While You're Getting Settled In…

Give some thought to the following two-part question…

What's working - and what's not working - in your business continuity program?

We're going to actively explore your answers and work to understand the root cause in this workshop…

1

Workshop – Start to Implement BCOS Next Week

DRJ Spring 2020

Brian Zawada (FBCI)
Managing Director

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On the
Agenda

- What's Working / What's Not Working?
  - My Goals for this Workshop
- Introducing the BCOS (6 ingredients and the approach)
- Four Key Tools (what, why, practice, when you get home)
  - Frame
  - Measure to Improve
  - Engagement Plan and Issue Processing
  - Check It
- Conclusions
  - A personal and professional commitment for next week, each day

3

Today's Challenge is Being Open Minded

4

What's Working & What's Not?

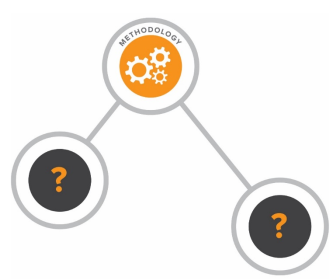
(3 & Only 3)

5

My Three Goals for This Workshop

Help you…

1. Bring focus to your program
2. Identify and engage the right stakeholders
3. Deliver actionable results



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A Brief Introduction to the BCOS

What's the hardest part of our job as business continuity practitioners?

A. Designing the business continuity program
B. Implementing the business continuity program (performing the business continuity planning process)
C. Managing the business continuity program long-term (continually improving the outcomes and staying engaged with management)

ARE YOU STRUGGLING WITH:

Low Program Energy?
Minimal Job Satisfaction?
Limited Engagement?
Lack of Resources?
Uninspiring Results?

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ENABLES YOU TO SAY:

- ✓ I am empowered to make my organization resilient
- ✓ I have the resources needed to protect the organization aligned to management's expectations
- ✓ I am challenged to grow personally and mature the program
- ✓ I enjoy my work

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How Avalution Does It

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How Avalution Does It

PARTICIPATE IN THE BCOS FIT MEETING	TWO-DAY ONSITE	INCREASE CAPABILITY + DRIVE ENGAGEMENT
Is BCOS Right for You?	Set the BCOS Foundation	10 Focus Meetings 4 Quarterly Sessions

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The Frame Process

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What's the Problem "Frame" Solves?

FOCUS and to a lesser extent, engagement

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So What Is It?

The approach to getting senior leadership teams in sync on the strategic nature of the future-state business continuity program, which feeds the design and execution of the business continuity planning process.

"Four questions with the answers shared by all"

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The Frame Discussion Topics

1. Why do we need business continuity (drivers and expectations)?
2. Products and Services - what should we protect?
3. “How much” business continuity is necessary?
4. Who should sponsor, lead, and participate?

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Frame Feeds Three Other Ingredients

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Why Do It?

- Drives top-down approach to business continuity
- Get leadership in sync, which helps avoid re-work
- Creates buy-in
- Efficiently helps us understand the drivers for our work
- Helps identify key program participants

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Roles and Responsibilities

- Prep
- Facilitator
- Note Taker / Summarizer

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How To Prepare

- Consider Regulatory Requirements and Customer SLAs
- Research (Get to Know) Your Products and Services
- Review How Customers Use Your Products and Services
- Consider Your Major Resource Dependencies and Think About Threats

Pitfalls to Avoid

1. Everyone is actively engaged (debate and dialogue)
2. All participants are open and transparent
3. We get all the issues out on the table
4. Brainstorming rules apply
5. Participants are patient with the questions (the most basic questions can and often lead to some interesting discussion)

EVERYONE IN ONE MEETING!!!

Let's Practice

Let's break up into groups. Pick someone's organization and explore one of the Frame questions. Let's come up with good answers.

1. Why is business continuity important to our organization?
2. What are we trying to protect?
3. How much business continuity do we need?
4. Who should sponsor, lead and participate in the program?

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When You Get Home…

If you're struggling with Focus or you feel your executive team is a little "all over the place", consider the Frame process.

But first, practice on your team or a group of people you trust.

Offer – A Frame coaching session recorded…

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Measure to Improve

"What gets measured gets done."

- Peter Drucker, Tom Peters, Edwards Deming, Lord Kelvin and others

Why Do We Measure?

1. To affect change
2. To drive continual improvement
3. To drive action
4. It's a requirement (regulatory, customer, standard)
5. To chart maturity over time

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What Are Our Options?

