2019

Business Continuity Benchmark Study
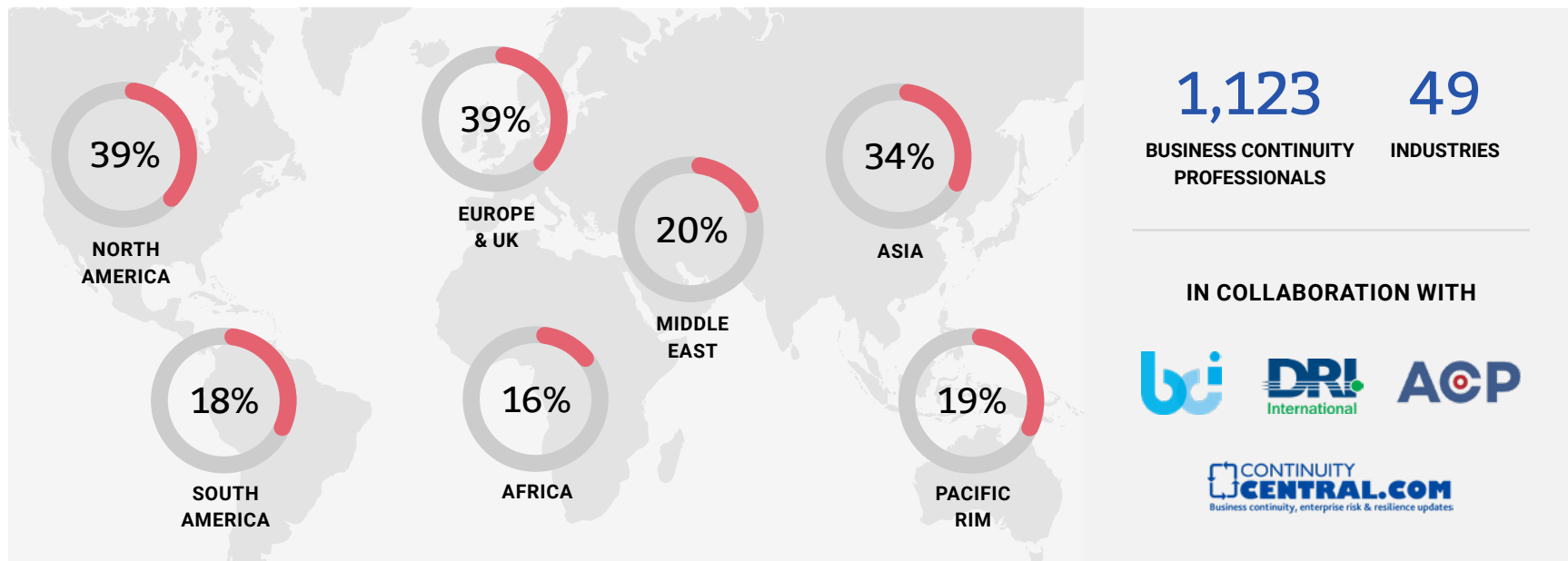
Assurance   clearview

Introduction

During May - July of 2019, Assurance and ClearView conducted the inaugural *Business Continuity Benchmark Study*. The study was promoted in collaboration with the Business Continuity Institute (BCI), Disaster Recovery Institute International (DRII) and the Association of Continuity Professionals (ACP). 1,123 individuals participated in the study including Business Continuity leaders, practitioners and executive sponsors.

Participants provided insights into their priorities, objectives and challenges, in addition to program maturity, sources of confidence, ROI measures and technologies used.

This report examines the key findings of the study and identifies best-in class organizational attributes that are most highly correlated with BC Program success.

Customers of Assurance and ClearView comprised less than 9% of the total study participation.

Note: Additional analysis beyond the scope of this report, including regional and industry-specific variations, will be published in subsequent addenda to this report.

39%
NORTH AMERICA

39%
EUROPE & UK

20%
MIDDLE EAST

34%
ASIA

18%
SOUTH AMERICA

16%
AFRICA

19%
PACIFIC RIM

1,123
BUSINESS CONTINUITY PROFESSIONALS

49
INDUSTRIES

IN COLLABORATION WITH

bci   DRI International   ACP

CONTINUITY CENTRAL.COM
Business continuity, enterprise risk & resilience updates

See **page 60** for Demographic information.

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Executive Summary of Findings

Executive Summary of Findings

1 | Priorities & Objectives

Executive Priorities

More than three-quarters of the study participants indicate that Business Continuity (BC) is a priority for their organization's executives.

The initial question in the *Business Continuity Benchmark Study* examined an organizational attribute widely regarded as a crucial element in developing successful BC Programs: having support from the organization's top executives. Encouragingly, 76% of the study participants indicated Business Continuity is either a high or medium priority. Considering the many competing priorities for executives' attention, this seems to be a favorable result.

In contrast, 14% of participants indicated that Business Continuity is treated by senior executives as a "situational priority" – important only during or following a crisis. Only 1% of participants indicated that BC is not a priority for senior executives.

These results are consistent across all company sizes represented in the study, when grouped as follows:

- **Small** – Less than 1,000 employees
- **Medium** – Between 1,000 and 10,000 employees
- **Large** – Greater than 10,000 employees.

Results Vary by Participant Roles
Participants identified as executive sponsors of their BC Programs noted BC as a high priority well above the average at 50%. All other study participants indicated that senior executives treat BC as a high priority below the average of 39%. Perhaps the data is an indicator of the perceptions of executive priorities. If so, we should be reminded that perceptions can become realities for many organizations.

HOW DO EXECUTIVES PRIORITIZE BC?

76%
treat BC as a **high or medium priority**

14%
treat BC as a **"situational priority"**
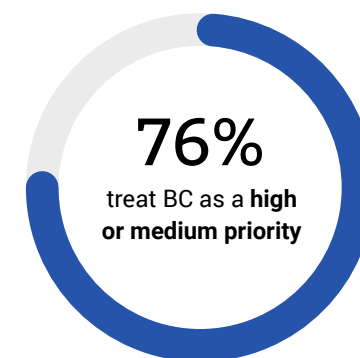
BENCHMARK STUDY QUESTION:

For your senior executives, which best describes the priority of Business Continuity in your organization?

BC PRIORITY FOR EXECUTIVES

- High Priority
- Medium Priority
- Situational
- Low Priority
- NA or Don't Know
- Not a Priority

1% 1% 8% 14% 39% 37%
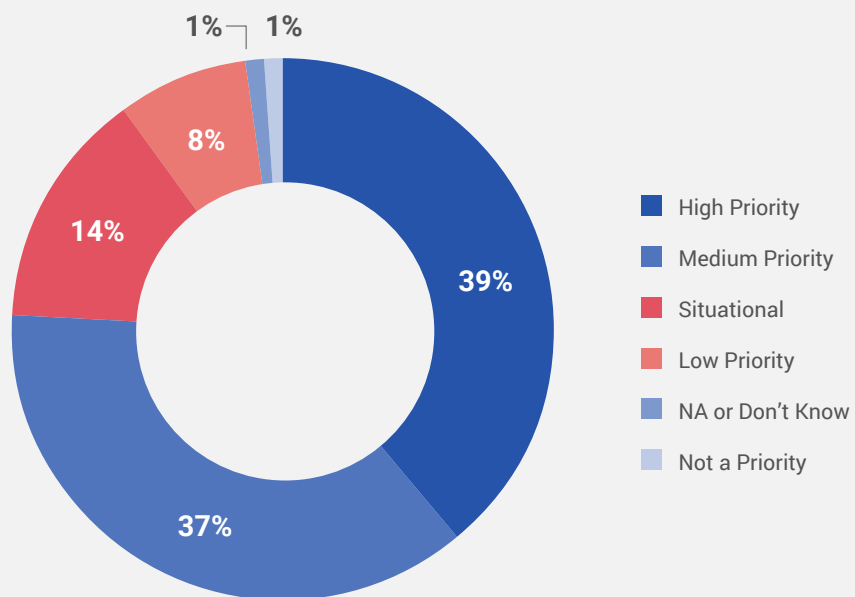
Percentage of respondents indicating their perception of BC as a priority for their executives. N = 1,123

SNAPSHOT OF COMMENTS

❝ *A high priority due to regulatory audit findings*

❝ *Mandated by our parent company*

❝ *A key priority based on SLAs with strategic clients*

Business Continuity Objectives

Business Continuity managers around the world are prioritizing crisis response in their BC objectives.

Study participants identified key objectives of their BC Program. Interestingly, the global results show that the top six high priority objectives are all related to crisis response. "Ensure continuity of operations during a crisis" is indicated as the top priority by 83% of study participants, closely followed by "Ensure employee safety during a crisis" at 80%. "Ensure continuity of key IT systems during a crisis"(77%) and "Minimize the impact to customers as a result of a business disruption" (74%) follow closely behind.

A significantly higher proportion of participants said that minimizing damage to reputation as result of an incident is a high priority (63%) compared to just over half (55%) saying that minimizing the financial impact of a

business disruption is a high priority. This may indicate an understanding that reputation loss can be more costly and difficult to recover from than a financial loss.

Among the lowest priorities are business-focused activities. "Reduce overhead costs such as D&O insurance premiums" is the lowest priority, with 30% indicating this is a low priority and 21% saying that it is not a priority at all. This is followed by "Support our pursuit of securing business with new clients" - here 24% said it is a low priority and 17% said it is not a priority. "Ensure preparation for external audits" joined these objectives at the bottom, with 25% saying it is low priority and 13% saying it is not a priority.

OBJECTIVES RATED "HIGH PRIORITY"

83%
continuity of operations

80%
employee safety
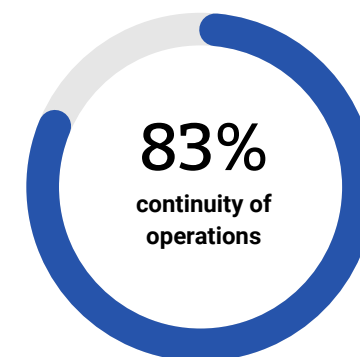
BENCHMARK STUDY QUESTION:

What are the key objectives of your BC Program?

HIGH PRIORITY

1. Ensure continuity of operations during a crisis — **83%**
2. Ensure employee safety during a crisis — **80%**
3. Ensure continuity of key IT systems during a crisis — **77%**
4. Minimize the impact to customers as a result of a business disruption — **74%**
5. Minimize reputational damage resulting from a business disruption — **63%**
6. Minimize the financial impact of a business disruption — **55%**
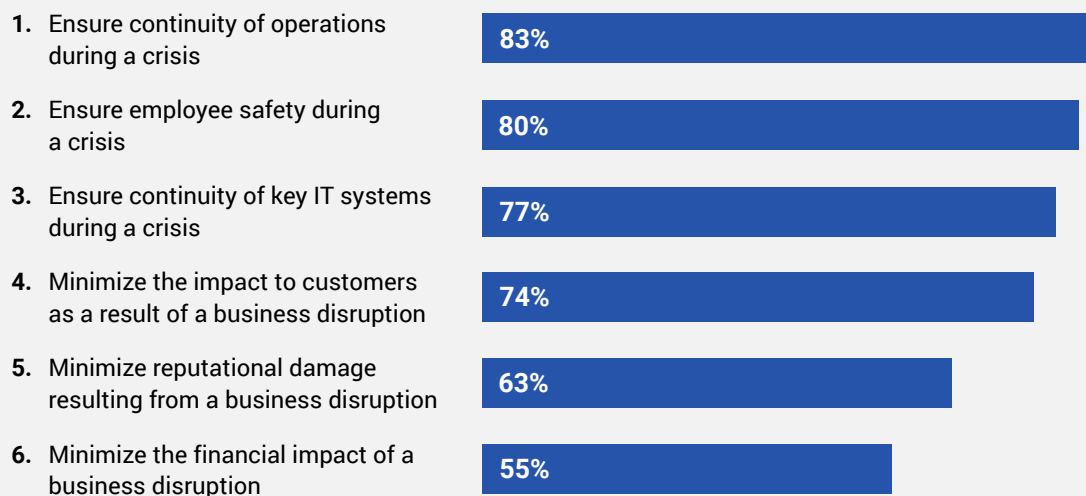
Percentage of respondents indicating specific Business Continuity objectives as a high priority. N = 972

See **Appendix A** for a chart of all priority rankings for all BC Program objectives.
Note: This summary chart includes the top six objectives.

KEY INSIGHTS

→ The top six high priority objectives are all related to crisis response

→ Protecting employees is a much higher priority than minimizing the financial impacts of a crisis

→ Organizations are highly focused on ensuring continuity of IT systems and ensuring customers are not impacted by incidents

2 | Success & Challenges

Success with Objectives

The highest degrees of success are achieved with the highest priority objectives. Employee safety tops the list with more than 60% of participants indicating "highly successful".

In addition to prioritizing their BC Program objectives, study participants also provided insights into the success they are achieving with these objectives. In general, the highest degrees of success are achieved with the top five objectives, with one exception, "Ensure continuity of key IT systems during a crisis" which falls just outside the top five in the sixth position.

Interestingly, only one objective, "Ensure employee safety during a crisis" exhibits a high degree of success for the majority of the study participants. For all other objectives, a high degree of success is achieved by less than half of the participants.

Ensuring continuity of key IT systems during a crisis ranks third among the top objectives, but was only rated as highly successful by 40% of the study participants.

The lowest success rates in the list also align with the lowest priority objectives; with "Reduce overhead costs such as D&O insurance premiums" and "Support our pursuit of securing business with new clients" at the bottom. For these two, a substantial number of study participants are unaware of any success being achieved.

WHERE ARE BC PROGRAMS MOST SUCCESSFUL?

