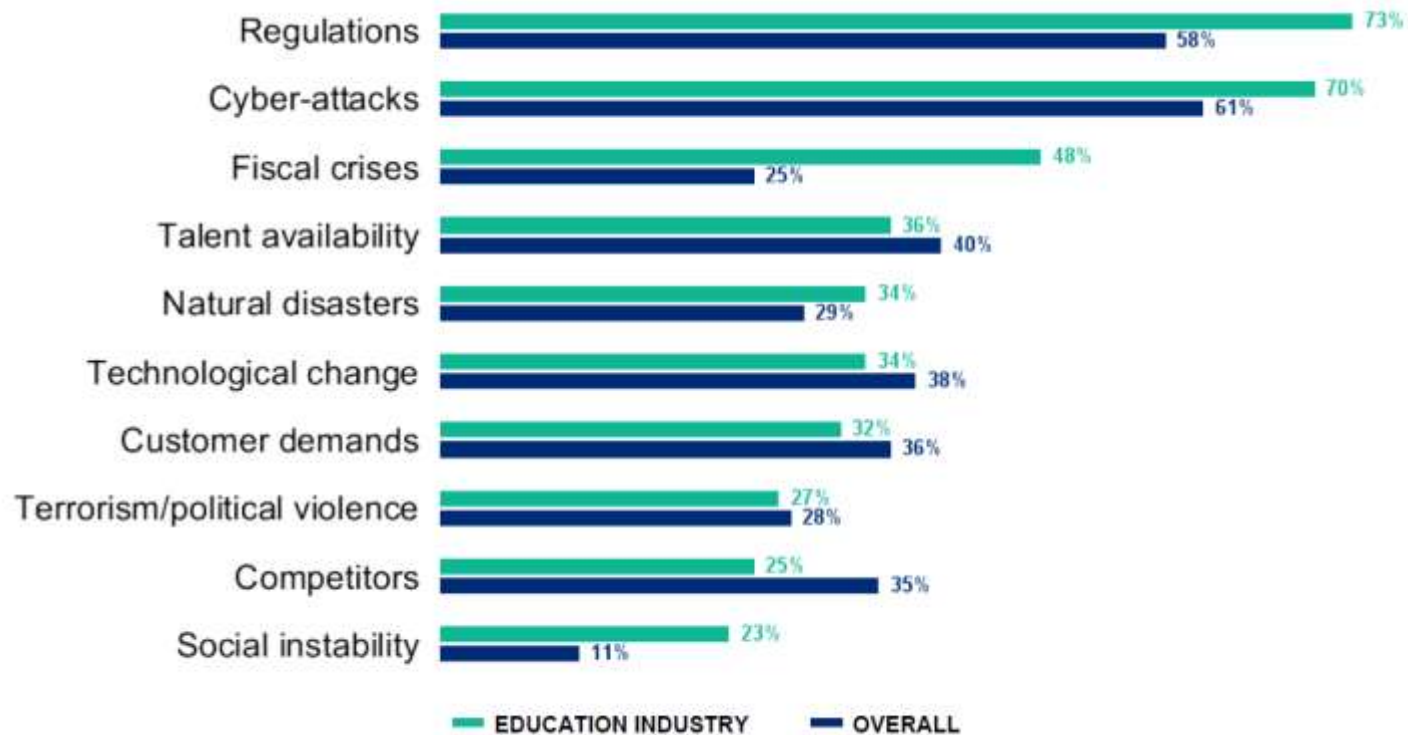
# Emerging Risks: Anticipating Threats and Opportunities Around the Corner

EDUCATION



# Emergence of Critical Risks for the Education Industry

From which of the areas listed below do you think the next critical risks for your organization will emerge?



