



EARTH
NETWORKS®

2018 STATE OF BUSINESS CONTINUITY

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INTRODUCTION

Prompted by the complexity and importance of the industry, Earth Networks conducted a business continuity (BC) survey to help BC professionals identify best practices and recommendations. This survey, which focuses on BC threats, challenges, and training, was fielded in January of 2018. The survey aims to understand the following questions heading into 2018:

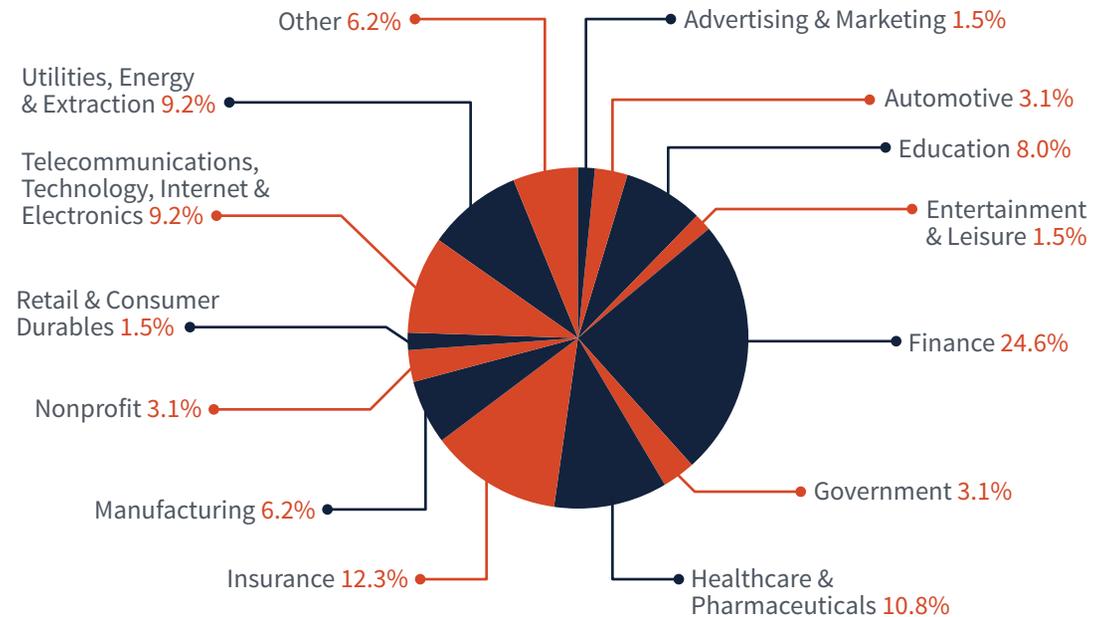
- ▶ **What are the focus areas for BC and Disaster Recovery (DR) professionals in 2018?**
- ▶ **Which threats are the most important to prepare for in the eyes of BC and DR professionals in 2018?**
- ▶ **What are the goals of BC professionals in 2018?**
- ▶ **What are the primary areas of investment to enhance BC programs?**



WHO PARTICIPATED

This year, professionals from a wide variety of industries took the survey. Over 13 industries were represented, with financial services, insurance, healthcare, and education accounting for the highest participation.