- Activity and Compliance Metrics
  - Key Performance Indicators (KPIs)
- Product/Service Metrics
  - Key Risk Indicators (KRIs)

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Who Should Receive Metrics?

- “Interested Parties”
- Those that care or those that need to be influenced toward action, including:
  - Leadership
    - Organization
    - Line of business, process, function, or activity
  - Program participants
    - Full-time resources
    - “Planners”
  - Customers
  - Regulators
- Think **Motivators**

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How Do I Develop Metrics that Matter?

- Put yourself in your program sponsor’s seat
  - What does he/she care about?
  - How does he/she measure the success of the business?
- And if you don’t know, ask (or look for an organization-level performance report that gives a few clues)
- Consider “risk appetite” or input from ERM
- Beyond a reference to products/services, use the language of the business to communicate capability
- Be clear and concise, and show trending whenever possible

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Metrics and Scorecards (Big Picture)

Questions to ask yourself when identifying meaningful metrics:

1. Reflect on your organization to start. From a culture perspective, how granular must you measure to drive engagement? You're looking to get a reaction from people so what will it take to achieve that objective. For example, engineering organizations often require more extensive, detailed scorecards than perhaps technology start-ups.

2. Next, think about your program's interested parties, or stakeholders. When thinking about all of the people that have an interest in your organization's preparedness for disruption, what does each care about the most, or demand? Suggest their top three...

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Metrics and Scorecards (KPIs)

Activity+Compliance Metrics

Questions to ask yourself when identifying meaningful KPIs:

1. What are the major activities that will drive preparedness for disruption (try to limit it to about five, recognizing you may need more based on organizational culture)?
2. Start with your policy, then standards you subscribe to, then regulatory requirements (if you have any), then customer mandates (or expectations). Group into planning activity expectations versus downtime (or pain) related expectations. Save the latter for KRIs.
3. Here's a menu to consider with major categories, as well as contributors... to get your list down to a manageable number, a great approach to consider is a fish bone diagram (this menu is from my DRJ workshop).
4. For each, state the activity and identify a performance target.
5. Create scorecards for each major stakeholder group, or for those using BCOS, one for Focus Meetings, one for Stakeholder Meetings, one for Quarterly Meetings, and one for the Annual Meeting.

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Examples Metrics - KPIs

Examples of KPIs (NCEMA 7000:2019 Draft)

- Roles defined, and responsibilities currently assigned to people
- Context of the organization (issues, interested parties, and attitude to risk) identified, documented, and signed off
- Statement of policy, scope and objectives created, approved and published
- Competencies defined, documented, and approved
- Participation of team members in training and workforce awareness
- Business impact analyses completed, documented, and approved
- Risk assessments completed, documented, and approved
- Business continuity strategies documented, selected, and in place
- Team structure defined and positions filled
- Response procedures created and approved
- Exercises and tests designed and planned
- Exercises conducted, post-exercise reports produced and approved
- Internal audit coverage of the management system
- Management review completed within past year
- Nonconformities with no approved corrective actions
- Corrective actions documented, approved, and completed

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Metrics and Scorecards (KRIs)

Product+Service Metrics

Questions to ask yourself when identifying meaningful KRIs:

1. Start with your list of in-scope products, services, or major processes that directly impact a stakeholder group if down.
2. For each, ask yourself how much pain they would tolerate in the most extreme circumstances. In many cases, you've probably asked yourself this during a BIA, but if not... how long can the customer be without it and can the delivery be less than optimal, for example less quality or a performance impairment) at time of recovery?
3. Create a KRI statement you can measure. For example...
4. An alternate approach to creating a KRI statement creation is a tabular approach such as a heatmap, highlighting the key issues that drive preparedness. For example...
5. For each KRI, identify a performance target.
6. Create scorecards for each major stakeholder group, or for those using BCOS, one for Focus Meetings, one for Stakeholder Meetings, one for Quarterly Meetings, and one for the Annual Meeting.

