

Innovative Business Continuity and Risk Management Solutions

Prepared for:
BMO

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[Link to the ROI](#)

Executive Summary

Fusion Risk Management worked with the BMO team to assess the organization's current processes. The analysis covered major program areas of focus including (1) Impact Analysis, (2) Planning and Preparation, (3) Exercise and Incident Management, and (4) Overall Program Governance and Management. Other areas that fall under the domain of the BMO team were also discussed.

The analysis revealed the current cost of the risk and resiliency program as well as potential savings based on improvements in program efficiency and effectiveness from implementing the Fusion Framework System. These are outlined in the pages that follow. The last section also includes suggestions of additional ways to enhance your program by leveraging Fusion's capabilities.

Potential savings have been calculated based on efficiencies that similar Fusion customers have shared in conjunction with best practices that have been outlined by Fusion industry experts and advisors who have implemented improvement roadmaps across all areas of risk and resiliency programs. The percentages and any conservative factor that has been factored in can be observed by accessing the link to the detailed ROI calculator on the title page.

With the use of the Fusion Framework, your organization can realize a total 3-year return on investment of:

\$4,260,102.76

A breakdown of this 3-year benefit can be seen on the pages that follow.

NOTE: This report and the related online ROI calculator are offered as a way of understanding potential benefits of Fusion Framework System and related software from Fusion Risk Management. No claim is made of specific accuracy or commitments to deliver any system at the cost or benefit levels portrayed. The numbers entered are estimates of savings only and are not considered to be commitments from either Fusion Risk Management or BMO as a prospective user of Fusion's solutions. Actual costs will be provided on a formal system quotation.

Current Company Cost Model

Fusion worked with the BMO team to determine the cost of the current program by analyzing different categories of program participants including the amount of time each category spends on program activities.

The one-year cost of the current program without the Fusion Framework is:

\$3,407,884.62

Current Cost Model Component	Core Team	Plan and Process Owners	Other Stakeholders	Totals
Number of Participants (A)	15	500	5,000	5,515
Program Hours per year per Participant (A)	2,080	15	3	
Total Program Hours per Year (C=A*B)	31,200	7,500	15,000	53,700
Full Time Equivalent resources (FTEs) (D=C/G)	15	3.61	7.21	25.82
Average Salary (inc 20% benefits load) (E)	\$132,000	\$132,000	\$132,000	
Total Salary Cost of Program (F=D*E)	\$1,980,000	\$475,961.54	\$951,923.08	\$3,407,884.62
Current Software Cost				\$418,000
Total One-Year Cost of Current Program				\$3,407,884.62

Other Assumptions	Value
Work Hours Per Year (G)	2,080
Expected Annual Salary Growth Rate	3%
Annual Cost of Current Software/Services	\$418,000

Program Efficiency and Effectiveness

The Year 1 Possible Efficiency gains for BMO by implementing the Fusion Framework are:

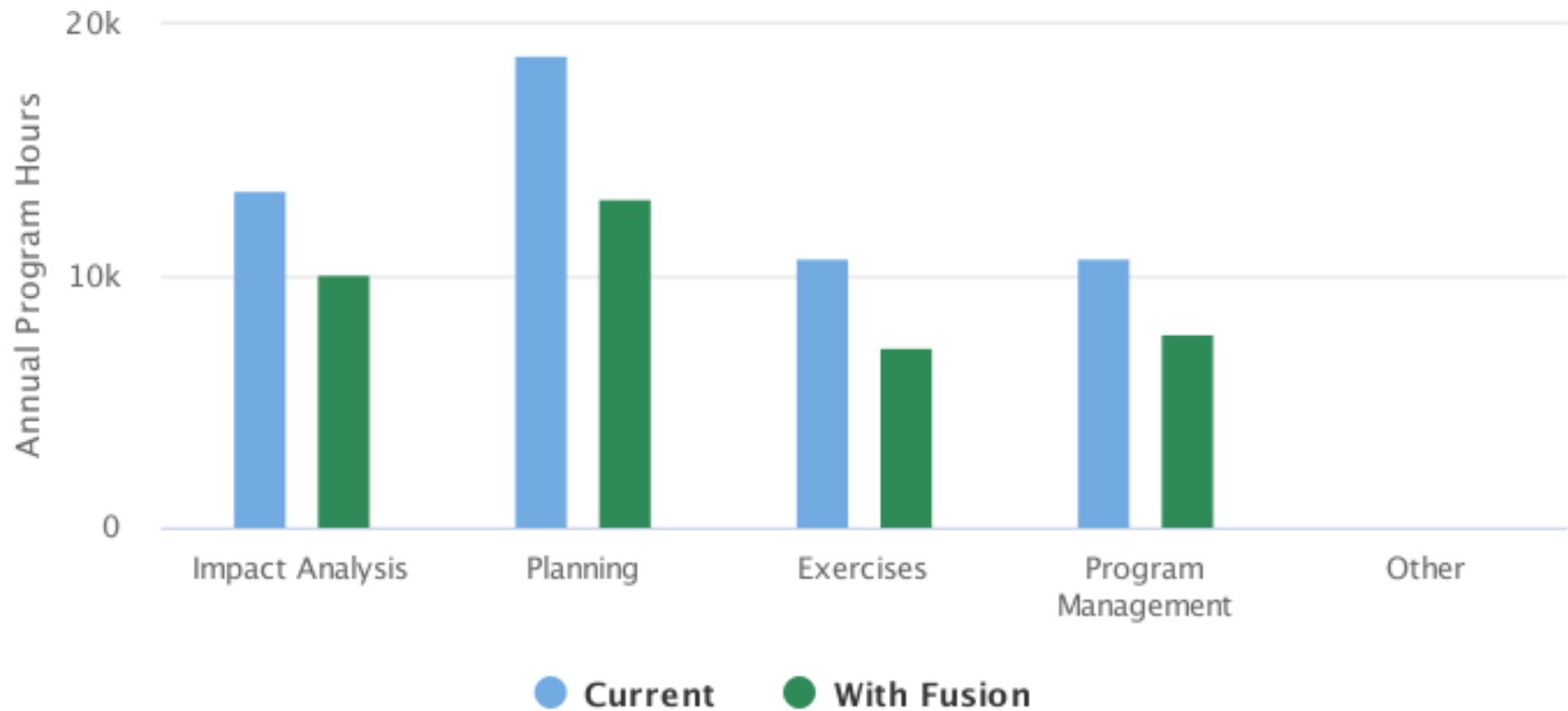
\$1,397,766.83

Below is the breakdown of these efficiency gains based on the time that the BMO team indicated was spent on major categories of the program.

Program Activity Analysis by Area (Year 1)

Program Area	% of Current Program	Current Hours	Current FTEs	Possible Savings in Hours with Fusion	FTEs Freed up for Growth	Possible FTE Efficiency Gains with Fusion
Impact Analysis	25%	13,425.00	6.45	3,356.25	1.61	\$212,992.79
Planning	35%	18,795.00	9.04	5,638.50	2.71	\$357,827.88
Program Management	20%	10,740.00	5.16	3,490.50	1.68	\$221,512.50
Exercises	20%	10,740.00	5.16	2,953.50	1.42	\$187,433.65
Other	0%	0.00	0.00	0.00	0.00	\$0.00
Totals	100.00%	53,700.00	25.82	15,438.75	7.42	\$979,766.83
Net increase/(decrease) in Year 1 Software Cost						-\$418,000.00
Net Benefit of Fusion to Apply to Growth						\$1,397,766.83