SURVEY RESPONDENTS BY INDUSTRY





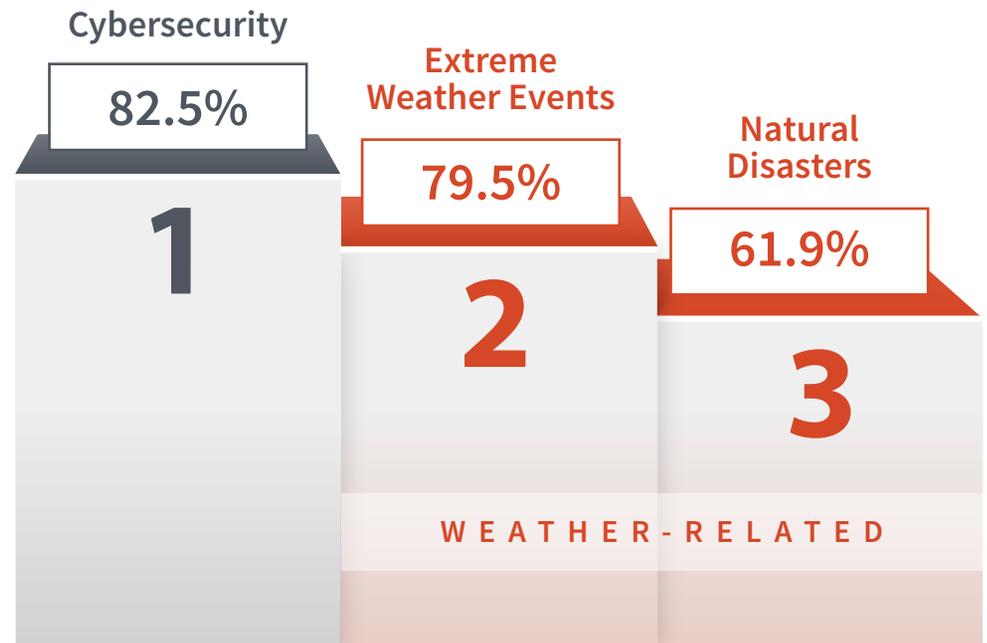
Cybersecurity will be the number one threat for the next several years. But focusing on one issue and forgetting others will only create more problems.



CYBERSECURITY IS THE MOST IMPORTANT THREAT TO BE PREPARED FOR IN 2018

According to our survey, there is no greater threat to business operations than cybersecurity. Over the past few years, successful cybersecurity planning initiatives treated information security and business continuity management as the same threat. The need for this codependency is clear when cyberattacks and data breaches significantly disrupt an organization. Lost data, compromised personal or financial information, and unplanned downtime can even put an organization out of business.

TOP 3 THREATS TO BUSINESS OPERATIONS





Biggest Risk

FLOODING

SEVERE WEATHER AND NATURAL DISASTERS

Since severe weather and natural disasters were ranked as the second and third most important areas of focus for 2018, it's important to see exactly what BC professionals are most worried about. It turns out, **flooding, wildfires, and winter weather** are the biggest risks to BC. Of course, the risks of these events vary by area. Flooding – the number one response – is more likely to impact nearly every corner of the United States. On the other hand, wildfires and winter weather are more region-specific incidents. Hurricanes and earthquakes were two other phenomena that rely heavily on location.

It is encouraging to see that over half of all respondents indicated that planning for inclement weather and severe weather events will be an increasing part of their BC plan. Even in the past year, weather events have grabbed the front page. Between one of the most active hurricane seasons on record and ongoing wildfires in California, 2017 was a terrible year for severe weather. That's why BC departments are adding risk systems, improving crisis communication, and continuing severe weather preparedness into 2018.

OTHER WEATHER CONCERNS



Wildfires



Winter Weather



Lightning



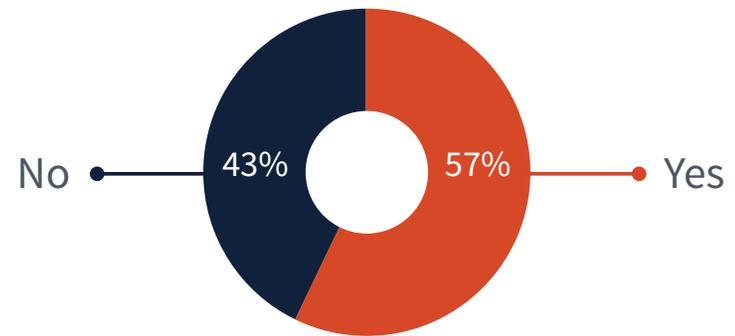
Better severe weather monitoring is key.

Ensuring businesses know what to do during a severe weather event and how to recover afterwards is important.

