



Protecting Critical Data in Small Organizations: Disaster Recovery, Business Continuity and Other Key Aspects of IT Strategy

Research conducted by: **COMPUTERWORLD**
The Voice of IT Management

Contents

Overview	3
Profile of respondents	3
Executive summary	4
Disaster recovery plans	5
Top IT initiatives in small organizations	6
Will today's top IT initiatives become more of a priority?	7
Who is responsible for backing up server data?	8
Backup solutions	9
Benefits of using online backup	10
The role of IT in the organization	11
Has the role of IT changed?	12
Conclusion	13
About Iron Mountain Digital	14

Protecting Critical Data in Small Organizations: Disaster Recovery, Business Continuity and Other Key Aspects of IT Strategy

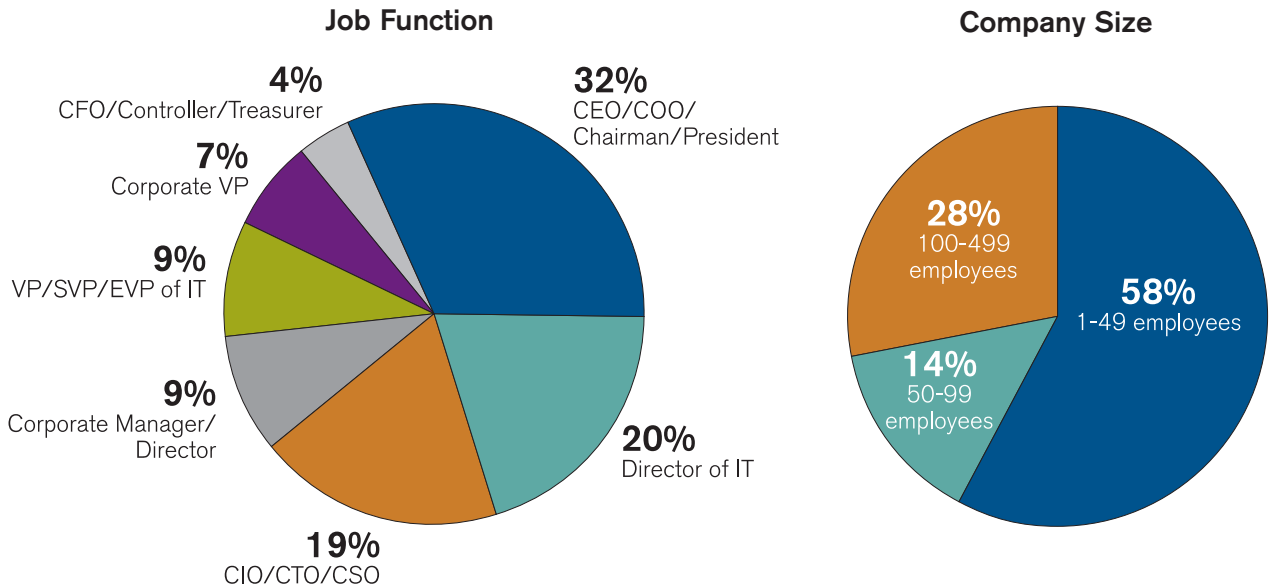
Overview

In September 2006, Computerworld invited high-level IT influencers in small companies (1-499 employees) to participate in a survey on some top areas of concern in IT such as server backup, disaster recovery and business continuity. A pop-up appeared on Computerworld.com inviting visitors to take the survey. The goal of the survey was to better understand the challenges faced by executives and IT leaders in small companies related to protecting their critical data. The survey was commissioned by Iron Mountain, but data was gathered and tabulated independently by Computerworld Research. The following report represents top-line results of that survey and is meant to serve as a brief benchmarking tool for SMB leaders so they can gain some insight into how their peers are managing and protecting their business-critical data.

Profile of respondents

Total Respondents: 248

In order to qualify for the survey, respondents had to work in an organization with 1-499 employees and carry a title of director-level or above in either IT or the corporate side of their business. The following is a breakout of respondents:

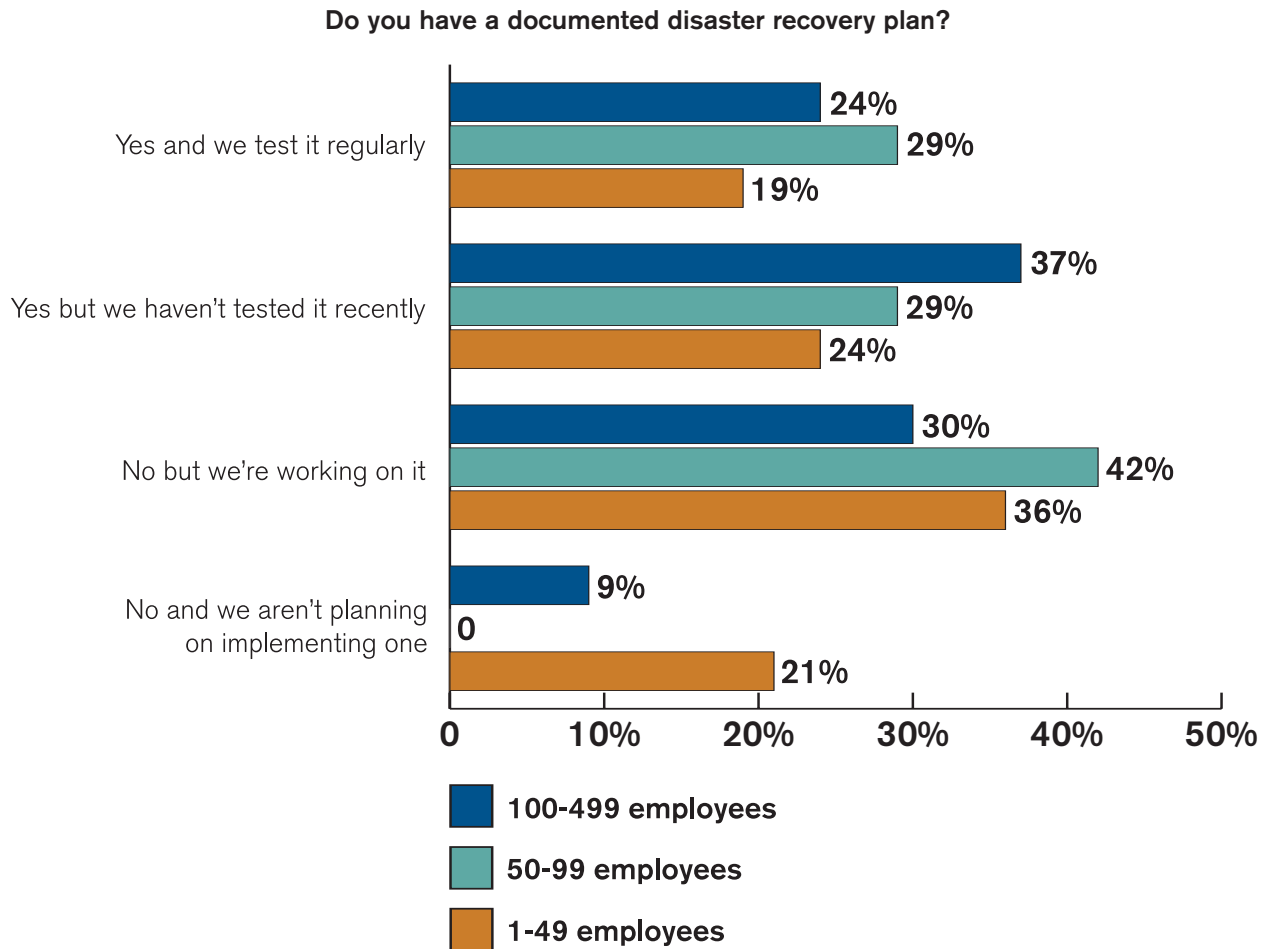


Executive summary

- This study showed that even the smallest of organizations have documented disaster recovery plans or are planning to soon. It also showed that even within smaller companies, the more employees an organization has, the more likely it is that it has a documented disaster recovery plan and tests it regularly.
- Organizations with fewer than 500 employees have many important IT initiatives, but point to business continuity, disaster recovery, and server backup as three top initiatives at the present time.
- For most top initiatives, they will remain just as high a priority as last year, but for some such as disaster recovery, data protection, and business continuity, we'll see a lot of small organizations moving them up on their priority list.
- Most small organizations assign an IT staffer, most likely a network administrator, the responsibility of backing up server data. At the very smallest organizations however, we often see the president him/herself taking on the task.
- Small organizations are using a combination of backup solutions with tape backup being the most widely used. Close to a third of these organizations are now working with online backup. Those that have begun using online backup point to ease of use as its primary benefit over other backup methods.
- There are some interesting differences between how IT and corporate professionals view the role of IT within small organizations. Generally the IT side sees their function as more strategic than do their corporate counterparts. This is a key difference in perception that both sides should strive to change if their organizations are going to truly realize the benefits of IT.