Source: 2016 Marsh Report titled Emerging Risks: Anticipating Threats and Opportunities Around the Corner

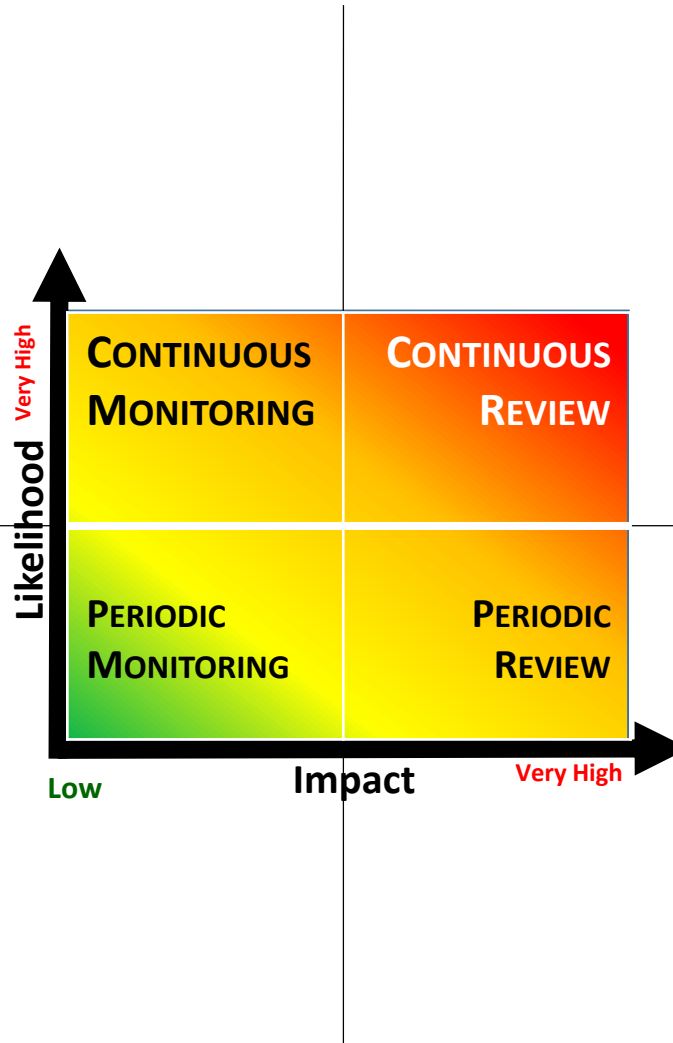
# Building a dynamic, agile and collaborative risk matrix

*Risk management is a shared responsibility and requires simple, yet dynamic and agile tools to help leadership see the big picture and make sound decisions in an uncertain world.*

# Quadrant Risk Exposure Map Defined

Conditions or risk exposures that have a **Very High / High** likelihood of occurring but have the potential for a **Moderate / Low** impact on the University's ability to achieve its mission and require **Continuous Monitoring** and actions to reduce exposures.

Conditions or risk exposures that have the a **Low / Moderate** likelihood and potential to have a **Low / Moderate** impact on the University's ability to achieve its mission and require **Periodic Monitoring** and actions to reduce exposures.



Conditions or risk exposures that have a **High / Very High** likelihood of occurring and also have potential **High / Very High** impact on the University's ability to achieve its mission and require **Continuous Review** and actions in reduce exposures.

Conditions or risk exposures that have a **Low / Moderate** likelihood of occurring but the potential for a **High / Very High** impact on the University's ability to achieve its mission and require **Periodic Review** and actions to reduce exposures.



