

Business Resiliency Health Index Implementation

April 26, 2017

Lockheed Martin

Enterprise Business Continuity & Recovery

Neeta Adkar

Jeremy Adkins



15th Annual Continuity Insights Management Conference: Mile High Resilience



Agenda

- **Lockheed Martin (LM)**
- **Business Resiliency in LM**
- **Project**
- **Model**
- **Reporting**

Lockheed Martin (LM) Snapshot

- **Summary:** Global security and aerospace company principally engaged in the research, design, development, manufacture, integration and sustainment of advanced technology systems, products and services
- **Headquarters:** Bethesda, MD
- **Employees:** approximately 97,000 employees in the United States and internationally
- **Operations:** 590+ facilities in 50 states throughout the U.S.; Internationally, locations in over 70 nations and territories
- **2016 Sales:** \$47.2 Billion



Aeronautics (Aero)



Missiles and Fire Control (MFC)



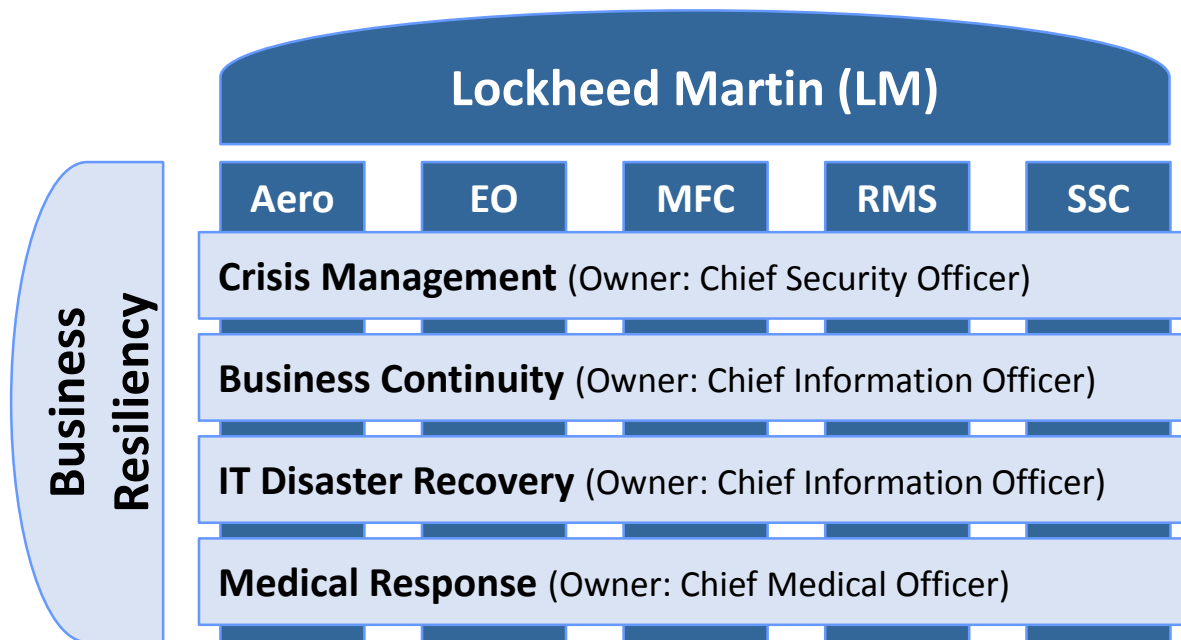
Rotary and Mission Systems (RMS)



Space Systems Company (SSC)

