RETHINKING YOUR APPROACH TO ENTERPRISE RISK MANAGEMENT WEBINAR TOP 5 TAKEAWAYS

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How WeWork Uses Dataminr

Across the city, thousands of cell phones were pinging their owners, warning that an earthquake was imminent. In seconds, it came, rocking Mexico City at a 7.1 on the Richter scale. More than 40 buildings collapsed, killing more than 350 people in central Mexico, and injuring 6,000 more.

As Mexican authorities mobilized the country's emergency responders, large, multinational companies scrambled to answer a number of time-sensitive questions of their own: Which buildings had collapsed? Where were the company's employees and executives? How would they communicate with them, organize them and get them to safety?

At the coworking company WeWork, the organization's global security team put its emergency plan in action. The earthquake struck shortly after lunch on a Tuesday, and the company's employees and executives were scattered throughout the city. At WeWork offices, hundreds of members were safely escorted out and accounted for.

"[Our executives] had to come together eventually, but in that immediate aftermath, they were dealing with multitudes of different issues: Health and safety of the employees and of the membership, and the health and safety of their families and their homes," said WeWork Senior Manager of Emergency Management and Planning Michael Gladstone. "They were dealing with, 'How do we physically get from one location to another?' And because we had prepared for a mobilized approach, utilizing technology to help us get better at risk management, we were able to start linking people together through technology to address the issues."

Gladstone talked about his company's approach to risk management at a recent webinar Rethinking Your Approach to Enterprise Risk Management, with Dataminr's Krista Worley. For years, WeWork has used Dataminr's platform to receive early alerts on unexpected events, and make decisions to keep the company's employees, customers and assets safe.

Here Are Five Major Takeaways from That Discussion:

1 There's no single department in charge of risk management

Like a lot of large companies, risk management sits in many different departments at WeWork.

The company's communications teams watch social media and the news for stories that might affect the brand and require a crisis communications plan. Its emergency management team looks for emerging risks to the company's offices, employees and customers. Its IT department monitors the company's technology infrastructure, looking for security breaches and cybercrime.

Rather than working in silos, WeWork approaches corporate risk holistically.

"We have a lot of different departments, but the key is that we all work together, and we all talk with one another when a crisis or risk appears," Gladstone said.

2 "Bleisure" is adding new complexity to risk management

Mobile, millennial office workers are increasingly adopting "bleisure," mixing business travel with leisure travel, by tacking on a few vacation days to the end of a business trip.

That's creating a new challenge for companies that need to locate their employees and executives in an emergency. In late 2017, a small group of WeWork employees traveling in Southeast Asia on a business trip decided to fly to Bali for a couple days before returning home.

While they were there, Mount Agung erupted, sparking mandatory evacuations and disrupting air travel. WeWork used Dataminr to gather real-time information on the emergency and was able to help the group leave Bali safely.

"We have people traveling all the time across the globe, and because we have that 'sun never sets' model, people might be flying into a protest in Hong Kong or in Chile," Gladstone said. "There might be other socio-political issues that are happening, and we need to make sure we know where all of our employees are."

3 Stress-test your risk management plans

Large companies put together risk management plans that describe specific types of events, and how they'll respond to keep people safe, their assets secure and their brand reputation intact.

When making those plans, it's important to test them under less-than-ideal situations. What if the call comes in in the middle of the night, over a long holiday weekend, and the company needs to quickly mobilize a cross-departmental response?

"Is it that we have redundant sites? Cold sites? Warm sites?" Gladstone said. "Is it that we have evaluated relocations plans and tested those plans, and when I say tested, I mean physically gone out, tried to do what you said you would do, and not on an off-hour, because emergencies... happen in the middle of the day. So have you driven that relocation or evacuation route?"

4 It can be difficult to quantify the value of risk management products

Risk management software helps companies respond more quickly to a crisis, potentially limiting the damage from that crisis. In some cases, risk management software can help executives make business decisions with a more complete set of facts.

