Engaging Executives in Resilience

Business Resiliency Professionals of Wisconsin
Agenda: Engaging Executives in Resilience

- Business Resilience Priorities
- KPI’s and KRI’s
- Questions?
Business Resilience
Priorities
<table>
<thead>
<tr>
<th>ORGANIZATION EFFICIENCY</th>
<th>CUSTOMERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Who/what are your strategic partners, capabilities, and assets?</td>
<td>Why customers choose you</td>
</tr>
<tr>
<td>What are your costs?</td>
<td>Your profit</td>
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<tr>
<td></td>
<td>What are your revenues?</td>
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</table>

Who are your customers, what is your relationship with them, and how do you reach them?
Your Business Model

Who are Your Ideal Customers?

• Typically each customer group:
  
  • Requires a distinct product or service offering
  
  • Is reached through different customer channels
  
  • Requires a different customer relationship

Why Do Your Ideal Customers Pick You?

• What are the financial, emotional, physical, and spiritual benefits you provide your customers\(^1\)?

• Why do your customers recommend your product or service?

### Your Business Model

<table>
<thead>
<tr>
<th>ORGANIZATION EFFICIENCY</th>
<th>CUSTOMER VALUE</th>
<th>CUSTOMERS</th>
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<tbody>
<tr>
<td>STRATEGIC PARTNERS</td>
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<td></td>
<td></td>
<td>1. Ideal Customers</td>
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<tr>
<td>STRATEGIC CAPABILITIES</td>
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<tr>
<td>STRATEGIC ASSETS</td>
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<th>CUSTOMER CHANNELS</th>
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<th>PROFIT</th>
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</table>
What is Your Relationship with Your Customer?

- Personal assistance
- Automated services (mimicking personal assistance)
- Dedicated personal assistance
- Self-service
- Communities (allow clients to exchange info and solve their own issues)

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- CUSTOMER RELATIONSHIPS
  1. 
  2. 
  3. 
  4.

- IDEAL CUSTOMERS
  1. 
  2. 
  3. 
  4.
What Customer Channels are Needed?

• Directly?
  • sales force, web, brick and mortar

• Indirectly?
  • brick and mortar, wholesaler, web

### Your Business Model

<table>
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<tr>
<th>Organization Efficiency</th>
<th>Customer Value</th>
<th>Customers</th>
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<tr>
<td>Strategic Partners</td>
<td></td>
<td>Ideal Customers</td>
</tr>
<tr>
<td>Strategic Capabilities</td>
<td></td>
<td>1.</td>
</tr>
<tr>
<td>Strategic Assets</td>
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<td>2.</td>
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<td></td>
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<td>3.</td>
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| Customer Channels       |                | 4.         |

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<tr>
<th>Cost Structure</th>
<th>Profit</th>
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<tbody>
<tr>
<td></td>
<td>Revenue Streams</td>
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</table>

What are Your Revenue Streams?

- Selling an asset
- Usage fees
- Subscription fees
- Lending/renting/leasing an asset
- Licensing intellectual property
- Brokerage fees

Your Business Model

ORGANIZATION EFFICIENCY

- STRATEGIC PARTNERS
  - 
  - 
  - 

- STRATEGIC CAPABILITIES
  - 
  - 
  - 

- STRATEGIC ASSETS
  - 
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CUSTOMER VALUE

CUSTOMERS

- CUSTOMER RELATIONSHIPS
  - 
  - 
  - 

- IDEAL CUSTOMERS
  - 1.
  - 2.
  - 3.

- CUSTOMER CHANNELS
  - 
  - 
  - 

- REVENUE STREAMS
  - 
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PROFIT

Holden, New Jersey: John Wiley & Sons, Inc.

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# Food Bank Example

## ORGANIZATION EFFICIENCY

### STRATEGIC PARTNERS
- Acquisition of Strategic Capabilities
  - City funding
  - Company X transportation
  - Private Volunteers
  - Property Management Partner
  - Community partners
- Acquisition of Strategic Assets
  - Food Providers
  - Grocery store donors
  - Churches, business, & individual donors
  - Humane Society donations
  - Pet store donors
  - Bookstore donors
- Economy of Scale
  - Technology partner
  - Bookkeeping, legal, compliance expertise
- Reduction of Risk
  - Insurance Provider

### STRATEGIC CAPABILITIES
- Production Operations (Core)
  - Perishable and non-perishable food procurement, handling, distribution, disposal
  - Fundraising, sponsorship, volunteer program
  - Property management
- Client Problem Solving
  - Housing and basic needs
  - Healthcare and insurance
  - Employment & education
  - Emergency services
  - Language and communication skills

### STRATEGIC ASSETS
- Physical
  - Food, baby supplies, books
  - Owned building
  - Food refrigeration & fixtures
  - 2 vans
  - Computer equipment
  - Website, social media
- Human
  - 1 Executive Director
  - 4 Operations
  - 3 Development
- Intellectual
  - Client, volunteer, and food databases