Business Resiliency in LM – Definition & Scope

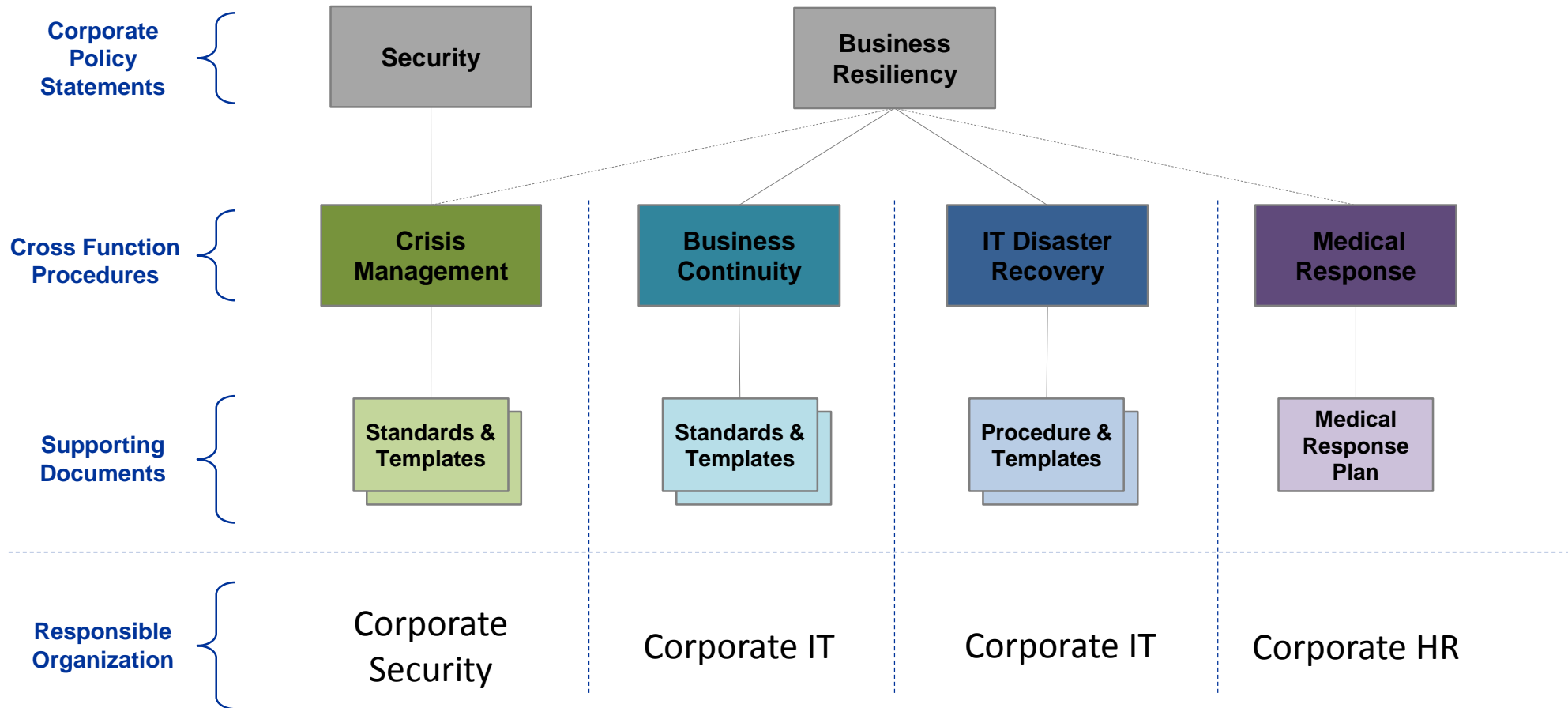
Business Resiliency is the focus on protecting human life, safeguarding assets and sustaining critical operations by leveraging integrated teams, plans, processes and tools



Business Resiliency (BR) includes:

- **Crisis Management (CM)** – protect human life, mitigate the effects of crises to minimize loss, and coordinate response efforts
- **Business Continuity (BC)** – keep key business operations running
- **IT Disaster Recovery (IT DR)** – recover and restore information technology assets
- **Medical Response (MR)** – focus on employee health and wellness

Business Resiliency in LM – Command Media



Project – Business Problem Identified

- **Major command media revisions were made in 2010 (IT DR) and 2011 (BC)**
- **Multi-year project plans were developed to meet the new policy requirements**
- **In mid-2012, several problems were identified indicating change was necessary**
 - No consistent method for measuring maturity as implementation occurred
 - Lack of continuous monitoring of status of the business areas' project plans
 - Variance in how assessments of posture were conducted

