## Deloitte.



# Addressing the impact of COVID-19 Post-crisis review and lessons learned

Despite the fact that organizations were confronted with global health emergencies before, such as SARS (2003), H1N1 (2009) and Ebola (2014-2016), many seem to have forgotten the lessons learned. Now that the risk of COVID-19 is escalating and organizations need to step up their preparations by developing and executing pandemic and crisis response plans, many struggle to create fit-for-purpose approaches.

The majority of companies that are better prepared than others to mitigate the impact of COVID-19 implemented an organizational resilience approach. This approach includes strategic business impact assessments. It maps critical services and functions to operational dependencies including key systems, staff, third parties, and geographic locations. Another important aspect is the inclusion of lessons learned from previous events and disruptions, leading to the implementation of supply chain, risk management, and business continuity strategies that mitigate disruption root causes. Typically, these organizations have diversified supply chains, multi-sourced key commodities or strategic components to reduce reliance on single suppliers.

It is important to identify and capture lessons learned and response/organizational improvement opportunities during the crisis. In the aftermath of a crisis, many lessons learned are forgotten because all energies are devoted to recover operations as soon as possible.

#### Leverage lessons learned to create value and emerge stronger

Tracking lessons learned, and understanding what went wrong and what went well, is absolutely critical. Organizations need to learn from past experiences and identify improvement opportunities. No matter how well prepared the organization was, some things go wrong simply because you can't plan for everything.

A post-crisis review comprises both a technical investigation into the cause of an event (including root cause), and an assessment of the effectiveness of the response. The repercussions of a crisis may be long lasting and multifaceted. However, by leveraging the knowledge and experience gained, you can build value throughout your organization and emerge stronger. Business as usual may look and feel very different. There may be enhanced strategic governance, improved operational control mechanisms, and enhanced crisis response capabilities.

When conducting a post-crisis review, the following questions are key:

- Why did the crisis happen and what was the (operational and strategic) impact of COVID-19 on the organization's people, assets, reputation, and stakeholders?
- How effectively was the organization's response and what can the organization do to prevent similar scenarios? How can the organization improve a future response?
- How can lessons learned enhance overall organizational resilience?

#### **Practical next steps**

- Appoint one crisis team member to capture lessons learned during the response and recovery phase. During the crisis, the response team should focus on resolving the issue at hand and meeting crisis team objectives and required outcomes. However, during the response and recovery phase, the team will initiate many actions; some will be effective and some won't. The team will also identify organizational improvements. One team member should be responsible for capturing these in a library with potential improvement opportunities.
- Keep an actions and decisions log. After resolving the situation, a post-crisis review should be initiated. Critical input is an overview of what happened and what decisions were made and why. Besides helping the organization to understand what went well and what needs to be improved, such an overview will help demonstrate the rationale behind certain decisions and the information available when decisions were made. Such an overview can prove essential during legal disputes and/or regulatory investigations.
- Initiate post-crisis review process and implement lessons learned. Immediately after the crisis is declared over, an objective evaluation needs to be undertaken to examine the actions and events and to identify best practices and improvement opportunities. The evaluation process should review all logs and documentation and the sequence of actions and events. Evaluators should identify the aspects of the situation that were handled well and actions that proved successful. Consider the aspects of the situation that require improvement. This provides an objective opportunity to correct and improve systems and procedures that may not have been successful. Special consideration should be given to compliance, legal, and communication implications of the situation and whether the response effectively addressed these risks. Where actions resulted in changes to plans and procedures, these should be implemented and validated with an exercise to ensure improved response capabilities during future.

### For more information on how to respond, recover and thrive:

- Connect to Deloitte leaders <u>www.deloitte.com/COVID-19-leaders</u>
- Visit www.deloitte.com/COVID-19

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our global network of member firms and related entities in more than 150 countries and territories (collectively, the "Deloitte organization") serves four out of five Fortune Global 500® companies. Learn how Deloitte's approximately 312,000 people make an impact that matters at <a href="https://www.deloitte.com">www.deloitte.com</a>.

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms or their related entities (collectively, the "Deloitte organization") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.