61% are highly successful ensuring **employee safety during a crisis**

40% are highly successful ensuring **continuity of IT systems**
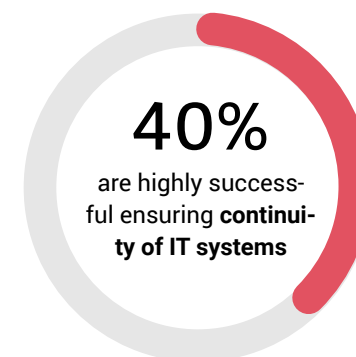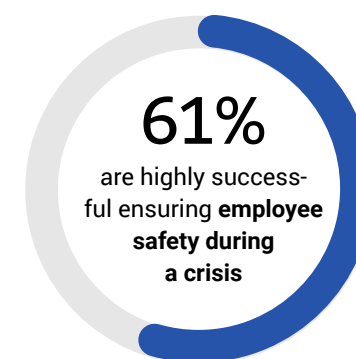
BENCHMARK STUDY QUESTION:

Indicate your success in achieving your key BC objectives.

HIGHLY SUCCESSFUL

1. Ensure continuity of operations during a crisis — **61%**

2. Ensure employee safety during a crisis — **45%**

3. Minimize the impact to customers as a result of a business disruption — **42%**

4. Minimize reputational damage resulting from a business disruption — **41%**

5. Ensure compliance with industry standards or regulations — **41%**

6. Ensure continuity of key IT systems during a crisis — **40%**
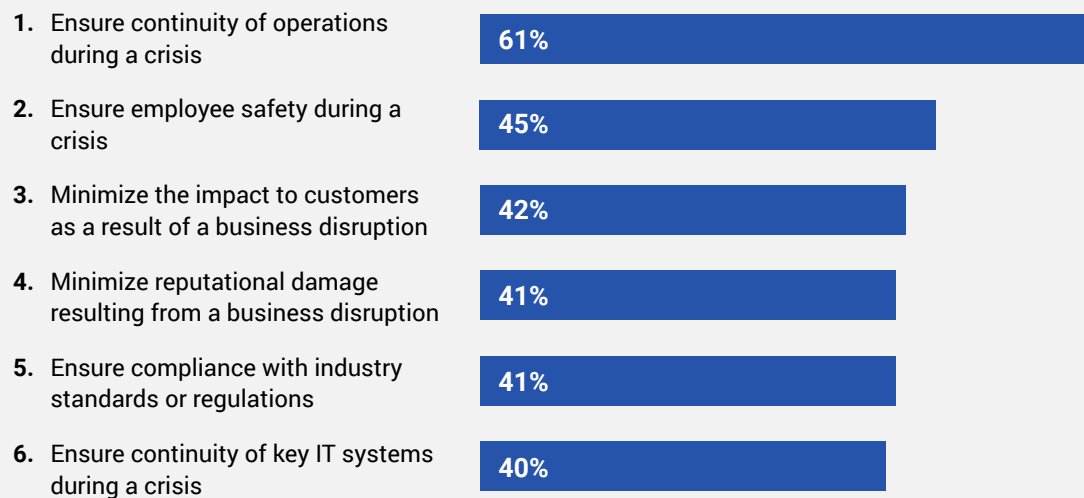
Percentage of respondents indicating a high degree of success with BC Program objectives. N = 892

Note: This summary chart includes the top six objectives with highest success rates.
*See **Appendix B** for detailed charts including all degrees of success with all objectives.*

KEY INSIGHTS

→ The majority of participants indicate at least moderate success with all but one objective

→ The highest degrees of success are achieved with the highest priority objectives

Business Continuity Program Challenges

Most organizations have achieved at least partial success addressing the most common challenges to BC Programs. For only one challenge however, "lack of executive support", more than half of survey participants indicate the challenge is fully addressed.

The most persistent challenges including "supply chain and 3rd-party risks", "increasing and constantly evolving risk landscape", and "increasing and constantly evolving cyber risks" all originate external to organizations. The next most persistent challenges are primarily related to lack of resources and organizational engagement. The least most persistent challenge, "lack of executive support" is noted as "not a challenge or challenge fully addressed" by more than half of the study participants.

"Lack of organizational engagement" and "lack of executive support" are often cited as persistent challenges by BC professionals. Interestingly, study participants from smaller organizations noted these challenges as fully addressed more often than those from large organizations and much more often than those from medium-size organizations.

WHAT ARE ORGANIZATIONS' GREATEST BC CHALLENGES?
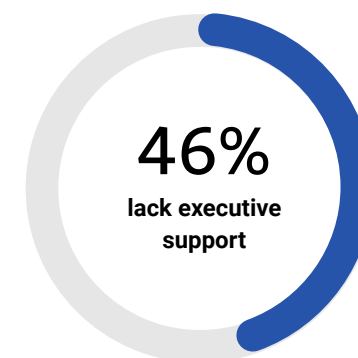
46%
lack executive support

61%
lack organizational engagement

BENCHMARK STUDY QUESTION:

Indicate challenges to your BC Program and the degree that each has been addressed.

CHALLENGES TO BUSINESS CONTINUITY PROGRAMS

Challenge	Not a Challenge or Challenge Fully Addressed	Challenge Partially Addressed	Challenge Unaddressed	NA or Don't Know
Lack of executive support / involvement	53%	40%	6%	
Lack of routine testing / exercising the effectiveness of BC Plans	44%	42%	12%	
Inability to monitor the BC Program and report on effectiveness	43%	43%	12%	
Insufficient tools and technology to support our program	39%	42%	15%	
Lack of organizational engagement / adoption	38%	53%	8%	
Lack of adequate resources (budget and/or personnel)	34%	46%	19%	
Increasing and constantly evolving cyber risks	32%	53%	8%	
Increasing and constantly evolving risk landscape	31%	52%	13%	
Monitoring and assessing supply chain and other 3rd-party risks	22%	47%	23%	

■ Not a Challenge or Challenge Fully Addressed ■ Challenge Partially Addressed ■ Challenge Unaddressed ■ NA or Don't Know

Percentage of respondents indicating challenges to BC Program success and the degree to which the challenges have been addressed. N=829

KEY INSIGHTS

→ The majority of participants indicate at least partial success addressing BC challenges

→ Lack of executive support has been addressed by more than 50% of organizations with smaller organizations achieving above average success

→ The most persistent challenges originate external to organizations

BENCHMARK STUDY QUESTION:

Indicate challenges to your BC Program and the degree that each has been addressed.

ORGANIZATIONAL ENGAGEMENT CHALLENGE FULLY ADDRESSED

Small:
< 1,000 Employees — **45%**

Average:
All Participants — **38%**

Large:
> 10,000 Employees — **34%**

Medium:
1,000 - 10,000
Employees — **34%**

EXECUTIVE ENGAGEMENT CHALLENGE FULLY ADDRESSED

Small:
< 1,000 Employees — **59%**

Average:
All Participants — **53%**

Large:
> 10,000 Employees — **51%**

Medium:
1,000 - 10,000
Employees — **49%**

Best-in-Class Organizational Attributes

Organizational engagement and executive support exhibit the highest degrees of correlation with the success of Business Continuity Programs.

Examination of the study data included an in-depth analysis of organizational attributes and their correlation with the success and challenges of BC Programs. Although a correlation between two measures does not implicitly indicate a causal relationship, the correlations identified in many cases are significant, indicating a **tight** relationship between the measures.

In addition to best-in-class organizational attributes, BC Program attributes were also examined for correlations with BC Program success. These findings are provided in Sections 3, 4 and 7.

Measuring BC Program Success

Overall success of BC Programs is determined using the average of the success achieved for the top five objectives:

1. Ensure continuity of operations during a crisis

2. Ensure employee safety during a crisis

3. Ensure continuity of key IT systems during a crisis

4. Minimize the impact to customers as a result of a business disruption

5. Minimize reputational damage resulting from a business disruption

KEY INSIGHTS:

→ Organizational engagement exhibits the strongest correlation with BC Program success

→ Executive support also aligns closely with BC Program success

→ Adequacy of resources and the degree of dedication of the BC team also correlate with BC Program success, but to a lesser degree

Best-in-Class Organizational Attributes:
Organizational Engagement

Organizational engagement exhibits the highest degree of correlation with the success of Business Continuity Programs. Organizations that have fully addressed the challenge of organizational engagement are more than four times more likely to report a high degree of BC Program success than those indicating the challenge is unaddressed.

BC PROGRAM SUCCESS CORRELATED WITH ORGANIZATIONAL ENGAGEMENT

Not a Challenge	**64%**
Average: All Participants	**46%**
Challenge Partially Addressed	**38%**
Challenge Unaddressed	**15%**

Percentage of respondents indicating a high degree of BC Program success (correlated with the challenge of achieving organizational engagment). N=892

CORRELATION WITH BC SUCCESS

Organizations with a high degree of employee engagement are

4.3x

more successful.

Best-in-Class Organizational Attributes:
Executive Support

Executive support also exhibits a high degree of correlation with the success of Business Continuity Programs. Organizations that have fully addressed the challenge of gaining executive support are almost three times more likely to report a high degree of BC Program success than those indicating the challenge is unaddressed.

BC PROGRAM SUCCESS CORRELATED WITH EXECUTIVE SUPPORT

Not a Challenge	**58%**
Average: All Participants	**46%**
Challenge Partially Addressed	**34%**
Challenge Unaddressed	**20%**

Percentage of respondents indicating a high degree of BC Program success (correlated with the challenge of achieving executive support). N=892

CORRELATION WITH BC SUCCESS

Organizations with
a high degree of
executive support are

2.9x

more successful.

Best-in-Class Organizational Attributes:
Adequacy of Resources

The adequacy of resources also exhibits a correlation with the success of Business Continuity Programs, but to a lesser degree. Organizations that have fully addressed the challenge of securing adequate resources are more than twice as likely to report a high degree of BC Program success than those indicating the challenge is unaddressed.

BC PROGRAM SUCCESS CORRELATED WITH ADEQUACY OF RESOURCES

Not a Challenge	**58%**
Average: All Participants	**46%**
Challenge Partially Addressed	**45%**
Challenge Unaddressed	**25%**

Percentage of respondents indicating a high degree of BC Program success (correlated with the challenge of lack of adequate resources). N=892

CORRELATION WITH BC SUCCESS

Organizations with adequate resources are

2.3x

more successful.

Best-in-Class Organizational Attributes:
Degree of Focus of BC Owner/Team

The degree of focus of the person or team that manages the BC Program exhibits a correlation with the success of Business Continuity Programs, but to a lesser degree than other attributes tested. Organizations that have a person or team fully focused on Business Continuity are approximately 30% more likely to report a high degree of BC Program success than those indicating that the person or team has additional responsibilities.

BC PROGRAM SUCCESS CORRELATED WITH THE DEGREE OF FOCUS

100% Dedicated	**49%**
Average: All Participants	**46%**
Less than 50% Dedicated	**37%**

Percentage of respondents indicating a high degree of BC Program success (correlated with the degree of focus of the person or team that manages the day-to-day operations of the BC Program). N=892

CORRELATION WITH BC SUCCESS

Organizations with a BC team 100% focused are

1.3x

more successful.

Measuring Return on Investment

Two-thirds of study participants indicate that Business Continuity is a necessary operating expense - return on investment (ROI) is not measured.

For organizations that do measure ROI from their investments in Business Continuity, assessments based on potential costs top the list. Including: "the potential cost and risk of a business disruption"; "the potential damage to reputation / brand"; and "potential cost of contractual / service breaches". The use of remaining ROI measures falls off rapidly with "potential business growth" and "realized cost savings" being utilized by less than 10% of organizations.

HOW DO ORGANIZATIONS MEASURE ROI?

67% **do not measure** ROI for their BC Programs

<10% measure ROI based on **realized cost savings**
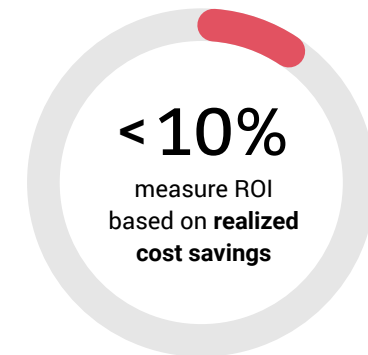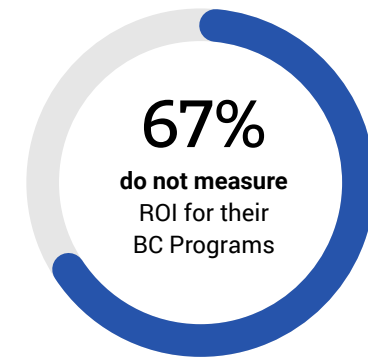
BENCHMARK STUDY QUESTION:

Indicate the attributes that describe your approach to measuring the return on investment (ROI) of your BC Program.

MEASURING ROI

Business Continuity is a necessary operating expense - ROI is not measured	**67%**
ROI of our program is assessed based on the potential cost and risk of a business disruption	**23%**
ROI of our program is assessed based on potential damage to reputation / brand	**17%**
ROI of our program is assessed based on the potential cost of contractual / service breaches	**9%**
ROI of our program is assessed based on potential growth of our business with new clients	**6%**
ROI of our program is assessed based on realized reductions in liability insurance premiums	**4%**
ROI of our program is assessed based on other realized cost savings	**4%**

Percentage of respondents indicating their method of measuring ROI of their BC Program. N = 782

KEY INSIGHTS

→ Two-thirds of organizations do not measure ROI for their BC Programs

→ The most widely used ROI measures focus on potential cost and reputational damage

→ Actual realized cost savings are seldom used as a measure of ROI

3 | Program Scope & Structure

Scope of Business Continuity Plans

IT and Operations are the most likely departments to be included within the scope of Business Continuity Plans.

The study set out to discover which organizational departments, constituents, and functions are most commonly included within the scope of Business Continuity Plans, and which are most often left out.

Not surprisingly, the core operational departments were given the most attention with IT and Operations topping the list: 93% of study participants said that these were included within BC Plans. These were followed by Human Resources (85%), Information Security (80%) and Finance / Accounting (78%).