Project – Initiation

- **The project need was confirmed the end of 2012 with several key objectives:**
 - Common ruler for measuring BR maturity
 - Highlight preparedness strengths and identify areas of opportunity
 - Determine trends of progress or regression
 - Simple facilitation with easy to understand results
 - Scalable for enterprise, business area and site levels
- **Models were reviewed to provide a starting point and the Electricity Subsector Cybersecurity Capability Maturity Model (ES-C2M2) was selected**
 - Result: adopt the structure of ES-C2M2 and customize for LM

Project – Execution

- **In early-2013, partnered with Carnegie Mellon University’s Software Engineering Institute, who served as the model architect for ES-C2M2**
- **Leveraged the ES-C2M2 structure, edited for LM environment and incorporated LM-specific content**
- **Piloted the model with two of six business areas and incorporated feedback**
- **Rolled out to all business areas throughout 2013 and began reporting in 2014**

Project – Revalidation & Update

- **With most business areas complete with their project plans to meet the new command media requirements, revisited the model in early-2016**
- **After revalidating the model, realized the following:**
 - “Maturity” was no longer as important as “health”
 - Medical Response needed to be formally included
 - Opportunities existed to clarify content and address policy updates
 - Model could be improved with additional understanding of CM, BC, IT DR and MR ratings
- **In an effort to minimize change, reused the foundation of the model for edits**
 - Starting over from scratch would have negated momentum already gained

Project – Revalidation & Update (cont.)

- **The revalidation and update process led to several benefits**
 - Consolidation of key structure components
 - Increased clarity and reduction of statements that needed to be rated
 - Formal inclusion of medical response
 - Insight into the ratings by CM, BC, IT DR and MR (previous model grouped BR all together)
 - Simplified reporting for easier to understand results

Model Composition – Self-Assessment

- **Self-Assessment:** framework used to evaluate BR health in a MS Excel format
- **Domains**
 - Highest tier of self-assessment
 - Key areas of commonality across business resiliency disciplines
 1. *Governance*
 2. *Planning*
 3. *Exercise, Training & Awareness*
 4. *Incident Management*
 5. *Continuous Improvement*
- **Categories**
 - Middle tier of self-assessment
 - Division of key activities within a ‘domain’

Model Composition – Self-Assessment (cont.)

- **Practice Statements**

- Lowest tier of self-assessment
- Sentences organized under the Domain | Category structure against which the assessment team will rate level of preparedness
- Grouped into two distinct levels
 1. *“Meet”*: statements guided by policy and aligned with expected behaviors
 2. *“Exceed”*: statements consistent with best practices or enhanced posture

- **Rating Scale**

- Set of four options available to score against each practice statement
 1. *Not Implemented*: absent; practice not performed
 2. *Partially Implemented*: started with many improvement opportunities
 3. *Largely Implemented*: incomplete with limited improvement opportunities
 4. *Fully Implemented*: complete

Model Composition – Self-Assessment Summary

“ID” provides a unique identifier for each ‘practice statement’

BR disciplines will rate/revalidate all ‘practice statements’ except those with “Not Applicable”

ID	Level	Content	CM Rating	BC Rating	IT DR Rating	MR Rating
Domain -- One of Five Key Areas of Commonality						
Category -- Division of Key Activities within the Related Domain						
1	MEET	Practice Statement – E.g. All requisite plans are developed.	<i>Largely Implemented</i>	Select One...	Select One...	Select One...
2	MEET	E.g. All plans are updated and exercised as required.	<i>Fully Implemented</i>	Select One...	Select One...	Select One...
3	EXCEED	E.g. Plans are cross-reviewed for appropriate integration.	Not Applicable	<i>Partially Implemented</i>	<i>Not Implemented</i>	Not Applicable

“MEET” (guided by policy/expectations) and “EXCEED” (consistent with best practices) are established levels and are not changed by the assessment team

