

RISK ALERT #6

Road to Recovery

Developing a risk-based plan for Recovery



Risk Alert #6 provides:

- **Recovery Plan** guidance to assist you to develop your plan
- **Governance and Risk Management** advice to support successful implementation
- A **Planning Framework** to build and take steps for recovery and resumption
- A suite of risk-based **Planning Tools and Support Options**

These are times like we have never seen before. The pandemic is continuing to cause disruptions to many, changing the way organisations do business and identifying challenging risks to manage. On the upside, many have found new ways of doing things; buoyed by constructive adaption to new circumstances and the creation of options to do business and deliver services in different ways.

Planning your road to recovery may feel like a paradox; we are all still very alert to managing a crisis and protecting our organisations and vulnerable people from the consequences of Covid-19. **However, developing a recovery plan and navigating a new future is good governance.**

Good Governance and Risk Management

How an organisation plans for and manages its recovery will define its reputation and performance for potentially years to come. Many organisations are now keenly looking to next steps.

Three Good Governance steps to consider:

1. Develop a plan endorsed by Board



Directors and Officers have specific responsibilities to ensure plans have appropriate governance, resources and risk processes aligned. Engaging your Board with the plan is important and helps meet obligations.

"I'm concerned we have become Covid-fixated"
– CEO Disability and Aged Care Service



Looking for opportunities ahead will actually reduce overall risk in your organisation. Alternatively, planning a return to business as usual comes with significant risks given the enormous changes brought on by the pandemic.

"I need to get our Board and our organisation out of the 'now' "
– CEO Community Care organisation



Don't spend forever planning; harness urgency as an enabler of change, be prepared to be agile and take some risks and focus on being a more resilient organisation.

2. Get ahead of risks and vulnerabilities

We have all become more vulnerable; being conscious of the impacts of forces that have emerged are important for risk managing and planning next steps. These include:

- Cash flow
- Not for Profit revenue hits
- Staff health and wellbeing
- Consumer demand uncertainty
- Property impacts – building / closing / re-opening
- Technology – new options, new experiences and cyber security
- Supply chains
- Compliance and expectations of regulators
- Social distancing – the new norm

Significant pre-pandemic risks haven't gone into quarantine: Reassess your strategic risks – it is likely these risks will have changed or have increased. As a minimum include review of:

- Governance and Compliance Risk
- Financial Sustainability Risk
- Clinical/Care Governance Risk
- Consumer Involvement and Engagement Risk

"One of the biggest risks for any organisation is not looking for opportunities from this enormous disruption"
– Diana Borgmeyer, CEO, Ansvar Risk



Download our [Risk Alert #1](#) for more information on pandemic risk assessments and key risk sources to consider.

3. Incremental resumption of business and services is key

The objective is not to return to normal. Plan conscious of your resources and capabilities. Don't underestimate the impact on your culture and proceed with caring concern.

Weak data systems and unchecked risk management will set you back and potentially expose you; take time to understand the maturity of both.



Visit our [website](#) for further risk management advice and risk information systems. Click [here](#) to download information about our Risk Consultancy and Workshops.

Recovery Planning Framework



We have created a framework to help your organisation resume and navigate the times ahead.

There are many ways for an organisation to recover and resume its strategy and operations from the pandemic. We have created a Planning Framework to assist you to build your approach, mindful of the risks and opportunities ahead.

We have backed up the framework with a suite of tools; these will assist to measure the impact of the pandemic to your business, reassess your strategy and operating environment, examine readiness and capabilities to resume and offer templates and tips to take up now or tailor for your purposes.

Our tools can be used to assess your business across priority areas

Our planning tools are designed for you to revisit and assess your organisation's strategy and objectives and help you assess the impact, risks and opportunities going forward.

Planning Framework

Take a **risk-based** approach to your planning - the following 3 connected and important components will assist you to establish a **short to medium term strategic recovery plan** that considers governance, resources and the processes required to successfully execute it.

3 Areas of Focus

Strategy

Operations

Workforce

Establish a "new norm"

4 Key Enablers


Governance and Risk


Financial Modelling


Community & Stakeholders


Technology Capability

Fortify your response
Navigate uncertainty

5 Strategic Steps

Position

Perspective

Plan

Projects

Preparedness

Incremental resumption


3 Areas of Focus

What's in play, what's on hold and what's new

Revisit your strategic objectives and operations and consider workforce implications.

Determine for each:

- **What has happened:** What has the organisation learned from the pandemic?
- **Its impact:** What impacts has the pandemic had on the organisation to operations, workforce and community?
- **Opportunities and risks:** What opportunities and risks have been identified?




The **Business Impact Review** tool and **Workforce Checklist** gives you a framework to help assess the impact the pandemic has had on your organisation for recovery planning considerations.



