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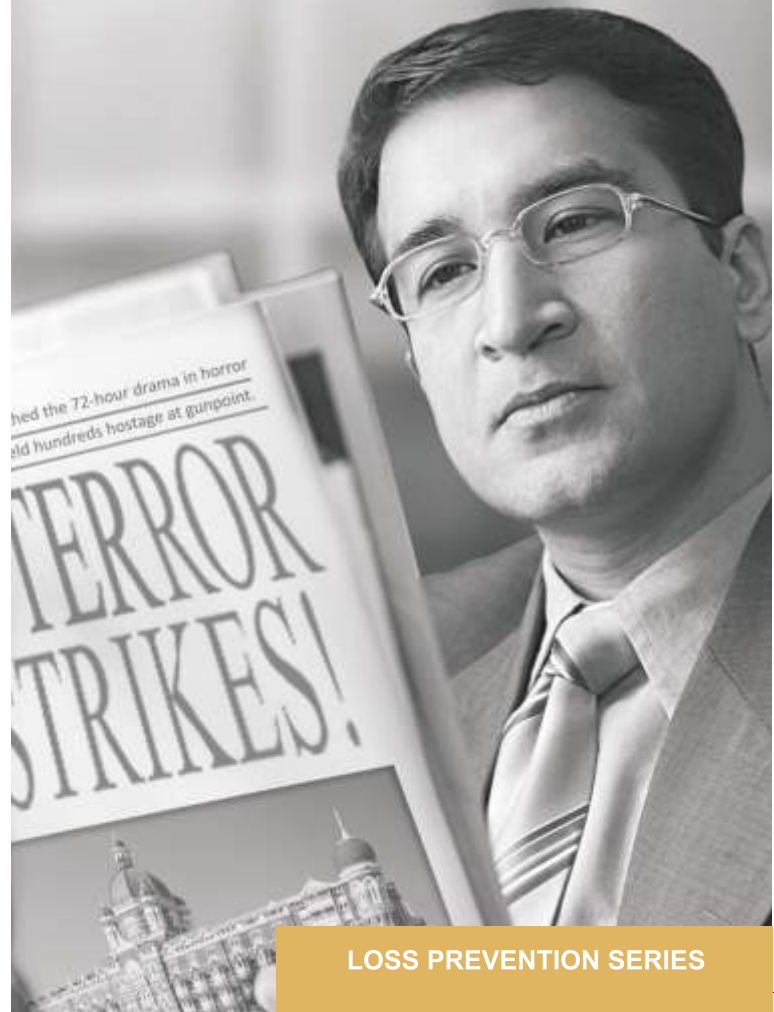
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PROTECTION
FROM
TERRORISM

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Take it easy!

Alert today
Safe tomorrow



LOSS PREVENTION SERIES

MANAGING TERRORISM RISK

The scourge of terrorism and its impact today on everyday life is a topic of concern. However, a lesser area of concern is the impact terrorism can have on your property and your business. An act of terrorism can cause damage to your property be it commercial or industrial. It will also impact the continuity of your business after a terrorist strike. How do you minimize this property damage or disruption to your business caused due to terrorism?

We have tried to focus on some basic steps you could take to prevent, minimize or contain the fall out of a terrorist attack both from property damage and business interruption perspective.

There are many ways in which this objective could be achieved. Some are related to the design or layout of the facilities—more concerned with the infrastructure, whereas some others are related to the human element—more in terms of preparedness, organizational or procedural aspects, following best practices and the like.

INFRASTRUCTURAL PREPAREDNESS

You could take a look at the exterior configuration of your building or facility as to whether it is designed to thwart or at least make it more difficult for a terrorist strike. Many a time, the architect or the designer may not have given adequate consideration to security from a bomb explosion or armed men entering the premises for an attack. Some of the immediate questions to consider:

- Are the compound walls sufficiently high to prevent unauthorized entry to the premises? Could they be breached easily?
- Are entrance/exit doors of solid wood or sheet metal-faced doors providing extra integrity? Can hollow-core wooden door provide sufficient protection?
- Are windows protected with bars, grates, heavy mesh screens, or steel shutters to prevent unwanted entry?
- Is visitor parking properly controlled? If possible, can parking be restricted within 300 feet from your building or any building in a complex? If restricted parking is not feasible, can identified employee vehicles be parked closest to your facility and visitor vehicles parked at a distance?
- Are perimeter intrusion detection systems installed? Examples could be installation of closed circuit television cameras that cover exterior building perimeters continuously monitored. You could post signs indicating that such a system is in place.
- Do your security guards do regular rounds, particularly at night? Do you have card punching or detect clocks to verify the patrols being made?
- Are close circuit television cameras installed? If so, are they being monitored with sufficient back up (at least 90 days) of feed?

THE PEOPLE FACTOR

The people factor in mitigating terrorism risk is often understated. Many soft issues are often overlooked while laying down a security policy for a facility. These prove costly later on in the event of a terrorist attack.

- Are your security guards sufficiently trained to handle potential terrorist attacks? Are they equipped with sufficient communication equipments?
- Do you have a proper access control policy? Are areas such as boiler rooms, mail rooms, computer areas, switchboards and elevator control rooms sufficiently monitored and locked off when not in use?
- Good housekeeping is also vital. Trash or dumpster areas should remain free of debris. A bomb or explosive device can easily be concealed in the trash. Combustible materials should be properly disposed of, or protected if further use is anticipated.
- Many a time visitor management is a weak link in the security policy. Manual registers are often maintained with no actual verification of entries being made. How often do we verify if the entries made by visitors in the guest register are fictitious? A computerised visitor management system with photographic records of visitors being kept is highly recommended.

ENSURING BUSINESS CONTINUITY

Businesses, which get exposed to terrorist attacks, take a fair while to get back to normal operations. Getting the facility repaired, investigation by law enforcement authorities and the like can be time consuming.

The question is do you have a business continuity plan in place? And, does the plan envisage terrorist action as a possible business interruption threat and provide for contingency plans to sustain the business? The contingency plan may include arranging alternate facility for temporary shifting operations or tie-ups with vendors or contract manufacturers for sustaining production to avoid consequential financial losses.

TERRORISM RISK SOLUTIONS BY HDFC ERGO

HDFC ERGO can assist you in handling terrorism risk. Our Risk Consulting Service can offer you a Terrorism Risk Review™ where our engineers can visit your facility. They will review your security systems and processes and offer suggestions on managing the terrorism risk. Based on this review, you could get further advice from our specialists for insuring the terrorism risk under our suite of policies designed keeping our clients' requirements in mind.

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