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COC-N Resilience Workshop

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Warning: Turbulence Ahead



"The world is becoming turbulent faster than most companies are becoming resilient... few companies seem prepared for a world that is all punctuation and no equilibrium."

Gary Hamel

Back to the Future: Total Quality Management

In the 1980's American Business Leaders Maintained that Quality Was a Luxury and a Drain on Productivity

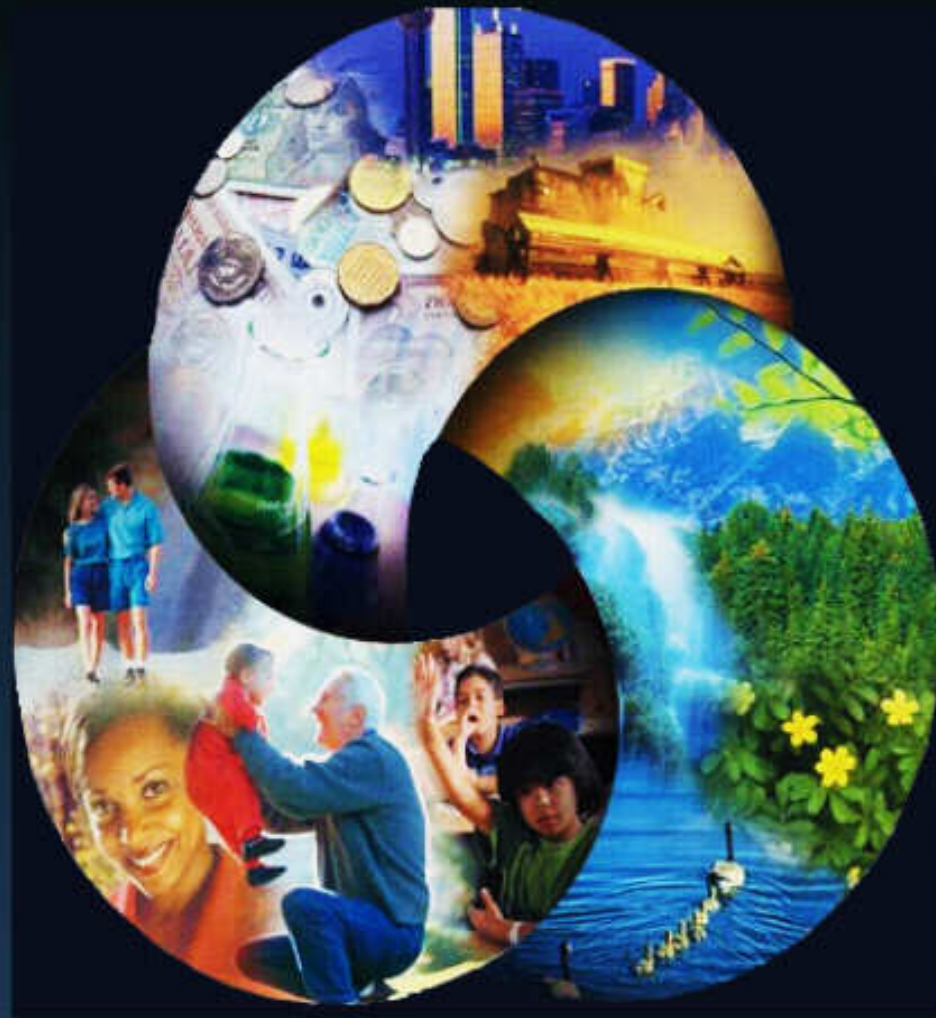


Until Total Quality Management...

The Japanese Made Quality the Competitive Differentiator By Turning Perceived Cost into Competitive Advantage



Resilience Is the New Total Quality Management





What Is Resilience?

Enterprise Resilience

	Functional (Sense, Respond)	Structural (Organize, Build)
Strategic (Robustness)	Adaption Innovation Transformation	Fortification Centralization Diversification
Operational (Continuity)	Recognition Resistance Recovery	Redundancy Flexibility Security

Is Japan's Economy As Resilient As It Could Be?

What's Driving the Demand for Resilience?

Push

What Would be the Effect of the Next Natural Disaster?



Pull

The Business Case

Push

What Would be the Effect of
the Next Natural Disaster?