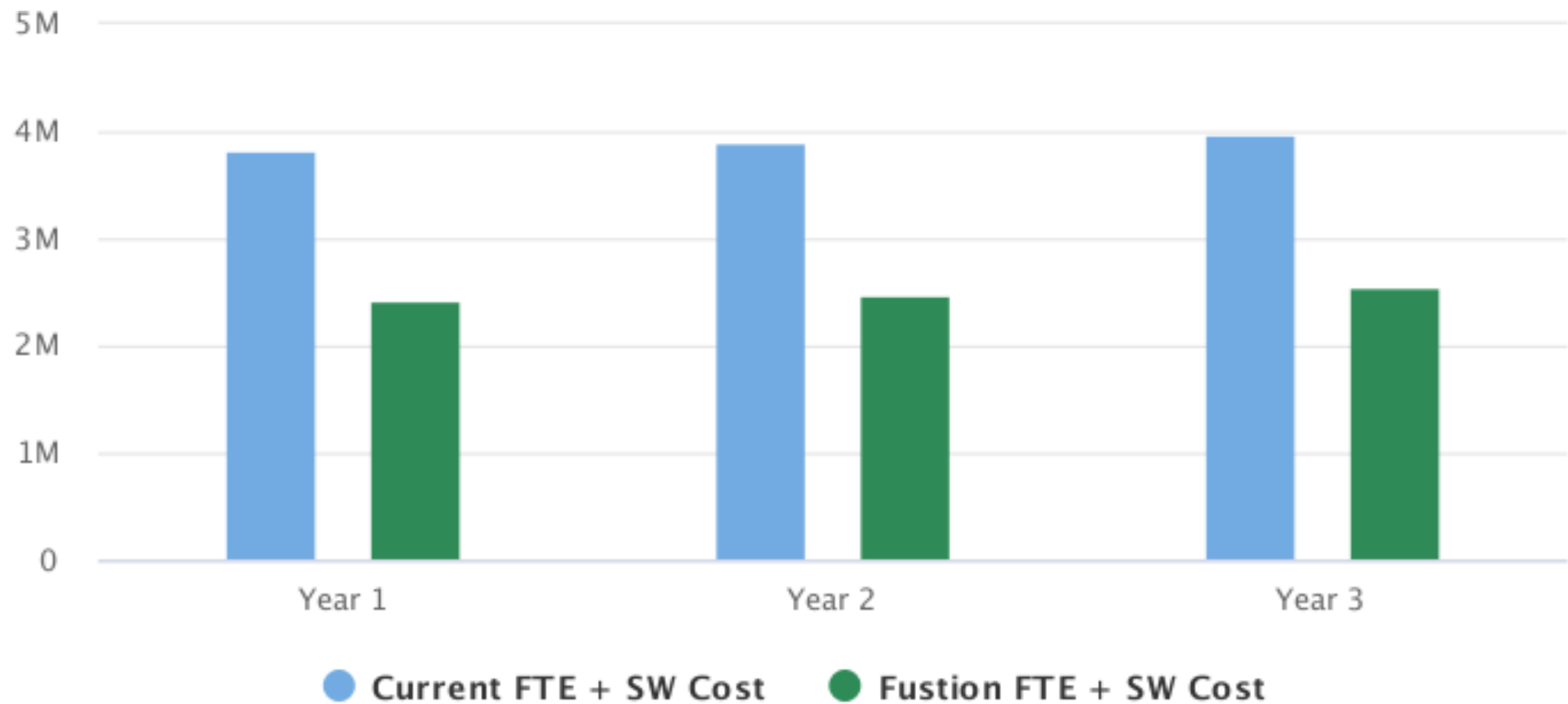
Program Efficiency and Effectiveness



Three Year Cost-Benefit - Growing Effectively with Fusion

Cost of Current Program	Year 1	Year 2	Year 3	Total
FTEs without Fusion	25.82	25.82	25.82	
Average Salary (inc 20% benefits load)	\$132,000	\$135,000.00	\$138,000.00	
Estimated FTE Cost-Current Program (A)	\$3,407,884.62	\$3,485,336.54	\$3,562,788.46	\$10,456,009.62
Estimated Cost of Current Software & Services (B)	\$418,000	\$418,000	\$418,000	\$1,254,000.00
Total Cost of Current Program (C=A+B)	\$3,825,884.62	\$3,903,336.54	\$3,980,788.46	\$11,710,009.62
Cost of Fusion Program (same scope)				
FTEs Freed Up for Growth (estimated)	7.42	7.42	7.42	
FTEs with Fusion (estimated)	18.39	18.39	18.39	
Average Salary (inc 20% benefits load)	\$132,000	\$135,000.00	\$138,000.00	
Estimated FTE cost with Fusion (D)	\$2,428,117.79	\$2,483,302.28	\$2,538,486.78	\$7,449,906.85
Estimated Annual Cost of Fusion Solution (E)	\$0.00	\$0.00	\$0.00	\$0.00
Estimated One-Time Cost of Fusion Software & Services (F)	\$0.00	\$0.00	\$0.00	\$0.00
Estimated Cost of Fusion Program (G=D+E+F)	\$2,428,117.79	\$2,483,302.28	\$2,538,486.78	\$7,449,906.85
Estimated Benefit of Fusion Program (H=C-G)				
	\$1,397,766.83	\$1,420,034.25	\$1,442,301.68	\$4,260,102.76

Three Year Cost-Benefit - Growing Effectively with Fusion



Additional Areas for Program Enhancement

In addition to the financial savings and program efficiencies already discussed, below are suggestions on how BMO can further utilize the Fusion Framework to maximize the benefits of the solution.

Establish an Information Foundation

Build your program on structured information instead of unstructured documents. Extend the information foundation to meet your organization's needs and drive a number of benefits ([more details](#)) .

Improve and simplify your planning and preparation

Implement a plan building and maintenance process that fully leverages Fusion's plan management infrastructure, anchored by the Plan Procedure Library. This will enable your core team's expertise to be efficiently and effectively shared across diverse plans, keeping them up to date while reducing time spent in maintenance cycles ([more details](#)).

Exercise plans efficiently and enhance your incident management capabilities

Continue to reduce the effort involved in preparing and running exercises while making them more engaging for participants. Fusion provides a number of new efficiencies when running exercises and incidents that will enable more efficient exercises so you have more time to test plans and train your people so you drive faster recoveries which will minimize the impact to the organization ([more details](#)).

Engage the Enterprise

Start to engage broader communities of users to share information in a secure way and receive input from more of the organization to build your information foundation. By providing tailored access to occasional users, you will involve more people with minimal training and be better prepared. This will allow you to increase the cultural awareness of risk management and business continuity, improve your knowledge of the organization, enhance readiness, and further reduce risk ([more details](#)).

