Business Continuity Maturity Model®

Margaret D. Langsett

Executive Vice President

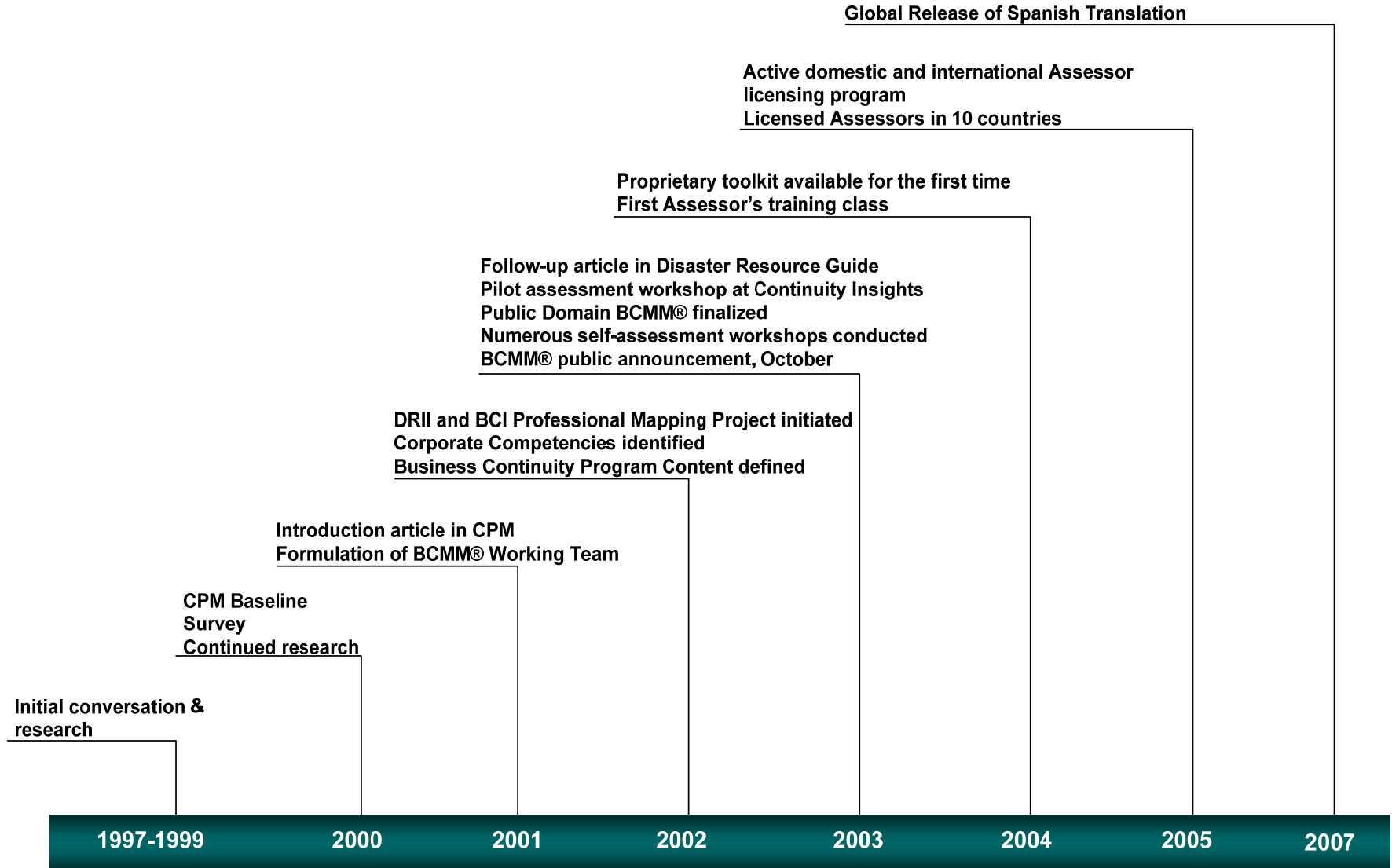*Virtual Corporation*

VIRTUAL CORPORATION

1

Agenda

- **History and Overview of BCMM®**

- **Proprietary BCMM®**

- **BCMM® Assessment Training Class**

- **BCMM® International Interest**

- **Summary and Wrap-up**

History of BCMM®

Global Release of Spanish Translation

Active domestic and international Assessor licensing program
Licensed Assessors in 10 countries