Pull

The Business Case

Most Costs Are Hidden



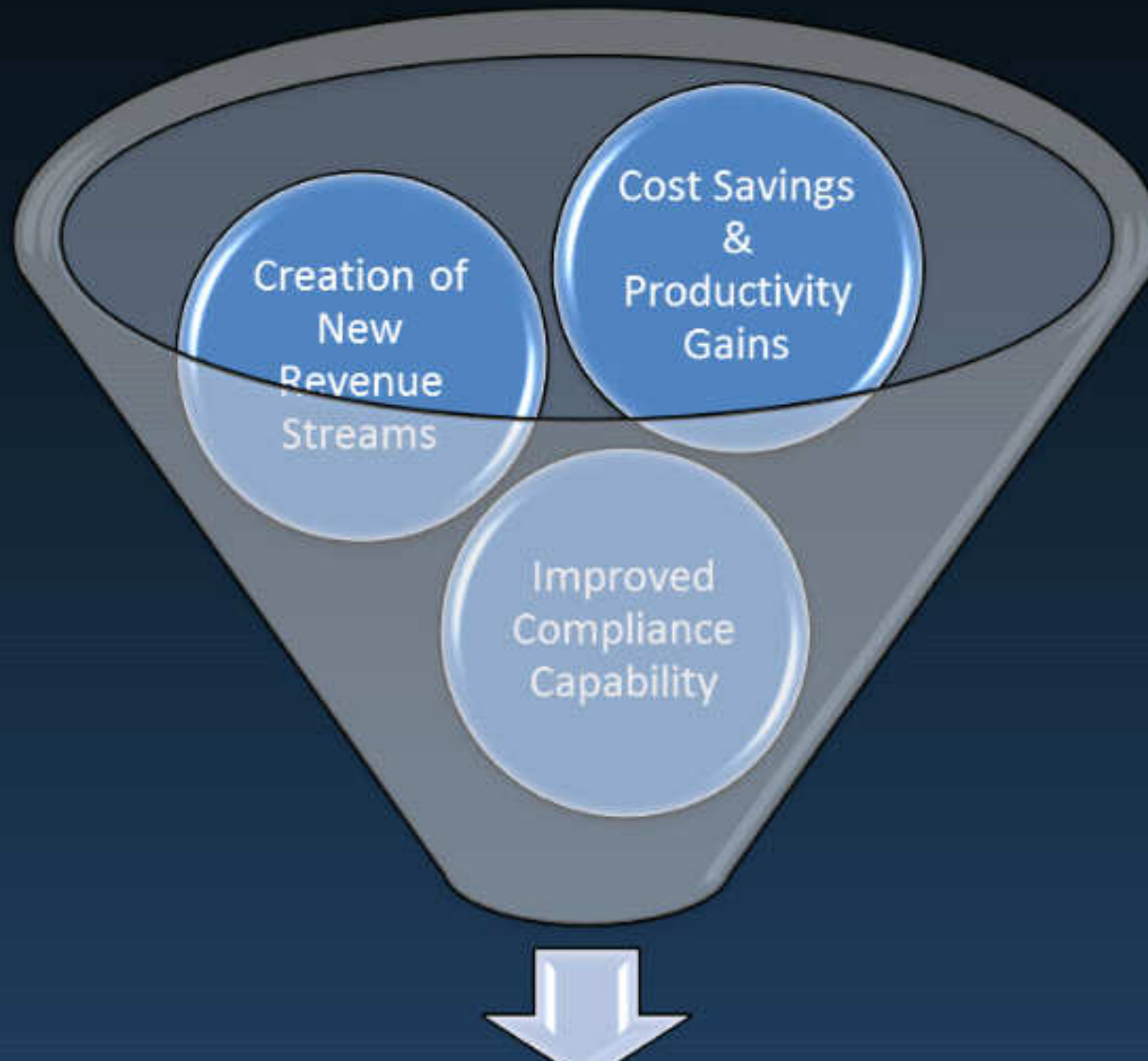
The Tip of the Iceberg Direct Costs of Injuries

