

**Title** Planning and enacting a business continuity and disaster recovery strategy successfully in a health service.

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**Introduction** For Chief Executive Officers, one of the many key leadership imperatives for a business is to ensure effective planning is in place in the event of the unlikely need to enact a business continuity plan (BCP). As is the case with many corporate plans organisations have in place, a BCP is often something that sits on the shelf dusted off from time to time and never called upon. Merri Health's (Merri) experience of a disastrous fire in 2017 demonstrated the importance that a robust and current business continuity plan has in any healthcare organisation to ensure the safety and effective management of the business at such challenging times.

**Background** Merri is an independent, not for profit primary healthcare service providing a wide range of services across metropolitan Melbourne and regional Victoria. Merri operates from 11 principal sites with a staff complement of 400 and total revenue circa \$36M.

Merri creates healthy, connected communities delivering local health services for people at every age and stage of life. We understand that at different times, health needs change. That's why we support people throughout life, with a range of integrated services all available through the one local network. Our approach addresses the medical, social, environmental and economic aspects that affect health, with services spanning:

- Children and family;
- Young people;
- Carer support;
- Chronic disease management;
- Mental health;
- Disability support;
- Population health;
- Aged care;
- Dental.

Merri has been the trusted community health service for local communities for over 40 years. As a not-for-profit organisation, our focus is on partnering with people, responding to local needs, and strengthening the health and well-being of entire communities. We continue to strive to enrich diverse communities through the provision of quality health care and support services

On the 3<sup>rd</sup> July 2017, the Merri Corporate offices were totally destroyed by fire. Located on the first floor of a two level building in northern metropolitan Melbourne, the space of ~600m<sup>2</sup> accommodated approximately 50 staff providing corporate functions for the organisation, including office accommodation for the Executive Team. The support functions affected included human resources, quality, marketing / communications, finance, payroll, information systems, facilities, administrative and project staff.

Fire investigation officials traced the source of the blaze to a ground floor tenancy that operated as a café preparing late night Uber Eats. The fire emanating from a faulty deep fryer in the kitchen of the café soon took hold and the entire building was engulfed. The fire gutted eight (8) ground floor tenancies and the entire first floor offices of Merri Health.

The impact of the fire was dramatic, with total destruction of the corporate office , IT equipment, corporate records and management files, including HR and payroll hard copy records, facilities information and building plans, corporate history, funding agreements including business sensitive and critical information. The loss was compounded by end of financial year requirements where some hard copy records would be required for external audit purposes.

Three fire utilities attended the blaze and as firefighters contained and controlled the perimeter to stop the flames from spreading further it became painfully clear to those on site that our corporate offices had been totally destroyed.

Key managers arrived at the scene in the early hours of Monday morning, enacted the organisations business continuity plan at 0800, and quickly set up an operations centre at our Bell Street Clinic located nearby.

Whilst the fire was obviously not planned and totally unexpected, the organisational response to the disaster was, in contrast, well planned and orchestrated and thanks to the managers and staff involved, the recovery process proceeded as expected, seamlessly and without delays.

The following account explores the genesis of the BCP, highlights a number of challenges encountered along the way and some of the learnings that were identified in a management debrief following the event.

In early 2016 the Merri Executive Team recognised that with Merri Health's continued growth, financially in terms of revenue, the breadth of services provided and the expanding geographical reach, the existing disaster recovery and business continuity plan was lacking and required a complete overhaul. Management engaged an external consultancy firm to assist in providing a structured review process and framework to undertake this review. Over the course of seven (7)

## Business continuity plan

months there was significant staff consultation and time invested to document all aspects of business critical functions, options and alternatives required to successfully maintain critical services in the event of a disaster. Whilst this work was undertaken across the organisation, in reality the thinking at the time was focussed on the potential loss of clinical space that would potentially impact on service delivery to clients at one of our many sites. The main focus was not on back of house functionality. The review process, having engaged with all key personnel, provided a core of expertise from across the organisation to document the potential impact an event would have on the organisation if one of the eleven (11) sites were unable to operate.

The seven month process undertaken to document all aspects of business process across the organisation delivered a comprehensive and detailed BCP for each of Merri's sites. The process was finalised in December 2016 and was subject to an internal audit review by externally appointed internal auditors. The audit process provided an external sanity check to what had been documented and provided a scorecard on the plan. In early 2017 planning was in place to provide external dedicated training on BCP for key personnel. This education process was being actioned at the time of the fire with the plan to undertake a mock BCP exercise. In essence, the activation of the BCP turned into a real life test of our ability to recover and continue to function as a viable business in the face of an extreme disruption event.