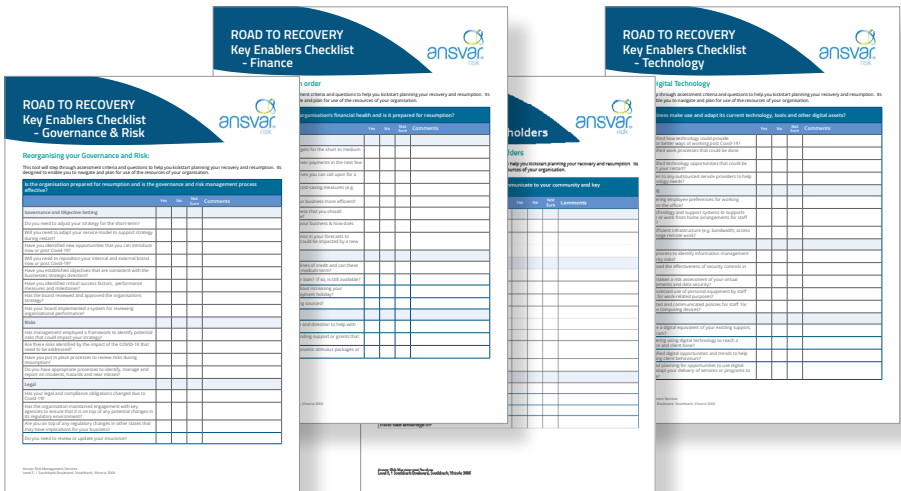
4 Key Enablers

Strengthening your response

The review of key enablers and influences is crucial to managing the objectives you will set in your recovery plan. Great plans are frequently let down because these 4 areas have not had sufficient oversight or assessment.



The **Key Enabler Checklist** will provide you with thought provokers to help you with your planning and start your recovery.



5 Planning Steps

Build a recovery plan

Consider these 5 strategic steps to finalise and execute your plan:

A lack of a plan exacerbates disorientation and uncertainty, giving rise to risk and limiting opportunities.



POSITION

What is the organisation now in the eyes of its community and stakeholders?

Determine where you sit in your community and market:

- Who are the competitors?
- Have you lost ground?
- Is solvency a risk?
- What developments during the pandemic can you lever from?
- Has compliance been monitored and achieved?
- Is a new value proposition warranted?



PERSPECTIVE

Has the business and operating landscape changed for your organisation?

- How prepared was the organisation for significant disruption and how well has it coped?
- What aspects of your culture and identity will change as a result of the pandemic?
- Will the future bring the organisation closer together or drive it apart?
- Will you see the organisation differently when this is all over?
- Are you more resilient?



PLAN

What will you do and what must you do?

- A lack of a plan exacerbates disorientation and uncertainty, giving rise to risk and limiting opportunities.
- Having reviewed the key areas of focus and assessed key enablers, what actions can you take; what risks and opportunities will you pursue and how?



PROJECTS

What elements of the plan require high priority and careful coordination?

- What are the priorities for the organisation's resources?
- Be clear on the projects that will contribute to future proofing the organisation.
- Too many initiatives can overwhelm an already stressful environment.
- Use project methodologies to manage elements that are higher risk and require close monitoring.



PREPAREDNESS

How prepared are you?

- Do you know the risks associated with executing your recovery plan?
- How resilient are you for the next disruption?



By using the 5-P analysis and the Road to Recovery tool kit you can identify your short to medium term priorities (**Strategic Priorities**) and what actions you need take (**Action Plan**) to start your planning (**Strategic Plan** and **Risk Assessment**) and trigger your recovery.

These tools intend to be a starting point that should be adapted to each organisation's specific context. They may not apply to everyone and are not intended as complete advice.

Risk Alert Series

Risk Alert #1

RISK ALERT Considerations & Information Pandemic Risk

Good Governance & Risk Management

Develop a Pandemic

Background

How does Insurance respond to a Pandemic?

Check your Insurance Broker to understand your specific policy cover

Risk Alert #2

RISK ALERT Communications Plan

SAMPLE PANDEMIC COMMUNICATIONS RESPONSE PLAN

STEP 1	Develop a communications team
STEP 2	Develop a communication plan
STEP 3	Develop a communication plan for each audience
STEP 4	Develop a communication plan for each audience
STEP 5	Develop a communication plan for each audience
STEP 6	Develop a communication plan for each audience

Risk Alert #3

RISK ALERT #3 Important Aged Care Guidance for Brokers

IMPORTANT INCLUDING FOR AGED CARE PANDEMIC MANAGEMENT PLANS

- Access Businesses
- Outbreak Risk Management

discuss with clients:

- Have an effective Incident Response and Contingency Plan established
- Have a clear communication plan
- Have a clear communication plan

Risk Alert #4

RISK ALERT #4 Unoccupied Properties

Protect vacant property

Risk managing vacant properties throughout the pandemic

THIS DOCUMENT PROVIDES GENERAL RISK MITIGATION RECOMMENDATIONS

- It may assist in order to NOTH to prevent the property
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Risk Alert #5

RISK ALERT #5 Outbreak Management A CEO's Real-time Experience

"All our plans had been based on 40% staff loss... and we lost 75%"

INTERVIEW

"To the CEOs who have spent the time watching this, if you need assistance or support I'm happy to share our trials and experience and pass your call"

"We believe a risk based approach to everything there is"

Contact us

If you have any specific Risk Management queries please contact Ansvr Risk, see below for details. Please contact Ansvr Insurance on 1300 650 540 or insure@ansvar.com.au regarding insurance coverage, claims support and advice.



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As our National Care Sector Leader, Anthony works with organisations throughout Australia to support governance and risk management capability; supporting boards, senior managers and staff to implement effective approaches to support decision making, improve performance, optimise performance and prevent harm.

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