Proprietary toolkit available for the first time
First Assessor's training class

Follow-up article in Disaster Resource Guide
Pilot assessment workshop at Continuity Insights
Public Domain BCMM® finalized
Numerous self-assessment workshops conducted
BCMM® public announcement, October

DRII and BCI Professional Mapping Project initiated
Corporate Competencies identified
Business Continuity Program Content defined

Introduction article in CPM
Formulation of BCMM® Working Team

CPM Baseline Survey
Continued research

Initial conversation & research

1997-1999	2000	2001	2002	2003	2004	2005	2007

Copyright Virtual Corporation, 1994 -2007

Why create a BC maturity model?

- The Business Continuity Maturity Model® was developed to:

  - Answer the following questions for senior mgmt:

    1. Where are we now?
    2. Where do we ultimately want to be?
    3. Where should we be next?

 - Achieve ***executive "buy-in"*** to implement and/or sustain a Business Continuity program

4

Why create a BC maturity model?

- The Business Continuity Maturity Model® was developed to:
  - Generate consistent data from which meaningful benchmark analyses can be drawn:
    1. Establish *standard means* of scoring BC program implementations
    2. Develop *historical databank* tagged in meaningful ways, e.g., by industry, by region, by company size, etc.
    3. Generate awareness that business continuity program *effectiveness can be quantified*

5

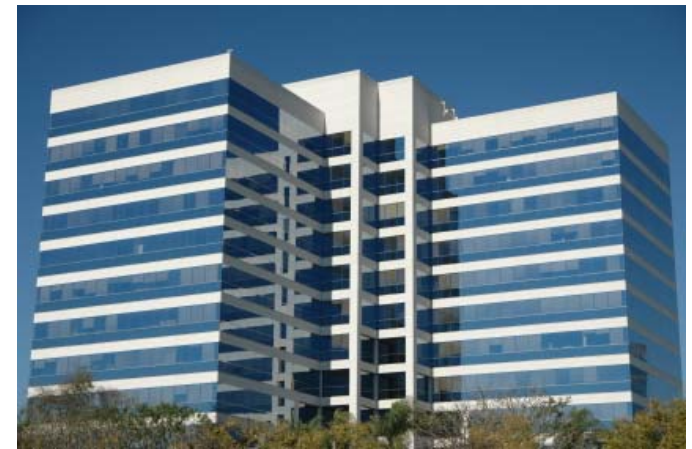# Business Continuity Maturity Model®

- Implement BC as a sustainable program

- Everyone should have a clue of their role in case of a disruption.

- Individual managers should have responsibility for recovering their department.