## IT Infrastructure

As part of the development and preparedness for the DR and BCP the Executive acknowledged that the existing technical infrastructure would not be able to keep pace and sustain the needs of the business moving forward. In response, a concurrent planning process was undertaken with the development and implementation of the 2015-18 IT strategic plan to ensure best practice procedures were in place to upgrade hardware and software to support the business into the future, and ensure adequate disaster recovery platforms and options were available if required. Previously the Merri technical environment was ageing and relied on a centralised server infrastructure located at the corporate office. Network connectivity to all Merri sites and access to applications including HR/payroll, client management, finance, general file structure, intranet and the external website was slower due to insufficient bandwidth and subject to drop outs during peak demand.

To ensure the technology stack was capable of supporting the organisation's business strategy, Merri invested significantly in new IT infrastructure including network communications, switches and servers. Fortunately, a decision was made to change the hosting arrangements of the main server array and the ageing disaster recovery/backup systems in place at the time. Historically, the primary business critical systems were located at the corporate office and off site backup servers were hosted at a remote second tier location in South Melbourne.

Following the upgrade of IT hardware and infrastructure, Merri made the deliberate decision to migrate business critical systems to a tier one data centre in Port Melbourne with back up tapes stored off site, and to develop recovery capabilities back at the corporate office.

This decision underpinned the success of the DR/BCP plan and was fundamental in ensuring no disruption to the business as a result of the fire, and provided uninterrupted access to all IT systems and applications following the destruction of the corporate office. Unfortunately the fire completely destroyed the DR facility and the backup servers, in effect meaning the organisation was operating as normal from the remote data centre.

## How we responded to disaster

The BCP plan was enacted at 0800 on the morning of the fire with the establishment of the Crisis Response Team (CRT) headed up by the Chief Executive Officer (CEO) and included all members of the Executive Team, the Facilities and IT Managers and the Communications Officer. The CRT met at the closest Merri Health site, 10 minutes from the destroyed corporate offices.

The CRT responded to all immediate tasks as detailed in the BCP with all corporate office staff notified and alternate work arrangements implemented that included relocation to other offices or working from home arrangements with staff having remote access to all electronic systems through their mobile devices (smart phones, tablets, laptops). Business critical operations were collectively relocated to an alternate site with workstations operational for finance, payroll and HR by mid-morning on the same day. By early afternoon on the day the BCP was implemented, the CEO and Facilities Manager had secured long term, temporary office accommodation and plans were put in place for the complete fit out and relocation of the corporate office.

The Executive, Facilities and IT teams worked tirelessly over the following week including the weekend to establish a fully operational corporate office that began operations the following Monday within 5 business days of the fire. Throughout the preceding week following the fire all corporate functions were operational and the routine payroll was processed on time including issuing of end of year payment summaries to all staff.

Whilst Merri had a detailed BCP which functioned extremely well, there were some unexpected learnings that arose and were subsequently documented as part of a formal debriefing processes designed to capture opportunities to improve the process, removing any obstacles or bottlenecks. These revisions have now been incorporated into the revised BCP. Some of the issues raised whilst seemingly small, with the benefit of hindsight could have been avoided.

## What worked well

- The BCP provided a clear and concise guide that was used by the CRT to guide activities in the immediate post event scenarios that arose.
- Managers leading critical business areas including Finance, Facilities and IT were well informed and able to act quickly to initiate the recovery sequence.
- A critical issue for the entire organisation was ensuring effective communications reached the right people within the organisation in a timely and efficient way. The CEO issued daily updates to all staff notifying them of the current status of the organisation's recovery and updates regarding key actions

and activities. Staff across the organisation responded and wanted to assist in any way they could for the organisation's response. There was an incredible sense of teamwork and common purpose that has continued to strengthen an already strong culture.

- Strong relationships with key providers was critical to respond to the ordering of new IT equipment with orders placed by 10am on the day of the fire and delivered by 4pm the same day.
- Strong collaborative and supportive insurers and assessors who worked with us to scope our insurance claim.

## What were the challenges

Whilst it was generally accepted by all that without the BCP the recovery would not have been as quick and well managed, there are always opportunities for constructive improvement.