Organizational functions seem to be given lower priority within BC Plans. Payroll was the function most often included: 68% of respondents included this, closely followed by Operational Risk Management at 67%. Interestingly, another risk-oriented function, Enterprise Risk Management, was only included in the scope of 60% of BC Plans: a significantly lower

figure. This difference could be because fewer organizations practice Enterprise Risk Management compared to Operational Risk Management; or because BC and Enterprise Risk Management tend to exist in separate silos.

When it comes to organizational constituents, suppliers top the list, with 60% of study respondents including suppliers within the scope of BC Plans. Following this, just over half (54%) of respondents included customers within the scope of their BC Plans.

Local Government was the entity least likely to be included with the scope of BC Plans. Only 26% of respondents said that Local Government is included. This is despite "Coordination with External Agencies" being one of the key Business Continuity Professional Practices identified by the Disaster Recovery Institute International in its Professional Practices 2017 documentation.

WHO'S INCLUDED IN BC PLANS?

93%
of BC Plans include
Operations & IT

<50%
of BC Plans include
first responders
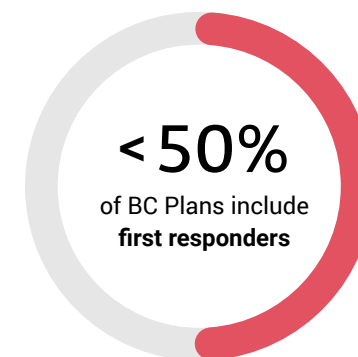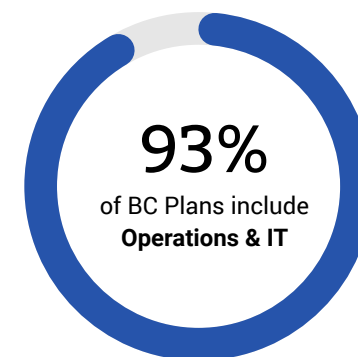
BENCHMARK STUDY QUESTION:

Which departments, constituents and functions are included in the scope of your BC Plans?

TOP DEPARTMENTS, CONSTITUENTS & FUNCTIONS INCLUDED IN THE SCOPE

Top Department:
IT
93%

Top Department:
Operations
93%

Top Function:
Payroll
68%

Top Constituent:
Suppliers
60%

N = 822

Note: This summary chart includes top departments, functions, and constituents. See **Appendix C** for the full table showing the departments, constituents and functions Included in the scope of BC Plans.

Note: This question elicited a high number of write-in answers in the "Other" category. See **Appendix C** for the full list.

DEFINITIONS

→ **Departments:** the structural elements of an organization

→ **Functions:** the activities carried out by an organization

→ **Constituents:** external stakeholders, third parties, regulators and others

Departmental Responsibility for Business Continuity

Half of study participants have a dedicated Business Continuity Department.

Participants were asked to identify the organizational department with primary responsibility for Business Continuity planning and management.

Encouragingly, 50% stated that their organization funds a dedicated Business Continuity department. For organizations without this, the IT department most often takes responsibility (26%).

Other common departments taking responsibility for BC are: Enterprise Risk Management (24%); Operations (21%); and IT Security (20%).

Interestingly, there are signs that Business Continuity is moving up the organizational pyramid, with the Executive Suite or the Board of Directors taking responsibility for Business Continuity in 22% of organizations.

WHICH BC OWNERS ARE MOST SUCCESSFUL?
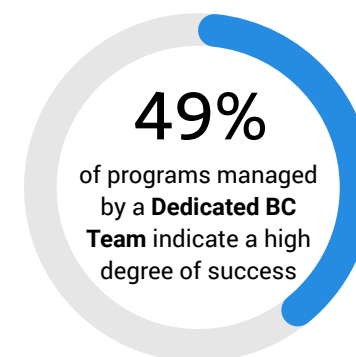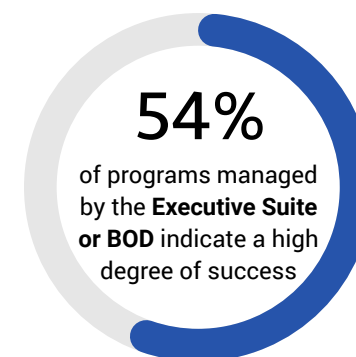
54% of programs managed by the **Executive Suite or BOD** indicate a high degree of success

49% of programs managed by a **Dedicated BC Team** indicate a high degree of success

BENCHMARK STUDY QUESTION:

Which department(s) have primary responsibility for BC in your organization?

DEPARTMENTS WITH PRIMARY RESPONSIBILITY FOR BUSINESS CONTINUITY

Department	
Dedicated BC Department	50%
IT (CIO)	26%
Enterprise Risk (CRO)	24%
Operations (COO)	21%
IT Security (CISO)	20%
Physical Security / Facilities / Real Estate	14%
Dedicated Organizational Resilience Department	13%
Executive (CEO)	12%
Board of Directors (BOD)	10%
Finance (CFO)	8%
Internal Audit	6%
Human Resources	6%

Percentage of respondents indicating the departments with primary responsibility for Business Continuity. N = 740

KEY INSIGHTS

→ For organizations without a dedicated Business Continuity department, the IT department most often takes responsibility

→ The Executive Suite or the Board of Directors takes responsibility for Business Continuity in over one-fifth of organizations

→ Enterprise Risk Management manages Business Continuity in a quarter of organizations

BENCHMARK STUDY QUESTION:

Which department(s) have primary responsibility for BC in your organizations?

BC PROGRAM SUCCESS CORRELATED WITH DEPARTMENT MANAGING THE PROGRAM
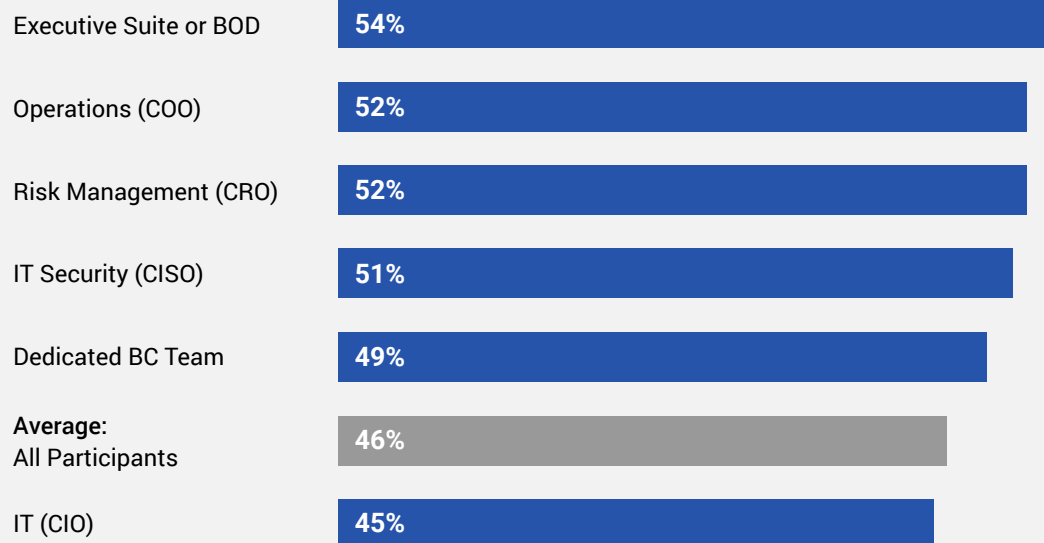
Department	Success
Executive Suite or BOD	54%
Operations (COO)	52%
Risk Management (CRO)	52%
IT Security (CISO)	51%
Dedicated BC Team	49%
Average: All Participants	46%
IT (CIO)	45%

Percentage of respondents indicating a high degree of BC Program success (correlated with the department that manages the program). N = 892

KEY INSIGHTS

→ Programs exhibiting the highest degree of success (54%) are owned by the Executive Suite or Board of Directors

→ Slightly above the average, 49% of programs managed by a dedicated BC team indicate a high degree of success

Focus of the Person or Team Managing the BC Program

53% of organizations have a person or team 100% focused on managing the Business Continuity Program.

In just over half of organizations (53%), the person or team responsible for managing the Business Continuity Program is 100% focused on the role and does not have any other responsibilities.

In other organizations, Business Continuity competes with additional responsibilities. 24% of respondents have a "Partially Focused" person or team who can give more than half of their time to BC Program management; and 21% have a non-focused person or team, who allocates less than half of their time to Business Continuity.

The degree of focus of the person or team managing the Business Continuity Program was also analyzed based on organization size, revealing that large organizations are more than twice as likely to have personnel 100% focused on the BC Program, compared with small organizations.

HOW DO ORGANIZATIONS DEDICATE RESOURCES TO BC?

53%
have a person or team **solely focused on BC**

21%
have a person or team **less than 50% focused on BC**

BENCHMARK STUDY QUESTION:

Which best describes the degree of focus of the person or team that manages the day-to-day operations of your BC Program?

FOCUS OF PERSON OR TEAM MANAGING THE BC PROGRAM

2%

21%

53%

24%

- ■ 100% focused
- ■ Partially focused (50% or greater)
- ■ Non-focused (less than 50%)
- ■ NA or Don't Know
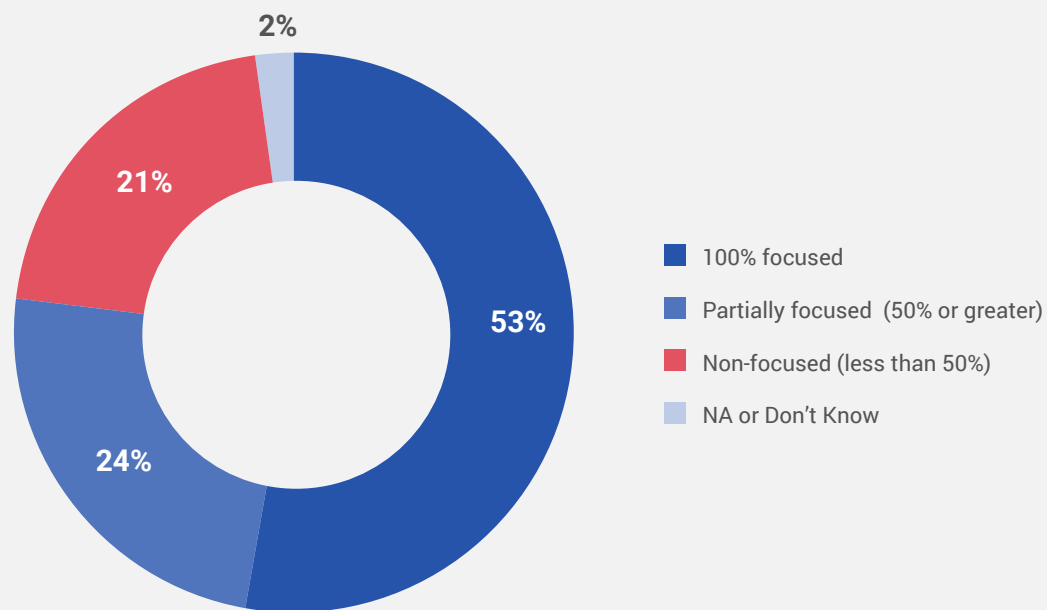
Percentage of respondents indicating the degree of focus of the person or team managing the day-to-day operations of the BC Program. N = 772

KEY INSIGHTS

→ More than half of organizations have a person or team 100% focused on BC

→ A focused person or team is much more common for larger organizations

BENCHMARK STUDY QUESTION:

Which best describes the degree of focus of the person or team that manages the day-to-day operations of your BC Program?

PERSON OR TEAM 100% FOCUSED TO MANAGING THE BC PROGRAM

Large:
> 10,000 Employees

68%

Average:
All Participants

53%

Medium:
1,000 - 10,000 Employees

52%

Small:
< 1,000 Employees

30%
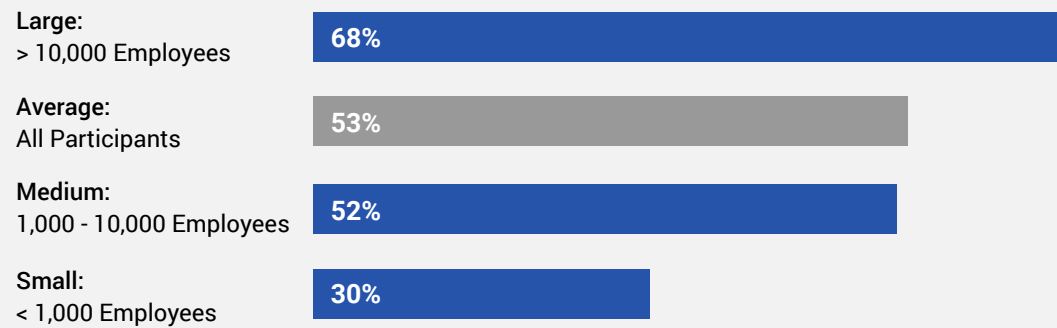
4 | Cadence & Confidence

Cadence of Risk Assessments

Annual risk assessment reviews are the most common method by far, although one-in-ten conduct continual risk assessments.

There have been discussions in recent years about whether risk assessments should sit within the Business Continuity "umbrella". The *Business Continuity Benchmark Study* shows that the majority of organizations do conduct risk assessments (88%). While only 12% of respondents either said that risk assessments are not applicable to their organization; they did not know how their organiztion conducts risk assessments; or that their organization "never" conducts a risk assessment review.

45% of respondents said that their organization reviews and updates its risk assessments annually; the most common approach by far. This was followed by "ad hoc" (13%) and "continuous" (10%) reviews and updates.

DO BC PROGRAMS INCLUDE RISK ASSESSMENTS?

88%
of programs
**include risk
assessments**

45%
of organizations
**review & update
risk assessments
annually**
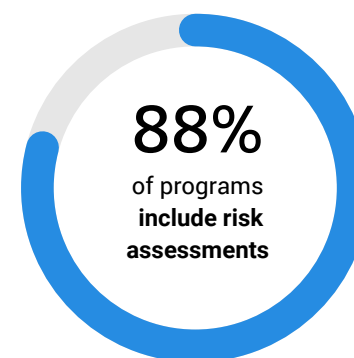
BENCHMARK STUDY QUESTION:

How frequently do you review and update your risk assessments?

