

Business Resilience and Recovery following the Canterbury Earthquakes

Time to recover

Results Bulletin 2016-3

Findings from a survey of 206 organisations in the Greater Christchurch Urban area in mid-2016.

Question

How long did it take for organisations to recover? Did this vary by sector or geographic location?

Findings

Overall, 60% of organisations had achieved a status of comfortably stable or thriving after two years. This increased to 67% at three years, 72% at four years and 76% at five years. At 5 years 24% of organisations still identify themselves as recovering or worse.

Results

Overall Recovery Status is shown in Figure 1.

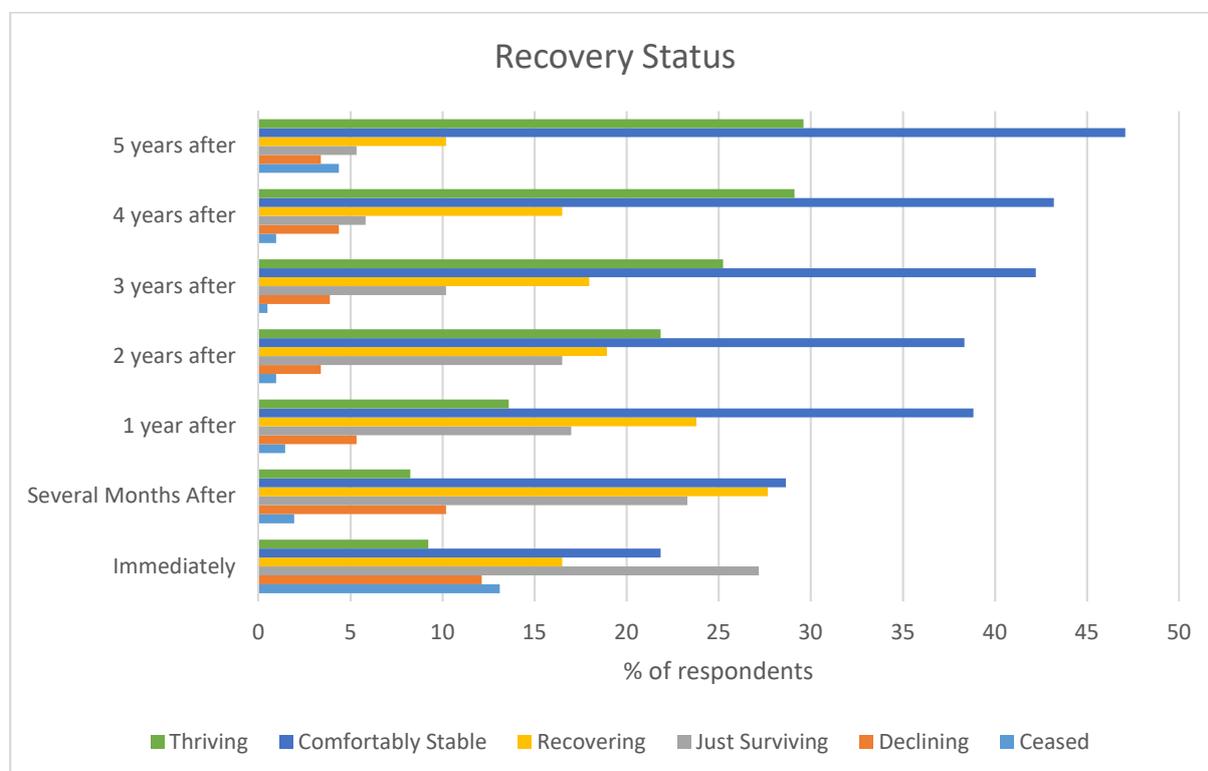
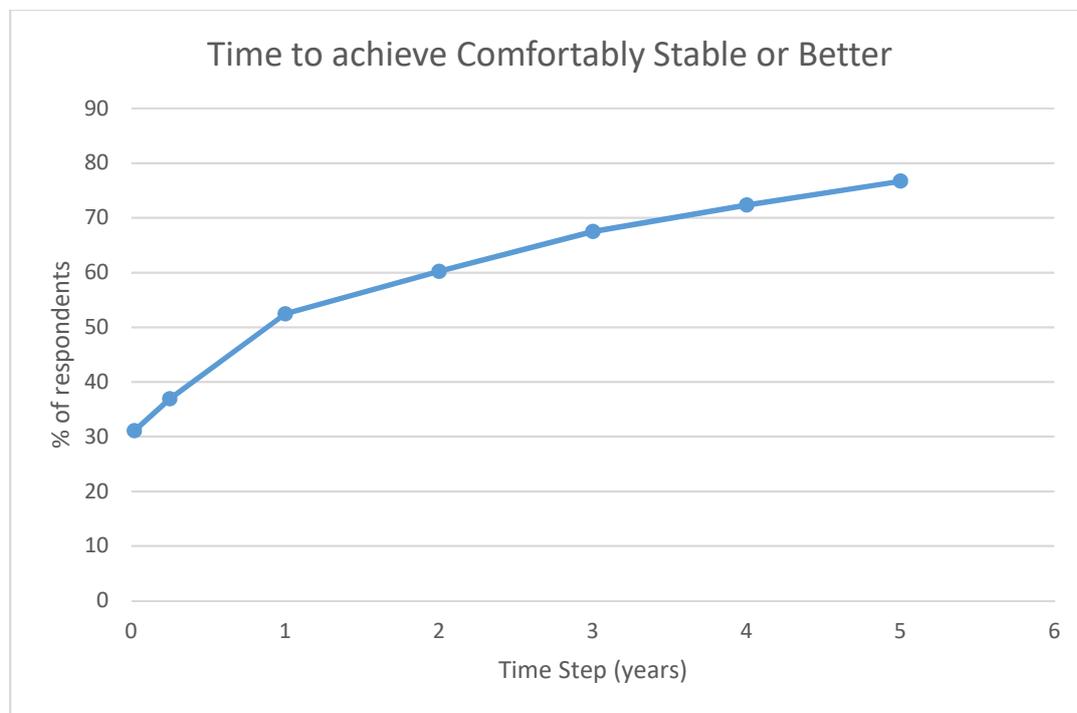