- Medical Costs
- Wage Indemnity
- Claims Administration Fees

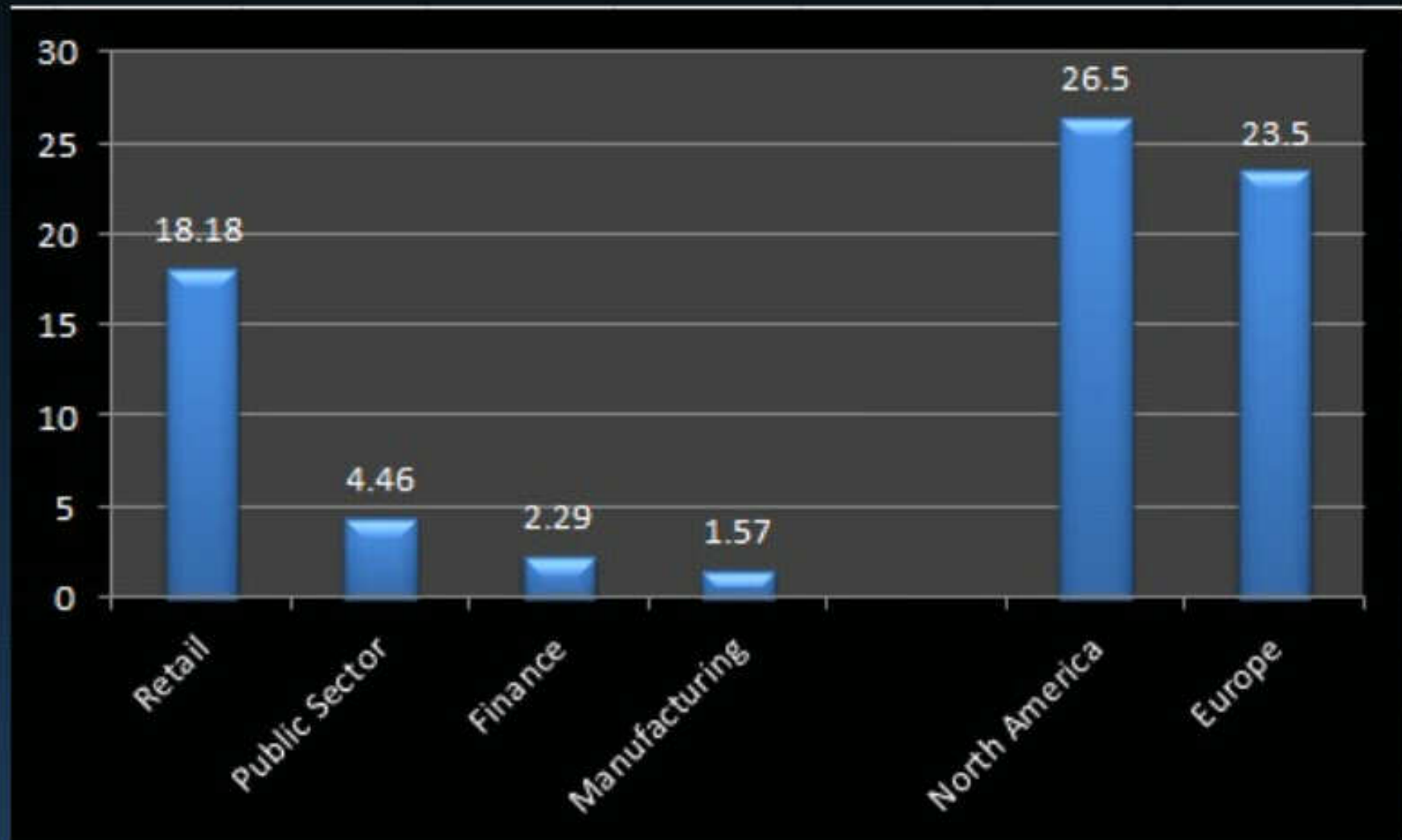
The Bulk of the Iceberg Additional Costs of Injuries

- Damaged Equipment and Goods
- Lost Production and Quality
- Process Interruptions/Yield Losses
- Replacement Labor/Overtime
- Damage to Customer Relations & Public Image

