

CENTERSTAGE

Spotlighting the knowledge of your experts at 

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Protect Yourself From Cyber Attacks

In today's world, a day does not pass without a large company being featured on the news because they are suffering from a data breach or hacking incident that has threatened personal information.

Cyber security is a concept that has become a high priority in the past five years. Since this issue is fairly new, demand for cyber insurance is emerging, since most cyber related claims are currently not covered under a standard insurance program. The questions that arise the most regarding cyber security and liability are about understanding the level of exposure a company's data faces and knowing what cyber coverage encompasses.



Large companies are not the only ones at risk, it is often small businesses that are most vulnerable simply because they are not prepared. Most small (under 250 employees) businesses do not have the IT staff necessary to help protect a business. Even manufacturing companies are at risk because while credit card information is a large component, it is not the only type of attack. Can you afford the risk of not protecting your employee, client and company data?

With 10+ years of experience addressing cyber risks, Hierl's process of approaching cyber security begins with an assessment of a client's risk and exposure. This involves knowing what data a client has, who has access to it, how it's stored and how they are backing it up. Hierl can expertly evaluate the coverage that is necessary to keep an organization secure.

Because it is an emerging coverage, cyber insurance plans are not standard. Hierl advises a three-fold type of coverage including:

- Business coverage for customers and employees
- Protection for your company and the data it houses
- PR assistance if a security breach occurs

The best policies offer assistance to help you to work through things if something was to ever happen, as well as forensic and technical assistance to determine how the breach occurred.

“ Many organizations that have suffered cyber-crime are sophisticated, big businesses. If they can't stop these attacks from happening, most other businesses can't either. ”

If it is determined quickly that a breach has happened and a good backup exists a company can recover quickly and the attack is much less damaging. However, when a company's data gets out in the wild is when attacks become most expensive.

The 2016 Ponemon Institute Cost of Data Breach study reported that the average cost of a lost record rose from \$154 in 2015 to \$158 in 2016. Even if, you only have 20 employees now and that doesn't seem all that bad...you need to think about how many employee records do you have from the past 10 years? Cyber-attacks don't just affect current records nor do they only target employee data but client and company data too. This type of insurance is becoming a must have coverage for businesses because of how sophisticated these attacks have become

Three reasons to explore cyber coverage for your business:

1. There is a higher incidence of cyber crime
2. The longer it takes to detect and contain a data breach, the costlier it becomes
3. Effects of a cyber-attack extend beyond monetary and data losses to losing business and customers

If you'd like to know more about protecting your company from a cyber breach, please reach out to Cathleen at 920.921.5921 or send her an email via cchristensen@hierl.com.