Figure 1 - Recovery Status all Time Steps

Figure 2 illustrates the time taken for organisations to achieve a recovery status of Comfortably Stable or better i.e. Thriving. Rapid improvement in recovery occurred in Year One with over 50% achieving Stable or Thriving. There is a noticeable change in the pace of recovery progress after the one year mark.



Other patterns

Age

Organisation age was not found to be correlated with recovery status.

Size

There was no correlation between recovery status and size as measured by number of employees.

Sectoral and Geographic Patterns

See further results bulletin.

Approach

All respondents were asked:

Where on this continuum would you place your organisation at the following points in time since the 2010/11 earthquakes (please tick)?

Time since the earthquakes	Ceased operation	Declining	Just Surviving	Recovering	Comfortably Stable	Thriving
Immediately after	<input type="checkbox"/>	<input type="checkbox"/>				

Several months' after	<input type="checkbox"/>					
1 Year	<input type="checkbox"/>					
2 Years	<input type="checkbox"/>					
3 Years	<input type="checkbox"/>					
4 Years	<input type="checkbox"/>					
5 Years	<input type="checkbox"/>					

Limitations

Self-Assessed Recovery is intended to encompass both tangible measures of recovery such as profitability and cashflow, as well as the more intangible factor of the owner's satisfaction with the performance of the organisation. Although the survey was directed to owners/managers, some may have delegated responses to employees with less direct knowledge of these factors. Answers are subject to recall bias, but may also benefit from time elapsed giving greater certainty over final financial performance for the periods in question.

Reference as:

Hatton, T., Brown, C., Seville, E., (2016) Business Resilience and Recovery following the Canterbury Earthquakes: Time to Recover. Survey 5 Results Bulletin 2016-3, Resilient Organisations, www.resorgs.org.nz