BR disciplines do not provide a rating for all ‘practice statements’

Options for rating applicable statements include:

- *Not Implemented*
- *Partially Implemented*
- *Largely Implemented*
- *Fully Implemented*

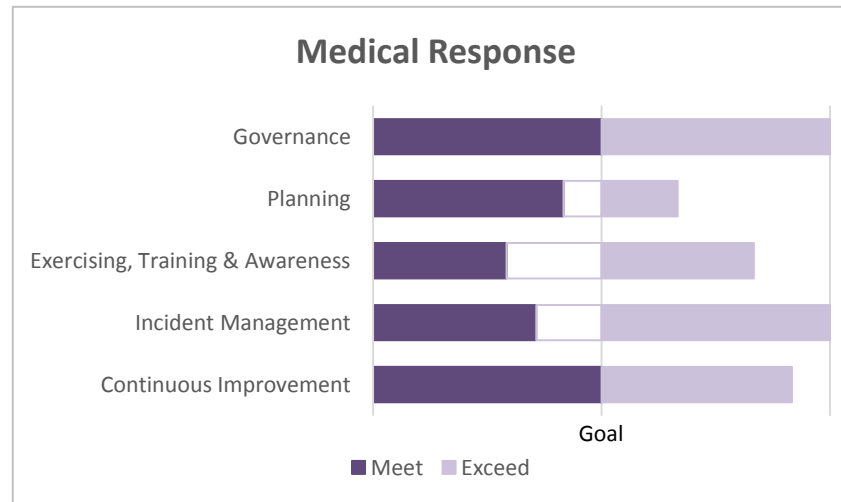
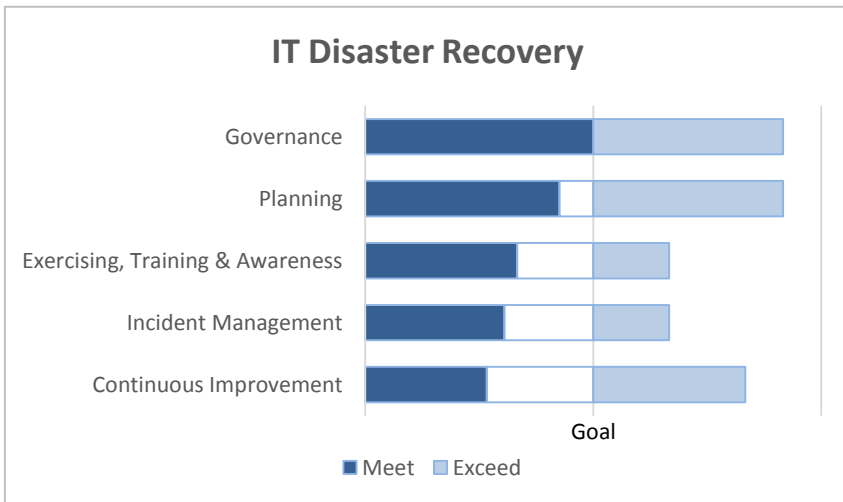
Model Composition – Self-Assessment Lessons Learned

- **Use a common facilitator to make sure interpretation/rating is consistent**
- **Begin with no ratings the first time, then update existing to minimize effort**
- **Clearly articulate assessment scope (e.g. business area, US, international, etc.)**
- **Ensure all BR disciplines (CM, BC, IT DR & MR) are represented when populating**
 - Annual revalidation at a minimum with all disciplines
 - Discipline-specific updates can occur more frequently, if necessary
- **Document ‘opportunities’ for practices less than “Fully Implemented”**
- **Initially, allow an hour to summarize model and four hours for self-assessment**

Model Composition – Results

- Available immediately upon completion of self-assessment
- Higher scores for each practice are given for increased level of implementation
 - Not Implemented = 0
 - Partially Implemented = 1
 - Largely Implemented = 2
 - Fully Implemented = 3
- Scores are a percentage of actual points against the total possible
 - E.g. 12 actual points in the “Planning” domain that has 15 total points possible results in a score of 80% ($12/15 = 0.80$)
- May be represented for all of BR, each discipline, each domain or a combination

Model Composition – Results (cont.)