FREQUENCY OF REVIEWING & UPDATING RISK ASSESSMENTS

Annually	45%
Ad hoc	13%
Continuously	10%
Bi-Annually	9%
Quarterly	7%
Never	5%
Semi-Annually	4%
NA or Don't Know	7%
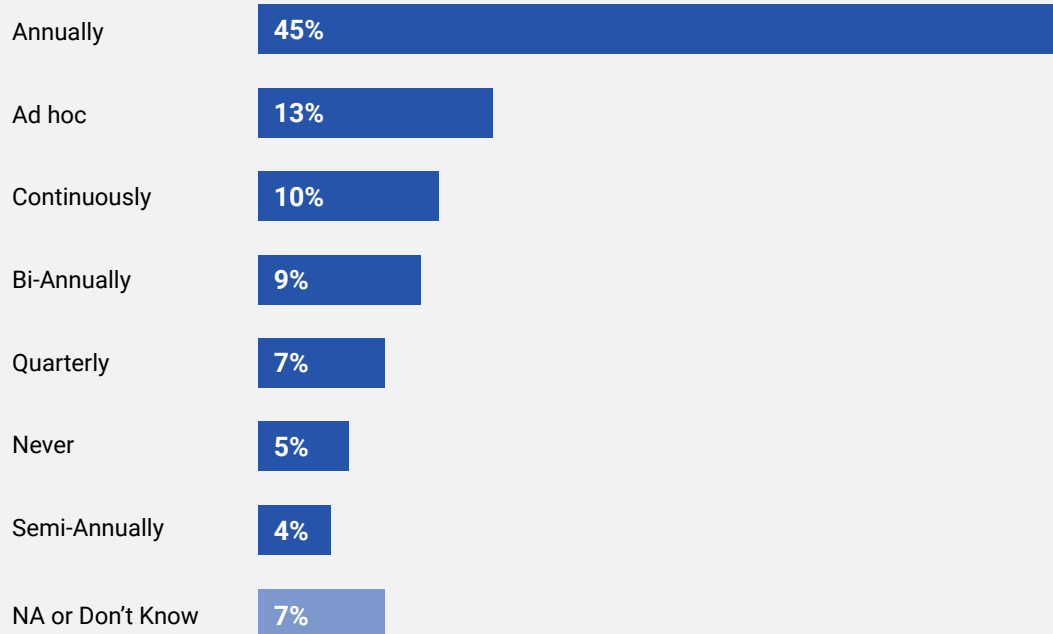
Percentage of respondents indicating the frequency of conducting risk assessments. N = 810

SNAPSHOT OF COMMENTS

" *BCM takes an all hazards approach. Risk assessments are managed in operational and enterprise risk registers and reviewed and updated as part of the risk cycle.*

" *Annually or when a major incident or change occurs.*

" *Tier 1 and Tier 2 are done annually; Tier 3 and Tier 4 are done every other year.*

Frequency of Conducting Business Impact Analyses

An annual business impact analysis (BIA) is industry standard practice.

90% of respondents said that their organizations use business impact analyses within their Business Continuity Programs. 7% of respondents indicated they do not conduct BIAs, and 3% don't know whether their organization conducts BIAs.

Carrying out an annual BIA is the approach adopted by the majority of organizations, with 58% doing so. "Ad hoc" is the second most common approach, with 14% of respondents reporting that this is the case.

More frequent BIAs are uncommon: 4% of organizations take a "continuous" approach; 3% carry out semi-annual BIAs; and 2% do quarterly BIAs.

When correlated with the Success Factors discussed earlier in this report, it can be seen that the "ad hoc" approach is the least likely to result in BC Programs which are considered highly successful. Only 37% of respondents who stated that their organization conducted ad hoc BIAs indicated that their BC Program is highly successful; compared to an average of 46%. Annual (49%), semi-annual or quarterly (50%) BIAs are all equally successful approaches, topping the leader board.

HOW OFTEN DO ORGANIZATIONS CONDUCT BIAs?
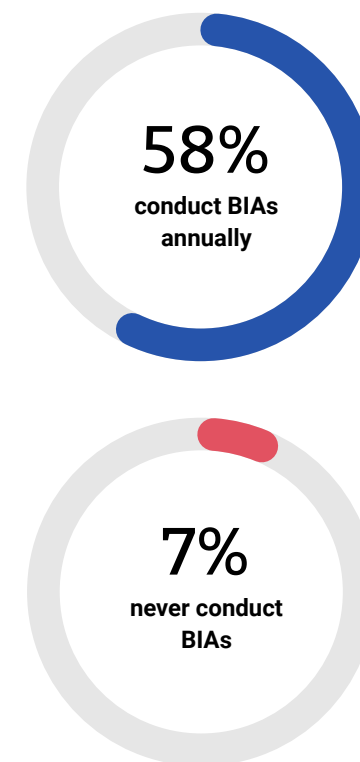
58%
conduct BIAs annually

7%
never conduct BIAs

BENCHMARK STUDY QUESTION:

How frequently do you review and update your business impact analysis (BIA)?

FREQUENCY OF CONDUCTING BUSINESS IMPACT ANALYSES
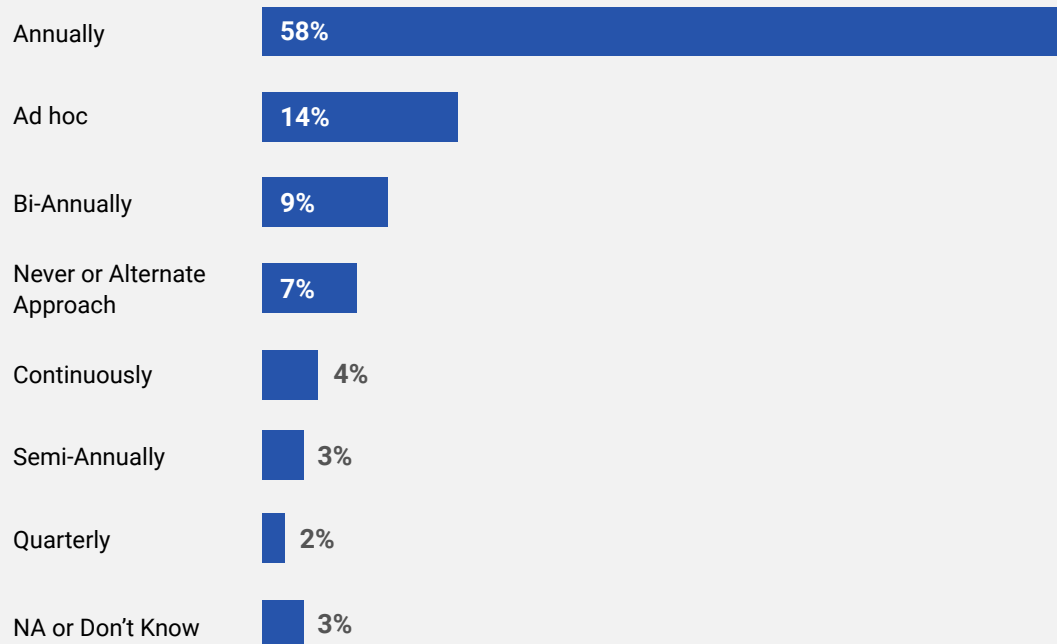
Category	Percentage
Annually	58%
Ad hoc	14%
Bi-Annually	9%
Never or Alternate Approach	7%
Continuously	4%
Semi-Annually	3%
Quarterly	2%
NA or Don't Know	3%

Percentage of respondents indicating the frequency of conducting business impact analyses. N = 802

KEY INSIGHTS

→ 90% of organizations use BIAs

→ Ad hoc is the approach least likely to correlate with successful BC Programs

→ Annual BIAs are the most common method

SNAPSHOT OF COMMENTS

" *Annually or when a major incident or change occurs.*

" *All new applications and processes do a BIA before going into production.*

BENCHMARK STUDY QUESTION:

How frequently do you review and update your business impact analysis (BIA)?

BC PROGRAM SUCCESS CORRELATED WITH THE FREQUENCY OF BIAs

Semi-Annual or Quarterly **50%**

Annual **49%**

Average: All Participants **46%**

Ad hoc **37%**

Percentage of respondents indicating a high degree of BC Program success (correlated with the frequency of conducting Business Impact Assessments). N = 892

SNAPSHOT OF COMMENTS

❝ *Full BIA every 4 years, with annual review for completeness.*

❝ *BIA refresh every 3-years. BIA review annually between the refresh years.*

Cadence of Plan Reviews & Updates

The majority of Business Continuity Plans are reviewed annually.

Unsurprisingly, 97% of respondents confirmed that their organization carries out reviews of Business Continuity Plans; and annual is by far the most common frequency (58%).

Additionally, more than one in ten organizations (12%) review their BC Plans "continuously"; this is followed by "ad hoc" reviews (10%).

Only 8% of organizations conduct BC Plan reviews less frequently than annually; with these organizations doing bi-annual reviews.

When correlated with BC Program Success Factors, the two most successful approaches seem to be bi-annual and continuous reviews; with 57% and 52% of organizations using these approaches reporting highly successful BC Programs. This compares with the overall average of 46%. The ad hoc approach is correlated with the least successful BC Programs, with only 31% of those taking an ad hoc approach to BC Plan reviews reporting highly successful programs.

HOW OFTEN DO ORGANIZATIONS REVIEW BC PLANS?

58%
review & update
BC Plans **annually**
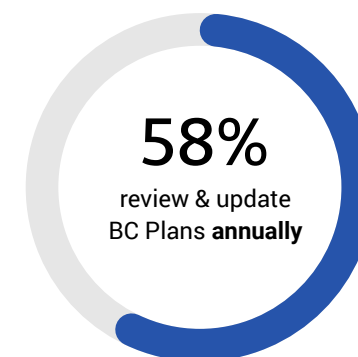
BENCHMARK STUDY QUESTION:

How frequently do you review and update your BC Plans?

FREQUENCY OF REVIEWING & UPDATING BC PLANS

Annually	**58%**
Continuously	**12%**
Ad hoc	**10%**
Bi-Annually	**8%**
Quarterly	**5%**
Semi-Annually	4%
Never	1%
NA or Don't Know	2%
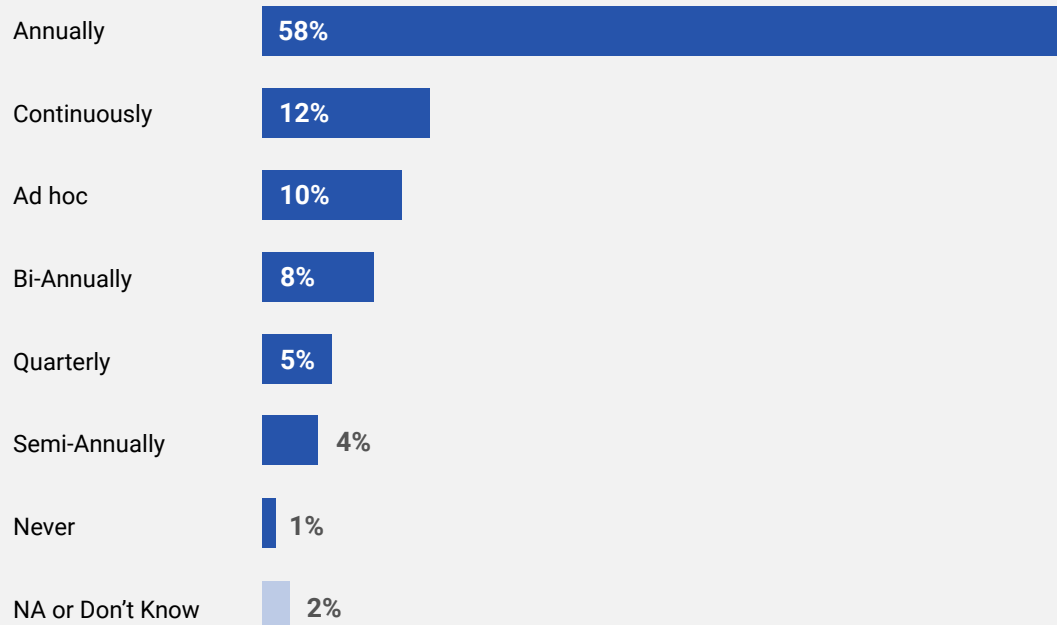
Percentage of respondents indicating the frequency of reviewing and updating their BC Plans. N = 812

KEY INSIGHTS

→ 83% of organizations review Plans at least annually

→ Less successful BC Programs are correlated with taking an ad hoc approach to plan reviews

SNAPSHOT OF COMMENTS

" *Additional triggers for reviewing and updating plans may include:*

- *changes to business plans or priorities*
- *new functions*
- *staff turnover*
- *organizational restructures*
- *changes to IT systems critical to the delivery of an essential service*
- *office relocations*
- *lessons learnt from exercises or real incidents*

BENCHMARK STUDY QUESTION:

How frequently do you review and update your BC Plans?

BC PROGRAM SUCCESS CORRELATED WITH THE CADENCE OF PLAN REVIEW & UPDATE

Bi-Annually **57%**

Continously **52%**

Average:
All Participants **46%**

Annually **46%**

Ad hoc **31%**

Percentage of respondents indicating a high degree of BC Program success (correlated with the cadence of reviewing and updating BC Plans). N = 892

SNAPSHOT OF COMMENTS

" *Departments are responsible for their own BC Plans. BC's role is to guide on best practice and common content of individual plans, plus managing exercise programs & BC audit to ISO22301.*

Cadence of Tests & Exercises

Frequent plan simulation is the validation method most likely to be correlated with a highly successful Business Continuity Program.

The *Business Continuity Benchmark Study* examined the four main methods of validating Business Continuity Programs and correlated these with organizations reporting highly successful programs.

Of the four methods, plan reviews are most frequently used (95%) followed by table-top/desk-top exercises (91%) and plan simulation (84%). Full simulation is the least used method, with (67%) scheduling such tests.

