How the 5 Types of Disasters Test Your Business Continuity Plan

As a corporate decision-maker, call center manager, IT manager or head of operations, are you prepared for the unexpected?

While most organizations have some type of business continuity/disaster recovery (BCDR) plan in place, it’s crucial to know whether it will meet your needs when the unexpected occurs.

Can your backup facility handle the call volume that comes with disaster situations? Do you have enough agents available elsewhere if one or more of your centers goes down?

Moving forward from COVID-19, companies must ensure a strong plan-of-action in the event of a pandemic resurgence, natural disaster, geopolitical risk, or manmade or company-created occurrence.

Read on to learn how SYKES’ robust strengths rest in being ready for the five types of business-continuity disasters, and how our history of readiness has directly benefited companies dealing with them.

In the midst of Hurricane Sandy, SYKESHome employees added 456 hours to handle a major healthcare brand partner’s uptick in call volume – in only three days.
Are You Prepared for the Unexpected?

As a corporate decision-maker, call center manager, IT manager or head of operations, are you prepared for the unexpected? Most organizations have some type of business continuity/disaster recovery (BCDR) plan in place, but will it meet your needs when the unexpected occurs?

Can your backup facility handle the call volume that comes with disaster situations? Do you have enough agents available elsewhere if one or more of your centers goes down?

Partnering with a virtual, at-home service provider can help minimize and even eliminate the impact an unanticipated event could have on your business and customers. Learn more about how a virtual, work-at-home solution can protect you.

Recent events have highlighted the need for an immediate, on-demand business continuity plan to ensure that operations keep going without sacrificing your standard of excellence:

- Moving forward from COVID-19, businesses are taking a hard look at their business-continuity plans, and how prepared they are to face the socio-economic impacts of a pandemic
- Devastating hurricanes, droughts, wildfires and floods in the United States have bolstered the narrative on climate disasters, and have required an allocation of billions of dollars in relief costs
- Outbreaks such as flu (which strikes as much as 20% of Americans) shut down businesses around the globe every year
- Up to 17 million workdays are lost because of influenza, causing approximately $7 billion a year in sick days and lost productivity
- Massive security network breaches affect millions of consumers, with the “worst year yet” occurring annually

Handling the day-to-day complexities of running a successful business can leave little time to prepare for events that may not even happen. The Society for Human Resource Management’s disaster preparedness poll, conducted 10 years after the 9/11 terrorist attacks, found that only 33% of organizations surveyed feel they are prepared for a disaster to great or very great extent.

Potential business-interrupting events are on the rise, and having a business continuity/disaster recovery plan in place has now become many companies’ highest priority.

From natural disasters and manmade occurrences to geopolitical risks and breaches of security, it’s likely your organization will continue to face unexpected events in the near future. Whether it affects your customers depends on how well you’ve prepared for them.

Although the terms “business continuity” and “disaster recovery” are often used interchangeably, they are two distinct steps in the planning process.
BCDR Defined

Business continuity (BC) is a concept used in the creation and validation of a practiced logistical plan for how an organization will recover and restore (partially or completely) interrupted critical functions.

Disaster recovery (DR) comprises the processes, policies and procedures of restoring operations critical to the resumption of business, including regaining access to data, communications, workspace and other business processes.

Business continuity and disaster recovery are crucial to resuming operations after a disaster, especially as companies continue to take their cues from governmental ordinances and global trends.

Of course, it’s impossible to predict every event that could affect your service delivery, but the geographic diversity and advanced technology of an at-home, virtual solution will ensure your customers are taken care of regardless of the situation.

The 5 Types of Disasters

Preventing service interruptions, from a “once in a lifetime” event to recurring seasonal activity, is critical in today’s highly competitive, 24/7 business environment. Knowing the five types of disasters that disrupt business continuity is a vital step in being prepared for them.

Disaster Type #1: Health Pandemic

Health pandemics have the potential to impact business operations anywhere in the world. From social distancing measures to closed doors, widespread health impacts are largely unpredictable.

Could your company continue to function if only 40% of your service delivery team was able to show up to work?

Should a recurring wave of COVID-19, flu or other health-related pandemic occur, businesses will face a variety of problems, including a reduced workforce, a contagious environment, employees refusing to travel for fear of infection and a loss of efficiency resulting from increased time-off requests.

Considering the devastating effects an outbreak could have on your business operations, advanced planning is crucial.
Disaster Type #2: Natural Occurrences

There seems to be no “safe zone” from the fury of Mother Nature. Dramatic and damaging weather patterns can affect all parts of the country and the world.

