



WORLD CLASS CONTINUITY

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Businesses and technology are evolving to provide real-time intelligence to executives and management. As part of this evolution, business intelligence (BI) and corporate performance management (CPM) have become indispensable in using key performance indicators (KPIs), dashboards, scorecards, and other decision-making tools. The next step for business continuity planning is to incorporate these tools as part of an overall “world-class” approach to doing business.

Traditionally, business continuity (BC) has been thought of as an “add on” within organizations. Although in rare cases it has been included as part of the strategic plan, in most situations BC is considered a project that falls under IT, security, or facilities. In other cases, organizations have created separate BC departments that are tasked with developing and maintaining the program. Nevertheless, viewing BC as an integrated element within the day-to-day business generally has not been recognized as an option.

At the same time, the continued growth of technology as an indispensable part of the daily decision-making process has actually resulted in the adoption of BC principles and practices

Making decisions consistent with strategic, tactical, and operational goals is one of the major challenges facing companies today, and world-class corporate performance management (CPM) is the system for managing this challenge. Industry reports project that the CPM market is expected to grow at a rate of 8.1 percent per year through 2012, and a survey of 1500 CIOs conducted by Gartner revealed that CIOs are looking to increase their annual budget for CPM by 11 percent in 2012.



into the cultural fabric of many organizations. Specifically, business intelligence presents information using dashboards, scorecards, and key performance indicators, whereas corporate performance management captures and uses information to inform decision makers and provide the means for managing future performance. Combined, BI and CPM are powerful tools that can support the daily monitoring and management of an organization's BC efforts.

BI, CPM, and BC

Many organizations focus mainly on the technology aspects of business intelligence and corporate performance management, including dashboards, scorecards, and reports. While organizations are learning that BI supports CPM, what companies fail to recognize is the ability of these tools to analyze and manage all of their key resources. In order for companies to become world class, they must analyze and manage not just technology, but also their people, processes, and facilities. Furthermore, organizations must realize that BI and CPM can also help them monitor and control change (planned and unplanned) within their organizations. With this recognition, it becomes clear that business continuity is a part of the organization's overall change management system.

There are many tools that CPM uses to keep track of a company's health and alignment of strategic goals. Imagine driving a car without a dashboard and not having vital information such as speed, fuel level, engine temperature, and mileage. This information helps you make decisions during your drive. In the same way, your company's dashboards and other tools are vital in making strategic business decisions and knowing your organization's health at any point in time.

Whether planned or unplanned, companies must be able to respond, recover, and resume business after an event. Having a solid CPM-based business continuity program ensures that organizations are better prepared for change and are able to

assess organizational health accurately. Additionally, organizations are able to take an inventory of all critical processes more efficiently with CPM, and this information can be utilized to inform the BC program (supporting the business impact analysis and business resumption plan process). Simultaneously, executives and senior management must be thinking about aligning strategic goals, tactical plans, and daily operations on all levels in order to achieve world-class capability.

People, Processes, Technology, and Facilities

The first step in developing a world-class approach is to recognize that every organization must address the following basic components: people, processes, technology, facilities, and change management. Each element is required to maintain and grow the business. Consequently, a complete inventory of each component is required to support BI, CPM, and BC. To do that, organizations should use a combination of group and individual data-gathering sessions rather than questionnaires. While more time consuming, the results in terms of accuracy, completeness, and team involvement are invaluable. Furthermore, the data-gathering sessions are used to document ongoing and future projects as well as the ways in which each supports the strategic goals of the organization. The project portfolio can be analyzed further to consolidate projects with common objectives, accelerate or decelerate projects based on their value to the organization's goals, and identify any gaps in the portfolio.

The next step is to prioritize the organization's processes and develop high-level workflows to depict the major components of each process, dependencies/relationships, and key system interactions. This leads to the identification of any gaps or areas for improvement. The results are used to develop a consolidated project plan and "blueprint" that depict major activities, timelines, and dependencies. The key in developing a world-class approach is to make sure that business continuity needs are incorporated into each step of the process. For example, organizations should be asking: "Which processes require high availability? Can projects with similar goals/dependencies be consolidated into programs and share backup resources? Remote access? Manual contingency procedures?"

Documentation, Planning, and Implementation Process					
Data Gathering Sessions	Documentation and Prioritize Processes	Identify People, Process, Technology, & Facilities Gaps and Dependencies	Develop Project Plans	Develop Blueprint	Execute Blueprint and Project Plans
	Document Project Portfolio	Identify Gaps and Project Portfolio Alignment With Strategic Goals	Re-align Project Portfolio (if required)		

Using Dashboards, Scorecards, and KPIs

Dashboards, scorecards, and KPIs are BI tools that are used to track and monitor progress in critical business areas. Examples of dashboards, scorecards, and KPIs and their use in BC are illustrated in the chart below.

