



## CASE STUDY

### Centurion Mock Disaster Drill

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Mike Murphy  
Executive Vice President and Chief Financial Officer  
First American Bank

**Institution:**  
First American Bank

**Location:**  
Norman, OK

**Website:**  
[www.bankfab.com](http://www.bankfab.com)

**Assets:**  
\$315 million

**Founded:**  
1935

## First American Bank



*“Without the mock drill, we probably would not have thought about the cash the citizens of our town might need in a disaster. Centurion helped us understand that disasters involve technology, but they are also a very human experience and you have to know how to manage that part too.”*

Mike Murphy

Which comes first in a disaster situation – your people or your plan? If you ask any banker at First American Bank in Norman, Okla., the answer is simple and resounding. The answer is both.

In a matter of days after the bank performed a Centurion Mock Disaster Drill on-site, disaster struck the bank’s service area three separate times. The first area affected was near the bank’s Woodward branch, then the main headquarters in Norman, then Woodward again. Customers and non-customers alike frantically reached for their cellphones to snap tornado photographs before seeking shelter in the bank’s vault. The lights flickered, then died out. Hail fell from the sky. With the Centurion Mock Disaster Drill still fresh on their minds, bank managers and employees were faced with putting their business continuity plan into action in near real time.

First American Bank’s employees learned many lessons from the experience. They learned about the value of thinking on their feet and how having a plan can instill considerable order in a chaotic situation. They also learned that any ordinary day on the job can quickly become an unexpected challenge – and at the same time a golden opportunity to persevere, show compassion, and provide exceptional service.

Perhaps the most valuable lesson they learned is that disaster recovery is not just about technology – it has a deeply rooted human element that shouldn’t be ignored. The plan and the people work simultaneously, hand-in-hand to help the community adjust after storms subside.

Mike Murphy, executive vice president and chief financial officer at First American Bank, shares his firsthand

### **Jack Henry Banking: What were the compelling business reasons you decided to conduct a Centurion Mock Disaster drill at your bank?**

**Mike:** As the business continuity officer at our bank, I participated in the disaster drill at the Banking Educational Conference in Nashville, Tennessee in 2011. After seeing Centurion’s experts in action and participating in a very real scenario of a bank in Nashville flooding, I decided to recommend the drill to our executive team. We have experienced many “disasters” with ice storms, power outages, communication line breaks, etc., so we decided to conduct a drill at our bank.

### **JHB: How many members of your staff participated in the drill, and what departments were represented?**

**Mike:** About 26 managers from the bank participate in the drill at our bank’s operations center in Purcell, Okla. They represented every department – lending operations, deposit operations, banking center managers, human resources, information technology, and executives. Those participants represented about 20 percent of our total staff.

### **JHB: What was the most important lesson learned from your executives’ point of view?**

**Mike:** Our managers became more aware of how our back-up information technology will work after it’s implemented. They recognized how interdependent all of our departments are at the bank, which can sometimes be taken for granted until one area is unable to function. They also realized the importance of securing information within their offices. In the mock drill scenario, papers with customer information were blowing across the parking lot and surrounding areas. We realized we needed a plan in place to prevent that from happening.

**JHB: What specific changes did you make to your business continuity plan based on the mock disaster drill?**

**Mike:** We really took a look at responsibilities from a high level, then we drilled down to the primary and secondary responsibilities and determined the personnel at our bank that would be designated to assist. Then we focused on the actual tasks that will need to be completed for our disaster recovery to be successful.

**JHB: Are there any particular components of the mock drill that exceeded your expectations or made a significant impression on you while the drill was underway?**

**Mike:** We really appreciated how Centurion humanized the drill. They made us think of questions about how our employees' lives might be affected, how we could help our customers, and how we could communicate with each other in a disaster scenario. Normally, disaster drills and table-top exercises are about getting the systems up and running. This drill focused on the people.

**JHB: How much time elapsed between your bank participating in the drill and a disaster striking your service area?**

**Mike:** We performed the drill on April 3. A tornado/hail storm and power outage affected our Woodward location on April 8.