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Examples Metrics - KRIs

- Product/Service, Process, Activity, Resource Downtime Potential
- Safety Stock Levels
- Other

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Examples Metrics - KRIs

Product / Service	Business Continuity Objective	Current State Recovery Capability	Rating
Perform Customer Support	Ensure No More Than 4 Hours Downtime With Less Than a 90 Second Wait Time	8 hours, Estimated 4 Minute Wait Time at Recovery	Y
Manufacture Product	10 Days Target Safety Stock (offsite), Maintain Contingency Sourcing Agreement Effective Within 7 Days	1 Day Safety Stock, Contingency Sourcing Agreement With Acme Pending	R
Process Warranty Claims	Seamless Failover Between Each Claims Handling Region in the United States	Claims Failover Process Complete and Demonstrated – No Downtime	G
Bill Customers	Restart Bill Generation and Catch Up On All Back Logged Work Within 5 Days; Suspend Collection Reminders to Protect Customer Relationship	Billing Tested and Restarted in Three Days – Back Log Closed in 4 Days	G

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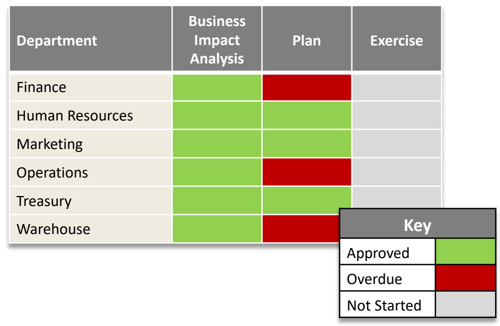
Metrics and Scorecards

- The scorecard should track KPIs and KRIs, allowing you to take action and address program issues proactively
- Examples of scorecards could include:
  - Activity Metrics (BIAs/Plans approved, overdue, draft, etc.)
  - Product/Service Recoverability
- Create issues for any topics that are overdue or need to be discussed further



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When You Get Home…

- Create a scorecard (KPIs and KRIs)
  - Map the metrics to who might care
- Make a list of actions that you're aware of
- Create a list of potential experiments and who might want to be involved

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The Engagement Plan & Issue Processing (with the right people)

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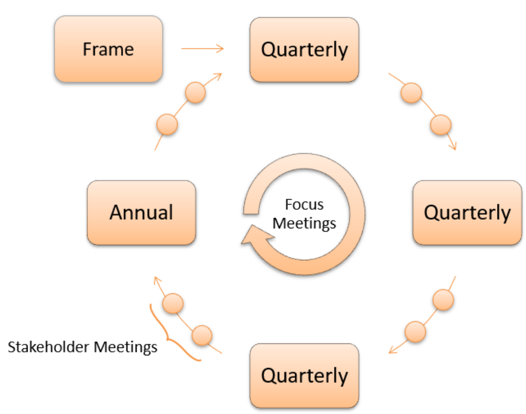
The Engagement Plan



- Proven approach to engage with the business and with key stakeholders to build and evolve the business continuity program
- Ensure effective completion of specific actions in support of strategy-aligned program objectives
- Reduces time allocated to the program by structuring engagement and clearly communicating requirements

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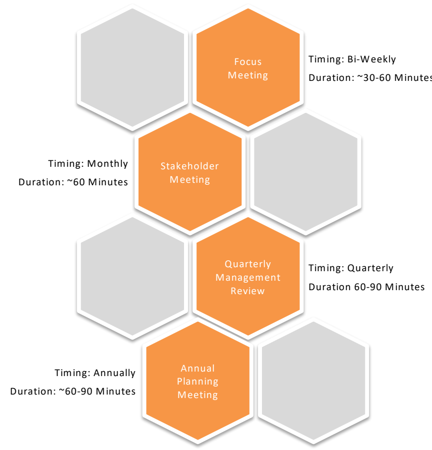
The Engagement Plan

Great business continuity programs have **effective** meetings with the **right people** at the **right frequency**.

The Engagement Plan documents the frequency with which the Program Manager engages with various stakeholders as well as the time required, the agenda, and necessary participants for each meeting.



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The Engagement Plan

The Engagement Plan provides a structure to identify and solve program issues while sustaining effective engagement with key stakeholders and maintaining alignment with the program's strategic direction and priorities.

What	Who	When	Why
Focus Meeting	Program manager and full-time team (core team)	Bi-Weekly	Building relationships on the team, alignment on scorecard performance and issue resolution (brainstorming and decision making).
Stakeholders Meeting	Those involved in planning and response (anyone who owns a plan)	Monthly	Building relationships on the extended team, alignment on scorecard performance and training.
Quarterly Review	Steering Committee	Quarterly	Align on past program performance, plan goals for the quarter, and resolve issues.
Annual Review	Senior Management	Annual	Same as the quarterly meeting but focused on planning for the upcoming year.