Disaster recovery plans

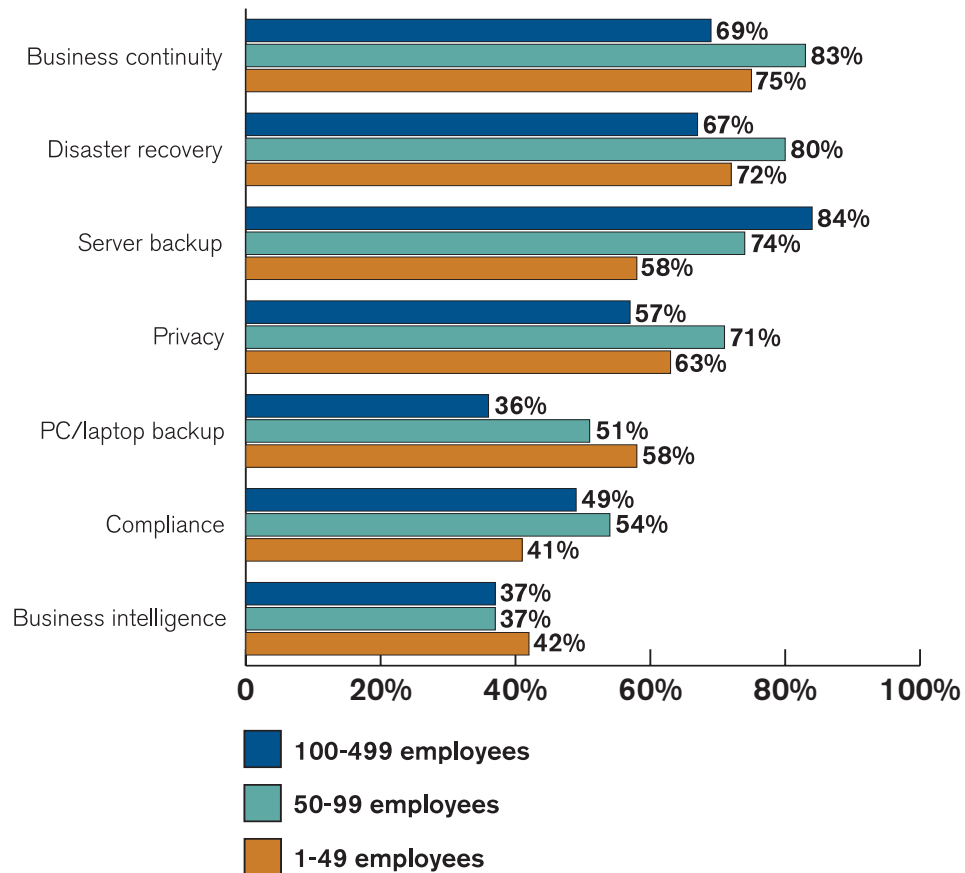
At the core of this study is the basic question of how SMB executives are addressing disaster recovery, and specifically whether or not they have documented a disaster recovery plan. What we see in the chart below is that overall 50% of respondents have a documented disaster recovery plan and 50% do not. However, of those who do not, most are planning to have one with only 15% of organizations overall who have no plan of having one. Although the entire respondent base is made up of small organizations, it's interesting to also break up these respondents into sub-sets by company size to see how disaster recovery strategies differ within different-sized SMB organizations. By doing this we see that those in the larger of the organizations (100-499 employees) were more likely to have a documented disaster recovery plan and to test it regularly. This suggests that the smaller the organization, the less likely that they have taken this step. That said, only 21% of organizations with 1-49 employees have no plan of developing a documented disaster recovery plan, so even among the smallest organizations, the majority recognize that having such a plan is a critical step.



Top IT initiatives in small organizations

In addition to disaster recovery plans specifically, this study took a step back to see how disaster recovery and some other important initiatives fit into the typical SMB executive's priority list. Again we see some interesting differences when comparing those in organizations with 1-49 employees, 50-99 employees, and 100-149 employees. First of all, respondents across all groups felt business continuity, disaster recovery, and server backup were the most important initiatives. When we look closer we see that the smaller organizations (1-49 and 50-99 employees) were more likely to see business continuity and disaster recovery as critical while those in 100-149 employee companies saw server backup as the top priority. This is a key data point, and one that shows that the slightly larger of the small organizations are starting to behave like the enterprise in their recognition of the importance of server backup. The smallest organizations (1-49 employees) still see PC/laptop backup as an equally important initiative, but as they start to behave like their larger counterparts we'll likely see them embracing server backup as a critical initiative.

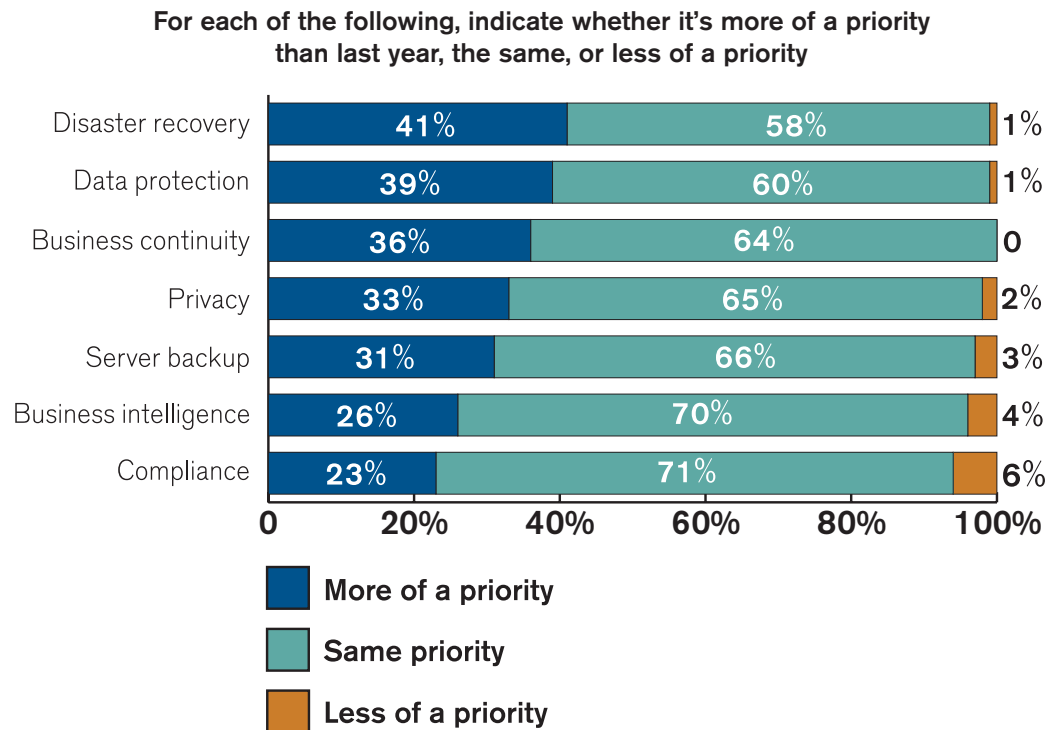
For each of the following technology initiatives, rate how high of a priority they currently are at your organization. Use a scale of 1 to 5 with 1 being very unimportant and 5 being very important. (Percent who said each initiative was important or very important)



