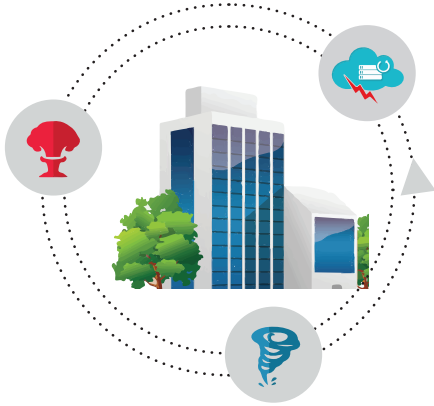


Business Continuity Management

Lessons from our experience of recovering
from a Cyclonic Storm



Executive Summary



Healthcare business operations are mission critical. With the magnitude of natural disasters and man-made disruptions increasing each year, healthcare service providers, hospital and healthcare CIOs, CTOs, technology and operations staff need to work together to develop business continuity plans and recovery processes. These unfortunate events - which can be caused by a security breach, a virus, political events, or a natural disaster - can happen quickly and unexpectedly and lead to significant loss of revenue, productivity and important patient data. While being prepared is necessary, ensuring that there is quick decision-making and initiation of recovery processes in the event of a disaster is critical to the success of your business.

In this white paper, we look at the importance of disaster recovery processes based on our experience in recovering from a major disaster, an unprecedented cyclonic storm, in 2016. We also share some of our learnings across different phases including disaster preparation, living through the event, and most importantly, post disaster recovery.

The knowledge that we acquired from first-hand experience has resulted in a strong confidence within our organization for being prepared to face and overcome similar disasters in the future.

Cyclone Vardah and its impact



Access Healthcare's offshore delivery is headquartered in the city of Chennai, which is known as the healthcare business process services capital of the world. The city is considered as one of the safest locations in India to provide business process outsourcing operations and is not prone to any major disruptive events.

A very severe cyclonic storm, Vardah, was the fourth and most intense cyclonic storm of the 2016 North Indian Ocean cyclone season. Vardah crossed the eastern coast of India, close to Chennai, in the afternoon hours of December 12, 2016. During landfall, wind speeds were estimated to be more than 65 mph (105 km/h).

The cyclone claimed over 18 lives, uprooted about 100,000 trees in Chennai and its suburbs, and caused extensive damage to roads, supplies, and power infrastructure. Over 10,000 electric poles were mangled,

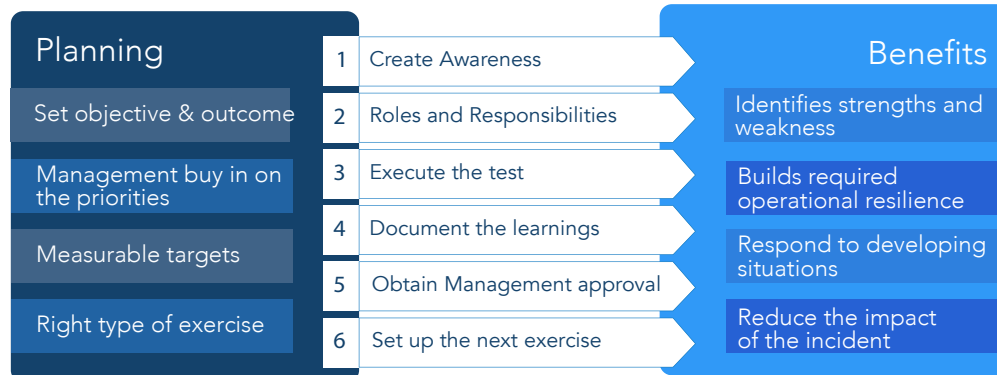
and 800 transformers damaged. Schools and colleges in the city of Chennai and Kancheepuram were closed from December 12th to 19th, due to the impact of the storm.

Public transportation was also severely affected by Vardah. The Chennai International Airport was closed from 10:00 AM until 11:00 pm IST on December 12, in the wake of the storm, leaving about thousands of passengers stranded. The Indian Railways suspended operations of all outstation trains originating from Chennai, and suburban railway services were also canceled.

With over 5,000 employees working from our Chennai delivery centers, Access Healthcare faced a daunting task of managing the situation facing the operations. Our business continuity management team worked as per the plan to not only prepare for the disaster but also recover from it.

1 Preparation is the key to effective recovery

While we all hope that disasters never happen, being well prepared for a potential disruptive event can reduce the fear, anxiety, and losses that catastrophes could potentially cause.