# Establishing the University Risk Exposure Matrix

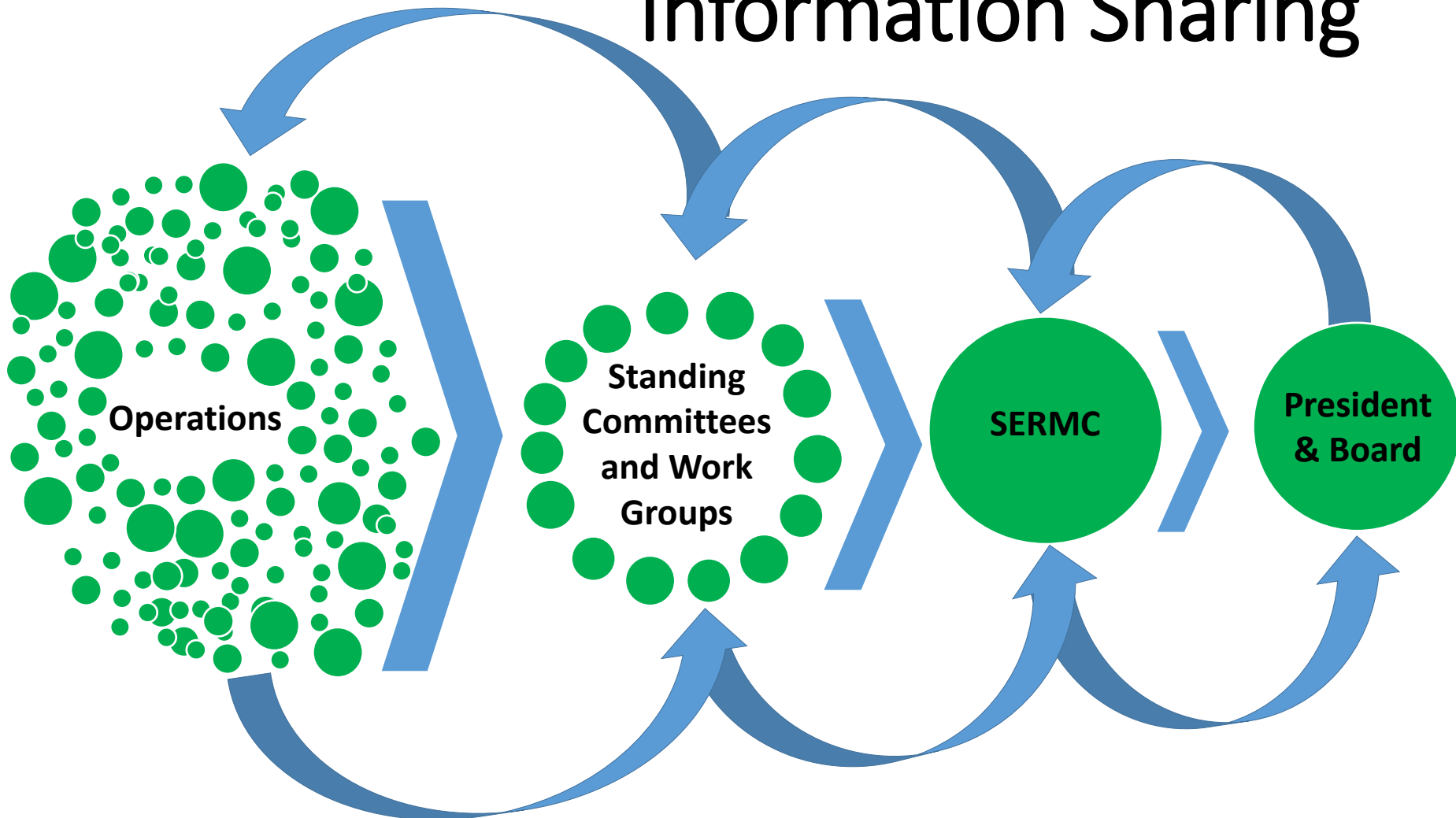
## Risk Exposure Overview

- Exposure Description
- Potential Risk Impact
- Risk Likelihood
- Relative Risk Exposure Score
- Residual Risk Exposure Score

## Risk Exposure Tracking

- Risk Steward (or owner)
- Accountable Parties
- Campus Partners
- Controls / Mitigation Summary
- Controls / Mitigation Effectiveness Rating
- Residual Risk Rating

# Risk Exposure Assessment and Information Sharing



*The risk exposure cards provide the University's management and leadership a summary of a potential exposure, condition, or event that could impact the University's **mission** or **strategic objectives**.*

*The cards also identify who is responsible for monitoring the potential exposure, as well as any policies, plans, and mitigation actions intended to reduce the University's exposure to the condition or event.*