## #1 Priority

### CLIENT VALUE
- Accessibility to food, baby & child supplies, pet food, and community connections:
  - Provides my family with food security
  - Protects my dignity
  - Partners with me to find solutions to my family's basic needs
- Affordable office space
  - Provides professional office space that is accessible to my clients

## CLIENTS

### CLIENT RELATIONSHIPS
- Personal Assistance
  - Multilingual
  - In touch with diversity & multiculturalism
- Compassionate & respectful
- Collaborative & cooperative

### CLIENT CHANNELS
- Direct
  - Face-to-face
  - Website
  - Blog
  - Facebook
- Indirect
  - Local schools
  - Local community rooms used for mobile distribution
  - F2F St. Vincent DePaul Pantry

## IDEAL CLIENTS
1. Local families in need
   - Primarily residents of zip codes 98106, 98116, 98126, 98136
2. Local nonprofits
   - Need to lease office space
   - Complementary mission

## COST STRUCTURE

### Fixed
- Food, employees, rent, utilities, software, insurance, accounting

### Variable
- Outsourced capabilities, travel

## REVENUE STREAMS
- Donations and Grants
  - City and state grants
  - Private donations
  - Public event proceeds

## PROFIT
KPI’s and KRI’s
## Key Risk Indicators (KRIs)

<table>
<thead>
<tr>
<th>KRIs</th>
<th>Severe</th>
<th>Major</th>
<th>Modes</th>
<th>Minor</th>
<th>EOY Goal</th>
<th>Brief Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crisis Communications</td>
<td></td>
<td></td>
<td></td>
<td>☀️</td>
<td>Minor</td>
<td>CEO has formally approved crisis communications plan. Risk will remain modest until crisis team demonstrates adequate proficiency during exercises.</td>
</tr>
<tr>
<td>Data and Technology Resilience</td>
<td></td>
<td>☀️</td>
<td>☀️</td>
<td>☀️</td>
<td>Minor</td>
<td>Availability and recovery of 2 time-sensitive systems currently do not meet business needs.</td>
</tr>
<tr>
<td>People Resilience</td>
<td>☀️</td>
<td></td>
<td>☀️</td>
<td>☀️</td>
<td>Major</td>
<td>90% of all employees and contracted labor reside in a 50-mile radius. Lack of process documentation and role redundancy for time-sensitive capabilities.</td>
</tr>
<tr>
<td>Facility Resilience</td>
<td></td>
<td>☀️</td>
<td>☀️</td>
<td>☀️</td>
<td>Modes</td>
<td>Headquarters has redundant utilities and generators. Replacement workspace is on standby and can be operational within 24 hours.</td>
</tr>
<tr>
<td>Supplier Resilience</td>
<td></td>
<td>☀️</td>
<td>☀️</td>
<td>☀️</td>
<td>Modes</td>
<td>Suppliers do not perform any time-sensitive capabilities. Contracts clarify resilience expectations and penalties for non-compliance.</td>
</tr>
<tr>
<td>Resilience Program Maturity</td>
<td>☀️</td>
<td>☀️</td>
<td>☀️</td>
<td>☀️</td>
<td>Modes</td>
<td>See KPIs</td>
</tr>
</tbody>
</table>

🌟 Ultimate Risk Goal
<table>
<thead>
<tr>
<th>KPIs</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>EOY Goal</th>
<th>Brief Explanation</th>
</tr>
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<tbody>
<tr>
<td>Alignment with Industry Standards</td>
<td></td>
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<td></td>
<td>3</td>
<td>Formal policies and standards require additional clarification and communication to stakeholders.</td>
</tr>
<tr>
<td>Automated Notifications</td>
<td></td>
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<td></td>
<td></td>
<td>4</td>
<td>Only 60% of employees have provided personal phone and email contact information. Our goal is 90%.</td>
</tr>
<tr>
<td>Availability and Recovery Priorities</td>
<td></td>
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<td></td>
<td></td>
<td>3</td>
<td>Recovery priorities have been set at the manager level but have not been approved by executive management.</td>
</tr>
<tr>
<td>Crisis Team Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>New crisis team member training is not completed on a timely basis.</td>
</tr>
<tr>
<td>Recovery Plan Quality</td>
<td></td>
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<td></td>
<td>3</td>
<td>Plan quality assessments indicate technology and facility requirements are incomplete. 65% of accountable executives have signed off risk assessments of their plans</td>
</tr>
<tr>
<td>Threat Assessment</td>
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<td>4</td>
<td>Threat assessment was completed and approved in Q1.</td>
</tr>
<tr>
<td>Exercise Plan</td>
<td></td>
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<td>3</td>
<td>Exercises scheduled for 2019 are on track. We currently lack the time and resources to conduct pandemic and workplace violence exercises.</td>
</tr>
</tbody>
</table>
Success beyond Luck

RAINY DAY RESILIANCE

Brad Krueger, MBA
262.458.4046
brad.krueger@rainydayresilience.com
www.rainydayresilience.com