Building Integrated Business Resiliency

Transitioning From Risk To Resilience
Plan for the worst * Having strategies in place for business resumption / recovery
* Ensure robust testing * Having a return-to-work plan * Understanding people are as important as process

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CUNA Mutual Group
How did we get here?

- Natural Disasters & Severe Weather Events
- Cybercrime & Other Technology Concerns
- Political Instabilities & Social Unrest
- Pandemics & Other Health Concerns
Future Trends Roadmap

Risk Management
• Identify potential threats and opportunities
• Measure the likelihood and impact of an event
• Mitigate exposure

Business Resiliency
• Minimize Disruption
• Expedite Recovery & Resumption
• Learn and Adapt to More Easily Navigate Future Events
Rethinking Protection

The pandemic disrupted everything from how workforces are organized to demand for products and services. Credit unions must change the ways they interact with partners, employees, and with members. But making operational changes to maintain business resiliency gives way to a new, dynamic set of risks.

Right Plan?
Concurrent Threats?
Velocity & Duration?
Critical Steps to Building Resilience

1. Identify
2. Analyze
3. Design
4. Execute
5. Measure

Steps:
- Establish a Vision
- Get Operational
- Engage your Teams
Emerging Risks

**Importance of Testing**

- Validate strong controls and processes
- Identify weaknesses
- Minimize surprises
- Allow team to practice
- Enhance understanding of new concepts
- Promotes in-depth discussions
- Keep leadership informed
**Document Review**
Review recovery plans, procedures and other related business continuity policies to seek out weaknesses or missing components.

**Tabletop / Simulation Test**
A mock live scenario where team members are required to demonstrate that they know their duties in an emergency.

**Walk-Through Drill**
Hands-on version of the tabletop exercise incorporating actual recovery actions such as restoring backups, live testing of redundant systems, and any other relevant processes.

**Functional Recovery Test**
The complete process of spinning up your backup systems and processing transactions or data.
# Steps to a Productive Tabletop Exercise

1. **Planning & Preparation**
2. **Resource Development**
3. **Identify Participants & Roles**
4. **Logistics**
5. **Conduct Exercise**
6. **Evaluate**
7. **Improvement Plan**

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[Image: Business meeting scene with two women engaged in discussion.]
Planning

- Start with Risk Assessments
- Business Impact Analysis
- Review Current Plan
- Determine Functional Area to be Tested
- Identify Key Objectives
- Secure Funding
- Obtain Executive Approval
<table>
<thead>
<tr>
<th>Players</th>
<th>Observers</th>
<th>Facilitator</th>
<th>Evaluators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active Role</td>
<td>Passive Role</td>
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</tr>
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<td>Note Takers</td>
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<td>Decision Makers</td>
</tr>
<tr>
<td>Functional Leaders</td>
<td>Prepare Feedback</td>
<td>Remain Neutral</td>
<td>Will Review Findings</td>
</tr>
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<td>Tenured Staff</td>
<td>Key to Debrief</td>
<td>Move Activity Forward</td>
<td>Approve Changes</td>
</tr>
</tbody>
</table>

**Participants and Responsibilities**
- Players: Active Role, Subject Matter Experts, Functional Leaders, Tenured Staff
- Observers: Passive Role, Note Takers, Prepare Feedback, Key to Debrief
- Facilitator: Active Role, Business Resilience Expert, Remain Neutral, Move Activity Forward
- Evaluators: Passive Role, Decision Makers, Will Review Findings, Approve Changes
Critical Disrupters To Resilience

- IT / Telecommunication Outage
- Cyber Attack & Data Breach
- Adverse Weather / Natural Disaster
- Health and Safety Incident
- Talent Shortage
- Political Instability
- Critical Infrastructure Failure
- Supply Chain Disruption
- Regulatory Changes
- Reputation Incident
• Develop an actionable playbook to guide the testing process.
• Set clear expectations and define success criteria.
• Prepare a draft test plan with detailed information about the test.
• Secure management approval, support, and funding for the test.
• Schedule time for the environment that will be tested and verify that it’s ready when it’s testing time.
• Document what happens during the test including what worked & what didn’t work.
• Debrief - Ask for employee feedback following the test.
• Build Variety Into Test Plans.
Develop Improvement Plan

Post Test Report
Includes general observations and recommendations

Improvement Plan Matrix
Includes goals & benchmarks

Corrective Action Report
Addresses gaps in objectives

Work Plan
Identifies actionable steps, timelines and responsibilities
Steer and Adjust
Sense and Respond
Adapt and Transform
Survive and Flourish

It’s about finding ways to improve resilience rather than simply responding to problems as they emerge.
Success happens long before a disaster strikes

Anticipate; prepare; and rehearse

Test, practice, and update regularly

Involve employees, volunteers, and vendors
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