

COMPLIANCE, RISK & RESILIENCE: FACILITATED EXERCISES— PREPARING FOR CRISIS

Testing an organization's plans through exercises is a practical, efficient, and cost-effective way for organizations to prepare for incident response and recovery. Exercises evaluate a company's ability to successfully execute one or more portions of its plan. Because the "fog of war" is typical in real-world crises, the best time to conduct an exercise is before an event happens. Pre-event testing allows those who are likely to be involved to familiarize themselves with the plan, practice the plan, and reinforce their roles and responsibilities.

The purpose of an exercise is to rehearse the entire plan or elements of a plan and:

- Ensure that the plan will stand up to a real crisis and identify any gaps in policies and procedures.
- Train the key persons who will be involved and responsible for planning and implementation.
- Strengthen the inter-departmental, inter-agency, and inter-sector links between the various organizations that may be involved.

The Compliance, Risk & Resilience team at B. Riley Advisory Services has been directly involved in preplanning and facilitating many types of emergency response, continuity events, and disaster recovery incident scenarios for exercises both in the U.S. and internationally. These have ranged from small tabletop exercises and plan "walk-throughs" to large, full-scale Homeland Security Exercise and Evaluation Program (HSEEP) exercises.

Exercises require careful preparation around clearly identified objectives. Once the objectives are identified, then designing, developing, conducting, and analyzing the results will allow those who are responsible for the plan to better understand its strengths and weaknesses in order to continually improve their resilience capabilities.

Effectively facilitating exercises is critical to keeping participants focused on exercise objectives. Our senior exercise facilitators delve into how the scenario decisions are made, how a decision is reached or what implications a decision might have for our client. The expected outcome of an exercise should be information that will indicate how to improve the plan. This information should capture the main points of the discussion and identify the gaps.

SERVICES

Our drill/exercise facilitation support services include:

- Strategy Planning
- Facilitation
- Improvement Planning
- Design & Development
- Evaluation
- Post-Exercise Report



REPRESENTATIVE ENGAGEMENTS

Tabletop Exercise for a Fortune 10 Financial Services Company

We designed and facilitated a full day tabletop exercise for senior managers in IT, Legal, Security and Operations management departments around the disaster recovery, failover, and impact implications of a destructive ransomware attack.

Full Scale Exercise for a State Emergency Management Agency

We designed and facilitated a full-scale exercise – “Urgent Solidarity” – as part of an HSEEP exercise series consisting of a tabletop, functional, and full scale exercise around a large-scale earthquake event in Washoe County for numerous government agencies in the State of Nevada and the Nevada Department of Emergency Management.

Tabletop Exercise for Regional Transportation Authority

We designed and facilitated a tabletop exercise for top management of a regional California transit authority around a cyber incident associated with surface transit operations, testing the authority’s crisis management, business continuity, cyber incident management and media management plans.

Tabletop for Computer Hardware Manufacturer

We developed a business disruption scenario for the client’s Finance Department around a simulation of a political coup in the Asian country where the manufacturer bases its production.

Active Shooter Exercises

We have conducted numerous active shooter scenario exercises in our work over the years at large K-12 public school systems and for higher education institutions.

THE B. RILEY DIFFERENCE

Our team has been developing and facilitating advanced planning programs for public, private, and academic sector clients since 2004. Our tabletop exercises help clients refine their crisis response capabilities and help their responder teams elevate incident response as a board-level element of risk management. We uniquely understand how to design and execute exercises for senior management teams charged with protecting their organizations’ assets, data, and reputation. These organizations can greatly benefit from seeing their teams in simulated action – both their capabilities and their deficiencies—so improvement can be continuous.

We help clients:

- Identify and quantify the key risks that are most likely to drive or threaten the organization’s ability to become operationally resilient.
- Develop and implement a framework for managing risks, including analyzing hazards, setting objectives, and developing organizational processes and tools.
- Enhance decision-making by including both strategic/tactical and cost/benefit perspectives.

PRACTICE LEADER

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ABOUT THE FIRM

ABOUT B. RILEY ADVISORY SERVICES

B. Riley Advisory Services provides specialty advisory services and solutions to complex business problems and board-level agenda items. Our team applies a unique mix of skill sets to address top-level, non-typical business challenges, such as developing compliance and risk systems for organizations, planning and executing a major acquisition or divestiture, pursuing a fraud investigation or corporate litigation, or managing through a business crisis or bankruptcy. In addition, we are a leading provider of valuation and appraisal services for asset-based lending applications.

Our team works with lenders, law firms, government entities, private equity sponsors and companies of all types. Our Advisory Services are a unique mix of Compliance, Risk & Resilience Services, Valuation and Appraisal Services, Restructuring and Turnaround Management, Operations Management Services, Forensic Accounting and Litigation Support and Transaction Support Services including Due Diligence and Quality of Earnings Reviews. B. Riley Advisory Services is a combination of the firms formerly known as GlassRatner Advisory & Capital Group and Great American Group.

ABOUT B. RILEY FINANCIAL (“B. RILEY”)

B. Riley Financial, Inc. (NASDAQ: RILY) companies provide tailored financial solutions to meet the strategic, operational, financial advisory and capital needs of its clients through a diverse range of collaborative and complementary business capabilities.

B. Riley's diverse suite of business capabilities goes beyond traditional financial service offerings. By leveraging cross-platform expertise and assets, our business units are uniquely positioned to provide full service, collaborative solutions at every stage of the business life cycle and in all market conditions.