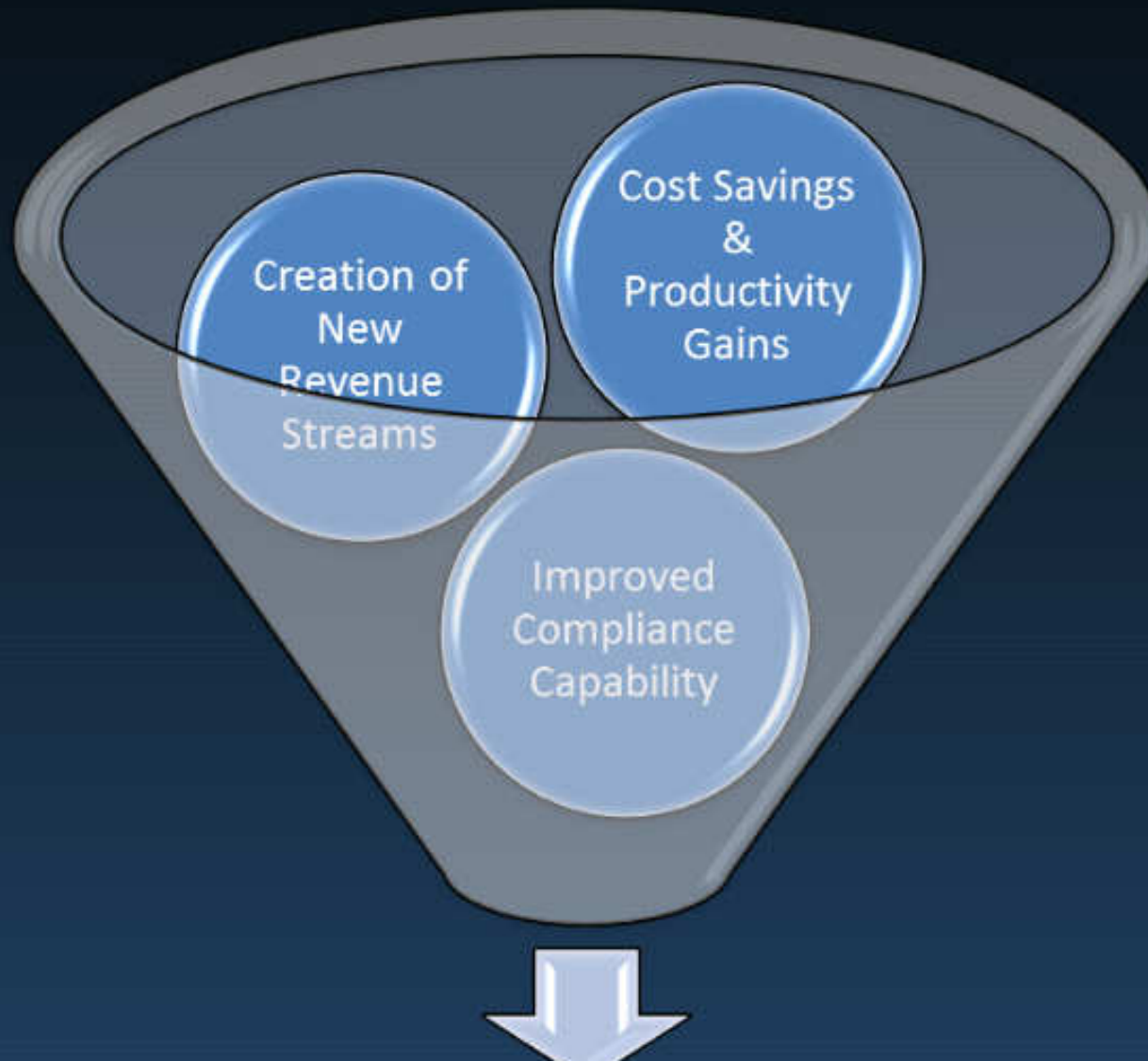
Business Benefits of a Strategic Approach to Resilience