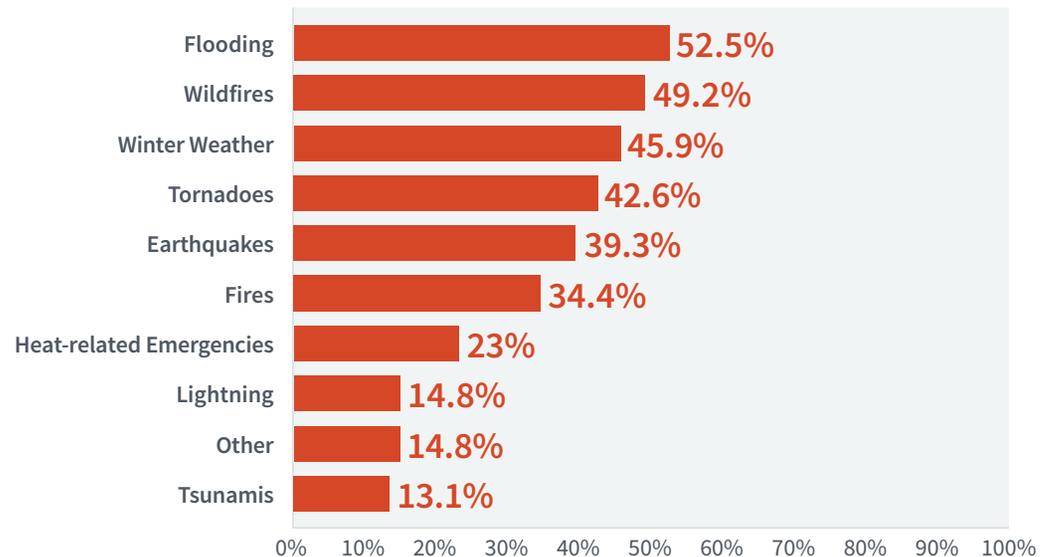


SEVERE WEATHER AND NATURAL DISASTERS

Is planning for weather going to be an increasing part of your BC plan in 2018?



Most important severe weather events to be prepared for:

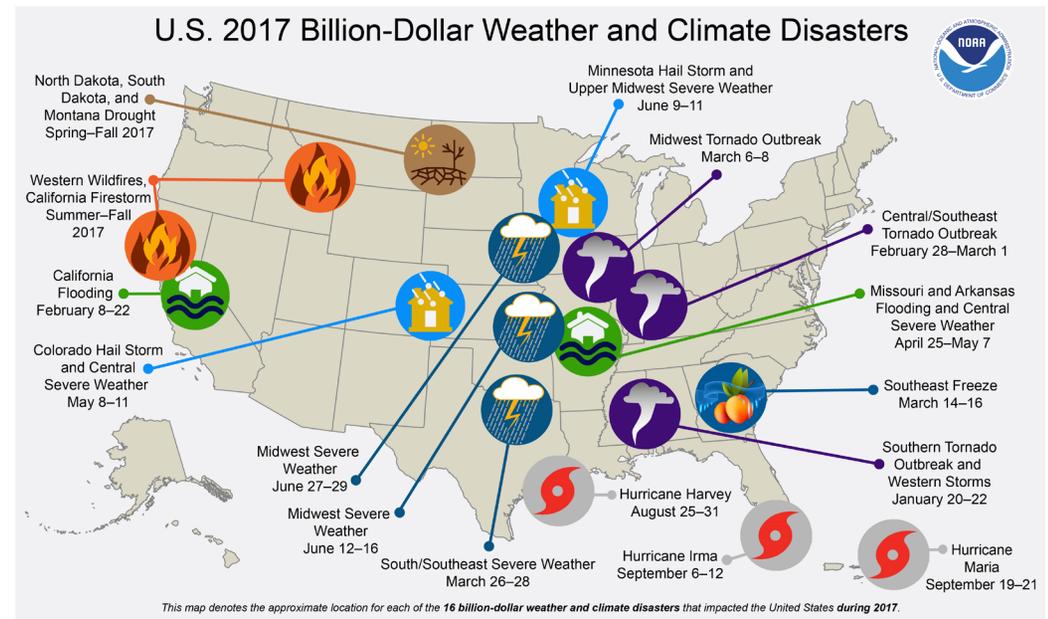




BILLION-DOLLAR WEATHER AND CLIMATE DISASTERS IN 2017

The National Centers for Environmental Information (NCEI) collects economic and societal impact data to address severe weather and climate events in their historical perspective. According to NCEI, if 2018 is anything like 2017, BC and DR professionals are in for another busy year.