What do they care most about? What motivates them and would encourage them to participate actively?

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The Focus Meeting

Timing:

Bi-Weekly, 30-60 minutes

Agenda:

- Check-In (5 minutes)
- Scorecard (5 minutes)
- Quarterly Goals (5 minutes)
- Actions (5 minutes)
- Issues (35 minutes)
- Conclude (5 minutes)

Prerequisites:

- Completed engagement plan
- Established measurables

Objective:

- Ensures alignment on program goals and focus on "what's important"

Participation:

- Program Manager (***meeting facilitator***)
- Business Continuity Team

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The Stakeholder Meeting

Timing:

60 minutes

Agenda:

- Scorecard (5 minutes)
- Actions (5 minutes)
- Training (20 minutes)
- Issues (25 minutes)
- Conclude (5 minutes)

Prerequisites:

- Completed engagement plan
- Established measurables

Objective:

- Identify issues within the program
- Review performance
- Enable coordination across program stakeholders

Participation:

- Program Manager (***meeting facilitator***)
- Business Continuity Coordinators
- Program Sponsor

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The Quarterly Review

Timing:

60 - 90 minutes

Agenda:

- Previous Quarterly Goals
- Product and Service Dashboard
- New Quarterly Goals (3-5)
- Key Risks, High Impact Actions, and Issues
- Conclude

Prerequisites:
- Completed Engagement Plan
- Established measurables
- Implemented Focus Meetings and Stakeholder Meetings

Objective:
- Clear vision and alignment on program performance and objectives
- Resolution of key issues and evaluation of established roadmap

Participation:
- Program Manager (***meeting facilitator***)
- Program Sponsor
- Steering Committee

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The Annual Review

Timing:

60-90 minutes

Agenda:

- Check-In (5 minutes)
- Program Summary (10 minutes)
- Product and Service Dashboard (10 minutes)
- New Annual + Quarterly Goals (10 minutes)
- Key Risks, High Impact Actions, and Issues (20 minutes)
- Conclude (5 minutes)

Prerequisites:
- Completed Engagement Plan
- Established measurables
- Program scope and planning process

Objectives:
- Clear vision and alignment on program performance and objectives
- Effective engagement of senior leadership
- Establish program goals and roadmap for the year
- Resolve of key issues and allocation of necessary program resources

Participation:
- Program Manager (***the meeting facilitator***)
- Program Sponsor
- Steering Committee
- Other Key Stakeholders

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Program Participation and "The Right People" (GWC)

When identifying who should assigned to defined program roles, it is imperative to ensure that the assigned person be able to answer "yes" to the three "GWC" questions:

Get It — Do they **Get** or understand the role?

Want It — Do they **Want** the role?

Capacity — Do they have the **Capacity** to be successful in the role?

Program Participation and "The Right People" (GWC)

First and foremost – you **must** believe that you do not have to tolerate GWC issues in your program. Follow these three steps when experiencing a GWC issue:

1) First, **talk to the person one-on-one**. Ask them if they "get it, want it, and have the capacity" for their role.
2) Next, **ask them what we should we do about it.** Often, they can find someone who is a better GWC fit and you can move on quickly. If not, add it to the issues list as a long-term problem.
3) If no solutions can be found – **present the issue to the steering committee** to get their help in problem solving.

Get It

Want It

Capacity

Let's Practice

Let's break up into groups again. Pick someone's organization and explore consider the following:

1. Who are your program stakeholders?
2. What do you think motivates each group (pick one or two)?
3. What does the engagement plan look like for you?
4. Who really "GWC's" it and why? Do you have any that don't?
5. What issues would you process with them? (save this for later)

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When You Get Home…

- Build an Engagement Plan (no prescribed format!)
  - Who / Why / How / How Often
- Try to Stay "BCOS Pure" If Possible
- Seek Buy-In and Schedule!

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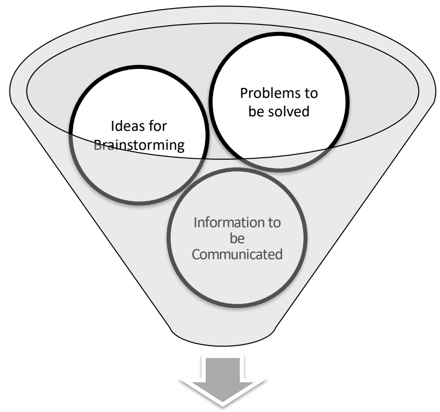
Issue Processing

- An 'Issue' is any topic that needs to be discussed at greater length.
- The goal of processing issues is to solve program challenges permanently and remove roadblocks.
- Allotting time specifically for issues processing allows participants to solve problems and take actions to move the forward.



