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# HOW CRITICAL EVENT MANAGEMENT LIMITS THE RISK OF IT DISRUPTIONS AND CYBER ATTACKS

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In this report, we'll analyze the key challenges that businesses face today and look at how leading organizations are implementing modernized critical event management platforms that keep employees safe, vital systems running, and their business successful.

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Every organization has been impacted by disruptions. From pandemic and extreme weather, to cyber attacks and malware, to power outages and political upheaval. As a direct or indirect result of this culmination of challenges, organizations know the importance of being able to effectively respond to and manage critical events.

*Critical events*, that's the key term. Mention critical events and emergency notifications, and many will instantly think of major weather events and other natural disasters. However, Aberdeen research found that one of the top emergencies for organizations was failure of key IT systems.

In these situations, businesses need systems in place that can notify all key employees, display the impact of disruptions, speed recovery, and even predict problems before they occur. Aberdeen research has found that leading organizations leverage critical event management solutions that are designed to mitigate risk for any disruption, from hurricanes to cyberattacks to power outages.

Equally as important, businesses need to ensure effective communication and integration between IT and cybersecurity roles and traditional risk and incident response teams. There really is no critical event that impacts just one group. For example, outages due to a major storm need to be addressed by IT while emergency management groups need to manage the fallout of cyberattacks.

But how do leading organizations overcome the challenges that these issues bring? Aberdeen research shows that they are turning to next generation critical event management solutions designed to integrate all teams, manage any problem, and keep businesses resilient and safe. With critical event management in place, these organizations are:

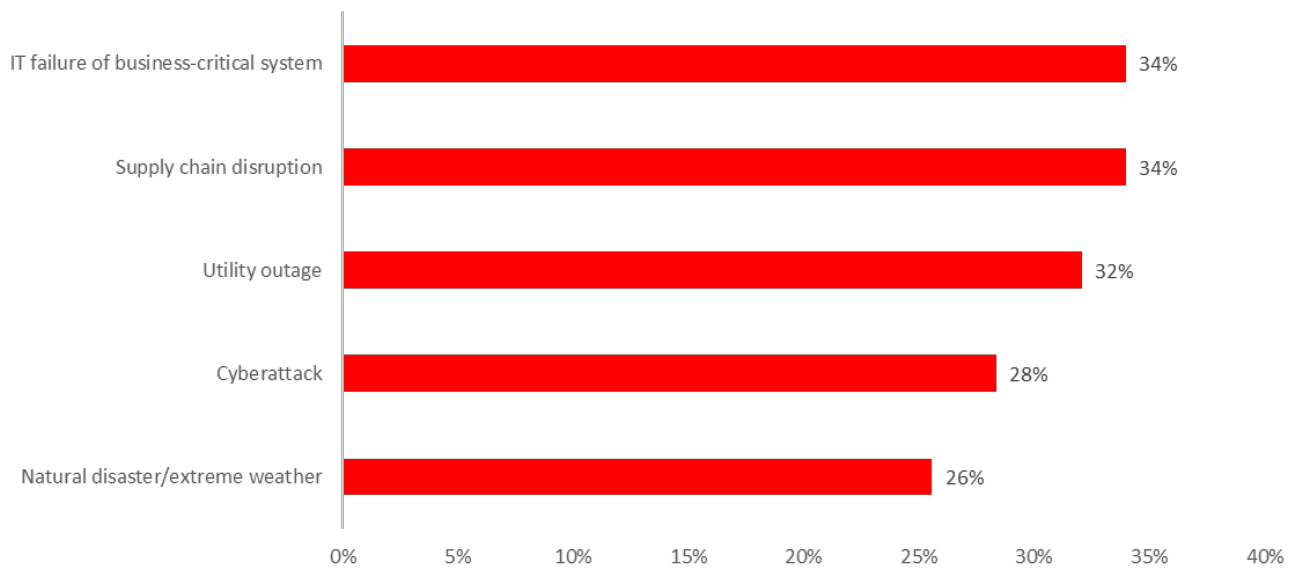
- ▶ 3x more likely to resolve critical events in less than a day

- ▶ 2x more likely to see no or limited impact on revenue from critical events

## The Increasing Challenge to Manage Critical Events in Today's Environments

In addition to the pandemic, organizations continued to face a number of different critical events and disruptions that had the potential to slow or even halt their operations. In the chart below, we see that the top critical events definitely came in the form of common problems that can impact any organization.