In 2017, there were 16 weather and climate disaster events with losses exceeding \$1 billion each across the United States. These events included 1 drought event, 1 freeze event, 1 wildfire event, 2 flooding events, 3 tropical cyclone events, and 8 severe storm events.



Not only did these events result in the deaths of 363 people, they also resulted in over \$300 billion in damages.

SEVERE WEATHER PLANNING FOR 2018

Most professionals agree on the following initiatives for increasing their BC and DR planning around severe weather for the coming year.

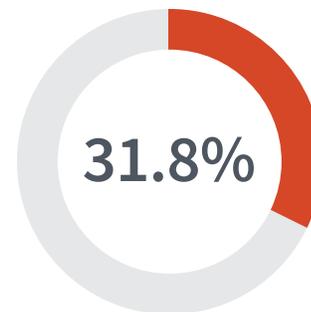
- ▶ Improving crisis management communication
- ▶ Practicing for severe weather situations
- ▶ Implementing weather risk systems
- ▶ Adding severe weather impacts to BC plans if they aren't already there
- ▶ Increasing focus on power outages
- ▶ Researching subscription weather services, alerts, and data
- ▶ Improving work from home capabilities



BUSINESS CONTINUITY PROFESSIONALS HAVE SPECIFIC GOALS FOR 2018

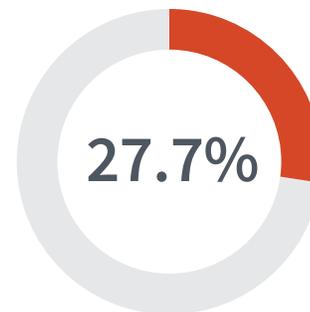
One of the most enlightening pieces of information to come out of this survey is to see what goals BC professionals have for 2018. The most important goal identified by our respondents is **employee training**. It's important to remember that having a DR plan is just half of the battle: Execution of the plan with employees able to confidently deploy it is always a growth area. Another emerging goal from an organizational standpoint critical for 2018 is top management support. Support in the form of higher budgets or more personnel is key for both new and mature BC departments to ensure a successful year.

TOP FOCUS AREAS



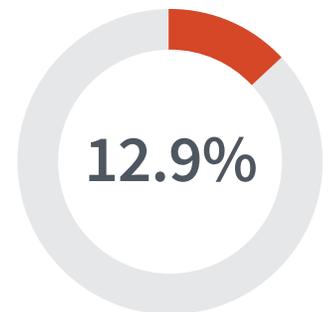
31.8%

Employee Training



27.7%

Management Support for Budget/Resources



12.9%

More Comprehensive BC Plan



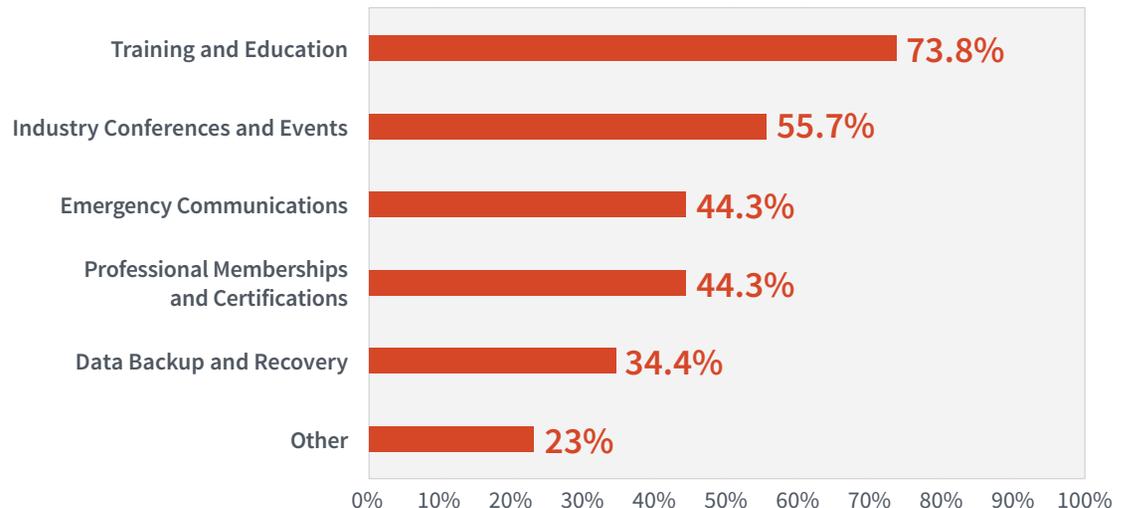
Organizations think too much “in the moment” when it comes to BC and DR, but they need to focus on the long-term to improve overall BC performance.