The other interesting pattern that emerged from this question comes when comparing responses from those with a disaster recovery plan in place vs. those w/out a plan in place. Those with a disaster recovery plan in place found each and every one of these initiatives more critical to their organization than did those without a disaster recovery plan. For example, 78% of those with a disaster recovery plan in place sited server backup as a high or very high priority while just 58% of those without a disaster recovery plan saw server backup in this same light. This shows that companies that place heavy importance on disaster recovery also see each of these initiatives as critically important to their company.

Will today's top IT initiatives become more of a priority?

After seeing which initiatives are top priorities for small organizations, it's interesting to look at whether these initiatives will become more or less of a priority from last year. Below we look at the respondent pool as a whole and see that since most of these were already high priorities in the previous year, many of them will remain just as high a priority. For some of these initiatives however, such as disaster recovery and data protection, we do see a good percentage of organizations placing them as a higher priority over the past year. Very few respondents are making any of these initiatives less of a priority than they were last year.

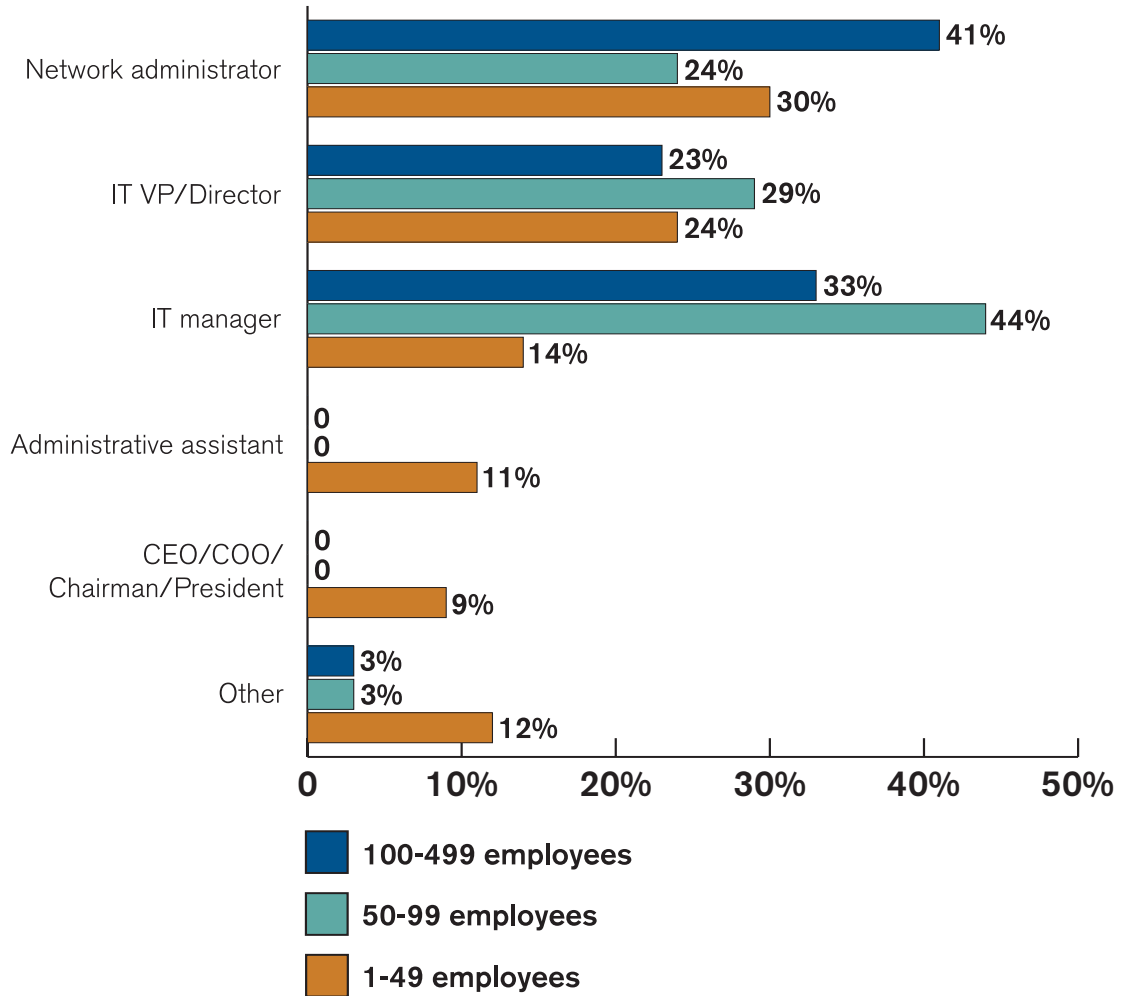