Holistic Enterprise

Holistic Enterprise

IT | Accounting | Finance | Sales | Operations | HR | Facilities
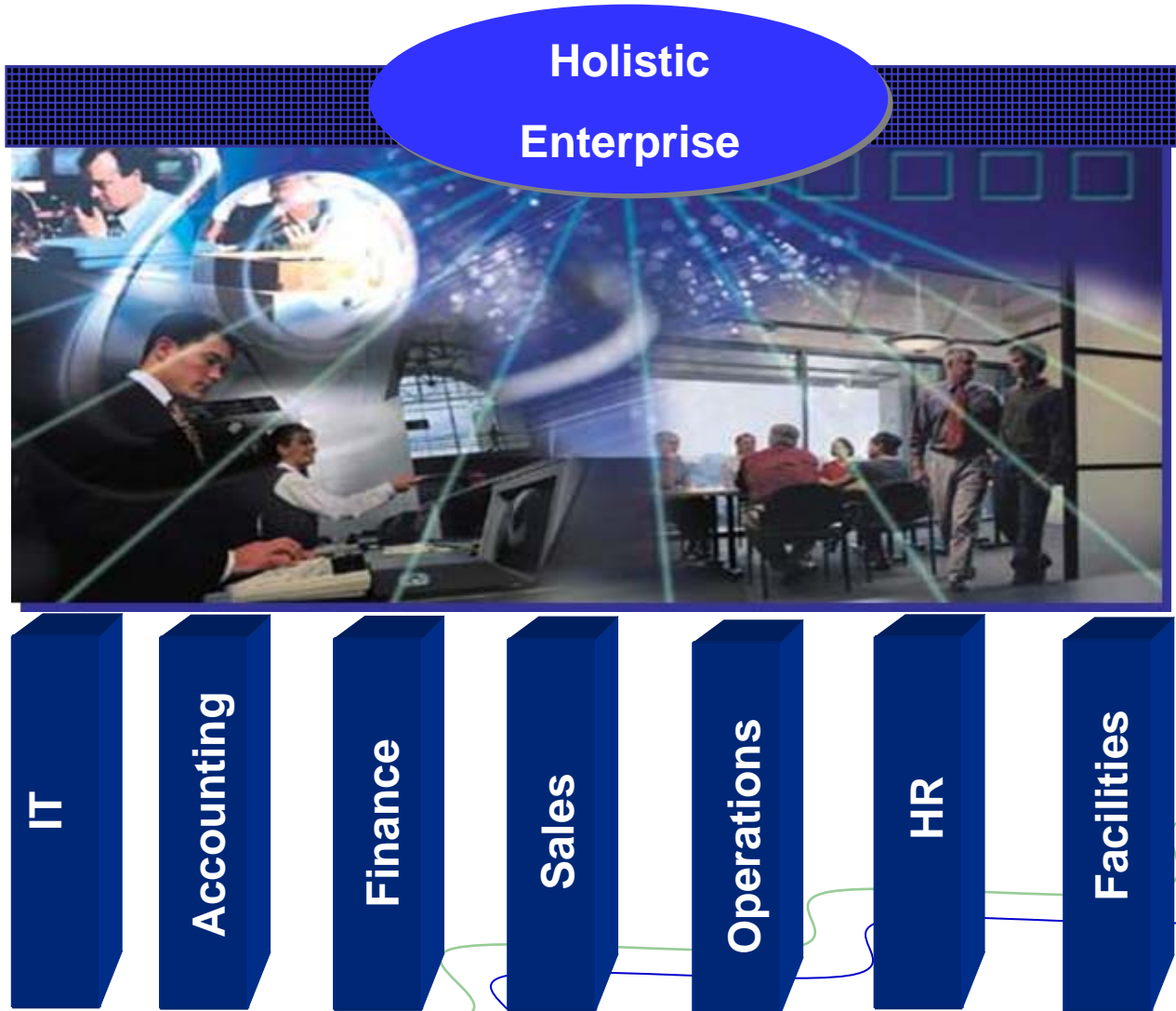
Assessment Targets

- Holistic Entity
  - **NOT a single department**
  - Complete business unit
  - Able to function independently
- Examples:
  - Stand-alone site
  - Division
  - Region
  - Corporation

What is the Business Continuity Maturity Model®?

- **Assessment tool**

- **Provides standardized approach**

- **Consisting of:**

  - Six Levels

  - Eight Corporate Competencies

  - Associated Criteria Categories & Descriptors

  - Associated Performance Requirements

Business Continuity Maturity Model®

Business Continuity Maturity Model ®

Standard Reference Chart — Increasing Business Continuity Competency Maturity →

Maturity Model Levels	Level 1 Self-Governed	Level 2 Supported Self-Governed	Level 3 Centrally Governed	Level 4 Enterprise Awakening	Level 5 Planned Growth	Level 6 Synergistic
Athlete Analogy	Able to Crawl	Able to Walk	Able To Run	Fit Runner	Competitive Runner	Olympic Runner
Comparative Model	Organization At Risk		Competent Performer		Best of Breed	
Corporate Competencies	**General Attributes of an Organization at Each Maturity Level**					
Leadership	VL	L	M	H	H	H
Employee Awareness	VL	L	L	M	H	H
BC Program Structure	VL	L	L	M	H	H
Program Pervasiveness	VL	L	L	L	M	H
Metrics	VL	L	M	M	H	H
Resource Commitment	VL	L	M	H	H	H
External Coordination	VL	L	L	M	H	H
BC Program Content	VL	L	M	H	H	H

