Demonstrating the Value of Business Continuity Planning: Maturity Models

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Outline

• What constitutes “Value” in a Business Continuity Management program?
• Measuring “Value”
• How Maturity Models May Help
• Exercise
• Commentary
Business Continuity Management

...a holistic management process that identifies potential threats to an organization and the impacts to business operations that those threats, if realized, might cause, and which provides a framework for building organizational resilience with the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value-creating activities”...

Known Value of BCM

- Preparedness
- Regulatory Compliance
- Risk Identification
- Reputation and Brand Protection
- Competitive Advantage
- Operational Improvement
- **Knowledge Capture and Measurement**
- Increased Robustness and Agility
- Cost (and Loss) Savings
Value of BCM & BCMM

Organizational Need
- Understand the relationship between KPI’s and KRI’s (Availability Risk)
- Map their relationship
- Determine relevant measures

Practitioner Need
- Maintain an enterprise-wide perspective
- Develop the right tools – including the most relatable indicators for performance benchmarking
- Consider a Business Continuity Maturity Model (BCMM)
BCMM - Overview

• A multi-dimensional tool for evaluating organizational capabilities and maturity in certain domains
• Criteria for evaluating capabilities can be conditions, processes or application targets and must be measurable
• First developed in 1993 as a Capability Maturity Model for software
• Uses a sequence of levels that follow a logical path
• Used to gauge progress, assure stakeholders and to benchmark against practices of other organizations and professional standards
• Are descriptive, prescriptive and comparative
• Criticized for being too similar to one another, omitting other possible variables and being oversimplified
Available BCMM

- BCM Self-Assessment (Gallagher, 2003)
- BCM Maturity Model (Smit, 2005)
- Business Continuity Maturity Model (Virtual Corp, 2005)
- BCMS Capability (Sheth, 2007)
- BCM Program Metrics (Strong, 2010)
- BCM Maturity Model (Randeree, 2012)
- BCM Maturity Model (Gartner, 2012)
### BCMM - Example

<table>
<thead>
<tr>
<th>Competency Maturity Model</th>
<th>Program Basics</th>
<th>Program Development</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Senior Management Commitment</td>
<td>Professional Support</td>
</tr>
<tr>
<td>Level 1</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Level 2</td>
<td>Marginal</td>
<td>Partial</td>
</tr>
<tr>
<td>Level 3</td>
<td>Partial</td>
<td>Yes</td>
</tr>
<tr>
<td>Level 4</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Level 5</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Level 6</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Increasing Business Continuity Competency Maturity**

*Source: www.virtual-corp.net*
# BCMM – Virtual Corp

**The Business Continuity Maturity Model®**

**Increasing Business Continuity Competency Maturity**

<table>
<thead>
<tr>
<th>Maturity Model Levels</th>
<th>Level 1 - Self-Governed</th>
<th>Level 2 - Departmental</th>
<th>Level 3 - Cooperative</th>
<th>Level 4 - Standards Compliant</th>
<th>Level 5 - Integrated</th>
<th>Level 6 - Synergistic</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Athlete Analogy</strong></td>
<td>Able to Crawl</td>
<td>Able to Walk</td>
<td>Able to Run</td>
<td>“Fit” Runner</td>
<td>Competitive Runner</td>
<td>Olympic Runner</td>
</tr>
<tr>
<td><strong>Comparative Model</strong></td>
<td>Organization “At Risk”</td>
<td>“Competent” Performer</td>
<td>“Best of Breed”</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Corporate Competencies</th>
<th>Attributes of an Organization at Each Maturity Level</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leadership</strong></td>
<td>VL, L, M, H, H</td>
</tr>
<tr>
<td><strong>Employee Awareness</strong></td>
<td>VL, L, L, M, H</td>
</tr>
<tr>
<td><strong>BC Program Structure</strong></td>
<td>VL, L, L, M, H</td>
</tr>
<tr>
<td><strong>Program Pervasiveness</strong></td>
<td>VL, VL, L, M, H</td>
</tr>
<tr>
<td><strong>Metrics</strong></td>
<td>VL, L, M, H, H</td>
</tr>
<tr>
<td><strong>Resource Commitment</strong></td>
<td>VL, L, M, H, H</td>
</tr>
<tr>
<td><strong>External Coordination</strong></td>
<td>VL, L, M, H, H</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BC Program Content</th>
<th>Attributes of Each BC Discipline at Each Maturity level</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Incident Management</strong></td>
<td>VL, L, M, H, H</td>
</tr>
<tr>
<td><strong>Technology Recovery</strong></td>
<td>VL, L, M, H, H</td>
</tr>
<tr>
<td><strong>Business Recovery</strong></td>
<td>VL, L, M, H, H</td>
</tr>
<tr>
<td><strong>Security Management</strong></td>
<td>VL, L, M, H, H</td>
</tr>
</tbody>
</table>

*VL* - Very Low  *L* - Low  *M* - Medium  *H* - High
BCMM - Exercise

Table Discussion

• Examine the Virtual Corp Business Continuity Maturity Model 2.0 Self-Assessment Workbook provided at your table
• Select 2 – 3 Competency Domains from page 2
• Applying these domains to your organization, share your impressions with table members
• Provide feedback for all participants

45 minutes
Commentary

• BCMM is receiving increased attention from academics, as well as BCM and Risk Management practitioners
• This growth mirrors the increasing popularity in applying ERM frameworks to organizations
• Like any multi-dimensional tool, BCMM requires further research, experimentation and application to improve reliability
• BCMM is complementary with BCM standards
• BCMM offers much potential in defining, measuring and communicating results in ways that improve organizational preparedness
Resources

- Barker (2010) “BCMM”
- Langsett (2016) “Six Levels of Business Continuity Maturity”
- Virtual Corp (2016) “Business Continuity Maturity Model 2.0 Self-Assessment Workbook”