When looking deeper into the results, we see some interesting patterns by company size. First of all, we see that the bigger of the small organizations (100-499 employees) are more likely, for most of these initiatives, to already have them as a high priority, and therefore are keeping them at that same level this year. The smallest of these organizations are a bit behind in some of these and are increasing their priority of these this year. For example, organizations with 1-49 employees and 50-99 employees both saw 46% increasing their level of priority with data protection compared to only 23% of those in 100-499 employee organizations. Along these same lines, 77% of those in 100-499 employees are keeping the same level of priority for this initiative compared to 53% and 51% for their smaller counterparts, showing they likely already have it high up on their radar.

Who is responsible for backing up server data?

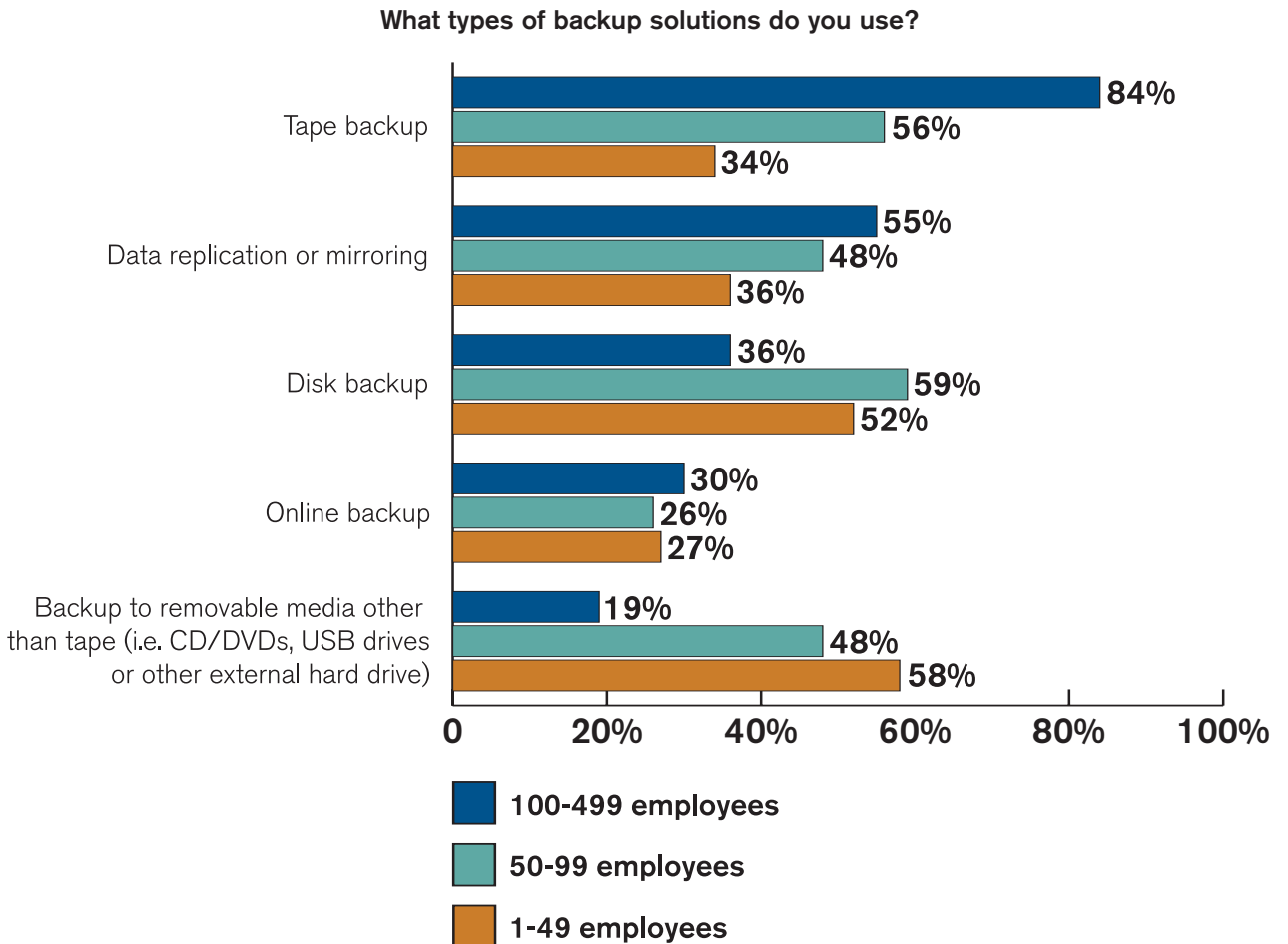
Another core issue explored by this study was how small organizations are backing up their data and who is responsible. In general, small organizations look to their IT staff to backup their server data. However, as you can see below, the very smallest of the organizations (1-49 employees) are more likely to look to the corporate side of the house for server backup including administrative assistants, "other," and even the CEO/President him/herself. This isn't surprising as in many very small organizations their may not be an IT staff per se, which means the head of the company has to wear many hats and handle the data backup.