Business Continuity Maturity Model®
Conceptual Overview

Increasing Business Continuity Competency Maturity →

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Summary Descriptors for How an Organization Evolves

The "Athlete Model"

✓ Describes each Level of the BC Maturity Model in terms of a maturing runner

The "Comparative Model"

✓ Clusters Levels into three groups of relative competency valuation

11

Business Continuity Maturity Model®

Increasing Business Continuity Competency Maturity →

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Leadership

The commitment and understanding demonstrated by executive management regarding the implementation of a scaled, enterprise-wide business continuity program. The degree to which the "business case" has been articulated and understood.

12

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Increasing Business Continuity Competency Maturity →

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BC Awareness

The breadth and depth of business continuity conceptual awareness throughout all staff levels of the organization.

13

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BC Program Structure

The scale and appropriateness of the business continuity program implemented across the enterprise. The degree to which the BC Program matches the articulated business case.

14

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Program Pervasiveness

The level of business continuity coordination between departments, functions and business units. The degree to which business continuity considerations have been incorporated in other business initiatives / programs.

15

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Metrics

The development and regular reporting of quantifiable criteria used to monitor the BC Program performance. The establishment of a baseline and on-going tracking of established business continuity competency goals.

16

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Resource Commitment

The application of sufficient, properly trained and supported personnel, financial and other resources to ensure the sustainability of the BC Program.

Business Continuity Maturity Model®

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External Coordination

Coordination of business continuity issues and requirements with external community including customers, vendors, government regulatory bodies, unions, local 1st responders. Insure that critical supply chain partners have in place adequate BC Programs of their own.

18

What is Business Continuity?
The Four Central Disciplines

- **Incident Management**

- **Disaster Recovery**

- **Business Recovery**

- **Security Management**

What is Business Continuity?
The Four Central Disciplines

- ## **Incident Management**

  - All aspects of emergency response, crisis management, and any other activities involved in command, control, and communications during a disastrous event

  - The executive decision authorization and dissemination mechanism during crisis

What is Business Continuity?
The Four Central Disciplines

• **Disaster Recovery**

- Ensuring that all "critical assets" are recoverable within defined recovery time objectives

- Includes all tangible asset on which "critical process(es)" depend, e.g.:
    - IT hardware, software, networks, applications
    - Boiler, electric power generator, water tower
    - Process control equipment, refrigeration equipment, HVAC
    - Paper bags, "nuts and bolts"
    - Phones, tables, chairs, desks
    - Etc.

What is Business Continuity?
The Four Central Disciplines

- **Business Recovery**

  - Ensuring that all "critical processes" are recoverable within defined recovery time objectives

  - Includes all intangible assets on which "critical processes" depend, e.g.:
    - IT application data
    - Vital records (paper files, microfiche, etc.)
    - All intellectual property
    - Skill sets and expertise
    - Etc.

What is Business Continuity?
The Four Central Disciplines

- **Security Management**

  – Physical security, information security, and any other activities associated with protecting targeted information, personnel, and resources

23

Business Continuity Maturity Model®

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BC Program Content – Business Continuity Disciplines

The degree and quality of implementation of each of the four central disciplines of BC:

1. Incident Management
2. Technology Recovery
3. Business Recovery
4. Security Management

24

Business Continuity Maturity Model®
Sample Corporate Competency Grid

General Characteristics	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
Athlete Analogy	**Able to Crawl**	**Able to Walk**	**Able to Run**	**"Fit" Runner**	**Competitive Runner**	**Olympic Runner**
Comparative Model	**Organization "At Risk"**		**"Competent" Performer**		**"Best of Breed"**	
BC Program Structure	SELF-GOVERNED	SUPPORTED SELF-GOVERNED	CENTRALLY GOVERNED	ENTERPRISE AWAKENING	PLANNED GROWTH	SYNERGISTIC
Key Concepts	Unstructured, potentially counter productive	Increasing understanding of BCM, common terminology in use.	Awareness & adoption	Integration	Explicit vertical and horizontal integration	Prominence
Strategy / Culture / Goals Definition: relevant to business goals & competitive environment	No definition	Dept/BU BCM activities in sync with relevant portions of enterprise strategy, culture and goals.	A business case is established for BCM	Mandatory BCM strategy review requirement in place and integrated into budget cycle Change management procedures with BCM coordinators in place at Dept/BU level Audit findings across enterprise begin to reflect more positive BCM response	BCM considered in development of enterprise business strategies	BCM and its relationship to available products and services has become a quantifiable and marketable competitive advantage. BCM is one of the drivers contributing to enterprise business strategy development. Management explores new technologies and innovative BCM solutions.
Organizational Design Definition: explicit methods of company	Self Defined	Identification of key internal linkages and working agreements	Identification of BCM critical functions and roles	Enterprise BCM process is compatible with overall Enterprise business strategy	Sustainability & survivability are principles of enterprise	Innovative processes piloted and incorporated into enterprise BCM program.
Roles & Responsibilities Definition: who & what	Undefined	Dept/BU staff has responsibility for BCM. Overlapping roles may occur.	Participating Dept/BUs have common BCM chain of command.	Formal BCM linkages of responsibility and relationships defined and adhered	Formal BCM linkages to performance goals and compensation	Formal BCM linkages to performance goals and compensation
Policies & Processes Definition: how (i.e. rules of operation)	One or several Dept/BUs implemented a few self selected components of BCM	Active Dept/BUs have formulated policies, standards & practices. No enterprise policy for BCM exists.	Dept/BUs share common BCM policies, standards & practices. Business Continuity Charter published for participating Dept/BUs.	Enforceable BCM policies, standards, & practices in effect across the enterprise	Regular reviews of enterprise BCM policy, standards, and practices.	Pro-active executive participation in development of new BCM policy

25

Business Continuity Maturity Model®
Corporate Competency Maturity Grids

- Each Maturity Grid Sheet is similarly formatted

  ◆ **Key Concepts**

    ➢ Summary descriptions of how the Corporate Competency evolves from Level to Level

  ◆ **Criteria Categories**

    ➢ Specific characteristics inherent to each Corporate Competency

  ◆ **Criteria Descriptors**

    ➢ Defines how the category is applied to the organization

  ◆ **Performance Requirements**

    ➢ Sample listings of success measures at each Maturity Level

26

Business Continuity Maturity Model®

Key Concepts

Level 1	Level 2	Level 3	Level 4
Self-Governed	Supported Self-Governed	Centrally Governed	Enterprise Awakening
Unstructured, potentially counter productive	Increasing understanding of BCM, common terminology in use.	Awareness & adoption	Integration

Business Continuity Maturity Model®

Criteria Categories & Definitions

BC Program Structure
Strategy/Culture/Goals Definition: relevant to business goals & competitive environment
Organizational Design Definition: explicit methods of company
Roles & Responsibilities Definition: who & what
Policies & Processes Definition: how (i.e. rules of operation)

Business Continuity Maturity Model®

Descriptors

	Level 1	Level 2	Level 3	Level 4
Strategy/Cultural /Goals Definition: relevant to business goals & competitive environment	No definition	Dept./BU BCM activities in sync with relevant portions of enterprise strategy, culture and goals	A business case is established for BCM	Mandatory BCM strategy review requirement in place and integrated into budget cycle Change management procedures with BCM coordinators in place at Dept/BU level Audit findings across enterprise begin to reflect more positive BCM response 29

Criteria Categories & Descriptors (Example)