Offshore call-center providers also feel the effects of storms and weather-related events.

Major natural occurrences — such as 2017’s Hurricane Maria that brought Puerto Rico to a standstill — require organizations using offshore call centers to scramble to redirect calls to onshore resources. Some are more successful at doing so than others.

When existing sites shut down, companies that cannot quickly redirect calls or handle unanticipated call volumes risk losing customers.

Is your business prepared for such an event?

Disaster Type #3: Manmade Occurrences

The number of manmade occurrences closing call centers is on the rise. These types of events could include biohazard spills, bomb or terrorist threats, computer viruses or security breaches. They could also be as simple as a spoiled lunch in the refrigerator or someone burning popcorn in the microwave.

While manmade events may seem benign on the surface, the result of closing a call center can be expensive. When businesses shut down unexpectedly, customers who need help are unable to receive it. Where do they go?

In the case of support centers with hundreds of employees, the sheer volume of missed calls can dramatically affect a company’s financial bottom line.

Disaster Type #4: Geopolitical Risks

Companies that outsource to offshore call centers assume the risks associated with geopolitical events in that region. For instance, in recent years Greece experienced financial turmoil that may have long-term repercussions in the global marketplace. In addition, the geopolitical situation in Egypt (an emerging outsourcing hub) led to an unprecedented nine-day Internet shutdown.

While these situations represent the worst possible scenarios, political events must be considered when selecting a customer care provider. To make an informed decision, companies should perform detailed risk assessments to identify the potential for dangerous events and evaluate call center providers based on the unique characteristics of the country, region, government and economy.

Disaster Type #5: Company-Created Situations

Not all disaster-related events are caused by external forces. Sometimes, a lack of communication between internal departments can create an unanticipated call volume.

Take, for instance, a large technology company that launches a new product right before Christmas. Phone lines during the holiday season become swamped with calls about installation, resets or functionality. While the company may sell more product than predicted, lack of planning on the service side results in frustrated customers and bad publicity.
Service challenges created by companies can also occur when special-event advertising or promotional campaigns create a flood of incoming phone calls and customers can’t get through or are left on hold for extended periods of time.

**Are You Prepared?**

Traditionally, disaster recovery plans have been focused solely on redundancy solutions. Most companies using call centers for all or part of their customer experience services have built their BCDR plans based on one of three foundations.

**Traditional BCDR Solutions**

BCDR solutions vary widely, especially as cost is concerned. One of the traditional redundancies is a second, company-owned facility. While there is a myriad of benefits, including duplicate hardware waiting to be used in a pinch, second facilities are, of course, extremely costly.

More commonly used as a BCDR solution is use of a third-party backup facility. This involves a contract with a third party for easily mobilized facilities and equipment. While less cost-prohibitive, third-party backup facilities are typically run on a first-come, first-served basis – which can cause major problems in the event of an area-wide disaster.

The most widely accepted BCDR solution is a failover facility, in which calls are transferred to existing facilities owned or managed by the company. While a good option in theory, companies run the risk of lack of capacity, equipment or trained representatives to handle the increased call volume.

**Traditional BCDR Problems**

With each set of BCDR solutions comes its own set of problems. Because most companies only plan on using these resources in the case of a “disaster,” several important factors tend to be overlooked:

**Problem #1: The Human Factor**

In the event of a storm or regional disaster, employees may not be able to travel to a secondary site or facility. It’s been determined that when flooding or storm damage affects a call center, employees living within a 30-mile radius are also affected.

At a time when the greatest concern should be for the safety of your employees and their families, requiring travel to a backup site can be problematic. Some companies believe sending employees home with a laptop and phone solves the “disaster” problem.

However, there is no guarantee employees will have the basic home office equipment in place, or would be able to provide the appropriate security, privacy or connectivity – especially when a work-at-home switch is all but required by government direction.

**Problem #2: The Distance Factor**

Getting existing employees to a third-party recovery site could require a lengthy commute, expensive last-minute plane tickets or other transportation costs.
Is it feasible to move enough employees to adequately staff a backup facility?

Although companies can be insured for this “potential event,” many see it as a large expense for a “what if” hypothetical and are looking for a more cost-effective solution.

**Problem #3: The Capacity Factor**

Failover to another company-owned facility is usually the best option. However, transferring calls to a facility that is already taking a full volume of calls can provide its own risks. Consider this scenario:

Each of your three sites is staffed with 500 full-time employees, and each site is typically 80% occupied, meaning 400 of the available 500 agents are working at any given time. If one site goes down, the calls normally handled by the 400 agents at the closed center must be distributed. However, the other two sites could only mathematically handle a portion of the closed center’s capacity.