## UO Risk Exposure Card

Row 32

Risks and Sub-Risks	Communicable Diseases Outbreak
Description	Communicable diseases can be transmitted in a variety of ways including inhalation of infectious droplets or airborne infectious organisms produced by coughing, direct exposure to infectious organisms, secretions through close personal contact with an infected person, ingestion of contaminated foods, and contact with inanimate objects contaminated by infectious materials.
Potential Exposures	Potential exposures include: illness and fatalities to faculty, staff and students; administrative, teaching and research disruption due to staff shortages; and travel bans internationally due to illness abroad with the potential to impact university business
Risk Impact	Moderate
Risk Likelihood	Moderate
Risk Rating	<span style="color: green;">●</span>
Mitigation Effectiveness Rating	2
Risk Exposure Rating	Periodic Monitoring
UO Risk Owner	Chief Resilience Officer
Accountable Department / Position	UO Incident Management Team Environmental Health & Safety Emergency Management and Continuity Health Center
Campus Partners	Registrar's Office, University Communications, Student Life
Mitigation Summary	2016 - Updated meningitis response protocol based on 2015-2016 outbreak 2016 - Established a model program for mass vaccine distribution during meningitis outbreak that can be applied to other types of outbreaks 2016 - Recommend that incoming students receive the Meningitis B vaccination
Relevant Plan, Policies and Procedures	Emergency Operations Plan Communicable Disease Plan

Likelihood

### CONTINUOUS MONITORING

Examples of Exposures, Conditions or Events:

- *Prevention and Response – Sexual Assault*
- *Regulatory Compliance – Research*
- *Civil Unrest – Demonstrations and Protests on campus*
- *Student Admissions and Retention*
- *Federal Funding Dependence*

### CONTINUOUS REVIEW

Top Exposures, Conditions or Events

- *Tuition Dependency*
- *Facilities and Infrastructure*
- *Information Technology Infrastructure*
- *Cyber Security*

### PERIODIC MONITORING

Examples of Exposures, Conditions or Events:

- *Int'l Programs – Safety and Support*
- *Athletics Regulatory Compliance*
- *External Relations – Community, State, and Donor Relations*
- *Prevention and Response – Communicable Diseases Outbreak*
- *Building Safety and Security*

### PERIODIC REVIEW

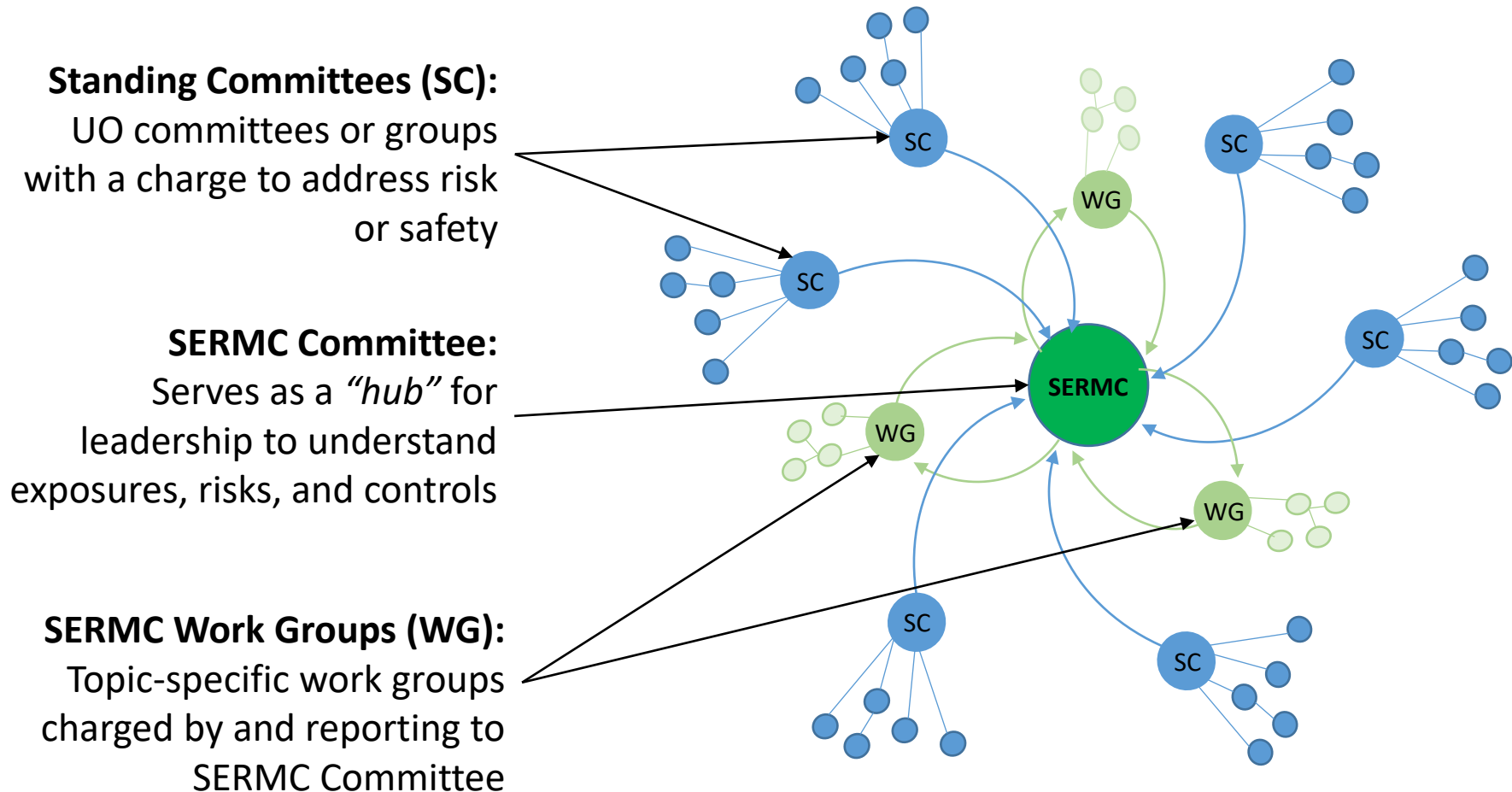
Examples of Exposures, Conditions or Events:

- *Response and Recovery – Earthquake*
- *Research and Lab Safety*
- *Academic Quality*
- *Emergency Response Plans*
- *Crisis Communications Plan*

Impact

# SERMC Network Approach

*Link, Align, and Leverage*



# Examples of Standing Committees and Teams connected to SERMC

- Behavioral Evaluation and Threat Assessment Team
- Campus Vulnerability Assessment Team
- Data Security Incident Response Team
- Incident Management Team
- Integrated Claims Management Team
- Institutional Biosafety Committee
- Laboratory Safety Committee
- Laser Safety Committee
- Radiation Safety Committee
- Safety Advisory Committee

# SERMC Cross-disciplinary Work Groups



Source: <http://strategicdoing.net/>

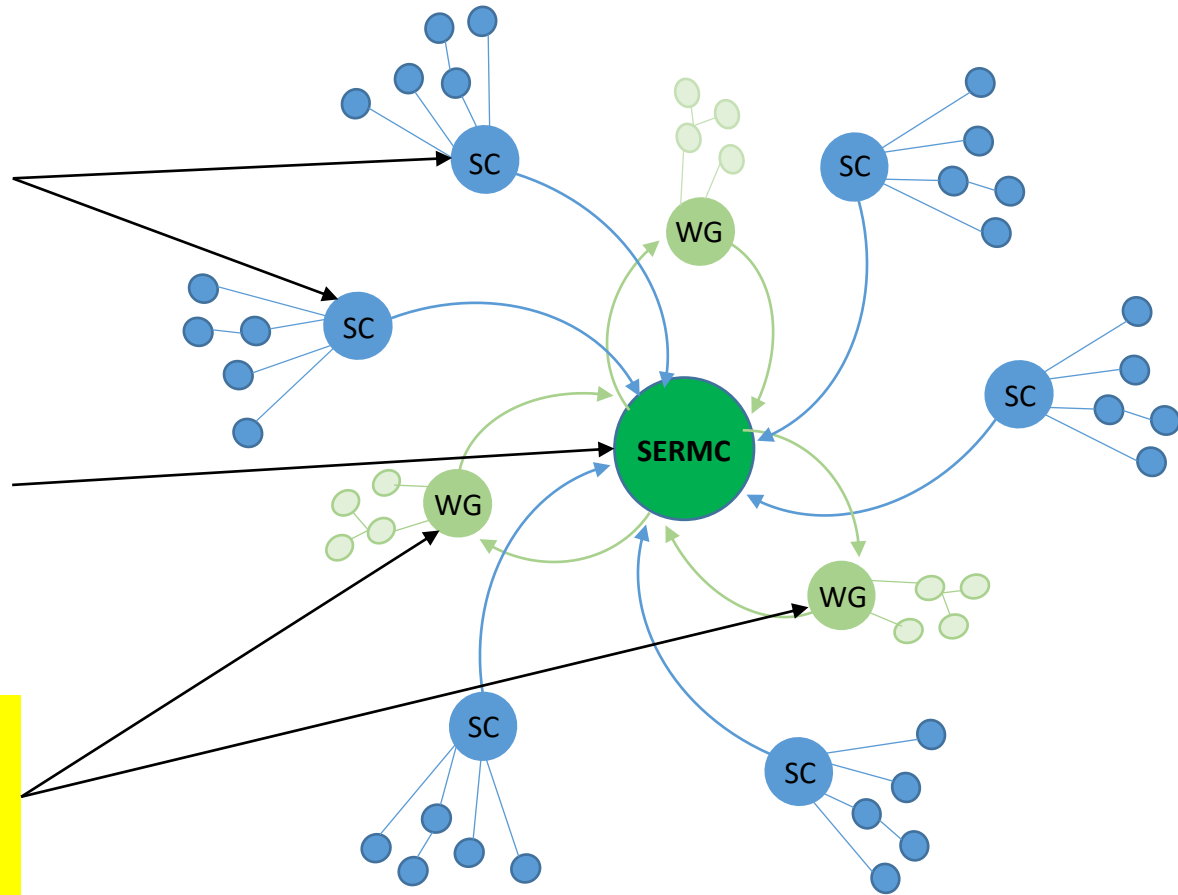
# Committee's Network Approach

## *Link, Align and Leverage*

**Standing Committees (SC):**  
UO committees or groups  
with a charge to address risk  
or safety

**SERMC Committee:**  
Serves as a "Hub" for  
leadership to understand  
exposures, risks and controls

**SERMC Work Group (WG):**  
Topic specific work groups  
charged by and reporting to  
SERMC Committee





# SERMC Work Groups: Moving from Risk Identification to Action

SERMC identifies gaps or cross-disciplinary risks and develops work groups to address them.

SERMC provides a charge to the work group that:

- ✓ Determines work group membership
- ✓ Identifies specific needs
- ✓ Provides clear expectations on outcomes
- ✓ Establishes a timeline (90-120 days)
- ✓ Reviews work group recommendations and determines next steps or action plans

# Current SERMC Work Groups

- Information Communication Technology Accessibility
- Enterprise Training Coordination and Systems
- University Records Work Group
- University Reporting Channels and Responsibilities
- Nighttime Safety and Violence Prevention
- Clery Act Compliance Work Group

# SERMC Work Group Charge Components

- Overview: Brief summary of risks or potential exposure