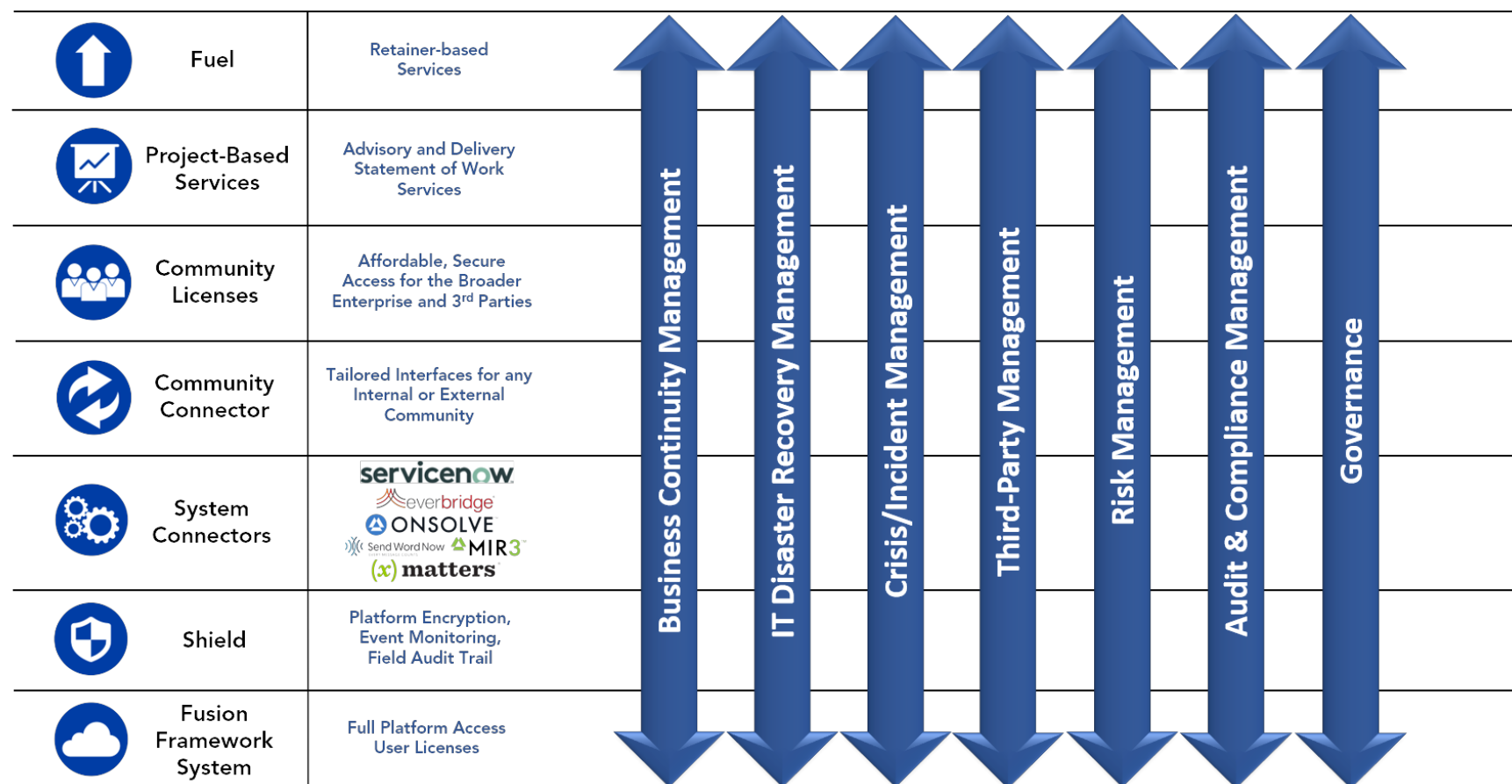
Enhance the management, governance and compliance of your program

Build more automation and analytics into your program to gain further efficiencies. Provide more program visibility to the executive team and keep people involved with efficient and responsive program processes ([more details](#)).

Take advantage of platform capabilities

Leverage the platform that Fusion Framework is built upon including capabilities to integrate any data source, scale to any size without concern of performance impacts, deploy globally, and keep your critical data safe and secure with maximum adherence to all current security standards ([more details](#)).

Future Growth Considerations



Fusion Framework is the basis for a flexible program that you can grow across other areas from Business Continuity to IT Disaster Recovery to all areas of Integrated Risk Management. The product suite can be applied to the solutions that you require now and enable you to take on more in the future when you are ready.

Click the links below to learn more about Fusion's flexible capabilities to drive even more ROI in each solution area:

[Business Continuity](#)
[IT Disaster Recovery](#)
[Crisis/Incident Management](#)
[Third-Party Management](#)
[Risk Management](#)