With different organizations responsible for the disciplines, being able to separate each of the results allows for easy identification of strengths and opportunities

Note: random data used to convey how results will be presented

Model Composition – Results (cont.)



The Business Resiliency chart aggregates all disciplines' results for an executive view on the overall health and level of preparedness

Note: random data used to convey how results will be presented

Reporting of BR Health Index Results

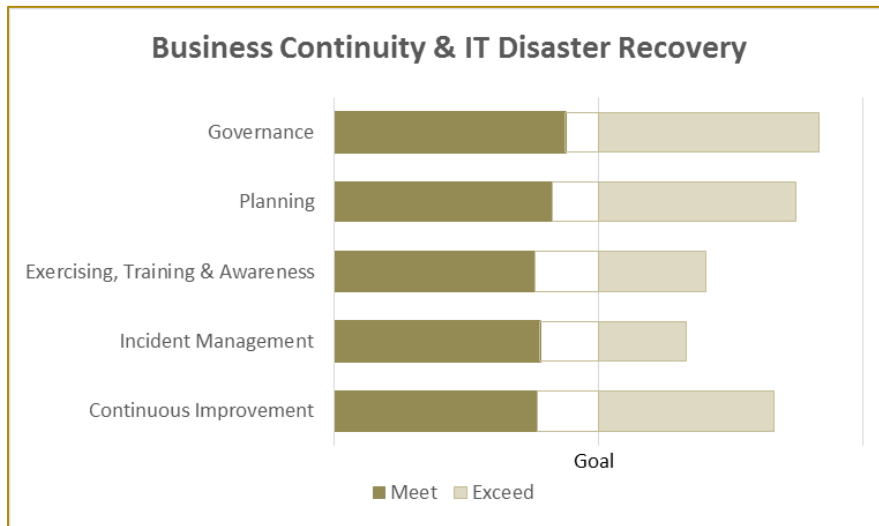
- Reporting is the responsibility of each discipline
- CM and MR share details with their business area leads
- **BC and IT DR results are included in an enterprise-wide quarterly scorecard**
 - Consolidation of all business areas' results into a single package
 - Distributed to business area BC and IT DR owners for understanding of their org's posture
 - Business area CM and MR owners included for awareness
 - In addition to health index results, contains policy compliance status

Reporting of BC & IT DR Health Index Results – SAMPLE

1Q17 BC & IT DR Status – Business Area 1 *(note: generic data used for sample)*

Working POC: John Doe (BC)
Sally Smith (IT DR)

BC & IT DR Health Index Results (4Q16)



Accomplishments

Description	Plan Date	Actual
Execute integrated BC and IT DR exercise at TX site	4Q16	1Q17
Complete annual BIA for key sites, programs and functions	1Q17	1Q17
Hold IT DR training for infrastructure points of contact	2Q17	1Q17

Upcoming Activities

Description	Plan Date	ECD
Test emergency notification system at three critical sites	2Q17	2Q17
Hold BC training for functional points of contact	2Q17	2Q17
Conduct onsite assessment of BC and IT DR at FL site	2Q17	3Q17

Top Risks (R), Opportunities (O) or Issues (I)

Description	ECD
(R) New Australia Program lacking BC planning with go-live in May	2Q17
(O) Partner with Corporate for October data center exercise	3Q17
(I) Business area IT DR Lead transitioning to new role in April	2Q17

Key Takeaways

- **Multi-year development of model has allowed evolving objectives to be met**
- **Self-assessment process drives conversation across BR disciplines thereby increasing understanding and enhancing integration**
- **Scalability provides a method to quickly evaluate entities of various size and health with a baseline of results**
- **Quarterly reporting offers leadership visibility and performance incentives**

Questions?

Contact Info

Lockheed Martin

- Neeta Adkar
 - neeta.adkar@lmco.com
- Jeremy Adkins
 - jeremy.adkins@lmco.com