A. Create Awareness



It's not just the responsibility of the IT and business continuity teams to bring the operations back to normal after a disaster; the entire organization has to pitch in. The first step in creating this shared accountability is to increase awareness of the potential impact of disruptive events and help people understand their roles in such events. Hosting management workshops, training sessions for employees, and creating a comprehensive communication process will enable people to understand the significance of their roles during a crisis.

B. Identifying and Mobilizing resources

The most important goal when preparing for any type of disaster is to ensure employee safety. One of the biggest learnings from a crisis that impacts a local area is to ensure that all employees are safe and accounted for. It is important to make sure that employees are safe and are able to resume work as soon as possible after the disaster. Also, it is critical to identify key employees who are able to be present before and during a disaster. Delays in resuming "business as usual" services delivery can lead to a huge backlog, which can then carry over to multiple weeks, leading to customer dissatisfaction. Therefore, our recommended first step is to identify key resources, for each customer process and program, who would lead by example as crisis response team. By identifying critical resources based on the following parameters, Access Healthcare ensures that each customer process is adequately staffed up to as much as 50% even during a crisis. Below are examples of staff resources who should be identified to participate in the disaster recovery process:



- Knowledgeable resources who can perform multiple tasks and process different types of RCM transactions
- People who reside in the vicinity of our delivery centers
- Resources who are staying in Paying Guest and hostels
- People who can think on their feet and respond quickly
- Employees who are willing to travel on their own

To ensure that this list of critical resources is up-to-date, all our process managers identify critical resources on each customer program using an in-house web-based tool, that captures the name of the employee, contact information, address details, and mode of transport. This list is refreshed and updated once a month by the respective department heads/supervisors to have the most recent data. Cross-training sessions are conducted for these identified critical resources.

Implementing a cascading communication system (with redundancy checks) two days before the anticipated landfall of the cyclonic storm, Vardah ensured that all identified critical resources were able to plan on reaching our entire work before the cyclone's landfall. As a result, we were successful in ensuring that as many as 60% of our team members were able to report to work during the event, and therefore, the impact of backlog was minimized to less than 40%.

C. Track the news - Be on the watch. Always!



You can plan for some disasters, for instance - adverse weather conditions, in advance. Beginning a week prior to the event, the news flow on the impending landfall of Cyclone Vardah began to trickle in. However, the path of tropical cyclonic storms in the Bay of Bengal can be very unpredictable and may not make landfall at the place they are expected to. The certainty of landfall and the intensity of the cyclone can only be known a few hours before landfall. Even as we got information about the impending landfall, our team members worked with vendor partners - food, transportation, fuel to stock up.

D. Integrating business continuity through strategic location planning



Business continuity should be integrated into the service delivery design of business processes. Through effective location planning, the workload can be moved to other locations to ensure continuity of operations. During the event and for a few days after, our teams located in the cities of Coimbatore and Pune actively participated, taking in almost twice the designed workload. Another consideration is to have operations in adjacent cities that are within a day's drive from the impacted site, to essentially create center clusters that are insulated from other centers regarding geopolitical situations and climatic conditions.

E. Plan your technology infrastructure



It is very important to Integrate business continuity principles in the design of your technology infrastructure. You can minimize your downtime significantly. It is imperative that you source bandwidth from with multiple telecommunications providers and design your network to have multiple layers of redundancy. Partnering with three different telecommunications providers give Access Healthcare the flexibility to switch over to different networks in the event that one of the networks is down. Despite massive impact to telecommunications infrastructure during the cyclonic storm, our technology infrastructure was not impacted. As such, this ensures significantly greater uptime during normal course of business as well.

F. Business continuity plans – The importance of testing

While developing a business continuity plan is the essential first step towards having a resilient operation, it is imperative that the plan is regularly tested for its effectiveness by creating mock scenarios, and even moving team members across sites. It is important to understand the efficiency of the plan.



Invest in Business Continuity Testing. The importance of testing a business continuity plan is not acknowledged by many organizations. Since return on investment cannot be demonstrated immediately, adequate investments do not flow in for periodical testing of business continuity plans. Business leaders should recognize testing is critical to developing awareness and understanding of individual roles and responsibilities during a disaster.

Document the learnings. After executing each test, all issues and challenges should be discussed with a team of leaders from all functional areas. A list of corrective actions should be developed, executed, and tested for effectiveness during the next business continuity test.

