

Cyber risks – are businesses really ready?

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Whilst prevention of cyber-attacks through security is part of the solution, the fact that the largest increase in targeted attacks, some 59%, was seen in small and medium sized businesses (up to 250 employees) is a concern.

Across the survey the most likely victim of an attack was in the technology, media and telecoms industry, which is where a significant number of start-ups develop their businesses. This sector is where there is reliance on devices and technology, and financial constraints which mean they operate without perhaps underpinning security features seen in the larger more established businesses. Of interest however is the fact that government systems are not immune – with 71% reporting attacks, up from 55% the previous year. Despite the government initiative to replace legacy systems following the Wannacry attack in 2017, the statistic seems to suggest public services and the public purse remain vulnerable and at risk.

The supply chain has rightly been exposed as a weak link – with 65% of respondents experiencing an attack in the past 12 months through their suppliers. How effectively cyber risk is mitigated down the line for example with rights to audit and suitable indemnities in supplier contracts, remains unclear.

One final key factor is the cost to business. In the UK, the average cost of all incidents was up to \$243,000 (£186,000). The high incidence of data loss (customer and employee) despite GDPR, IP theft and more sophisticated ransomware and DDoS reflects the sharp 61% increased average cost across all sectors.

So, are businesses ready? With justification GDPR has pushed the issue up the agenda. The reality is with the 'clean up' cost not insignificant, most organisations cannot afford to be without a clear IT strategy and response plan, and effective security, which comes at a price. For good measure, perhaps, one should also look to take out a cyber policy?

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