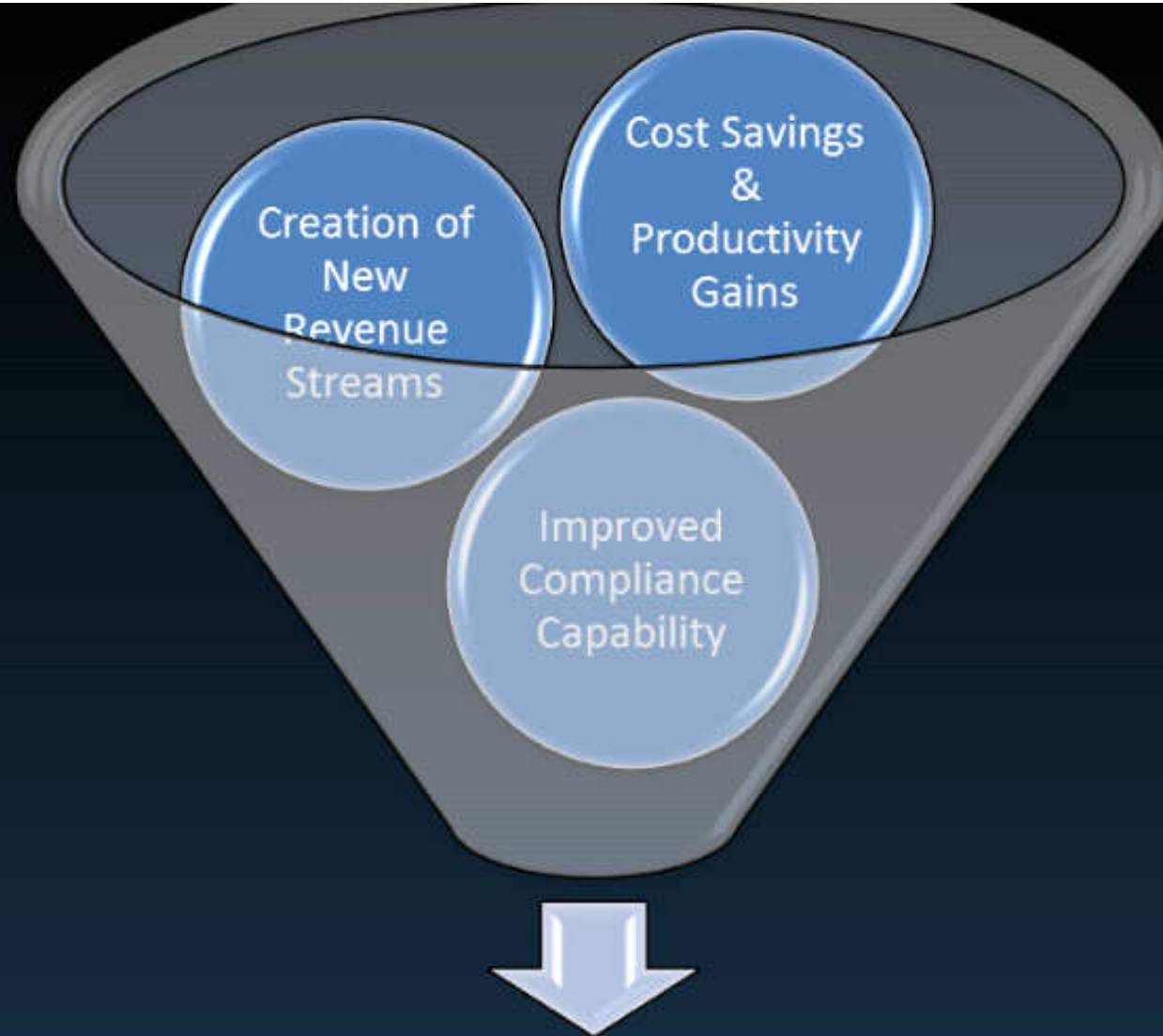


Total Annual Revenue Losses Caused by IT Downtime for Companies in North America (\$ billions)



Business Benefits of a Strategic Approach to Resilience





Improved Competitive Standing

Increased Confidence and Value for Customers, Employees, Shareholders, and Community