Solutions!

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Issue Processing

Three distinct steps:

- **Identify** the root cause
  - Only 6 root causes
- **Discuss** possible solutions to the root cause
  - Brainstorming rules apply!
- **Solve** the issue
  - Someone must decide
  - Take an action

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Recommended Discussion "Model"

- State the issue
- Identify the root cause
- Discuss and ask questions
- Confirm the issue remains
- Brainstorm solutions
- Make a decision
- Establish an action (if necessary)
- Re-evaluate if wrong

Let's Practice

Let's break up into groups again. Pick someone's organization and explore consider the following:

- Pick an issue impacting your organization's ability to achieve the right level of resiliency
- As a group, process it!
- I will go back one slide while you process the issue so you can follow the model

When You Get Home…

- Make issue processing the core part of your engagement plan (meetings)
- "Open and honest" for the betterment of the program
- Solve for the root cause (use the wheel)

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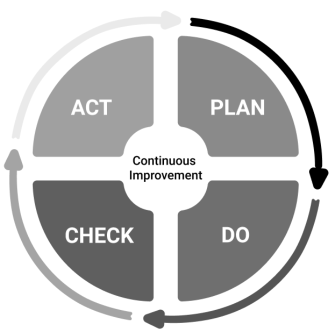
What's After Metrics and Issue Processing?

- Risk-based continual improvement
  - Improve the planning process
  - Further align with organizational strategy
  - Mitigate to decrease frequency of disruption or impact
  - Improve strategies and capabilities to respond and recover
  - Increase compliance



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What's After Metrics and Issues Processing?

Technically it's issue processing when a metric indicates a potential problem but…

1. Actions
   – Experiments (a unique type of in vogue action)
2. Goals

Short Term → Long Term

Metric to Issue | Action | Quarterly Goal | 1-Year Goal | 3-Year Goal

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Actions

- Actions are focused improvement opportunities with a short-term completion time
- Often, actions are the result of exercising or real-life incidents, but they can come from any stage of the business continuity lifecycle
- Actions are used to hold individuals accountable, as well as provide specific steps to mature the program.
- Great actions have:
  – A specific outcome identified
  – One owner (multiple owners is another common reason for actions not being addressed)
  – A due date
  – A process for follow-up when complete

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Experiments

- A special type of Action
- With experimenting, failure is always an option!
- Use when the potential downside is clear and design to mitigate this downside
- Get creative and take a risk – the purpose is to see what happens (learn) and keep the program moving forward

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Experiments

Two most common types of Experiments:

Program Experiments

- Program experiments are trials with the program to enhance the process of how the program operates
- Examples could include:
  - Allowing departments to facilitate exercises on their own
  - Developing short, checklist plans instead of longer manuals

Strategy Experiments

- Strategy experiments are designed to test out potential strategies before fully implementing
- Examples include:
  - Trying open source mass notification tools (e.g., WhatsApp) for crisis communications
  - Have a group work from home for a day before implementing in the full organization

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Check-It

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Where Are You On Your BCOS Journey?

- We believe the full use of the BCOS processes and tools directly correlate to an organization achieving – and sustaining – the right level of resilience
- Avalution created a simple tool to measure progress and provide feedback (in many ways, it's another measurable)

So let's do Check-It right now!

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The Check-It Survey

Please grab a piece of paper and write down 1 through 20 in a vertical column to the left.

For each question, score your program on a scale of 1 (strongly disagree) to 5 (strongly agree) and then add up the results.

BE HONEST! No one else will see your results unless you choose to share them when you get home!