Regarding frequency, plan reviews are most often conducted annually (61%), followed by table/desk-top exercises (51%) and plan simulation (47%). Full simulation is commonly carried out annually (35%).

When correlated with Business Continuity Program Success Factors, the results show the following correlated with highly successful BC Programs:

- 57% of organizations carrying out frequent (semi-annual or quarterly) plan simulation tests;
- 50% of organizations carrying out annual plan simulation tests;
- 50% of organizations carrying out frequent (semi-annual or quarterly) table/desk-top exercises;
- 48% of organizations carrying out annual table/desk-top exercises.

The ad hoc approach to Business Continuity validation is correlated with lower success rates; only 37% of organizations using this approach to validation report highly successful BC Programs.

HOW DO ORGANIZATIONS TEST THEIR BC PLANS?

95%
conduct plan reviews

91%
conduct table-top exercises
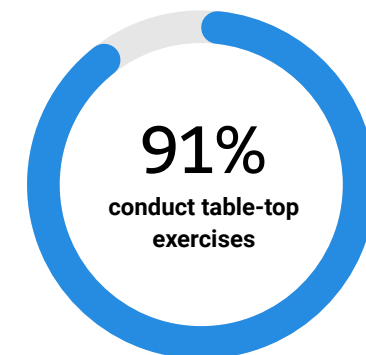
BENCHMARK STUDY QUESTION:

How frequently do you validate the effectiveness of your BC Plans using these methods?

FREQUENCY & METHODS OF BC PLAN VALIDATION

	Annually	Ad hoc	Semi-Annually	Bi-Annually	Quarterly	Never	NA or Don't Know
Plan reviews	61%	14%	7%	6%	8%		
Table-top / desk-top exercises	51%	17%	9%	7%	7%	7%	
Plan simulation (testing)	47%	18%	7%	7%	5%	11%	
Full simulation (testing)	35%	18%	4%	8%	1%	28%	
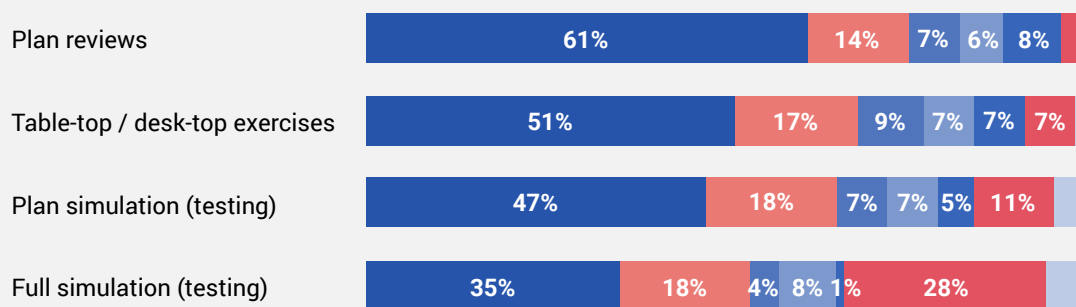
■ Annually ■ Ad hoc ■ Semi-Annually ■ Bi-Annually ■ Quarterly ■ Never ■ NA or Don't Know

Percentage of respondents indicating their frequency and methods of BC Plan validation. N=804

BC PROGRAM SUCCESS CORRELATED WITH THE FREQUENCY OF PLAN SIMULATION (TESTING)

Semi-Annual or Quarterly	57%
Annual	50%
Average: All Participants	46%
Ad hoc	37%
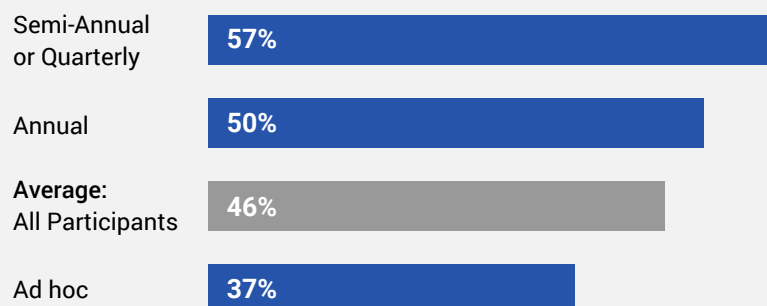
Percentage of respondents indicating the frequency of plan simulations (testing). N = 802

BC PROGRAM SUCCESS CORRELATED WITH THE FREQUENCY OF TABLE-TOP EXERCISES
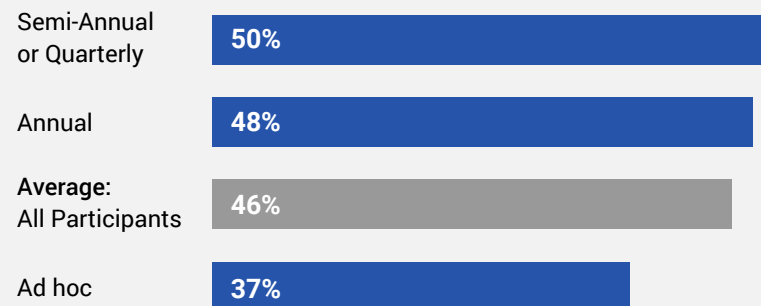
Semi-Annual or Quarterly	50%
Annual	48%
Average: All Participants	46%
Ad hoc	37%

Percentage of respondents indicating a high degree of BC Program success (correlated with the frequency of conducting Table-Top exercises). N = 892

Sources of Confidence

Full simulation provides organizations with the highest degree of confidence in the effectiveness of their BC Program.

In addition to providing insights into the frequency of the methods for testing and validating BC Programs, participants also indicated which methods provide the highest degree of confidence.

Not surprisingly, the least intensive methods of BC Plan validation are performed most frequently but also afford the lowest degree of confidence. Conversely, the most intensive methods of BC Plan validation are performed least frequently but afford the highest degree of confidence.

Full simulation tests provide the most confidence followed by actual plan activations; while plan reviews are the method resulting in the lowest levels of confidence.

ASSESSMENT METHODS & CONFIDENCE

What level of confidence do the following methods provide when assessing your BC Program?

Method	Highly confident with documented, quantified results	Highly confident	Moderately confident	Not very confident	Unconfident
Full simulation (testing)	32%	28%	23%	9%	8%
Actual plan activations	26%	35%	29%	6%	4%
Plan simulation (testing)	21%	36%	31%	6%	6%
Table-top / desk-top exercises	18%	27%	42%	8%	5%
Plan reviews	16%	31%	39%	12%	2%

■ Highly confident with documented, quantified results ■ Highly confident ■ Moderately confident ■ Not very confident ■ Unconfident

Percentage of respondents indicating their methods for assessing their BC Programs and the confidence achieved. N=799

KEY INSIGHTS

→ Full simulation provides highest degree of confidence but is performed least frequently

→ Plan reviews provide the lowest degree of confidence but are performed most frequently

→ All validation methods exhibit a very low percentage of "unconfident" as the result

5 | Use of Software & Services

Software Tools

Nearly two-thirds of organizations use a commercial or custom system for Business Continuity.

While most organizations use a commercial or custom BC software system, many also supplement the system with standard office applications (spreadsheets and static, text-based documents). The supplementary use of standard office applications varies depending on the type of BC software system. Surprisingly, 4 out of 5 organizations with custom systems also use standard office applications.

Some organizations use standard office applications as their primary software tools for BC. Not surprisingly, the highest prevalence is among smaller organizations (under 1,000 employees). This is likely due to the need in more complex organizations for more advanced capabilities such as dependency mapping, workflow automation, and analytics.

WHICH TOOLS DO ORGANIZATIONS USE?
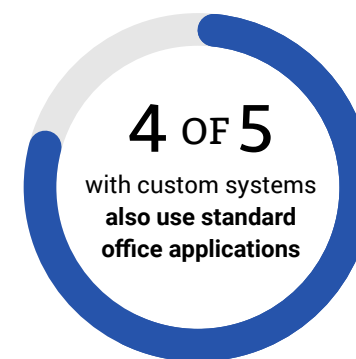
4 OF 5

with custom systems **also use standard office applications**

BENCHMARK STUDY QUESTION:

Which software tools and/or applications do you use in support of your BC Program?

PRIMARY SOFTWARE TOOLS USED FOR BUSINESS CONTINUITY

Software Tool	Percentage
Spreadsheets & text-based documents	38%
Commercial BC software	35%
Custom-built software application(s)	11%
Commercial GRC software	8%
Commercial project planning software	4%
Commercial IRM software	4%
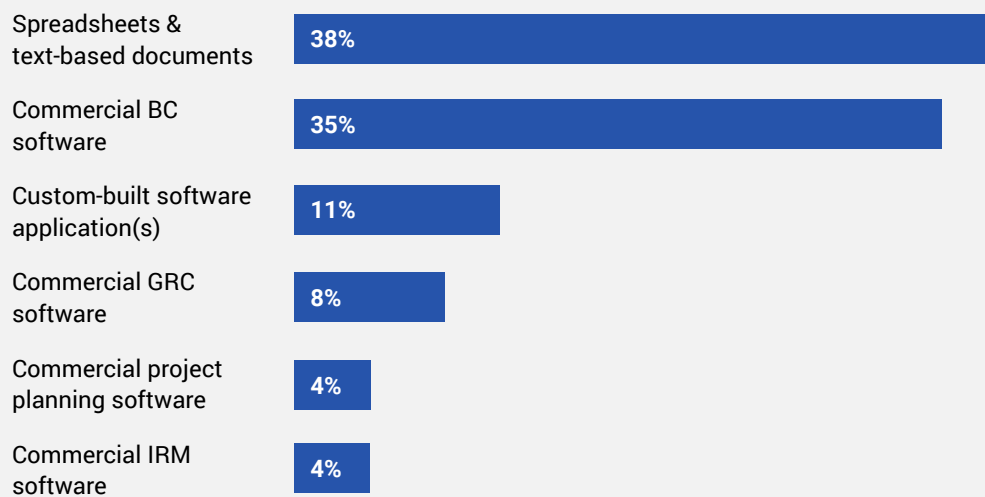
Percentage of study participants indicating their primary tool used for Business Continuity. (N=791)

KEY INSIGHTS

→ Most organizations use a commercial or custom software system

→ Many supplement their system with standard office applications

→ Nearly half of small organizations use standard office applications as their primary BC system

→ Less than one third of large organizations use standard office applications as their primary BC system

BENCHMARK STUDY QUESTION:

Which software tools and/or applications do you use in support of your BC Program?

COMMERCIAL & CUSTOM BC SYSTEMS SUPPLEMENTED WITH SPREADSHEETS & TEXT-BASED DOCUMENTS

Commercial project planning software	**83%**
Custom-built software application(s)	**80%**
Commercial Integrated Risk Management (IRM) software	**77%**
Commercial Governance, Risk & Compliance (GRC) software	**75%**
Commercial BC software	**62%**

Percentage of study participants indicating they use spreadsheets and text-based documents to supplement their commercial or custom BC system. (N=791)
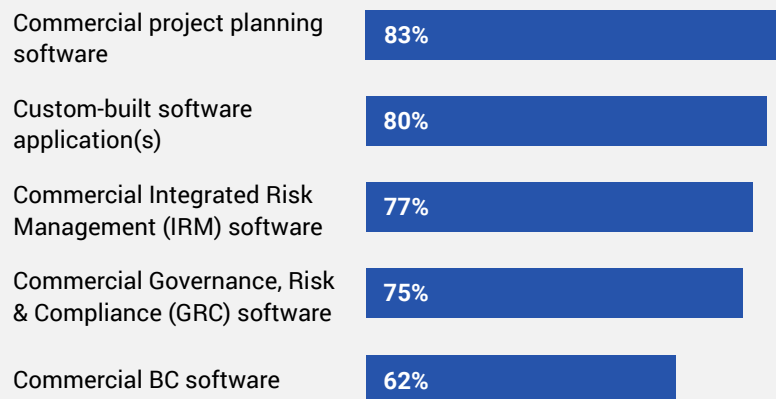
ORGANIZATIONS USING SPREADSHEETS & TEXT-BASED DOCUMENTS AS THEIR PRIMARY BC TOOLS

Small: < 1,000 Employees	**49%**
Medium: 1,000 - 10,000 Employees	**35%**
Large: > 10,000 Employees	**31%**

Software Features & Value

BC Program management and planning functions top the list of most highly valued software features.

The ability to manage plans, BIAs and continuity strategies are the highest ranked software features for organizations of all sizes. Falling below these planning and management functions, features needed during a crisis are also ranked "critical" or "important" by more than 50% of organizations. These include the ability to map dependencies, ability to contact employees and ability to manage crises. These relative rankings, compared to objectives on page 8 (top six focused on crisis response), seem to indicate a focus on proactive preparation vs reactive response.

The importance of software features is highly consistent when compared between large and small organizations, with one exception: 71% of study participants from large organizations indicated that it is important to provide dashboards and analytics for senior management. Only 57% of participants from small organizations ranked this feature at the same level. This disparity may reflect the increased complexity of large organizations or the more direct lines of communication in small organizations.

ARE DASHBOARDS & ANALYTICS IMPORTANT?