Who in your organization is responsible for backing up your server data?



Backup solutions

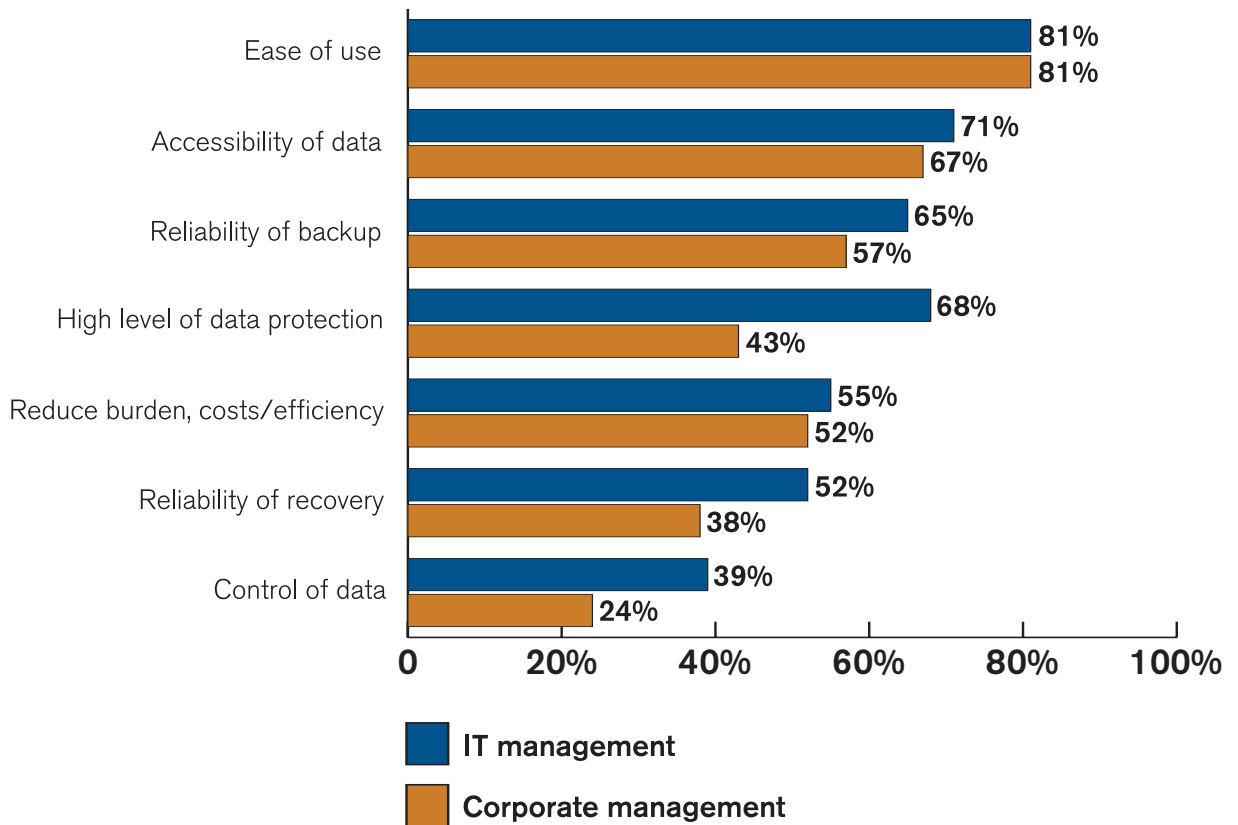
A full 82% of respondents to this study are currently using a backup solution of some kind with only 18% either not using one yet or unsure. Of these who are using backup solutions, we see below the types of backup solutions they have deployed. Although many may see online backup as a solution reserved for larger organizations, we see that close to one-third of small organizations are using online backup currently. Another interesting thing we see is that the larger of the small organizations are more likely to be using tape backup and data replication or mirroring while the very small organizations are more likely to still be using disk backup or backup to removable media such as USBs.



Benefits of using online backup

Among those organizations that have deployed an online backup solution at their organization, we asked what benefits they have seen from this solution. Below you will see that we broke up the results by IT management respondents and corporate management respondents. Both IT and corporate management have seen “ease-of-use” and “accessibility of data” as the No. 1 and No. 2 benefits of online backup. It’s interesting to note that IT management respondents are much more likely than their corporate counterparts to site the high level of data protection that online backup provides and the reliability of recovery. This suggests that possibly the corporate management respondents aren’t close enough to the issue to see how tangible the benefits are in these areas. It may also suggest that sometimes the corporate side doesn’t understand “how” data is protected, but are happy as long as the data is easy and accessible, whereas IT may have a better understanding of the complexity of the issue. IT may know nuances about how tape backup can be less reliable or error-prone and therefore better appreciate the reliability of online backup.

