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DISASTER PREPAREDNESS OF SRI LANKAN BUSINESSES: A CASE STUDY OF FIVE COMPANIES

PROJECT REPORT PRESENTED BY

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ABSTRACT

As the number of disasters occurring is increasing and the loss values related to disasters are also increasing it is quite prudent for any business entity to be ready for disasters. On the other hand business organizations being a source of livelihood and a source of goods and services shall be operational even during a disaster. As a result, being ready for a disaster is an important consideration in business management and hence this study was designed to (a) establish the disaster preparedness of five selected Sri Lankan business organizations, (b) identify aspects required to be in place for an organization to be considered as disaster prepared and (c) identify level of conformance to these aspects by these business organizations.

There is quite a good number of standards, guidelines and regulations developed which guide organizations to develop capability to recover from disasters. Business Continuity Guideline issued by the Central Bank of Sri Lanka is a good example for such a document.

After studying the available literature on disaster preparedness for businesses, a framework was identified and this was used as the guideline for information collection. This framework had nine aspects which are (i) Risk Evaluation & Control, (ii) Business Impact Analysis, (iii) Development of Business Continuity Strategies, (iv) Emergency Responses and Operations, (v) Development of Business Continuity Plans, (vi) Awareness and Training Programmes, (vii) Maintaining and Exercising BCP, (viii) Crisis Communication and (ix) Coordination with external agencies.

This frame work was used to evaluate disaster preparedness of five selected organizations and the observations were analyzed and following conclusions was arrived at. If the organization is a local operation of a multinational, the probability of finding a good level of disaster preparedness is high; or if a regulator is pursuing disaster preparedness among industries being regulated, then the probability of finding a good level of disaster preparedness is high.