THINKING (AND TRAINING) FOR LONG-TERM

One major problem that a few of our respondents lamented about was how their organizations think too “in the moment.” We all know that BC is an industry that requires organizations to think long-term. This requires funding for the long-term. Respondents from the Earth Networks 2018 State of Business Continuity Survey identified training and education as the first business investment consideration of the new year. The desire from BC and DR professionals to learn and keep their businesses running smoothly is supported by the number two response as well: Industry conferences and events.

TOP INVESTMENTS THAT REDUCE BC RISKS





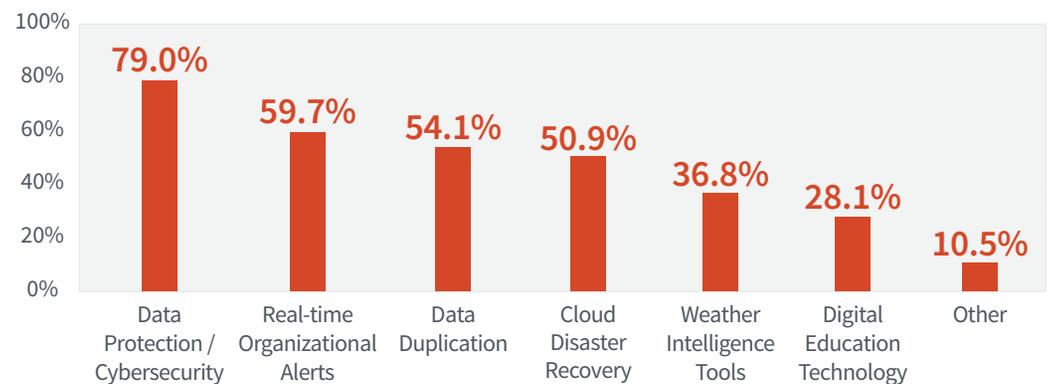
2018 TECHNOLOGY INVESTMENT AREAS

Investing in modern technologies is seen as a key component to implementing successful BCPs.

A high-priority theme of this year in BC is cybersecurity, so it's no surprise that 79.7% of respondents plan to use data protection and cybersecurity technology in 2018. Attention is also on data duplication and real-time organizational alerts this year. It's interesting to note that remote working capabilities continue to be an area of focus for BC so that business-as-usual can continue during conditions that make traveling to the office dangerous or impossible.

Convincing senior level management that support and resources are needed for resiliency efforts is a top concern for 2018.

PLANNED TECHNOLOGY USES FOR 2018



CONCLUSION

Things are changing in this year. Environmental, political, and organizational shifts mean BC and DR professionals must adapt. A more resilient 2018 starts with organizations that value their BC department's hard work and invest in preventative initiatives. While cybersecurity is a nationwide risk, organizations should ensure they have natural disaster and severe weather plans for their region. Moving forward, a higher use of technology is necessary to manage the growing list of potentially disruptive threats.



Business continuity and disaster recovery isn't a new methodology. However, what is able to cause the disruption can be a moving target. Awareness of disruption types and proactively updating the plan to handle different types of down times is a must to remain relevant.



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If your organization is ready to combat the challenges severe weather poses to Business Continuity, Earth Networks has a variety of solutions to fit any business structure.