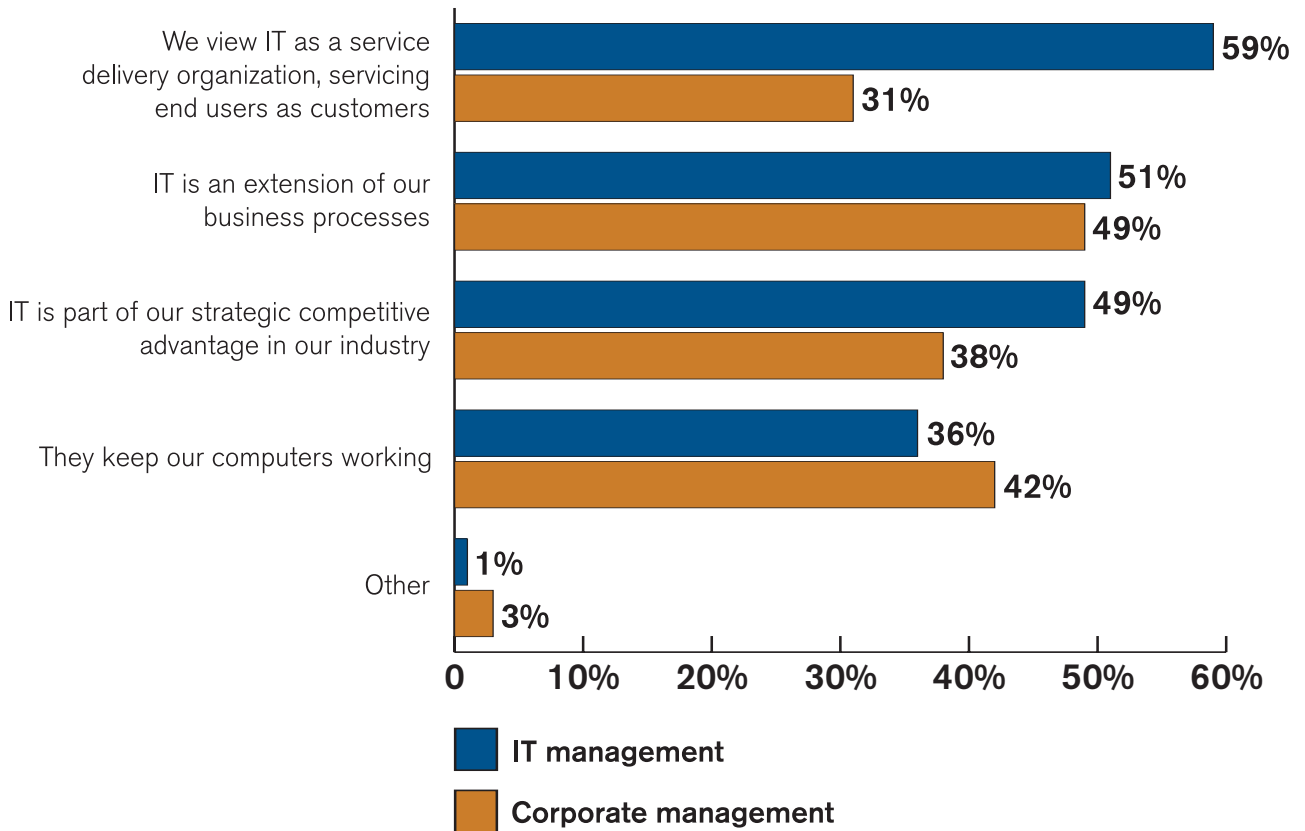
What have been the major benefits of using online backup?



The role of IT in the organization

In addition to all of the specific questions about server backup, disaster recovery and business continuity, this study also asked a very basic question about how different small-company influencers viewed the role of IT within their organization. What we see in the results are some interesting patterns in how different types of influencers and different types of organizations approach IT. The most telling illustration of this is when we look at how IT management responded to this question vs. corporate management. As shown in the chart below, IT management is much more likely to view IT as a service delivery organization and as a part of their organization's strategic advantage than are their counterparts on the corporate side. Corporate management is more likely to see IT as a group that fulfills the practical need of keeping the computers working. This difference is important for both sides to consider – IT needs to do a better job of communicating to corporate management that what they do is more than keep things running, and corporate needs to learn how their IT strategy can contribute strategically to their business.

How would you describe the role of IT in your organization?