71%
of **large organizations** indicated critical or important

57%
of **small organizations** indicated critical or important
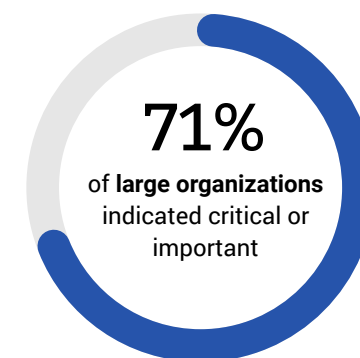
BENCHMARK STUDY QUESTION:

Please rate the following BC software features based on their value to your BC Program

CRITICAL OR IMPORTANT BC SOFTWARE FEATURES

Feature	
Manage Business Continuity Plans	81%
Manage business impact assessments	78%
Manage Business Continuity strategies	75%
Map dependencies	74%
Support a risk-based approach to BC	72%
Contact employees easily	71%
Manage DR plans	70%
Manage risk assessments	68%
Manage tests and exercises	67%
Manage crises	66%
Provide senior management w/analytics & dashboards	65%
Access plans from mobile devices	62%
Orchestrate IT DR recovery	61%
Simulate impacts of various scenarios	55%
Support for standards-based governance such as with ISO22301	52%
Live data feeds ie. weather-related information	32%

KEY INSIGHTS

→ Management and planning functions are the top three most valued software features

→ Of the features needed for crisis response, the ability to map dependencies tops the list

→ Dashboards and analytics are more highly valued by larger organizations

Percentage of respondents indicating the importance of BC software features. N=780

*Note: This summary chart includes critical and important rankings combined. See **Appendix D** for a chart of all rankings for all software features.*

Advisory & Consulting Services

More than 50% of organizations utilize one or more BC advisory or consulting services.

The majority of study participants indicated they utilize at least one BC advisory or consulting service provided by a 3rd party. Services provided by independent consulting firms and 3rd-party audits are the most commonly utilized. Outsourced administration of either BC software systems or the entire BC Program are the least commonly utilized services.

Surprisingly, the use of 3rd-party audits in highly regulated industries (financial services, insurance and healthcare), is only marginally more prevalent than for other industries, differing by only 2%.

Large organizations (greater than 10,000 employees), tend to gravitate to the "Big 4" consulting firms for services while mid-size and small organizations more often work with independent consulting firms.

HOW ARE ADVISORY SERVICES UTILIZED?

54%
of organizations **utilize one or more** BC advisory or consulting services

20%
of small organizations utilize services from **independent consulting firms**

BENCHMARK STUDY QUESTION:

Please indicate your use of consulting services in support of your BC Program

USE OF CONSULTING SERVICES IN SUPPORT OF BC PROGRAMS

Category	Not using	Utilize today	Plan to utilize	Considering	NA or Don't Know
Outsourced administration of our BC Program	85%				
Outsourced administration of our BC software systems	76%	7%			
3rd-party "Big 4" consulting services	76%	8%			
3rd party independent consulting services	59%	20%	6%	9%	
3rd-party audit of our BC Program	57%	18%	8%	10%	

Legend: ■ Not using ■ Utilize today ■ Plan to utilize ■ Considering ■ NA or Don't Know

Percentage of respondents indicating their use of consulting services in support of their BC Programs. N=764

KEY INSIGHTS

→ 54% of organizations utilize at least one BC advisory or consulting service

→ Outsourced administration of software systems or BC Programs are seldom used

→ Small and mid-size organizations tend to work with independent consulting

6 | Third-Party Risk

Third-Party Risk Assessments

The most commonly used methods for assessing 3rd-party risk do not include direct engagement with partners.

Service Level Agreements (SLAs) and partner self-assessments, both of which do not include direct engagement with partners, are most commonly used to assess 3rd-party risk. Routine BC audits and participation in tests and exercises, both of which include direct engagement with partners, are used less frequently.

Almost one-third of organizations rely on their procurement departments, rather than their BC management or risk management teams, to manage 3rd-party risk.

As noted in the Challenges section, monitoring and assessing 3rd-party risk is the most widely unaddressed challenge to Business Continuity. Overall, only 22% of organizations have fully addressed this challenge.

Various methods of assessing 3rd-party risk were tested for correlations with the success in addressing the risk. Those using direct assessment methods exhibit a higher than average success rate at 31%. Those using indirect assessment methods exhibit a lower than average success rate at 17%. Those relying on their procurement departments to assess 3rd-party risk are aligned directly with the average success rate at 22%.

This question elicited a high number of write-in answers in the Other category. See **Appendix E** for the full list.

HOW IS 3RD-PARTY RISK ASSESSED?

40%
utilize SLAs to assess 3rd-party risk

28%
rely on their procurement departments to assess 3rd-party risk
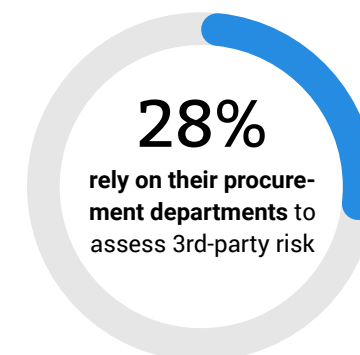
BENCHMARK SURVEY QUESTION:

How do you assess continuity risks of your critical 3rd-party partners (suppliers, vendors, outsourced service providers, etc.)?

3RD-PARTY RISK ASSESSMENT METHODS

Method	Percentage
SLA's with uptime and/or recovery time thresholds	40%
Partner self-assessments and reporting	34%
Routine BC audits	30%
Participation in tests and exercises	29%
Assessed by our procurement team	28%
Ad hoc or event-triggered BC audits	25%
Rely on standards certification	18%
Unannounced inspections	4%
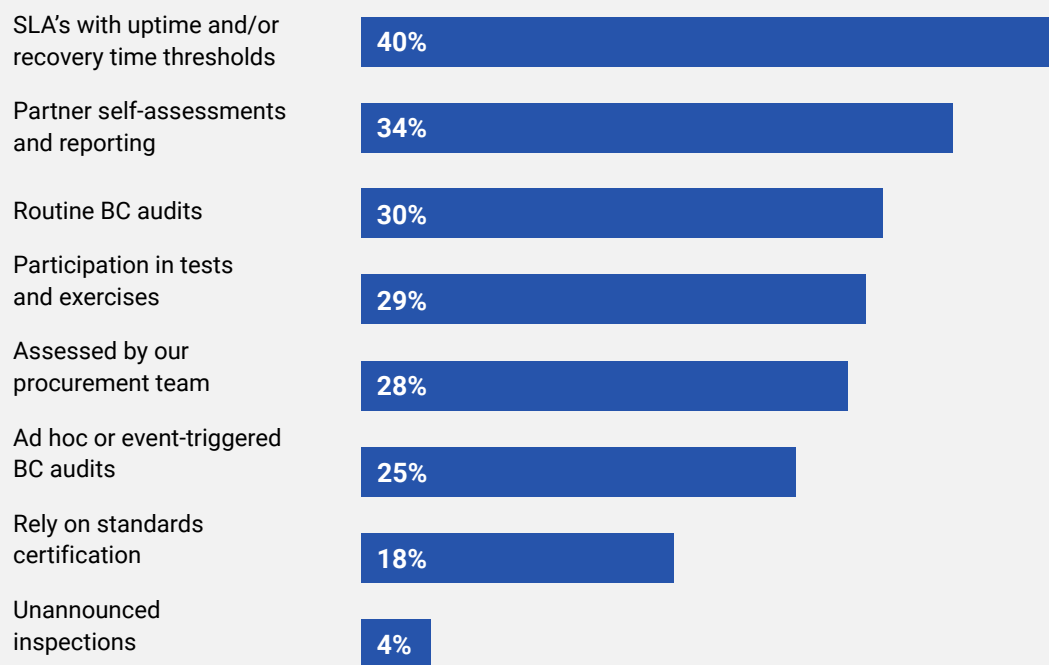
Percentage of respondents indicating the methods used for assessing 3rd-Party risks. N = 777

Note: This question elicited a high number of write-in answers in the "other" category. See **Appendix E** for a full list.

KEY INSIGHTS

→ Most organizations have not fully addressed supply chain and third-party risks (see page 14)

→ 3rd-party risk assessment methods that include direct engagement with partners are most effective

→ 28% of organizations rely on their procurement departments to manage 3rd-party risk

7 | Maturity & Alignment with Standards

Program Maturity

Less than one in ten study participants rate their BC Program as "very mature".

Business Continuity as a defined practice is now in its fourth decade, yet according to the results of the study, only 9% of participants indicate that their Business Continuity

Programs are "very mature". A further 27% said Business Continuity in their organizations is "mature" and 33% said it is "reasonably mature".

BC PROGRAM MATURITY

Which best describes the overall maturity of your organization's Business Continuity Program?

Very Mature	**9%**
Mature	**27%**
Reasonably Mature	**33%**
Partially Mature	**16%**
Early-Stage Maturity	**10%**
Immature	**5%**
NA or Don't Know	**1%**
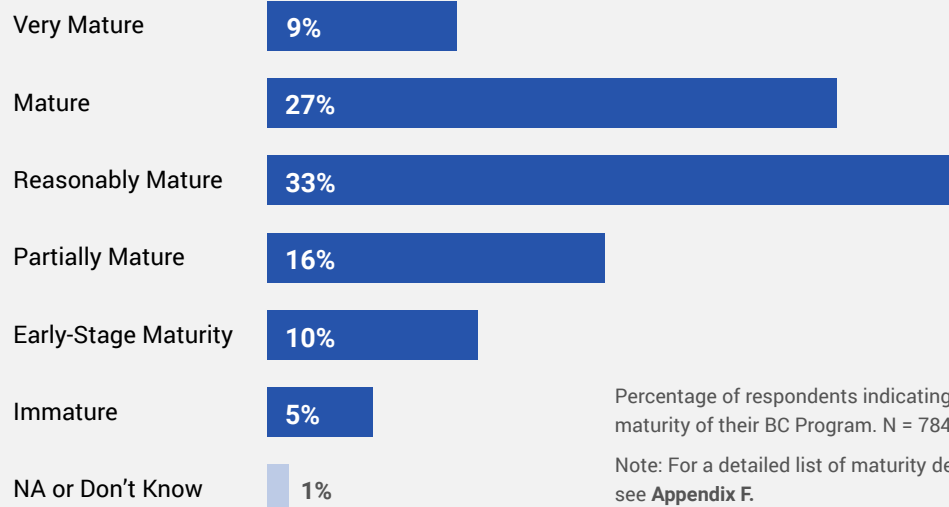
Percentage of respondents indicating the maturity of their BC Program. N = 784

Note: For a detailed list of maturity definitions see **Appendix F.**

KEY INSIGHTS

→ 9% of respondents say that their organization's BC Program is "very mature"

The study revealed a very high correlation between program maturity and BC Program Success with very mature programs almost five times more likely to be considered highly successful compared to early stage or immature programs.

BC PROGRAM SUCCESS CORRELATED WITH THE MATURITY OF THE PROGRAM
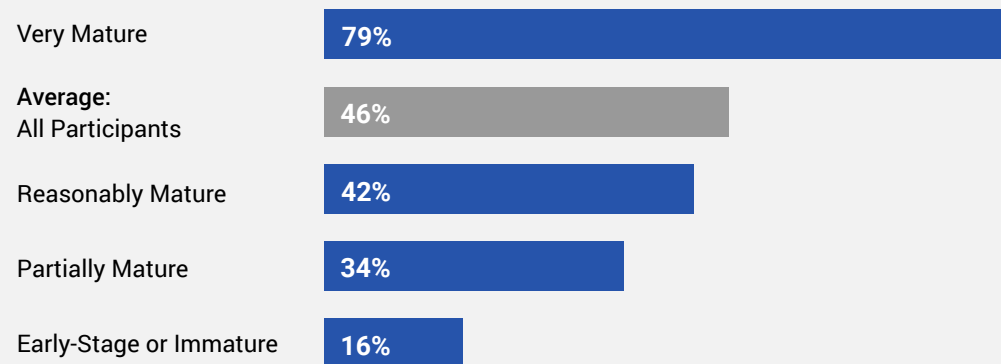
Very Mature	79%
Average: All Participants	46%
Reasonably Mature	42%
Partially Mature	34%
Early-Stage or Immature	16%

Percentage of respondents indicating a high degree of BC Program success (correlated with the maturity of the BC Program). N = 892

CORRELATION WITH BC SUCCESS

Highly mature BC Programs are

4.9x

more successful than early stage or immature programs.

Alignment with Standards

Nearly half of organizations globally align their BC programs to ISO 22301.

ISO 22301

ISO 22301 is the international Business Continuity Management standard and is in use in just under half (46%) of organizations included in the study. A further 11% are in the process of implementing ISO 22301 and 14% are considering this.

NFPA 1600

NFPA 1600 is the USA "Standard on Continuity, Emergency, and Crisis Management". 13% of organizations are using this standard, 4% are in the process of implementing NFPA 1600 and 8% are considering this.

ALIGNMENT WITH REGULATORY STANDARDS

ISO 22301	46%	11%	9%	14%	20%
NFPA 1600	13%	4% 4% 8%	71%		

■ Using Now ■ Implementing ■ Planning ■ Concidering ■ NA or Don't Know
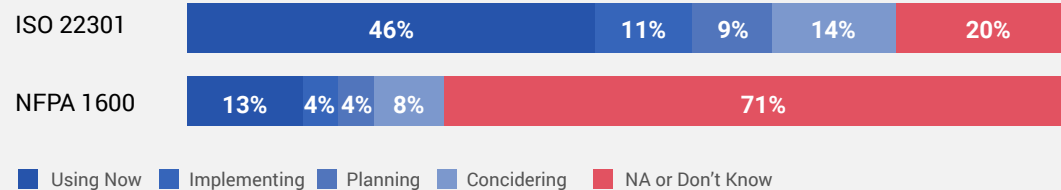
Percentage of respondents indicating alignment to regulatory standards. N=761

WHICH BC STANDARDS ARE USED?

46%
of organizations align their BC programs to **ISO 22301**

FOOTNOTE

In addition to alignment with industry standards, numerous study participants indicated alignment of their BC Programs to broadly used guidelines such as those published by DRII and BCI, as well as industry-specific and regional guidelines such as FFIEC in the USA for Financial Services. These will be added to the standard examination questions for the 2020 Business Continuity Benchmark Study.

8 | Participant Demographics

Geographic Expanse

Participation in the *Business Continuity Benchmark Study* circled the globe, with 21% of participating organizations operating on multiple continents and 7% operating globally - on six continents.