- Charge: e.g., researching and cataloging. Request recommendations from the work group to mitigate risk or potential exposure.
- Proposed Membership: Institution-wide, cross-unit list of stakeholders
- Next Steps: A suggested plan of action for the work group

# University Reporting Channels and Responsibilities Work Group

## Charge

- Catalog all reporting channels and systems at the university.
- Identify potential opportunities to streamline systems through a review of existing reporting software and analyze whether the current software can be streamlined for efficiency.
- Explore establishing an easily identifiable, outward facing website that catalogs all reporting channels available to the campus community.

# University Reporting Channels and Responsibilities Work Group

## Membership

- Human Resources
- VPFA
- Internal Audit
- Business Affairs
- General Counsel
- Information Services
- Purchasing and Contracting Services
- University Communications
- Research and Innovation
- Student Life
- Investigations and Civil Rights Compliance
- Athletics
- Office of the Provost
- Safety and Risk Services

# University Reporting Channels and Responsibilities Work Group

- Work group charged by SERMC – September 2018
- Recommendation to SERMC – April 10, 2019
- Implementation – April to May 2019
- Completion – June 2019

# Closing Thoughts

- The charge should be constructed strategically to ensure the success of the work group.
- The work group charge is a living document and subject to updates and revision as needed.
- The work group structure is effective only to the extent the members trust one another and do not feel threatened.
- There must be a team approach. Each group member should feel as though they are “in the trenches” together working to mitigate the risk or exposure.



# Questions

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