



WHY BUSINESS CONTINUITY PLANNING IS SO IMPORTANT

Businesses can be disrupted in any number of ways – natural disasters such as fires, earthquakes, hurricanes, or even something less innocuous like a broken water main on your street. Aside from the natural disasters, human error and inattention to detail play a huge role in causing downtime and general issues for companies from a network security standpoint. Then, of course, you have the more malicious causes of downtime – hackers, cyber terrorists, criminals and whatever else you want to call the intruders.

The fact is, companies face greater challenges today from a large number of directions which leaves companies susceptible to a variety of risks – both existing and emerging. The key to surviving, if not outright avoiding many of these known and unknown risks, is the development of a comprehensive business continuity plan.



Downtime is **never** good, and unplanned downtime is the worst kind

In this whitepaper we will briefly examine the top causes of downtime for companies and the negative impacts downtime can have on your business, as well as the common misconceptions and competitive advantages in business continuity planning.

TOP CAUSES OF DOWNTIME

Downtime is never good, and unplanned downtime is the worst kind. Even though natural disasters and cyber attacks get the most attention in the media, they are surprisingly not the top causes of system downtime.

Based on information analyzed by SingleHop for small businesses, the most common causes of network downtime fall into these four areas:

Hardware Failure

For small to mid-sized businesses, hardware failure is the leading cause of downtime. Typically, a company would counter hardware failure by setting up multiple redundancies of physical hardware and having backups of power supplies, hard drives, and the works. However, you can't account for the unpredictable nature of hardware failure and the role outside events play in that. A power outage could cause your network to go down and stay down when your backup power supply doesn't kick on because of a frayed wire. These things can happen, which is why a business continuity plan is critical to avoid trouble from this type of unexpected situation.

Human Error

Humans make mistakes. That's a fact of life, but sometimes those mistakes can cost companies huge. Nearly [40% of data loss](#) and/or breaches are caused by human error, and more often than not it's a result of improper training and lacking a suitable business continuity plan to prepare and guide response. Not everyone is trained on how to properly access files on the company server, which options to avoid changing in personal computer settings, or even basic installation of programs they found on the internet – and this lack of training leads to data loss and IT challenges. Business continuity planning is the most surefire way to recover lost



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files, even when lost as a result of human error, and it's the key to knowing what to do in the event something catastrophic does happen to minimize the impact on your business.

Software Failure

Much like hardware, software fails too. Programs are constantly being updated and patched online, and these patches are almost always related to security holes and performance glitches. When software isn't kept current as these updates are rolled out, your company is being put at risk for data loss, corruption of critical files and information, or having entire systems brought down as a result.

Natural Disasters

Finally, the ultimate in unpredictability: natural disasters. Fires, hurricanes, tornadoes, earthquakes and other naturally occurring events that are completely out of our control do happen. When natural disasters strike, what can you do to protect your business? While it seems like there's not much, you can prepare and execute a business continuity plan that takes care of and safeguards your files and other vital business information so you can recover most, if not all of it, once the worst is over.



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BY **HARDWARE FAILURE**

NEGATIVE IMPACTS OF DOWNTIME ON YOUR BUSINESS

You may not be able to put a number on the damage done to your business if you ever experience downtime, especially of the catastrophic variety. You've likely seen the reports stating the [cost of downtime has increased 38% since 2010](#). Additionally, the average length of reported downtime is 90 minutes – resulting in as much as a half million dollars of lost productivity and potential revenue. Most companies just aren't equipped to deal with and recover from such an event.

Aside from the financial implications of downtime, there are four key negative impacts that downtime carries with it for small and mid-size

businesses. These include damage to the company brand/image, a dip in employee morale, a loss of any competitive advantage in your industry, and – more than anything else – losing the trust and loyalty of your customers.

BUSINESS CONTINUITY PLANNING CREATES A COMPETITIVE ADVANTAGE

When disaster strikes and business operations come to a screeching halt, attempting restoration without proper policies and strategies in place can take weeks. That's simply unacceptable in today's economy, and many businesses just cannot fully recover from such lengthy downtime.

According to Travelers, competing businesses have bought into quite a few misconceptions about business continuity, including these:

- **People inherently know what to do in the event of an emergency**
- **Insurance will cover all losses and damages**
- **There is simply not enough time to develop a business continuity plan**
- **Business continuity and disaster recovery planning are the same**

Those misconceptions carry grave consequences for any company because even the best employees will likely feel as if they are herding cats in the event of a disaster; insurance companies only cover a portion of any losses or physical damages; there is time to develop a business continuity plan if you make the time to speak with professionals; and whereas a business continuity plan is strategic and proactive preparation for the company, disaster recovery planning is a technical and reactive approach for specific systems.

PCH Technologies has been working with clients for over a decade, and our proven team of IT professionals are dedicated to protecting businesses and the information they hold through proactive business continuity planning.

When you're ready to have a conversation about how your company can maintain a distinct competitive advantage with a dedicated business continuity plan, PCH Technologies professionals will be available to speak with you.

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