Management Review. Each test should be followed by a detailed management review to discuss different elements of the plan, any shortcomings, and make strategic investment decisions on mitigating the risks identified through the process.

Business Continuity Testing is an iterative exercise. The need for repetitive testing is necessitated by the changing nature of business, technical, and physical infrastructure, and the ongoing change of employees and their roles. Periodic testing of business continuity plans is necessary and reveals new areas for improvement each time.



2 Actions during the disaster

During a crisis or natural disaster quick responses are required to emerging situations, whether it is augmenting food supplies, providing additional backup resources, or making technology decisions.

A. Management Involvement

Leaders should Lead by Example. This simple motto will drive employees to respond positively, and often, deliver extraordinary results during a crisis. Availability of the management team at the site enables a better understanding of the situation and a quicker response to emerging situations.



B. Coordination across business functions

Create a crisis response team. Having all functional and site-specific leaders come into a designated control room will enable you to get a real-time assessment of the situation and determine where intervention is required. Communication failure could result in interrupted coordination, so plan on setting up virtual crisis response teams that can connect over internal and external phone systems, web-based communication engines, mobile networks, and text messaging. Always have an alternative plan ready for reaching out to team members.



Crisis management specialists. A trained business continuity specialist knows the key points of failures and where intervention is required. He/she is able to prioritize quickly and facilitate decisions. Allow your crisis response team to be managed by crisis management specialists.

Aggregate inputs from all functional areas. Note that each function has a different focus. What may be obvious to someone may not be obvious to others. Getting inputs from all functional leaders is critical.

C. Communication and Coordination Plan

An important aspect of managing crisis situations is to over communicate. During a crisis, a quick response is essential, and a cascading communication plan with backup redundancy is vital to the success of the recovery effort.

Situation Assessment Calls. Schedule periodic calls to get situation assessments across centers. Situation assessment calls were done a week before the disaster by providing updates, and calls were set-up to discuss the potential disaster throughout the week. Hourly calls were also setup on the day of the disaster to ensure effective preparedness. All key stakeholders, including the executive leadership team, operations, human resources, administration, marketing and communications, procurement, and finance were involved in the situation assessment calls. Further, the decisions taken during these meetings were communicated to all managers and team leaders in the organization.

Command Center. Create a command center with the participation of leaders from all organizational functions. Some of those key highlights are as follows:

- Employee Safety - Verify the safety and security of all employees throughout the process
- Operations – Communication with employees and customers
- Administration – Fuel stock to manage the generators in case of power failure and food and beverages requirements
- Finance – Allocate and approve budgets
- Transport – Coordinate with various partners on the availability of transportation
- Marketing and Communications – Notifying employees by sending out text messages and email campaigns



Coordination with Vendor Partners. A strong supplier network is a necessary prerequisite for business continuity management. Transportation, fuel, and food suppliers are critical to the success of business operations. Transport played a vital role in reducing our shrinkage on the day of the storm, even ensuring that several non-critical resources turning-up to work as well. Food and beverage availability for employees during such situation boosts morale, makes them feel valued and cared for as team members.



Internal Communication. Employee availability is one of the key success factors in ensuring that the impact of the disaster is minimized. Access Healthcare used different channels to communicate to employees to keep them posted before, during, and after the event. Communication included text messages, email campaigns, cascading calls from managers and team leaders and team briefings.

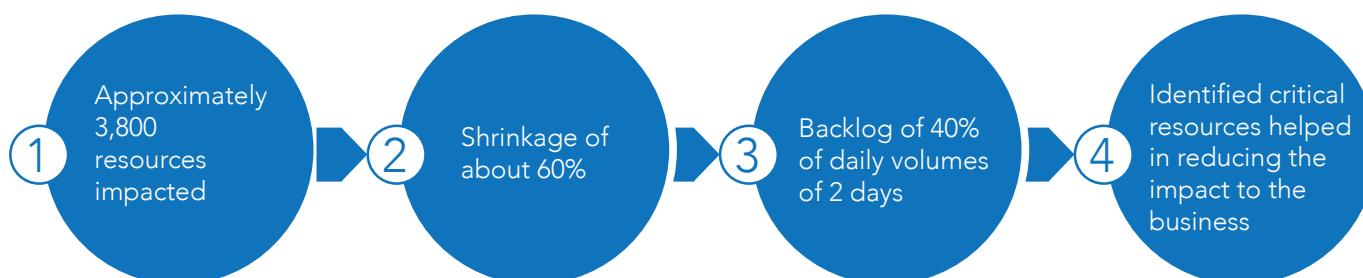


Customer Communication. Most customers understand when it comes to a force majeure situation. Even before the storm made landfall, each customer was notified about the potential severity of the disaster, and the mitigation plans put into place. Periodic updates ensured that the customers were aware of the events as they transpired.