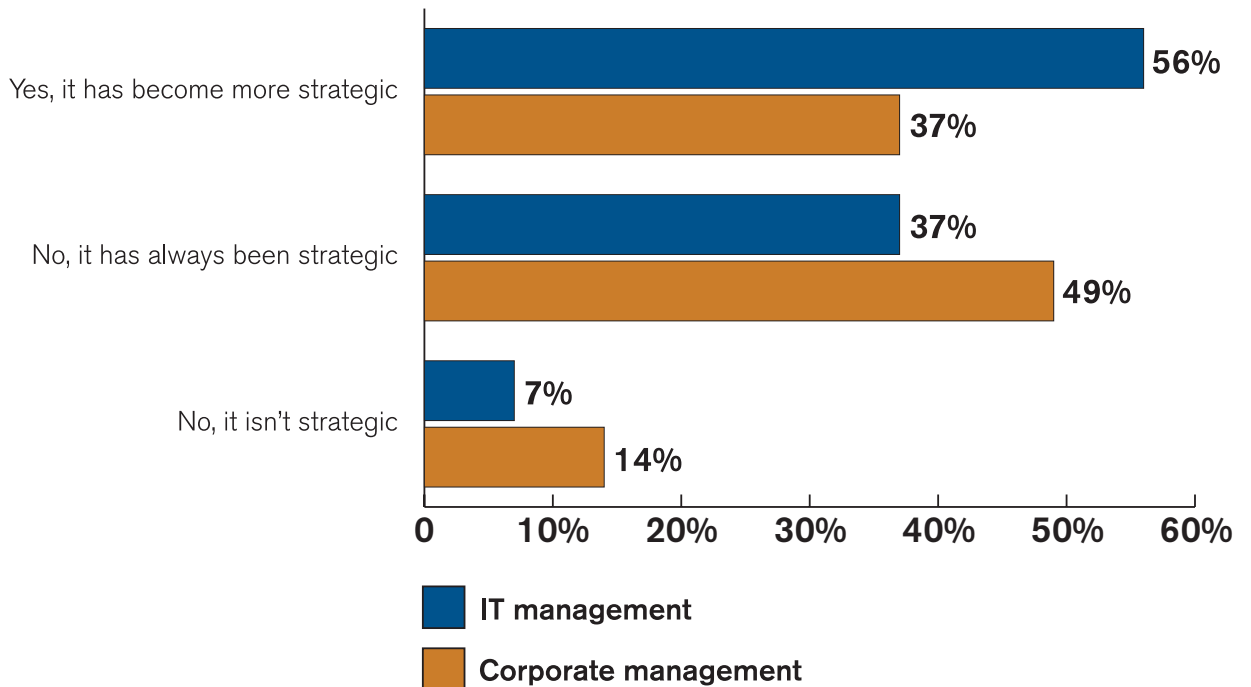
Another interesting pattern that emerged is when we compare those who have a disaster recovery plan in place vs. those who do not. Organizations that have a disaster recovery plan in place are far more likely to view IT as a strategic advantage (52% of respondents with disaster recover plans) than those who do not (only 34% of those without plans). This shows that having a disaster recovery plan goes hand in hand with treating IT as strategic force that can create competitive advantage.

Has the role of IT changed?

Similar to the last question that illustrated the perceived role IT plays in a small organization, we also asked if this perception has changed in the past few years. Again we see that small company IT management were more likely to say that IT is becoming more strategic than were corporate management, while most however felt that IT has always been strategic. Neither group was likely to say IT was not strategic.

Again when we drill down to look at those who have disaster recovery plans in place vs. those who do not we see a tie between strategic IT and disaster recovery. Those who have disaster recovery plans in place were slightly more likely than those who do not to say IT has become more strategic over the past few years. A full 50% of those with a plan in place say IT has become more strategic vs. 42% of those who do not have a plan in place.

Has the strategic role of IT changed significantly in the past few years at your organization?



Conclusion

It's clear from this study that small organizations are facing many of the same IT challenges as enterprise organizations, but with fewer resources. It's also clear however that even with limited resources, many small organizations are taking a lot of critical steps, particularly related to protecting their data. A full 50% of organizations with fewer than 500 employees have a documented disaster recovery plan, and many of those who do not are planning to soon. This is not something that only the big companies are doing now. In this same way, reliable data protection is no longer a solution reserved for the giants of industry. Small organizations are finding ways to backup their server data through online backup in combination with other solutions such as tape backup in search of the most reliable solution. Only a small percentage of the very smallest of organizations are still backing up using removable media such as CDs and USB drives.

While there were many organizations surveyed that may not be doing everything they can currently to secure their data and use IT strategically, most were at least thinking the way they should be. They recognize that initiatives such as business continuity, disaster recovery and server backup are critical; even if they haven't yet found the best way to deal with it. As we saw in the results, sometimes the lack of budget isn't the problem as much as there might be a disconnect between IT and corporate executives in small organizations. The IT side of the house needs to help the corporate executives understand IT can be used strategically to address issues such as disaster recovery. The IT department in a small company, when there is one, is no longer there just to keep the computer running, but is there to help the company accel and most importantly keep it's critical data protected. For those struggling with how to face these challenges, it's important to use surveys such as this one as a benchmark for how others in the same situation are approaching IT. It's also important to try to work with solutions providers who have particular experience working with smaller organizations, because only they will know how to best meet the unique data protection needs that were illustrated in this study.

About Iron Mountain Digital

Iron Mountain Digital is the world's leading provider of data backup/recovery and archiving software as a service (SaaS). The technology arm of Iron Mountain Incorporated offers a comprehensive suite of data protection and e-records management software and services to thousands of companies around the world, directly and through a world-wide network of channel partners. Iron Mountain Digital is based in Southborough, Mass. with European headquarters in Frankfurt, Germany. For more information, visit www.ironmountain.com/digital.