![deeble institute perspectives brief]

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 robust and current business continuity planning 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 in 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 and
• Dental

Merri has been a 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 3 July 2017, the Merri Corporate offices were destroyed by fire. Located on the first floor of a two-level building in northern metropolitan Melbourne, the space of about 600m^2 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 control, 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. 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 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 and funding agreements, all of which contained 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 destroyed.

Key managers arrived at the scene in the early hours of Monday morning, enacted the organisations business continuity plan at 8.00 am, and quickly set up an operations centre at our Bell Street Clinic located nearby.

While 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.

Business continuity plan

In early 2016 the Merri Executive Team recognised that with Merri Health's continued growth in terms of revenue, breadth of services provided and expanding geographical reach, the existing disaster recovery (DR) and BCP 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 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. While this work was undertaken across the organisation, the thinking at the time was focused 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 sites were unable to operate.

The seven month process undertaken to document all aspects of business processes 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 external audit. The audit process provided an external soundness check on what had been documented as well as scorecards for the individual plans. In early 2017 planning was in place to provide external dedicated training on the 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 DR 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 (operating system, related support programs and runtime environments necessary to support applications) 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 and BCP plans 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 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 was enacted at 8.00 am on the morning of the fire with the establishment of the Crisis Response Team (CRT) headed up by the Chief Executive Officer (CEO) and including 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 alternative work arrangements implemented that included relocation to other offices or work-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 alternative 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 over the rest of the week, including the weekend, to establish a fully operational corporate office within five business days of the fire. Some corporate functions were operational immediately, for example, the routine payroll was processed on time, including issuing of end-of-year payment summaries to all staff.

Although Merri had a detailed BCP which functioned extremely well, there were some unexpected problems that were subsequently documented as part of a formal debriefing processes designed to capture opportunities for improvement and remove any obstacles or bottlenecks. Appropriate revisions have now been made to the BCP. With the benefit of hindsight, some of the issues raised, though small, could have been avoided.

What worked well

- The BCP provided a clear and concise guide, to post-event actions for the CRT.

- Managers leading critical business areas such as Finance, Facilities and IT were well informed and able to act quickly to initiate the recovery sequence.

- 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 providing updates on key actions and activities. Staff across the organisation responded by offering to assist in any way they could. There was a strong sense of teamwork and common purpose that has continued to build on an already strong organisational culture.

- Strong relationships with key providers were critical to recovery, for example, new IT equipment was ordered before 10.00 am on the day of the fire and delivered by 4.00 pm the same day.

- Insurers and assessors were collaborative and supportive in working with us to scope our insurance claim.

What were the challenges

Without the BCP the recovery would not have been as quick and well managed as well as it was. Nevertheless, we saw the following 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, resulting 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, pre-determined daily meeting times and an agreed procedure would assist in achieving a more coordinated 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 after the location has been destroyed. Consequently, 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 a negative effect on some staff.

- The new office location has resulted in changes in individual travel times to and from work, with some staff living closer and others further away. In some cases, commuting times has increased substantially.

- The feelings of displacement and loss felt by affected staff, many of whom had worked in the same building for over 10 years, were significant. Additional Employee Assistance Program (EAP) sessions and group debriefs were held and a significant spike in staff numbers accessing the independent external EAP was observed.

On a positive note, while not recommending this process, the destruction of paper-based files and material accumulated over many years was quick and comprehensive and has enabled the organisation to embark on a more contemporary paperless office environment. The journey through conventional methods would most likely have never achieved the same result nor so quickly.

What we learned

- **Band width for access to large corporate IT system-** Remote access from an alternate site, especially for finance staff, who are intense users of the application, requires high bandwidth. This had been in place at the corporate office but was not duplicated at any other Merri site at the time. This resulted in difficulties with concurrent users of the system, given the lower bandwidth. Urgent requests to the telecommunication provider were met with a ten day delay before rectification. In hindsight, having greater bandwidth already 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 and at extra cost.

- **Banking (remote electronic banking dongles)-** Six authorised Executives had bank dongles to allow on line banking transactions. Four of these were lost in the fire as they were stored in office desks. This meant the Executive Team relied on the remaining two dongles to allow financial transactions and access to all online banking systems.

- **First contact difficulties-** 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 being either switched off or on silent mode overnight. Alternative landline or other contact arrangements were not in place at the time.

- **Phone contact details for key personnel-** Executive and key personnel did not have all managers contact details. Contacts were kept on the internal phone directory and not all staff had access to this after the fire. We now require key personnel to maintain key personnel to store relevant staff contact details on their smartphones.

- **Site-specific staff and key stakeholder details-** Different sites have different communication methods and facilities, and different sets of staff and key stakeholders who 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 information was streamlined to be relevant to the particular affected site.

- **Need to accurately record use of space-** Although central facilities records allocation and use of space, this was not 100% accurate. Relocating staff to multiple sites was more complex than necessary.

- **Crisis management plan-** A crisis management plan detailing individual roles and responsibilities is essential as a companion document to the BCP.

What others may learn from our experience

Having survived a catastrophic business disruption we learned some real and practical lessons that may assist other organisations in preparing for the unthinkable:

- There is absolutely no substitute for effective DR and BCP.

- First respondents must be familiar with the BCP, know what to do, 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.

- Developing and maintaining solid relationships with business-critical vendors and suppliers is essential. They can be vital members of the recovery team.

- Look after each other and provide opportunities for staff and their families to come to terms with what has occurred and resulting changes in circumstances.

- Provide independent external staff support through employee assistance programs and do not under-estimate the psychological impact of such events on staff.

Acknowledgements

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