3 Understanding the Impact

Despite all efforts taken to ensure smooth operations, there were still huge setbacks. Employee attendance information indicated that as much as 40% of the workforce had not reported to work in Chennai on the day of the storm, and as much as 25% of the workforce on the day following the storm. The Coimbatore, Manila and Pune sites supported the Chennai team by handling 20% of Chennai's volume. However, given that Chennai is our largest site, the impact was seen in service levels with of 2 hours turnaround time temporarily increasing to 24 hours for some transaction types. However, the intervention provided by the command center did bring out some positive results:



Support from centers in other cities helped in reducing the impact

Availability of food supplies, power and connectivity enabled employees to exceed daily production targets

4 Getting back to Business as Usual



The immediate next step after impact assessment is to plan and execute the recovery plan. With impact assessment being done for each client program and each process, the backlogged inventory visibility was obtained on the day of the storm itself.

A. Assess impact for each process and for each client

An assessment was performed to understand the state of SLAs for each client and a detailed plan to address the backlog was developed and shared with the respective client. Client-wise SLA evaluation was assessed immediately. All clients we contacted were very understanding and had words of encouragement for our delivery leaders and thanked us for being proactive.

This exercise also helped us identify the client teams that were either anticipating challenges in the path to recovery or the client expectation was to ensure resumption of business-as-usual operation immediately. For these teams, additional experienced resources were deployed to quickly bring the service levels back to normal in such cases.



B. Inform the client through the recovery process

Post sign-off of the backlog clearance plan from the client, beginning and end of shift logs with detailed status of backlogged inventory and the estimated completion date was shared with them. This ensured complete alignment with the client expectations. With the teams working weekends as well, the backlog clearance plans were accelerated across most processes, which obviously pleased the clients.



C. Be on top of the recovery plans

A command center should be established to ensure that the recovery happens as per plan. Clear, quantifiable goals should be established and tracked across all functions and processes. Each operations manager should report the progress against the plan and this should be centrally monitored by the executive team and track progress as per plan.



D. Stand by your people

Disasters evoke emotional responses to people who are affected by it. Many of our loyal employees were willing to “walk the extra mile” to help the organization recover quickly. Be in constant communication with all your team members. For example, the executive teams rolled out several incentive programs for the employees to encourage them to execute the backlog clearance plan. Customized campaigns were designed in our rewards system post-incident to speed-up the time-lines in restoring client SLAs. This included several rewards and incentives that were offered to employees who came to work during the day of disaster. Town halls were organized in each location, and the star performers were recognized by the leadership team.



E. Supporting the team members affected

At the same time, our employee engagement teams reached out to the families of our team members who were affected by the disaster and provided assistance to enable them to get their life back to normal. The team leaders of these employees also ensured that other members provided emotional support to help them recover physically and emotionally from the disaster.



5 Success of the Recovery Plan



Overall, it took four days for Access Healthcare to recover and restore business-as-usual operations through a strong business continuity plan. The India Chapter of the Business Continuity Institute runs an annual awards program for those organizations demonstrating effective recovery processes. Access Healthcare's submission was shortlisted in the 2017 "Most Effective Recovery" category by the Business Continuity Institute in India amongst over 90 submissions.

6 Conclusion

The importance of integrating business continuity in designing and managing business process service delivery operations cannot be under estimated. The cycle of planning, testing, and continually improving business continuity plans will help an organization in the event of a crisis and enable effective recovery. Executive commitment in both the planning cycle and through the course of a disaster is vital and helps in speeding up decision making processes. During the disaster, senior functional leaders collaborating, and rapid responding helps of minimize the impact of the disaster and also enables operations to return to a normalcy sooner. Building systems to understand production data in multiple dimensions across customer groups, and across processes, will help in assessing the impact of an event, and keep you on course for recovering from the event by facilitating decisions related to augmentation of resources. Last but not the least, supporting your team through the crisis situation by recognition, incentive rewards, and helping their families with financial or in-kind aid will create stronger bonds with employees.

Author

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