GEOGRAPHIC COVERAGE

Region	Percentage
North America (including the US)	39%
Europe (including the UK)	39%
Asia	34%
United States only	25%
Middle East	20%
Pacific Rim	19%
South America	18%
Africa	16%
United Kingdom only	12%
ROW	9%
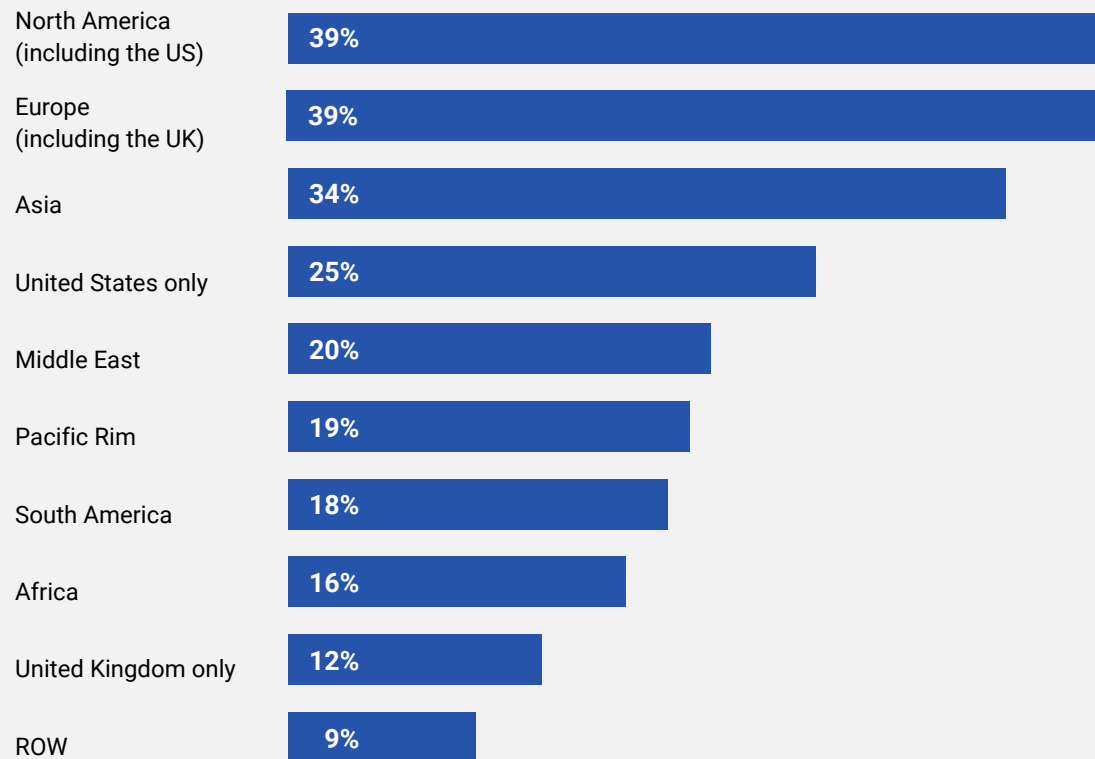
NOTE

→ Business Continuity priorities, objectives and practices can vary by region. These potential differences fall outside the scope of this report and will be examined in a subsequent, follow-on report.

Industries

The majority of participants represent highly regulated industries with financial services at 29% and insurance at 12%. In total, 49 industries are represented in the study with 23 of those within the "Other" category.

INDUSTRIES REPRESENTED BY STUDY PARTICIPANTS

Industry	%
Financial services (not including insurance)	29%
Insurance	12%
Government (federal, national, provincial)	6.1%
Government (state, local or regional)	5.4%
IT service providers	5.0%
Healthcare providers	4.8%
Telecommunications	4.2%
Manufacturing (other than technology or pharma)	3.8%
Retail	3.6%
Utilities	3.3%
Business or consumer services	3.0%
Energy - Oil & gas	2.9%
Transportation	2.7%
Education - higher	2.6%
Professional, scientific or technical services (not including IT)	1.8%
Nonprofit	1.8%
Technology (hardware, components and/or devices)	1.7%
Software publishers or developers (not including BC software)	1.5%
Pharmaceuticals / Biotech	1.4%
Media and Entertainment	1.2%
Government (military)	0.8%
Agriculture, mining or construction	0.8%
Wholesale	0.5%
Education - K-12	0.2%
Other	8.5%

Organization Size

The study is represented by organizations of varying sizes with the largest percentage falling in the medium range (1,000 - 10,000 Employees).

SIZE OF PARTICIPATING ORGANIZATIONS

- 28%
- 39%
- 31%

- ■ **Small:** < 1,000 Employees
- ■ **Medium:** 1,000 - 10,000 Employees
- ■ **Large:** > 10,000 Employees
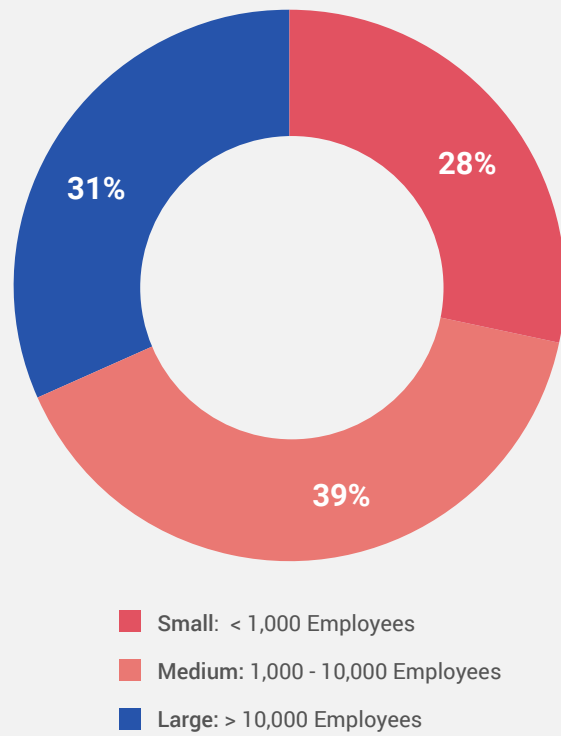
SIZE OF PARTICIPATING ORGANIZATIONS (EMPLOYEES)

Less than 1,000	28%
1,000 - 4,999	26%
5,000 - 9,999	13%
10,000 - 24,999	10%
25,000 - 49,999	7%
50,000 - 100,000	7%
Greater than 100,000	7%
NA or Don't Know	2%
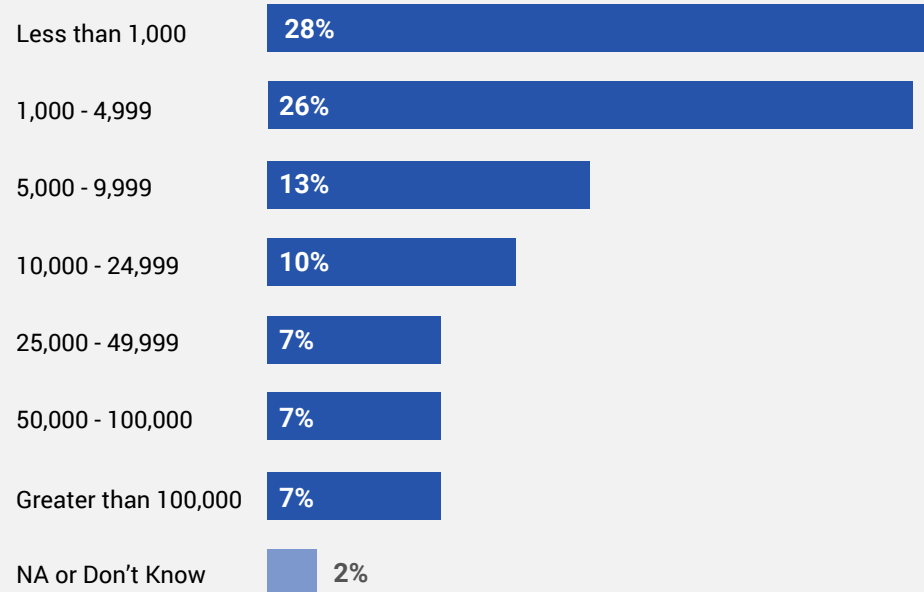
Percentage of respondents indicating the number of employees in their organizations. N = 764

Participant Roles

The majority of participants in the study identified themselves as the leader or a member of the organization's BC team.

BC ROLES OF STUDY PARTICIPANTS

Role	Percentage
I am the leader or a member of the organization's BC team	61%
I am a business or functional subject matter expert, who provides input to my organization's BC strategy and plans	34%
I am a business leader that has primary accountability for developing or approving BC Plans	14%
I am the executive sponsor of the BC Program	7%
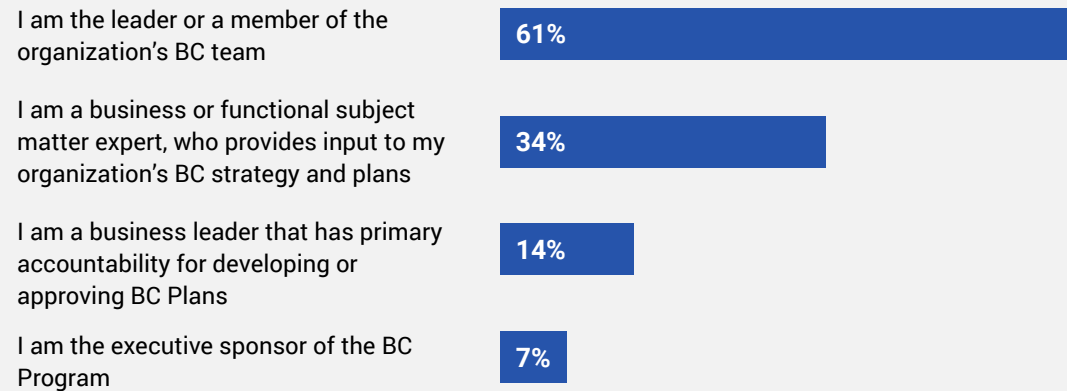
Appendices

Appendix A: Key Objectives of BC Programs

BUSINESS CONTINUITY OBJECTIVES

■ High Priority ■ Medium Priority ■ Low Priority ■ Not a Priority ■ NA or Don't Know

Objective	High Priority	Medium Priority	Low Priority	Not a Priority
Ensure continuity of operations during a crisis	83%	14%	3%	
Ensure employee safety during a crisis	80%	14%	3%	
Ensure continuity of key IT systems during a crisis	77%	17%	3%	
Minimize the impact to customers as a result of a business disruption	74%	21%	3%	
Minimize reputational damage resulting from a business disruption	63%	30%	5%	
Minimize the financial impact of a business disruption	55%	35%	7%	
Assess key risks and establish effective plans for mitigation	55%	34%	8%	
Ensure compliance with industry standards or regulations	44%	34%	14%	5%
Satisfy service level agreement (SLA) obligations with our customers	39%	37%	12%	5%
Ensure preparation for external audits	21%	37%	25%	13%
Support our pursuit of securing business with new clients	19%	31%	24%	17%
Reduce overhead costs such as D&O insurance premiums	12%	26%	30%	21%

Percentage of respondents indicating prorities for specific Business Continuity objectives. N = 972