What happens to the remaining call volume? Even if you can get additional staff to the existing facilities, you are limited based on the number of available seats and equipment.

**Problem #4: The Cost Factor**

Without careful planning, costs can quickly accrue. Overtime pay, travel and living expenses, manpower and technology costs, and penalties associated with longer wait times are all likely occurrences if companies aren’t prepared for them.

**Consequences of a Disaster**

When a call center closes, even for a short time, customers still need help. Callers who are unaware of the disaster will become frustrated when faced with busy signals or long hold times. Regardless of the reason, service interruptions can have a devastating impact on your customer base and long-term business vitality.

> **Service interruptions can have a devastating impact on your customer base and long-term business vitality.**

**Consequence: Decreased Customer Satisfaction**

Longer hold times, higher abandon rates and lower first-call resolutions can all add up to a bad customer experience.

According to a report by Genesys, 71% of consumers have ended relationships with a company due to poor customer service, 61% ended up moving to a competitor and 39% were lost or abandoned completely, deciding not to purchase from anyone. The same survey places the average cost of a lost customer at $289 per year, resulting in a loss of $83 million to the overall U.S. economy due to poor customer service.
The average cost of a lost customer is $289 a year, resulting in the loss of $83 million to the U.S. economy due solely to poor customer service.

Consequence: Tarnished Brand Reputation

Customers depend on you to be available when they need you. If their needs are not immediately met, consumers are not afraid to communicate their dissatisfaction in public forums. As easily as a good experience can foster brand advocacy, a poor one can deplete it.

The common rule of thumb is that each customer who complains will tell eight to 16 others about their dissatisfaction. In a social-media driven, “always on” culture, these numbers can easily reach the thousands, if not millions, in a matter of hours.

Consequently, poor customer service can affect your company’s reputation and brand in ways that are not easily reversed.

There is a Solution

Fortunately, these problems are preventable.

Companies that partner with virtual, at-home models can quickly redistribute call loads to experienced agents around the world, and provide uninterrupted service to customers regardless of the situation.

Virtual, at-home customer experience centers provide a proven, scalable, on-demand solution that can meet your BCDR needs without draining resources. The inherent nature of the business model has a built-in plan for the unexpected.

Strategy Over Triage

Most company’s BCDR redundancies exist in the event of an emergency. When push comes to shove, though, they often prioritize triage over strategy. Truly prepared companies are ready-made to implement their tailored strategy without having to attempt a quick fix.

Benefit #1: A Geographically Spread Workforce

By using a widely dispersed group of agents throughout the country, the effects of a regional disruption are drastically minimized.

Rather than re-routing a majority of calls, businesses only need to make small adjustments. These changes can happen in real time or within minutes, significantly minimizing the effect on the business.
Benefit #2: Greater Staffing Flexibility

Virtual, at-home service providers utilize a mix of full- and part-time representatives to provide greater flexibility and have the ability to adjust staffing as needed.

Companies that partner with virtual, at-home models can quickly distribute call loads to experienced agents around the world.

Through a sophisticated workforce-management scheduling system, trained agents who are not scheduled to work can volunteer to take additional calls or extended shifts. Should the need arise, managers can reach out to these “on-call” agents and have them sign in to take calls, providing instantaneous ramp up for unexpected call volume.

Benefit #3: Brand Continuity

Remote employees are thoroughly trained through ongoing, virtual micro-lessons, and are equipped with AI-enabled tools to optimize performance – resulting in greater brand continuity wherever they are in the world.

These are not “temps” or “fill-in” personnel; they are trained and experienced in handling calls for the specific brand partner or program, resulting in the seamless transfer of information and culture so quality levels are not affected.

Benefit #4: Seamless Integration

With the ability to quickly scale in response to emergency situations, any overflow or additional calls are handled efficiently and effectively. In fact, many brand partners have found that customers didn’t know they were operating any differently.

BCDR Case Studies: SYKESHome’s History of Success

SYKESHome offers proven, real-world solutions for business continuity and disaster recovery.

PROBLEM

A financial services brand partner was affected by brush fires, forcing them to evacuate their call center.

SOLUTION

SYKESHome agents picked up the additional call volume, adding 113 hours from Friday afternoon to Sunday evening. By Monday morning, their center was up and operational as if nothing had happened.
**Problem**

During Hurricane Sandy, a healthcare brand partner had to close their existing brick-and-mortar call center due to flooding.