On April 13, a tornado struck Norman – just as it did in our mock drill scenario. Fortunately, it was about one mile south of our corporate headquarters. We discovered that about 40 people could squeeze into our vault, including customers who came to the bank. All employees were safe and quickly accounted for using phone calls since it was late afternoon.

On April 15, tragedy struck again in Woodward – a town of about 15,000 people – located about 150 miles northwest of our main location, but home to one of our largest banking centers. Six people were killed and dozens injured by a tornado that struck shortly after midnight.

Two of our employees had damage to their homes, but once again our bank was spared. The tornado passed about a mile west of the bank. Members of our executive team discussed the disaster via phone calls and texts, and our president headed out that day to deliver generators since our Woodward branch was without power.

**JHB: Tell us about how these disaster experiences affected your business operations.**

**Mike:** One of the things we had learned just 11 days earlier during our mock drill was that people would want access to cash to pay for contractors and essentials. With the power out, ATMs were not an option, so the banking center manager and head lender wanted to open the bank. We opened for four hours on a Sunday, and two employees worked the drive-thru. Two staffers also worked in the operations center in Purcell, just in case the bankers in Woodward needed any help. Dozens of customers and non-customers alike complimented us on being open and ready to serve. The power company ended up having power restored before the generators arrived, but it was great that we were prepared just in case.

On Monday, our chairman loaded tools and materials and headed to Woodward to help our employees. The town of Woodward was very organized and self-sufficient in taking care of their own. Our bank employees and many customers and community members organized a fundraiser that was held one week later for the victims. It raised more than \$6,000 that will help the families rebuild their lives.



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Mike Murphy

**JHB: In what ways do you believe the Centurion Mock Disaster Drill played a role in making your staff more prepared for this unexpected event?**

**Mike:** Without the mock drill, we probably would not have thought about the cash the citizens of our town might need in a disaster. The drill really helped us focus on the customers and the ways that we could meet their banking requirements, and it helped us consider the needs of our employees affected by the storms. Centurion helped us understand that disasters involve technology, but they are also a very human experience and you have to know how to manage that part too. The Centurion experts asked us in the mock disaster drill: "What is it going to take to get your customers, your employees, and your community back on their feet?" They taught us that the tasks necessary to achieve those things would be fluid, but the end goals should be the same for everyone.

**JHB: How did the Centurion Mock Disaster Drill expedite your recovery?**

**Mike:** The information was fresh on our minds, so that helped first and foremost. It was helpful to act out some of the real-life discussions in the drill, so we knew who would be willing to assume each task so we could act more quickly to carry them out.

**JHB: How closely did your actual recovery match the process established in your Centurion Business Continuity Plan?**

**Mike:** It was a pretty close match. We realized that the communication component of our plan is essential. Some of the executive team took an early lead in addressing the disaster in Woodward because of when it occurred. Others contributed later, but overall we feel that we responded appropriately. We were very proud of our staff in Woodward – their resolve to take care of their fellow employees, to open the bank on a Sunday, and to have the fundraiser.

We also identified a component of our plan to monitor more closely in the future. While we did not have direct damage to our centers, power outages did affect us. Our plan recommends contacting the utility company to determine when power will be restored, but that was not done prior to arranging for the generators to be transported to Woodward. Fortunately this had little impact, but it was an important lesson to learn about resolve and sticking to the plan if we're confronted with a similar situation in the future.

**JHB: Are you considering Centurion assistance with further refining your business continuity plan based on what you experienced at the Mock Disaster Drill?**

**Mike:** Yes, we took Centurion's suggestion and we decided to perform the drill separately within the various departments in our bank. For the most part, those "mini-drills" have already been carried out. We will be compiling what we learned in those drills to further refine our plan.

**JHB: If you would recommend the Centurion Mock Disaster Drill to other banks, what is the most compelling statement you would make to another banker considering performing this drill?**

**Mike:** Even if you think you're prepared, you may not be. The emotions with you, your staff, and your customers run very deep during a disaster. If you do everything you can to be prepared, you can address those emotions better and help everyone overcome their own very personal obstacles. Then I would say your planning has been successful.



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