Innovation at Waste Management



Transforming Security into a Strategy for Resilience

Old Think



New Think



Old Think



New Think



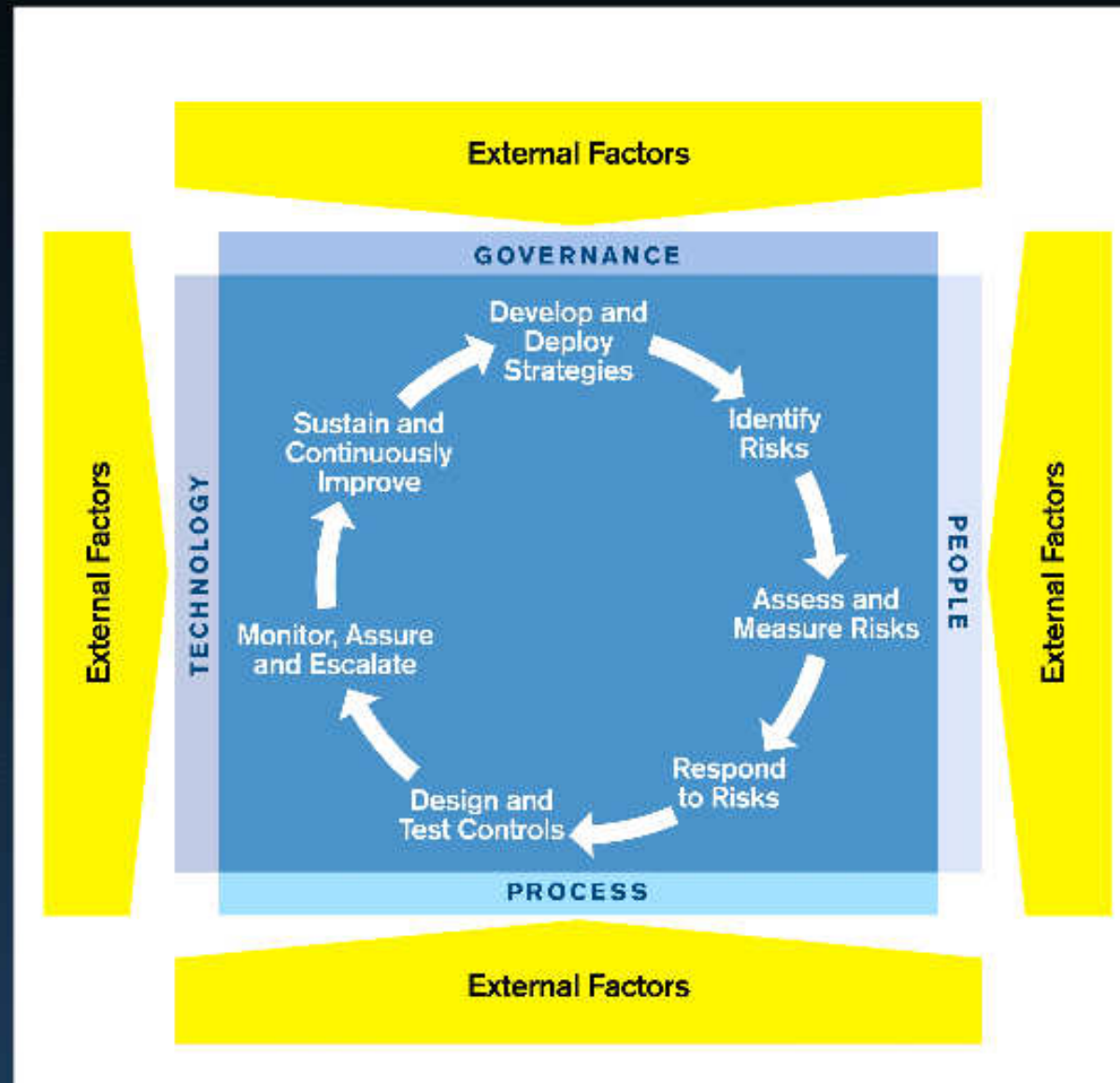
Five Phases to Being Resilient



Building Resilience and Competitiveness



Create a Resilient Framework





Put Plans in Place
that Anticipate



that Anticipate

Walk the Talk at
the Top

Treat Risk as a
Continuum

the top

Treat Risk as a
Continuum

The Risk Continuum





pate

Take a Systems Approach

Approach

Manage with
Metrics

Metrics - Measuring System Resilience



Utility

Life Cycle

Continuity

Environment

Social Responsibility



Harness Technology to Reinforce Resilience

ems

A close-up photograph of a brick wall. The bricks are dark grey or black with a rough, textured surface. The mortar joints are a lighter, off-white color. A dark blue rectangular text box is overlaid on the right side of the image, containing white text. The text is centered within the box and reads "Create Cutting Edge Research Centers".

Create Cutting Edge
Research Centers

Next Steps



Businesses



Universities



Government





Resilience Is a Cultural Transformation that Requires Felt Leadership



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