Business continuity metrics are standards by which the efficiency, progress, effectiveness and quality of your Business Continuity Program (BCP) is measured. Metrics can help Business Continuity Professionals pinpoint operational vulnerabilities, gauge recovery capabilities, and improve their overall BCP. Using objective metrics as the basis on which to build your BCP and then measuring its efficacy is core to the profession. BC Professionals who effectively use metrics can position themselves as true Risk Managers at their organizations – evolving beyond the traditional plan generator.

This guide is intended to outline the various metrics that can be used in your BCP with the goal of taking your BCP to the next level or enhancing your program.
What Can be Measured?

It is important to understand what metrics have the most value to your decision makers. BCP Metrics fall into three categories:

**Organizational metrics** assist in pinpointing your organization’s operational inefficiencies, vulnerabilities, and risks. They identify the most critical business functions and the infrastructure resources that support them. Organizational metrics take a BCP from a subjective determination to an objective calculation of impacts and risks. Facts should always prevail over opinions to your decision makers.

**Business Continuity Program metrics** examine the time to complete the planning process and determine the plan’s conformity to accepted standards and best-practices.

**Resilience metrics** explore the effectiveness of a BCP and measure how long it takes to recover from any event that produced downtime, and how effective the resilience plans were in mitigating losses.

Organizational Metrics

Think about how your decision makers view the mission of “Business Continuity.”

If a disaster strikes, C-level executives probably care about people and processes first and foremost. Your CFO is interested in seeing revenue-generating processes get back online first – like your online shopping cart in the event of a disruption of service – as well as receipt and processing of customer receivables. Your CIO thinks in terms of applications and systems and loses sleep over data loss. Your facilities manager cares about physical assets being safeguarded. Your CMO would keep CRM data in a lockbox if it were possible and may see access to customer and prospect information as a top priority.

There are plenty of people, processes, and technologies that need to be part of your BCP. Choices need to be made and only the most critical can be recovered. Some questions to answer are:

- What are your most critical operational activities?
- What is the impact of downtime for each of these?
- How long can the company go before it sees negative impact on sales and operations?
- What are the most important IT infrastructure components and data?
- Who (internal & external) are most critical to operations?
- What are the highest risk hazards to the organization?

These questions will have different answers depending on whom you ask, so investing in software that objectively answers these questions is an idea worth considering.
Believing in the BIA

A Business Impact Analysis (BIA) can help you determine priorities by taking stock of the financial costs and qualitative impacts associated with disruptions (e.g. lost revenues, damage to reputation, reduced cash flow, legal impacts, etc).

Your BIA will answer most questions that your leadership asks, and should revolve around business operations. A common but perhaps misdirected approach in the profession is to begin with gauging the impact of supporting infrastructure (e.g. IT, people, and vendors) without understanding how they support business operations. A better approach would be to first start with an understanding of your business operations, determine those that are critical and subsequently gauge the importance of supporting resources and how they impact your critical business functions.

So what are some concrete organizational metrics you should measure?

Recovery Time Objectives (RTO)

The Recovery Timeframe Objective or RTO is probably the most prominent metric used in BCP. RTO’s define when business functions and resources need to be operational following a disaster. Exceeding an RTO means absorbing unacceptable impacts to your organization. RTO’s provide insight into what is most critical to your organization. A myriad of benefits can be gained from the RTO metric from prioritization of recovery to mitigation investments to spotting underperforming processes and resources.

With such an important metric for your executives, a sound process is key to its calculation. Your RTO’s should be based on fact, not opinion. So, asking someone what they think the RTO should be is not effective – a person simply cannot perform the sophisticated calculations in his head. It can be difficult to objectively determine the exact RTOs for each of your processes, so consider BCP software that automates the calculation of these metrics.

Business Continuity Program Metrics

The next set of metrics to consider is BC program metrics. These are important to determine the status of your plan and the efficiency of your BCP process. Here are some questions to ask:

How Do You Gather Data?

- Ask department heads pointed questions
- Survey employees (keep it short and sweet)
- Observe (people, processes)
- Study industry benchmarks / analyst reports
- Collect internal data (like financials)

What is the progress in completing your planning?

How long does it take to write a plan?

How well does our BCP comply or conform to standards and auditor criteria?

How well has the plan been conveyed to the organization?

What is the awareness of the plan among the organization at large?

What portion of our plan is overdue for re-evaluation?
All of these are metrics that can be tracked, scored, and summarized. It is important to start with your expected results and gradually improve your BCP to complete tasks in less time or to conform better to standards. One of the most difficult aspects of being a BC Professional is obtaining budget to improve a BCP. Metrics can assist in justifying returns on software tools, additional personnel, or outside assistance. Presenting in plain language and gauging returns against costs of ownership can get you what you need to excel in your BCP.

Resiliency Metrics

Finally, resiliency metrics are necessary to ensure the efficacy of your BCP and your gauge your preparedness in the face of a disaster. Some questions to answer include:

- How long does it take each of your teams to recover?
- How effective are our mitigation strategies in limiting quantitative and qualitative impacts?

It is no secret that plan exercises are core to an effective BCP. However, many setup exercises setup as pass/fail tests. These unfortunately do not provide a useful resiliency metric. Tracking each process or department’s time to recover evaluates not only the quality of your BC plan, but also the ability of recovery personnel to execute the plan. Actual recovery times or Recovery Time Capabilities (RTC’s) can be compared against RTO’s to ensure they are being met. For example, if 6 hours is the RTO for a business function, but subsequent to a test exercise it actually takes 12 hours to recover, this is a clear signal that the recovery plan needs improvement or additional mitigation measures need to be put in place. IT, personnel, and vendors can also be similarly evaluated by their respective capacities to meet the RTO’s of the business functions they support.

Going Forward

Developing BCP metrics is hard work that never gets finished. It is an ongoing process that needs revision to ensure that you are measuring and monitoring the correct metrics and constantly striving to improve your BCP and its delivery of real results.

Like a BC plan that is never “done,” but must be tested and maintained over time, your BCP metrics should evolve, becoming increasingly sophisticated and revealing insights about your organizational priorities, BC program efficacy and organizational resilience. The use of metrics can help you uncover more of the inner workings of your organization and can propel you from a plan generator to a true Risk Manager - someone invaluable to your organization.