As such, it can be difficult to quantify a company's financial return on its investment in a risk management product, Gladstone says.
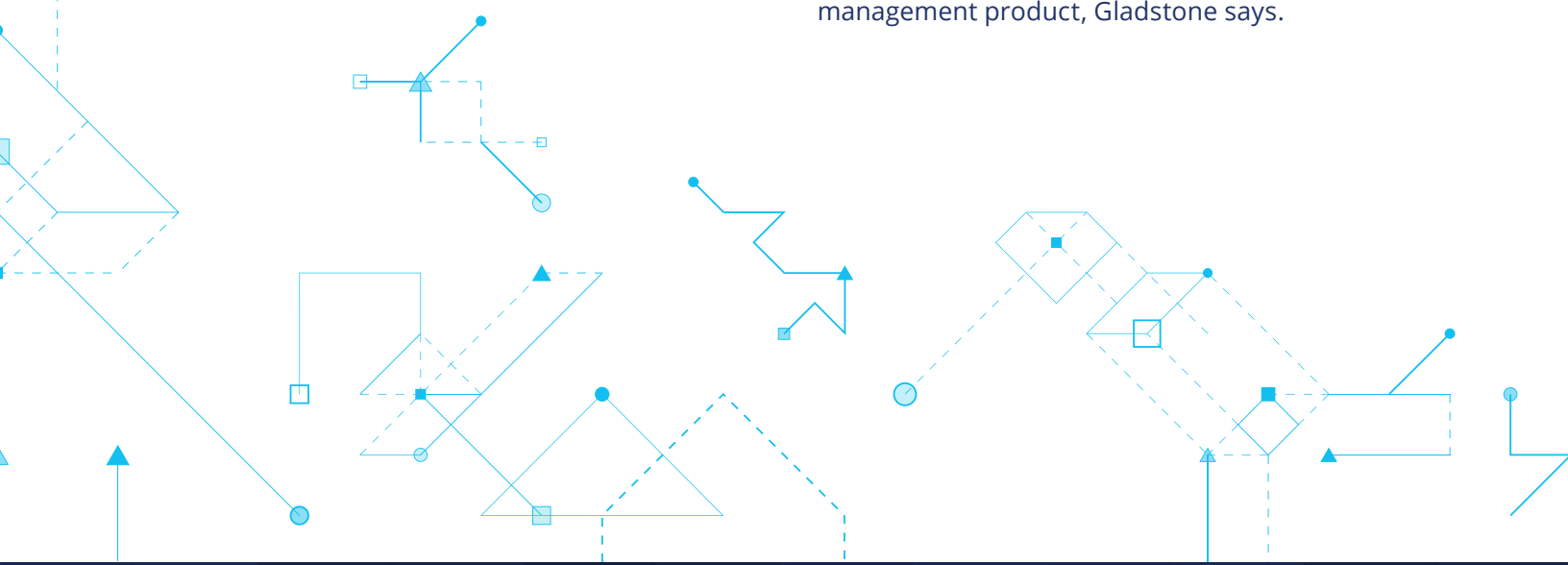
He described a recent emergency in Amsterdam, where a pilot accidentally set off a hijacking alarm on their airplane, briefly plunging the airport into a security lockdown. Using Dataminr, WeWork got notified of the event 15 minutes before the first major news reports, giving the company's risk management team enough time to verify that none of its employees were at the airport.

"But in those 15 minutes, we had already done all the proactive work that we needed to do to understand the potential risk to WeWork employees and to our business line, and notified all of the other risk teams to say, '...Here's what we know right now,' Gladstone said.

What is the value of time to a global risk management team?

"It's not quantitative, it's more intangible," Gladstone said.

5 Allow AI to do some heavy lifting

Risks are constant. They're difficult to predict, and arrive unannounced. Setting up a patchwork of alerts, and subscribing to specific social media hashtags isn't enough--what if an unexpected event is happening in a language your analysts don't understand, or under a new hashtag they haven't picked up yet?

Artificial intelligence can help sift through millions of data points, searching for relevant signals tailored to your company's risk profile.

"I really encourage all risk professionals: embrace technology," Gladstone said. "Get to know AI providers, because risk professionals out there, I'm telling you, it will revolutionize in a really great way how you can approach a crisis or an emergency."

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Dataminr is recognized as one of the world's leading AI businesses. The company's clients are the first to know about high-impact events and emerging risks so they can mitigate and manage crises more effectively. Dataminr solutions are relied on 24/7 by hundreds of clients in over 70 countries to help them solve real-world problems.