- BC Program Structure (Level 2)
    - Key Concept
        - Increasing understanding of BC management, common terminology, in use
    - Strategy/Culture/Goals **(Criteria Category)**
        - Department/Business Unit BCM activities in synchronization with relevant portions of Enterprise strategy, culture, and goals **(Descriptors)**
    - Organizational Design
        - Identification of key internal linkages and working agreements
    - Roles and Responsibilities
        - Department/BUs staff has responsibility for BC Management
        - Overlapping roles may occur
    - Policies and Processes
        - Active Dept/BUs have formulated policy, standards, and practices
        - No Enterprise policy for BCM exists
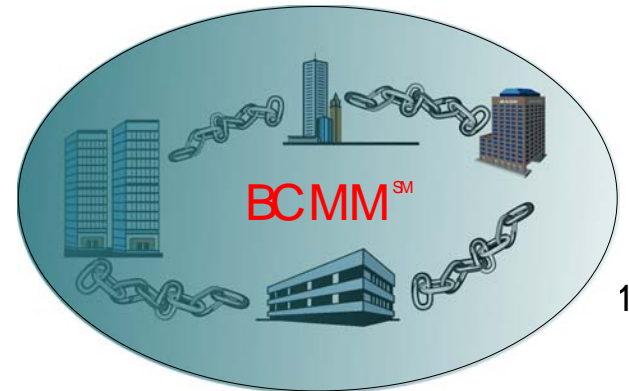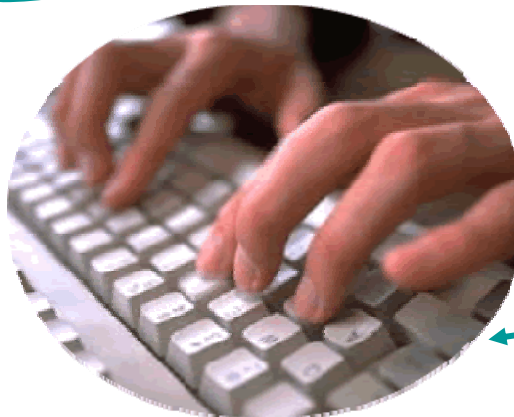
30

Uses for BCMM®

Self-Assessment

Regulatory Compliance Evaluation Framework

Executive Buy-In

BCMM®

Supply Chain Vulnerability

Program Design

BCMM℠

1

BCMM® Assessment Toolkit

- Assessment Master Questionnaire

- Proofs Acquisitions and Analysis Checklist

- BCMM® Calculator and Assessment Scorecards

- BC Service Center

Available to Assessors who successfully complete

this class and become licensed.

32

Example BCMM® Assessment Scorecard

Scored 9/12/07   11:00 a.m.

The Assessor has not marked this as final.

Scorecard	BCMM ® Score
Corporate Competencies	**4.1**
Leadership	4.2
Employee Awareness	3.4
BC Program Structure	4.1
Program Pervasiveness	4.8
Metrics	4.2
Resource Commitment	4.9
External Coordination	3.3
BC Program Content	**4.5**
Incident Management	3.8
Technical Recovery	4.6
Security Management	4.8
Business Recovery	4.7
Total Score	**4.2**