Measure Type	Example Measures	Business Continuity Use
KPI	System, machine, process, etc. tracking such as continuous up time of a manufacturing line or the number of transactions processed per hour.	Identification a specific process requiring mitigation and/or corrective action, e.g., a machine upgrade needed to prevent future downtime.
Dashboard	A grouping of measures (graphs, charts, gauges, etc.) designed to monitor relevant information including related KPIs. For example, customer satisfaction.	Identification of areas requiring mitigation and/or corrective action, e.g., the need to improve system availability to support customers.
Scorecard	Performance measures of defined goals such as completion progress toward one of the strategic goals of the organization. For example, the status of BC plan updates and training across the organization. Scorecards typically include perspectives, objectives, measures, and visual performance symbols such as stoplights.	Monitoring the progress of the BC program.

Corporate performance management focuses on using BI information to manage the business. Therefore, business continuity must be considered to ensure continuity of operations. Incorporating BC into the organization's monitoring and decision making tools ingrains ongoing requirements into the day-to-day routine. That way, BC is not a separate effort but integrated into all processes.

There is a common misconception that world-class business continuity requires substantial amounts of money to achieve. However, world-class business continuity and CPM actually deals with managing resources (people, processes, technology, and facilities) as well as change (planned and unplanned). It does not mean having to spend more money. In reality, it means being able to align business goals throughout your organization and being more efficient with your time and valuable resources, which will in turn reduce your overall costs.

Case Studies

Because organizations are able to work more efficiently and increase business through the strategies, processes, and tools offered by CPM, it is often helpful to see how this has occurred in real life situations. The following case studies demonstrate what CPM can do to benefit any business – either in business continuity program efforts or overall business performance improvement.

Case Study 1

A major distributor of prepaid cellular telephones had quickly grown into the largest wholesaler in the country. Consequently, requirements for continuous customer and sales support outpaced the capacity of in-house staff and

IT. As a result, any disruption in the people, processes, and technologies involving customer support caused a real-time decrease in customer satisfaction scores. The organization used a CPM process to help develop its vision statement and facilitate the development of its one-, three-, and five-year strategic plans. Customer satisfaction requirements were documented and aligned with multiple initiatives. As a direct result, business continuity was included as one of the strategic initiatives of the company.

Case Study 2

A major pharmaceutical company was experiencing rapid growth in the sales of its products. As the company grew, it was faced with challenges in budgeting and forecasting which resulted in unmet customer demands and lost sales. The primary concern was that there were limitations in the budgeting and forecasting applications that were being used and the entire process of monthly closing, forecasting, and reporting was highly inefficient and took too long to produce. By the time reports were finished, the information would be outdated and irrelevant to current decision making. To solve this company's issues, a world-class CPM perspective was implemented by examining the company's people, processes, and technology in order to address the fundamental concerns in the business before leveraging technology to provide a comprehensive solution. A roadmap that included rolling forecasts, driver-based budgeting, and scenario-based forecasting was developed to guide the company toward incorporating world-class CPM. This



implementation of CPM greatly reduced the time required for budgeting and forecasting, which increased the accuracy and consistency of the reported data. The improved process also raised the level of collaboration between departments, resulting in better forecasts and higher profit margins.

Case Study 3

The recent government mandate for hospitals to implement the use of the Electronic Medication Administration Record (eMAR) by the end of 2011 has forced hospitals to move quickly to employ not only eMAR but other new systems as well. At one major hospital, multiple initiatives were developed to implement the most current and advanced technologies. One issue was that the culture is highly resistant to change, especially change that affects medication and treatment workflows.

It was determined that a CPM approach was the best method to align the hospital's efforts and promote support at all levels. First, all upcoming projects had to be identified, consolidated, and prioritized. Once this was done, a future-state blueprint was designed to plan a timeline for completing necessary projects. A medication management model was then used to map related processes and projects with relevant hospital departments.

A generic process inventory was developed and sessions were held with each department to identify and describe the processes they performed. Baseline Visio diagrams were developed from process inventory notes and industry norms, and role-based department-specific flows were created. The departmental flows were then validated and edited "live" in validation sessions with each department. Completed workflows were further validated and edited based on "shadowing" sessions. These finalized departmental flows were incorporated into a "master flow" encompassing the entire hospital and a gap analysis of the potential "future state" was performed. All deliverables tied back to the ultimate goal of the project – medication error elimination.

The data obtained was analyzed and recommendations were provided for every department. The "issues" were categorized several ways: people, process, technology. Also, a "common themes" report was created which categorized the specific area requiring improvements and further recommendations were provided. This approach was the best method for capturing department-specific intricacies and differences. The time spent with subject matter experts (SMEs) enabled buy-in, information exchange, and the development of customized workflows which were developed from the department's actual activities. In the end, the hospital gained a much better understanding of their operation, processes, and dependencies, enabling them to better manage planned change and become more resilient to unplanned events.

These case studies provide examples of how BI, CPM, and BC can be leveraged to benefit organizations. While individually important, the combined synergy of all three leads to a world-class approach and mindset that makes organizations more resilient to change and better able to sustain continuity of operations.

The advent of improved technologies for managing information such as business intelligence and corporate performance management has led to improved opportunities for integrating business continuity into daily operations. In conjunction with a focus on people, processes, technology, and facilities, these kinds of technologies can enable organizations to incorporate business continuity into a truly world-class approach. **CI**

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