

Update 1: Financial Services Companies - Report Service Disruption as Workforce Call in Sick Amid COVID-19 Pandemic - India

- Financial services companies like Standard Chartered plc, UBS Group AG, Wells Fargo, and Barclays are witnessing service disruption in India
- This comes as employees struggle with deadly triple-mutant of COVID-19 variant
- A growing number of employees are either sick or scrambling to find critical medical supplies such as oxygen for relatives or friends
- Standard Chartered Plc stated that about 800 of its 20,000 staffers in India were infected
- As many as 25% of employees in some teams at UBS are absent from work in India
- At Wells Fargo & Co.'s offices in Bangalore and Hyderabad, work on co-branded cards, balance transfers, and reward programs are running behind schedule
- India's outbreak is intensifying even as vaccinations fuel economic recoveries in other parts of the world, heightening fears of a back-office bottleneck
- For now, back-office units are working with part-time workers or asking employees to perform multiple roles and re-assigning staff to make up for those who are absent
- They are scheduling overtime, deferring low-priority projects, and conducting pandemic continuity planning exercises for multiple locations
- A Wells Fargo employee added that some work is getting transferred to the Philippines, where staff is working overnight shifts to pick up the slack
- An employee at UBS also stated that many of the bank's employees in Mumbai, Pune, and Hyderabad are absent, and work is being shipped to centers such as Poland
- Standard Chartered Chief Executive Officer (CEO) Bill Winters stated that some work had been routed to Kuala Lumpur, Tianjin, and Warsaw
- Barclays Plc CEO Jes Staley responded by saying that some functions were shifted to the United Kingdom from India
- The intensifying outbreak has led to people being distressed with the pressure of work
- In Bangalore, Delhi, and Mumbai, the three main bases for the financial operations in the country, the infection rates have reached an alarming level
- The state of Karnataka, whose capital is Bangalore, reported more than 50,000 new infections in the last 24 hours for the first time since the pandemic
- Reported COVID-19 stats for India:
 1. Confirmed Cases: 21,491,598
 2. Deaths: 234,083 (1.09%)
 3. Recoveries: 17,612,351 (81.95%)
 4. Vaccine Doses Administered: 153,356,503

Targets Affected:

Barclays - Standard Chartered plc - UBS Group AG - Wells Fargo

Category(s):

People Risk - Solutions Maturity Risk

Event:

Coronavirus (COVID-19) Incident(s)

Guidance

Actions to consider:

- It is advised that current Business Continuity Plans and Disaster Recovery Plans are updated and activated as required as per the changing risk environment to ensure no or minimal disruptions
- SW Subscribers should ensure adequate internet bandwidth, hardware capacity, appropriate launch of business applications and related data, and proper network configuration availability to continue work from home/remote login facility for employees engaged in critical business functions
- SW Subscribers should remain current on all government-designated guidelines and restrictions
- Review alternative backup sites and teams to ensure that they are not located in the same geographical outbreak risk area, and are prepared and operational
- Determine if the third party has set up appropriate communication channels and information systems to avoid panic among the workforce and is boosting employee morale by letting them know about the necessary mitigation steps being taken
- It is advisable to be prepared for the possibility of a further extension of COVID-19 restrictions if the spread does not get contained sufficiently and if there is

5. Fully Vaccinated: 2.0%

- Supply Wisdom will continue to monitor and issue alerts for any relevant developments

Source(s)

https://www.business-standard.com/article/current-affairs/with-staffers-infected-india-s-covid-wave-hits-ops-of-wall-street-giants-121050700109_1.html

<https://www.livemint.com/news/india/wall-street-giants-get-swept-up-by-covid-19-wave-in-india-11620347602791.html>

<https://journal-beat.com/wall-street-giants-outsourcing-operations-in-india-suffer-when-workers-fall-ill/>

<https://www.worldometers.info/coronavirus/country/india/>

<https://www.pharmaceutical-technology.com/covid-19-vaccination-tracker/>

<https://ncdc.gov.in/>

inadequate supply of COVID-19 vaccines

- SW Subscribers are advised to promote vaccination drives amongst their employees
- Determine if the third party has a mechanism in place to update its clients in advance of any operational difficulties or expected contingencies over the duration of the crisis and confirm if your Business Continuity Plans are adapted and implemented
- SW Subscribers are advised to include checks on any recent issues or negative news as part of their third-party selection, on-boarding, and/or governance processes

Related Alerts

April 28, 2021

Immediate

Technology Companies - Report
Service Disruption as Workforce
Struggle Amid Deadly Triple Mutant of
COVID-19 - India

Impact level Definitions

Impact Level	Definitions
Immediate	Certain - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	Highly likely to occur in the near term (within 3 months) - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	Likely to occur in the mid-term (within 3 to 6 months) - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	Possible in the long-term (after 6 months) - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.