**Solution**

SYKESHome employees were asked to volunteer for additional shifts and volumes. The time slots and additional schedules were filled within one hour of the brand partner’s request. Additional staffing levels were run for three days, adding 456 hours to handle this call volume.

---

**Problem**

A large financial services brand partner was forced to close their brick-and-mortar call center in Houston during Hurricane Ike.

**Solution**

Executives contacted SYKESHome 24 hours before the scheduled closure of their center. In response, SYKESHome added 22% more representatives to handle the calls from the closed center without customers being aware of the closure. The company was able to protect and even strengthen its brand name and reputation.

---

**Problem**

A large, well-known technology company with a faulty server experienced a system outage that prevented users from accessing their accounts.

**Solution**

At 5:00 a.m., SYKESHome was asked for assistance in handling the additional calls (which was up to 100% more than existing volume). Within an hour, staffing was increased to accommodate the added volume and callers were unaware of the outage.
The brick-and-mortar call center in Egypt used by one of SYKES’ largest brand partners was closed during political unrest. At the same time, its Oregon center was severely understaffed due to a flu outbreak. Meanwhile, its center in the Philippines was understaffed due to severe storms and flooding.

SYKESHome was able to ramp up to fill the staffing gaps and handle the higher call volume, no matter where the calls were coming from.

A large international retail chain experienced a power outage in one of its brick-and-mortar centers. The company needed additional representatives to handle the excess call volume. SYKESHome quickly adjusted staffing to meet this need. Four hours later, the brand partner called again. Another site was down.

The partner authorized overtime and asked if SYKESHome could also handle the volume from this site. Within one minute after the initial request, a request was sent asking for volunteers to log in early or stay past their shift. Within 10 minutes, additional representatives were available. As a result, the abandon rate the brand partner would have otherwise experienced due to the system outage was minimized.

A technology company launched a new product, and expected a significant increase in call volume.

SYKESHome recruited, hired and trained 1,200 agents in six weeks, including many individuals who had direct experience with the company’s products. Not only were consumers communicating with knowledgeable, well-trained agents, they were also talking to fellow users of the product.
A government-services brand partner anticipated the need for 190 additional representatives to accommodate their seasonal demand.

SYKESHome was easily able to recruit, hire and train additional personnel. Within three months, agents were handling almost double the normal number of calls and chats.

Based on staffing forecasts, a brand partner predicted additional call volume during the back-to-school season. They asked if SYKESHome could extend shift hours.

Within two minutes of their request, additional staffing was secured for two weeks to assist with the influx of calls.

How Can the Virtual SYKESHome Model Help You?

Are prepared for the unexpected?

If you have a business continuity and disaster recovery plan, review it. Does it guarantee that your customers will continue to receive quality customer service when faced with an unanticipated event?

If not, it’s time to investigate how a virtual, at-home solution can offer both you and your customers protection no matter what happens. SYKESHome offers premier capabilities in everyday and emergency/disaster situations.

From a technology perspective, SYKESHome provides easy access, and proven security, compliance and scalability via our cloud-based system. Constantly monitored by seasoned IT professionals, business is conducted in the cloud every day — not just as a redundancy for disaster situations.

On the “people” side of business, the geographically dispersed workforce and flexible scheduling capabilities available through SYKESHome make it possible to provide adequate staffing in any emergency situation.

Most home-based employees can easily accommodate increased hours — often with extremely short notice — and our brand partners have trained, knowledgeable and dedicated professionals taking customer calls, which helps maintain brand integrity and cultivates strong customer loyalty.

SYKESHome is truly an extension of the companies it serves — in any situation.
 References

- https://www.cdcfoundation.org/businesspulse/flu-prevention-infographic
- https://www.cdc.gov/niosh/topics/flu/activities.html

 ABOUT SYKES

Sykes Enterprises, Incorporated is a leading provider of multichannel demand generation and customer engagement services for Global 2000 companies and their end customers. SYKES’ differentiated full lifecycle solutions and services — digital marketing, sales expertise, customer service, technical support and more through multichannel delivery platforms — effectively engage customers at every touchpoint of the customer journey. Our complete service offering helps clients acquire, retain and increase the lifetime value of their customer relationships through cost-effective solutions that enhance the customer service experience, promote stronger brand loyalty, and foster high levels of performance and profitability.

SYKESinquiries@sykes.com
www.sykes.com