

## You think a Backup System is expensive...

Data backup. Doesn't that sound romantic? Much like life insurance or disability insurance, it's easy to say it's important, but still put it off as something that you'll get around to when you have to. Here's the problem:

If your business relies on data for pricing, customer management, catalogues, communications, or a score of any other critical functions, and you DON'T have a backup system, you are courting disaster.

### Statistics to Die By...

"55% of small businesses rated themselves as "fair" or "poor" in terms of having a documented disaster recovery plan, or do not have one at all."<sup>1</sup>

"Moreover, 21 percent said that they are doing a "fair" or "poor" job of periodically removing important business data offsite – a vital procedure to protect businesses from physical disaster." This relates to fire, flood, or other physical damage to the business structure. "An additional 13% of small businesses admitted to not removing backup files at all – that's 34% at risk."<sup>1</sup>

"Gartner (an industry analyst firm that covers the technology market) estimates that less than half of all midsize businesses and only 25% of small businesses have disaster recovery plans in place."<sup>2</sup>

While certainly many companies aren't prepared for data loss and recovery, couldn't that just mean that it's really not that serious? "So is it just about data loss? So what, we just have to hire someone to help us recover our data, right? But we will be just fine and back up and running in no time."

In a recent study, out of the companies that had experienced a "major data loss" of company information, 43% never reopened and 51% closed within two years. That leaves a survival rate at only 6%!<sup>3</sup>

Additionally, nearly 74% of the data loss incidents occurred due to circumstances beyond the control of the companies: hardware failure and human error. This doesn't even account for the damage viruses cause.

1 in 4 PC's will fail each year, and nearly 80% of mission-critical corporate data is held on PC's, not servers.

A single incident of data loss costs businesses an average of \$10,000 according to a Price Waterhouse Coopers survey. Annually that accounts for more than \$12 Billion lost due to data failure per year.

Still think it's not that critical?

For small to medium-sized businesses in particular, these statistics indicate the necessity of implementing a Business Continuity Planning (BCP) strategy grounded in a robust data backup and recovery solution.

Unlike enterprises, many of these smaller companies cannot afford optimal in-house strategies and solutions that provide this level of protection. Therefore, many small to mid-sized businesses neglect to implement ANY data-oriented BCP or else they approach data backup and recovery in a sporadic, rudimentary fashion that fails to conform to industry best practices. These companies are consequently at a much higher risk of being put out of business due to any major loss of data, such as emails, accounting data, patient or client files, company records, client legal records or orders.

"Okay, so now that you've got me completely worried, what do I DO about this??"

### So what are the "Best Practices"?

**Understand the risks of NOT having a plan in place:** regulatory compliance issues, time to build back the business if disaster strikes, calculating the ROI in terms of reduced loss of your business function

**Handling the technical challenges:** choose the proper storage medium, encryption of data, data to hardware recovery issues, can you backup new data and recover old data at the same time

**Identify Operational Challenges:** what do you back up and how often, can you recover old data and new, can you regularly test the data recovery system, and do you have the staff that can come running 24/7

Are you overwhelmed yet? Take heart, there is a better option. Recent advances in technology design and manufacturing have lowered the overall cost of storage, and, in combination with high-performance online recovery" options, have begun to dramatically lower the cost of a great data recovery system, while making it much easier to implement and maintain.

Here are some of the characteristics of a complete solution addressing all of your BCP needs. If you don't have one of these, then you need to keep looking. Yes, it's that important. At last look, the cost of recovering a single complete computer after a major failure can run up to \$7500.

- 1) Real-Time or Near Real-Time Backups:** 15 minute increments, no more. And it should allow you to restore to any point along a timeline in 15 minute increments (1 hour ago, 1 hour 30 minutes ago, 22 hours 15 minutes ago, etc. etc.)
- 2) On-Site Virtual Server:** Knowing that your replacement servers are "on the way" is not enough. The system should function as a virtual server, allowing you to continue to access critical functions and data as soon as possible (within a couple of hours, maximum) and continue to back up new data as it is being added to the system. According to the Strategic Research Institute, companies that aren't able to resume operations within 10 days of a disaster hit are not likely to survive.
- 3) A Complete Image:** block data backup allows for much greater accuracy in the data, is more efficient in transfer, and can serve as an exact digital duplicate of the on-site server.
- 4) Intuitive and Flexible Restoration:** Restores should be quick and flexible, allowing for recovery of files, folders, partitions, mailboxes and messages, databases and tables.

- 5) **Secure REMOTE Storage:** What good is a back up if it goes up in smoke like the main server it is sitting right next to? And the off site backup should have its own off-site backup, giving you triple redundancy. And a minimum 256-bit encryption ensures only you have the “keys to the kingdom”.
- 6) **Secure, bandwidth throttling transfer:** the transfer should only take place on un-used bandwidth, or with a set outbound limit. You don't need your network shutdown every 15 minutes or less by a major broadband blast of data.
- 7) **24/7 managed solution:** Unfortunately, most failures don't seem to call ahead and schedule to your convenience. And while your customers may be sympathetic that you had a fire at midnight, that sympathy won't pay the bills. You need to be able to reach someone who can set things right, right now.
- 8) **COST:** We saved the best for last. Find a solution that integrates all the above, without a million hidden add-on charges. That way you can better analyze the cost of loss vs. the cost of prevention: otherwise known as the BCP ROI (we've been just WAITING to use those together...)

Just as with the legal system, “ignorance is no excuse for non-compliance”. It's not just expensive to lose data, more often than not it is terminal. You owe it to your business and your customers to put a BCP in place. And the statistics are pretty conclusive, you will have an episode. Get a great data backup system and you'll be ready to get “back up” and running fast when it happens.

## Resource List

- 1) Imation Small Business Survey: [http://www.imation.com/en\\_US/main.jhtml?Id=70\\_01\\_03](http://www.imation.com/en_US/main.jhtml?Id=70_01_03)
- 2) <http://www.matr.net/article-11375.html>
- 3) Cummings, Maeve; Haag, Stephen; and McCubbrey, Donald. 2003. Management Information Systems for the Information Age. [http://highered.mcgraw-hill.com/sites/0072935863/information\\_center\\_view0/](http://highered.mcgraw-hill.com/sites/0072935863/information_center_view0/)

## Additional Resources

<http://answers.google.com/answers/threadview?id=372265>

Simmons, C.J. Guardian WhitePaper, 03/07/08, “Benefits of Online Backup”.



*C.J. has over fourteen years of technology consulting experience, with nearly three years operating as an independent consultant. In 2004, C.J. decided it was time for a change. "The CMIT Solutions approach to professional services, troubleshooting, and personalized one-on-one training was a perfect match for my experience and goals." Her site can be found at CMIT Solutions, Inc.. She can be reached by email [HERE](#)*