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The Check-It Survey

1.	We understand why we've invested in a business continuity program, which is documented and understood by all.	1	2	3	4	5
2.	Our senior management agrees on the products and services the business continuity program is working to protect and the maximum downtime tolerance for each.	1	2	3	4	5
3.	We have documented our business continuity program roles and responsibilities.	1	2	3	4	5
4.	Everyone with a role in our business continuity program understands expectations, wants to participate in their role, and has the capacity (time and knowledge) needed to execute their role well.	1	2	3	4	5
5.	We have a process for how we perform business continuity which is documented, simple and straightforward, and followed by all program participants.	1	2	3	4	5

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The Check-It Survey

6.	We have mapped in-scope products and services to their underlying dependencies (departments, facilities, technologies, equipment, people and suppliers); all have downtime tolerances.	1	2	3	4	5
7.	We have selected recovery strategies for in-scope product/service dependencies, consistent with our risk tolerance.	1	2	3	4	5
8.	Our business continuity plans include actionable content that describes what needs to be recovered, by whom, how it will be recovered, and when the plans should be used.	1	2	3	4	5
9.	Senior management decision makers (referred to as a crisis management team) are ready to convene quickly to coordinate an efficient response to disruptive events.	1	2	3	4	5
10.	We conduct exercises to demonstrate an ability to respond to disruptive events and recover our in-scope products and services.	1	2	3	4	5

The Check-It Survey

11.	We have a protocol for how response participants (from employees to senior management) communicate during a disruptive event and everyone is trained on it.	1	2	3	4	5
12.	Our employees are aware of their roles in responding to and recovering from a disruptive event.	1	2	3	4	5
13.	Our core business continuity team (full-time resources leading the program) connects regularly to discuss and solve issues that move the program forward.	1	2	3	4	5
14.	Our department-level business continuity representatives meet regularly to be trained in their responsibilities as well as solve issues that limit their effectiveness.	1	2	3	4	5
15.	We have a cross functional steering committee that meets regularly to review the recoverability of in-scope products and services, prioritize corrective actions, and address strategic issues that may be impeding our ability to achieve the right level of resiliency.	1	2	3	4	5

The Check-It Survey

16.	We track and review the completion rate for business continuity planning activities, such as plan updates and exercises.	1	2	3	4	5
17.	Senior management regularly reviews our ability to recover in-scope products and services.	1	2	3	4	5
18.	Our core business continuity team seeks feedback on improvement opportunities and establishes quarterly goals that help drive us toward the right level of resiliency.	1	2	3	4	5
19.	We track and follow up on the status of to-do's, action items, and experiments to ensure accountability.	1	2	3	4	5
20.	Our program manager uses automation (software and other tools) to free their time and focus on engagement.	1	2	3	4	5

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Review the Fit Meeting Outcomes

Check It Summary

	Total Number	Total Score
How Many 5's?		
How Many 4's?		
How Many 3's?		
How Many 2's?		
How Many 1's?		
All Them Up!		

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Let's Diagnose the Conclusions

Ingredient	Question Mapping
Frame	1 and 2
Process	5, 6, 7, 8, 10, and 11
Participation	3, 4, 9 , 12, and 15
Engage	13, 14 and 20
Measure	16 and 17
Improve	18 and 19

When You Get Home…

- Survey a few different stakeholder groups across your organization
- Do it again and again – semi-annually or annually
- Chart the progress over time
- Create issues for processing based on the results
- I promise three things will grow…
    1. Engagement
    2. Focus
    3. Actionable results

Conclusions

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The Six Ingredients

… which are also the six root causes of poor performance

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The Four Key Tools We Covered

- Frame
- Measurables and Scorecards
- Engagement Plan and Issue Processing
- Check It

Helps you to run your program proactively and like a business

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Commitments for Next Week

- Personal development commitment
- Professional commitment
- Reflection
- The weeks to follow…

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Commitments for Next Week

ENABLES YOU TO SAY:

- ✓ I am empowered to make my organization resilient
- ✓ I have the resources needed to protect the organization aligned to management's expectations
- ✓ I am challenged to grow personally and mature the program
- ✓ I enjoy my work

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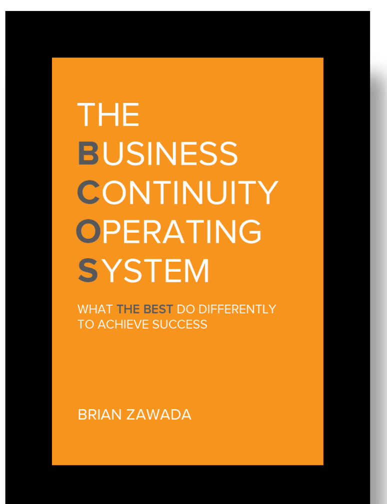
One More Thing…



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Please Rate the Workshop

1 to 10

If below an 8, please offer feedback on what I could have done better.

Thank you!