BCMM® Assessment Training Class

BCMM® Assessment Course Outline Objectives

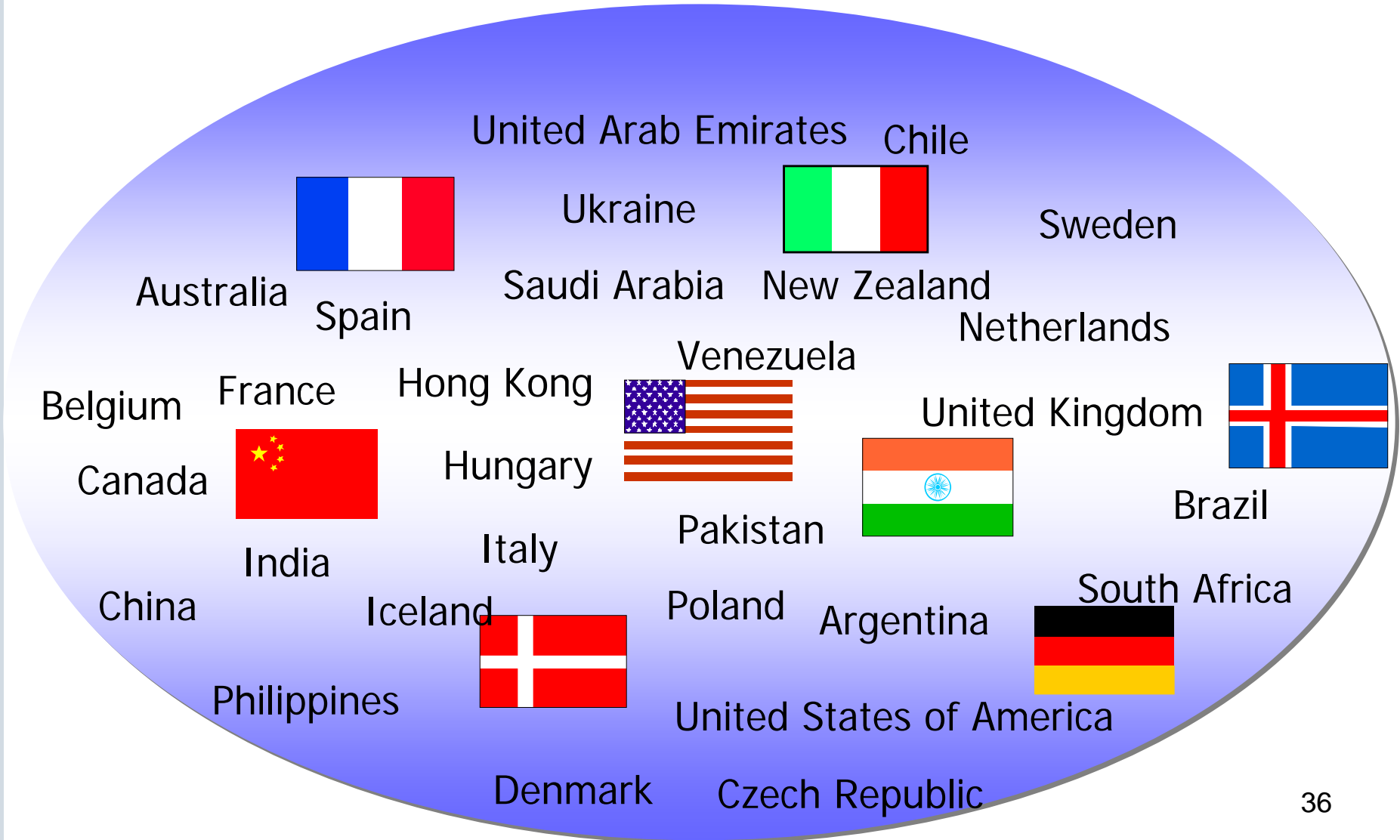## Day 1

- 1 – Business Continuity Maturity Model® Overview
- 2 – The BCMM® Process
- 3 – Uses for the BCMM®
- 4 – The BCMM® Assessment Toolkit and BC Service Center Functions

Day 2

- 5 – Review of Day 1
- 6 – BCMM® Assessment Approach Strategy
- 7 – BCMM® Assessment Toolkit - Reinforcement
- 8 – Workshop Feedback and BCMM® Assessor's Final Examination

BCMM® Download Users from Countries

United Arab Emirates
Chile
Ukraine
Sweden
Australia
Spain
Saudi Arabia
New Zealand
Netherlands
Venezuela
Belgium
France
Hong Kong
United Kingdom
Canada
Hungary
India
Pakistan
Italy
China
Iceland
Poland
South Africa
Argentina
Philippines
Brazil
United States of America
Denmark
Czech Republic

36

Thank You!

Margaret Langsett

Executive Vice President

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