Appendix B: Success with Objectives

SUCCESS ACHIEVING PRIORITY OBJECTIVES

■ Highly Successful ■ Moderately Successful ■ Unsuccessful ■ NA or Don't Know

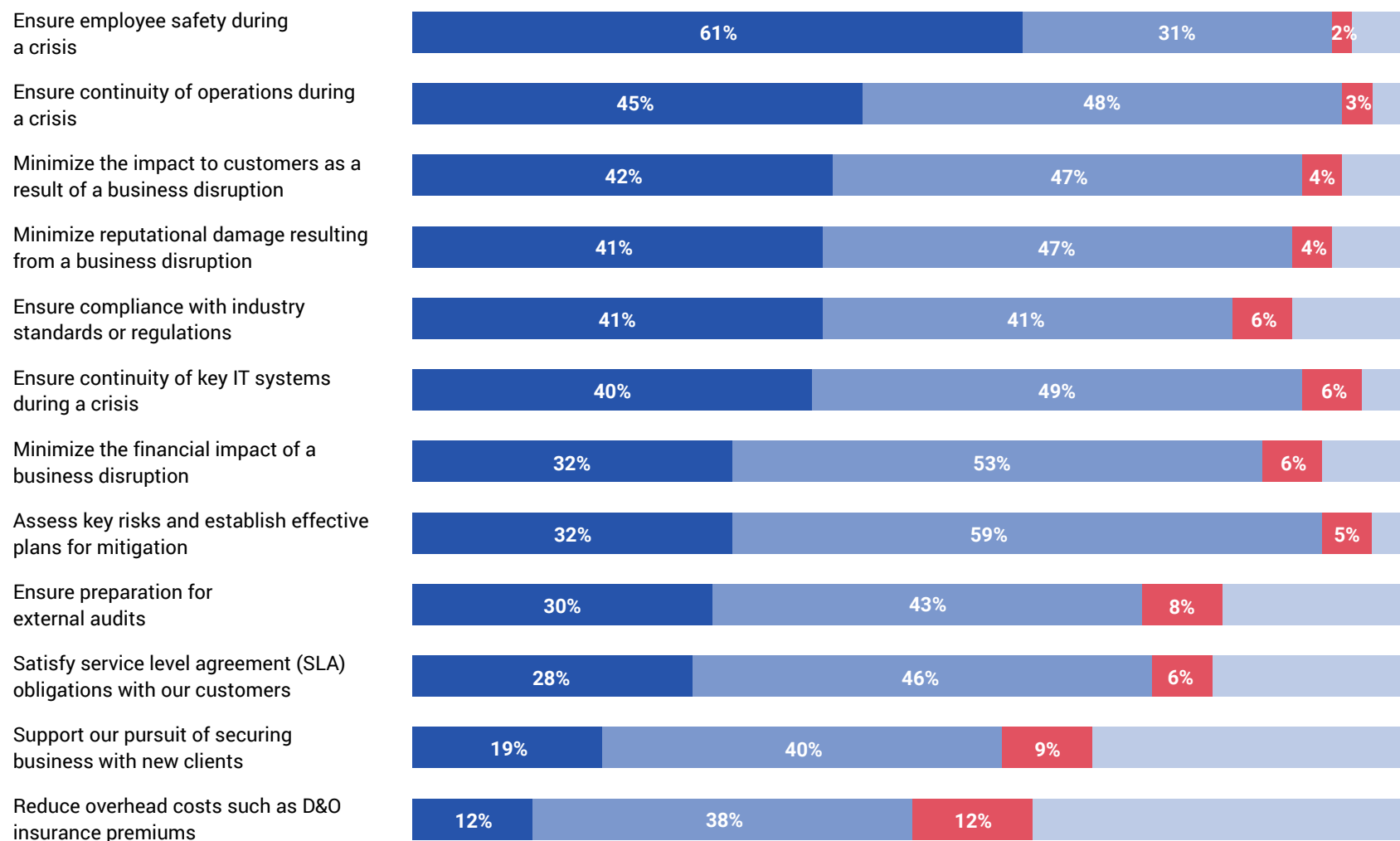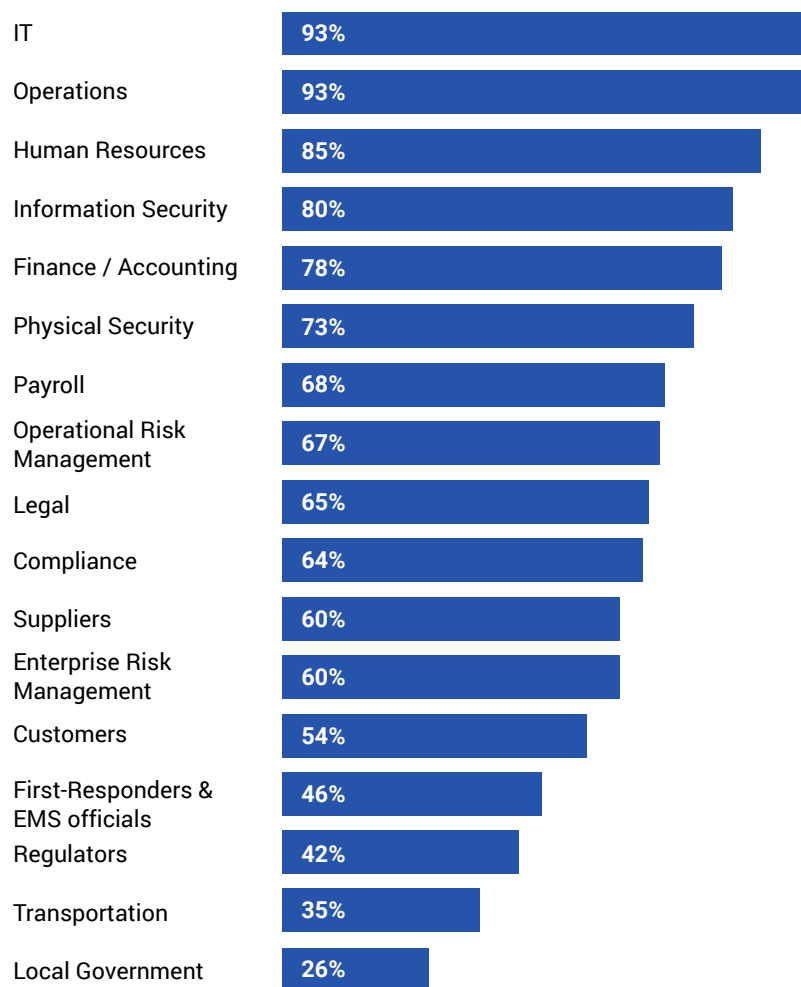| Objective	Highly Successful	Moderately Successful	Unsuccessful
Ensure employee safety during a crisis	61%	31%	2%
Ensure continuity of operations during a crisis	45%	48%	3%
Minimize the impact to customers as a result of a business disruption	42%	47%	4%
Minimize reputational damage resulting from a business disruption	41%	47%	4%
Ensure compliance with industry standards or regulations	41%	41%	6%
Ensure continuity of key IT systems during a crisis	40%	49%	6%
Minimize the financial impact of a business disruption	32%	53%	6%
Assess key risks and establish effective plans for mitigation	32%	59%	5%
Ensure preparation for external audits	30%	43%	8%
Satisfy service level agreement (SLA) obligations with our customers	28%	46%	6%
Support our pursuit of securing business with new clients	19%	40%	9%
Reduce overhead costs such as D&O insurance premiums	12%	38%	12%

Percentage of respondents indicating their degrees of success with BC Program objectives. N = 892

Appendix C: BC Program Scope

ALL DEPARTMENTS, CONSTITUENTS & FUNCTIONS INCLUDED IN THE SCOPE OF BC PLANS

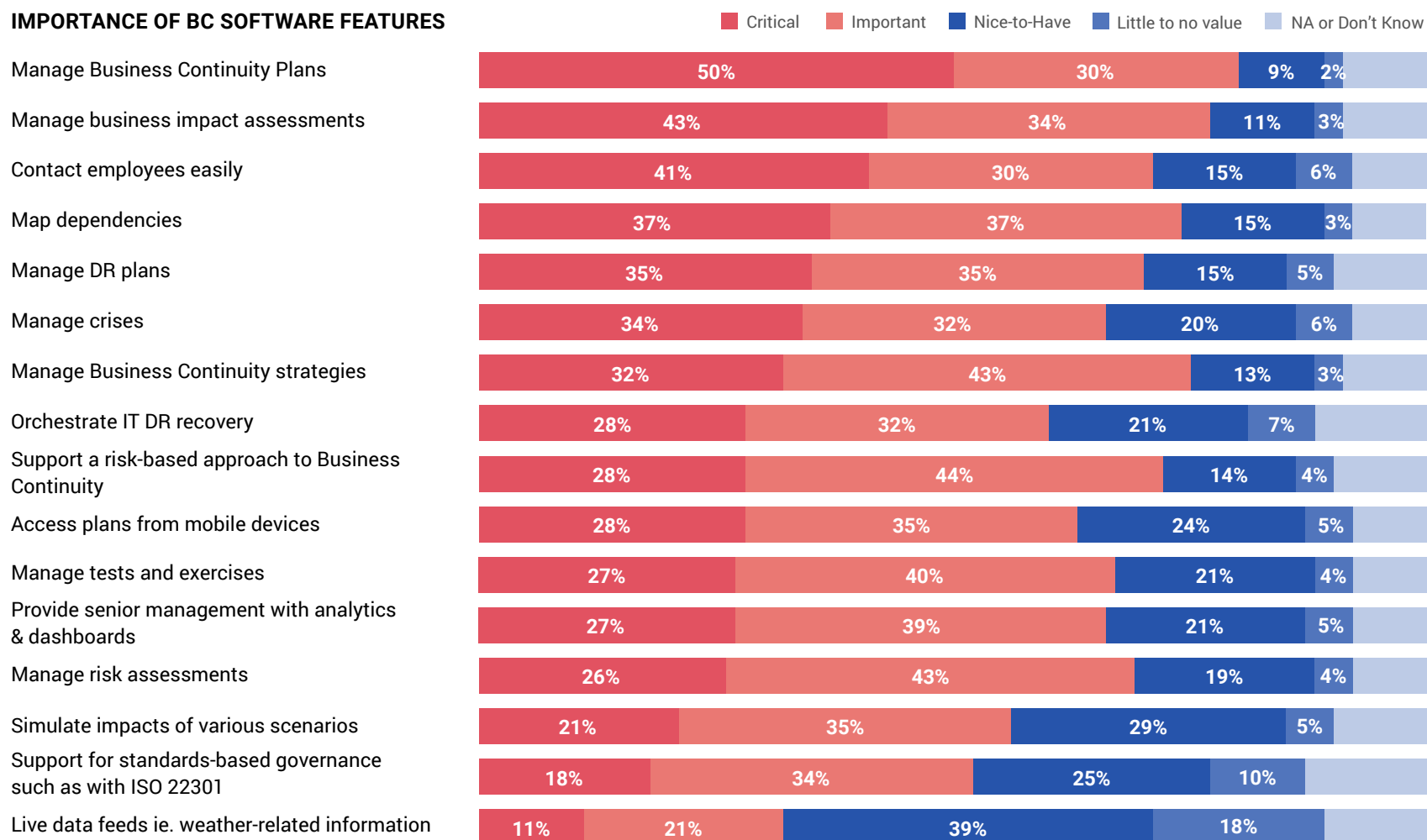| Department	Percentage
IT	93%
Operations	93%
Human Resources	85%
Information Security	80%
Finance / Accounting	78%
Physical Security	73%
Payroll	68%
Operational Risk Management	67%
Legal	65%
Compliance	64%
Suppliers	60%
Enterprise Risk Management	60%
Customers	54%
First-Responders & EMS officials	46%
Regulators	42%
Transportation	35%
Local Government	26%

OTHER WRITE-IN ANSWERS

- "All Hazards" approach
- Host country and member states emergency planners
- Sales
- Supply Chain
- Engineering
- Students
- Crisis Center

Appendix D: Software Features & Value

IMPORTANCE OF BC SOFTWARE FEATURES

Legend: ■ Critical ■ Important ■ Nice-to-Have ■ Little to no value ■ NA or Don't Know

Feature	Critical	Important	Nice-to-Have	Little to no value
Manage Business Continuity Plans	50%	30%	9%	2%
Manage business impact assessments	43%	34%	11%	3%
Contact employees easily	41%	30%	15%	6%
Map dependencies	37%	37%	15%	3%
Manage DR plans	35%	35%	15%	5%
Manage crises	34%	32%	20%	6%
Manage Business Continuity strategies	32%	43%	13%	3%
Orchestrate IT DR recovery	28%	32%	21%	7%
Support a risk-based approach to Business Continuity	28%	44%	14%	4%
Access plans from mobile devices	28%	35%	24%	5%
Manage tests and exercises	27%	40%	21%	4%
Provide senior management with analytics & dashboards	27%	39%	21%	5%
Manage risk assessments	26%	43%	19%	4%
Simulate impacts of various scenarios	21%	35%	29%	5%
Support for standards-based governance such as with ISO 22301	18%	34%	25%	10%
Live data feeds ie. weather-related information	11%	21%	39%	18%

Percentage of respondents indicating the importance of BC software features. N=780

Appendix E: Third-Party Risk

Methods of Assessing 3rd-Party Risk – Other Write-In Answers:

- Vendor preparedness audits performed by IT Security/Risk teams
- Resilience Questionnaires
- Included within the Supplier on-boarding assessments
- Partner with 3rd-party risk and perform due diligence on tier 1 and tier 2 vendors
- Vendor Management Reviews including review of BC/DR methodology, planning & testing. Review of Vendor BC/DR Exercises
- Our supply chain management group handles 3rd party risk not the BC group
- Annual assessment of mission critical 3rd parties (BC/DR planning, BC/DR exercising, and independent audit)
- Passive assumption that 3rd parties comply with contract language

- Annual assessment reviews, audits if category 1 or 2 gaps are found, all new vendors/suppliers fully vetted before proceeding to contact signing
- We don't currently assess
- We write to them annually seeking their status/ approach to BCM
- We do a BIA on supplier impacts + risks assessments and have specific BC clauses within our contracts that are mandatory
- We have a Technology Architecture Review Committee review all vendors and their systems we utilize. For critical vendors, we perform a more in-depth analysis of their BC/DR Program
- Vendors are included in exercises

- Disconnect exists between procurement (go it alone) and BCM team
- Forms part of standardized procurement contract. Rarely checked
- We include BC in our Vendor Management Program. The vendor owner must request BC/DR/Cyber documents from the vendor before being approved, and they must analyze and document the components and their assessment. The BC Manager must sign off their assessment. This is required annually. Site visits by company staff are required for critical vendors. Our vendors are risk assessed, and the level of scrutiny is based on the risk rating

Appendix F: Program Maturity

Maturity Definitions

Very Mature

BC Program governance with comprehensive and consistent approach across all levels and the entire organization encompassing the full BC lifecycle, fully integrated, embedded and optimized with other disciplines, extending to supply chain partners.

Mature

with comprehensive plans established, risk and impact assessments conducted routinely and active testing/exercising programs in place.

Reasonably Mature

not yet consistent across our organization and/or there are still some elements that require focus (such as establishing robust exercising and testing programs).

Partially Mature

with a partially complete implementation of a defined program to build a robust and credible BC framework. There are still key areas to address but we have the basics in place.

Early-Stage Maturity

we are starting to build a BC framework and are laying the foundations with some initial elements in place and some plans created.

Immature

we do not have a structured BC Program yet, although we have some ad hoc activity.

About the BC Benchmark Study Sponsors

Assurance and ClearView are solution brands of Assurance Software, Inc.

ABOUT ASSURANCE

Business disruptors including cyber-attacks, natural disasters and supply chain breakdowns are now commonplace but it's difficult to measure readiness and ensure effective response. Leveraging decades of experience helping thousands of organizations, we pair expert guidance with easy-to-use software to simplify preparation and ensure quick restoration of your critical operations. Assurance customers have confidence that their people, revenue and reputations are protected, without needless distractions from their core business. For more information please visit www.assurancesoftware.com.

ABOUT CLEARVIEW

ClearView helps organizations develop and maintain robust Business Continuity programs in order to establish resilient operations and so respond rapidly and effectively to incidents, providing protection for their people, customers and reputation. Business Continuity and the development of organizational resilience is a complex process. With our best-in-class software and advisory services, we commit to 'Make the complicated simple' for our clients, so that they can quickly and easily build a strategic, effective, and future-proofed Business Continuity Management System that is firmly embedded across the entire organization. This provides protection for all stakeholders including clients and employees; and ensures that a strong reputation is maintained in the face of adverse events. ClearView became part of Assurance Software, Inc. in January of 2019. For more information, please visit www.clearview-continuity.com.