- In the absence of a crisis management plan it was difficult early in the recovery to identify the roles and responsibilities of the Executive; this resulted in minor oversights and uncertainty. A crisis management plan would clearly articulate executive responsibilities and therefore provide more control and act as a companion plan to the BCP.
- Due to the disparate nature of our sites and the obvious need to be out and about facilitating the recovery and ensuring no disruption to any client services, the Executive and senior managers were at different locations making centralised communications and decision making difficult. A teleconference number and pre-determined daily meeting times and an agreed procedure in such an event would assist in a more co-ordinated and centralised approach.
- Although the organisation had asset registers and a reasonably good understanding of corporate assets, it is difficult to capture every piece of equipment or material the organisation has on location, especially when the environment has been totally destroyed. On that basis it took longer than anticipated to produce an exact register and cost estimate of lost assets and equipment
- In terms of unexpected consequences, the sense of shock and loss that staff experienced was not anticipated and as a result it was some time after the event that it became apparent that there were personal items including family photos, coffee cups and personal treasures that were lost to the flames. Unfortunately staff were not permitted to enter the building for obvious safety reasons, and while that is entirely appropriate it denied staff the opportunity to salvage the few things that were left as a form of closure.
- Although the new temporary corporate offices are serviceable and well-appointed it is a different environment, completely open plan and all staff are seated in the same space. This represents a major departure from the old offices and the change has had an effect on some staff.

- The new office location has meant a change in travel times to and from work with some staff living closer and others further away and in some cases the commute has increased substantially.
- The feelings of displacement and loss felt by affected staff, many who had worked in the same building for over 10 years were significant. Additional EAP sessions and group debriefs were held with a significant spike in staff numbers accessing the independent external EAP.

On a positive note, whilst not recommending this process, the destruction of paper based files and material that had been accumulated over many years was quick and decisive and has enabled the organisation to embark on a more contemporary paper-less office environment. To achieve the same result through more conciliatory methods would most likely never have achieved the same result or so quickly.

## What we learned

- Band width for access to large corporate IT systems. – Remote access from an alternate site, especially for the finance staff who are intense users of the application requires high band width, which had previously been in place at the corporate office however was not duplicated at any other Merri site at the time. This resulted in difficulty with concurrent users of the system given the lower band width. Urgent requests to the telecommunication provider still resulted in a ten (10) day delay before this was rectified. In hindsight, having such large band width available at an alternate Merri site would have avoided this issue.
- Location and storage of fleet car keys. – These had been stored in a key safe at the corporate office, which was destroyed in the fire along with all handheld key release mechanisms for the cars. This meant fleet cars were inaccessible and had to be reprogrammed and new keys ordered taking considerable time at extra cost.
- Banking – remote electronic banking dongles. - Six (6) authorised Executives had bank dongles to allow on line banking transactions, four (4) of these were lost in the fire as they were stored in office desks, this meant the Executive Team relied on the remaining two (2) dongles to allow financial transactions and access to all on line banking systems.
- Initial first contact to Executive and key personnel had relied on use of SMS and mobile phones. This did not work effectively with some delay in making necessary contact as a result of some mobiles either switched off or on silent mode overnight. Alternate landline or other contact arrangements were not in place at the time.
- Executive and key personnel did not have all managers contact details as this routinely relied on the internal electronic phone directory and not all staff had access as a result of the fire. Subsequently it is a requirement of key personnel to maintain key personnel staff contacts and details on their smart phones.



- As part of the BCP the benefit of individual electronic ‘tool box’ for each site with relevant key contacts and communication details relevant to that site. Different sites have different communication requirements and staff and key stakeholders that need to be notified in the event of a disruption to normal business activities. Considerable time and effort could have been avoided on the day if this was streamlined relevant to the affected site.
- Whilst a central facilities register is maintained that monitors allocation and use of space, this was not 100% accurate so trying to relocate staff from one central location to multiple sites was made more complex than necessary.
- The need for a crisis management plan detailing roles and responsibilities is essential to act as a companion document to the BCP.

## What others may learn from our experience

Having survived a catastrophic business disruption there are some real and practical learnings that will assist other organisations prepare for the unthinkable.

- There is absolutely no substitute for effective disaster recovery and business continuity planning;
- First respondents must be familiar with the BCP and know what to do and more importantly be prepared to act when disaster strikes and have the authority and willingness to make decisions under extreme circumstances.
- A crisis management plan is an essential companion document to the BCP.
- Timely, concise communication to all staff is essential through the recovery process;
- Develop and maintain solid relationships with business critical vendors and suppliers; they are vital members of the recovery team;
- Look after each other; provide opportunities for people to come to terms with what has occurred and the change in circumstances;
- Provide independent external staff support through employee assistance programs and don’t under-estimate the impact such events have on staff.

## Acknowledgements

I wish to acknowledge the extraordinary efforts and resilience of the Merri Health Management Team and staff for their dedication in exceptional circumstances that saw no disruption to any client services through this period.

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