Figure 1: Top Non-Pandemic Disruptions



Source: Aberdeen Strategy & Research, January 2021 n=215

Tied for the top critical event experienced by organizations in the last year was IT failure of critical systems. And this isn't only about data center issues and downed servers — in recent months, we've seen outages at many top cloud and internet infrastructure providers that have stopped key services for many organizations.

As anyone who has scrambled to find household items or waited months for a product delivery that used to take days knows, the last year has seen a number of problems. From issues effecting supply chains, or major blockages of trade routes, to other common issues that add up to lost revenue and time for organizations.

Also in the top five experienced critical events is cyberattacks. Every day, businesses are targeted by malicious attacks designed to steal data, penetrate systems, and cause outages. And responding to and resolving these attacks quickly can mean the difference between lost data and serious issues, or a disaster averted.

The most important takeaway from this list of critical events is the breadth of their impact. Again, this emphasizes the importance of having centralized systems in place that enable all teams, from cybersecurity and risk teams to business continuity and other groups, to work together in order to quickly resolve and mitigate the impact of these issues.

A limitation of traditional emergency notification and response systems is that they weren't designed to address the needs and pressures of IT and cybersecurity roles and respond to the critical IT issues listed in the challenges above. When we asked organizations what the top drivers pushing them to improve and upgrade their capabilities to respond to and manage critical events were, we saw that different issues were identified as pressures when comparing IT/cybersecurity roles and other traditional risk and emergency management roles (see sidebar).

**IT Roles** – Analysis looking specifically at IT operations and management roles (80%) and cybersecurity roles (20%)

**All others** – Analysis made up of corporate security and management (50%), emergency management (20%), risk management (15%) and business continuity (10%) roles.

**Figure 2: Top Drivers to Improve Critical Event Management**



Source: Aberdeen Strategy & Research, March 2021 n=243

Looking at Figure 2, we see that the top drivers for IT/cybersecurity roles were of less importance to others. For example, IT's top driver is the length of critical event resolution, which makes perfect sense. When it

comes to downtime of critical systems, every minute costs significant money. Aberdeen research has shown that an hour of downtime for critical systems on average can run close to \$300,000, and in many cases can push into seven figures.

Running and managing systems for employees to communicate and collaborate is a core responsibility for IT, so it's no surprise that a top pressure for IT is the ability to communicate with employees when a critical event occurs.

Conversely, it's not a surprise that a top pressure for roles such as risk management and corporate security is the inability to take rapid actions when disruptions happen. Once a disruption is detected, there is almost always something that IT and cybersecurity can do to recover from most IT issues or mitigate a cyberattack in progress. But when emergencies like storms or unrest occur, options more often rest in the areas of mitigation and limiting damage.

Given these diverging priorities and demands, Aberdeen research is seeing increased interest in, and adoption of, centralized modern solutions for critical event management that work to address the needs and requirements of all of these roles.

### **Meeting Today's Needs with Critical Event Management**

Often when an organization experiences a critical event, they turn to emergency notification solutions. As the name implies, these systems are designed to contact all employees, users, citizens, etc., whenever an emergency occurs.

These solutions are designed to use any and all communication methods (phone, text, email, social media, intercom, etc.) to push notifications, and the best systems have capabilities to ensure reach, understand events in progress, and assist with recovery and resolution. However, as the scope of emergencies has evolved, the need for more predictive, collaborative, and next-generation solutions has increased, leading many organizations to look for more enhanced critical event management platforms.

Critical Event Management systems are designed to give organizations a centralized unified, and automated solution that can understand threat environments, provide fast incident response, notify and protect key stakeholders, analyze patterns to prevent future incidents and assist in planning and mitigation. Most importantly, they are built to work in IT and operation center systems, and they integrate well in these environments.

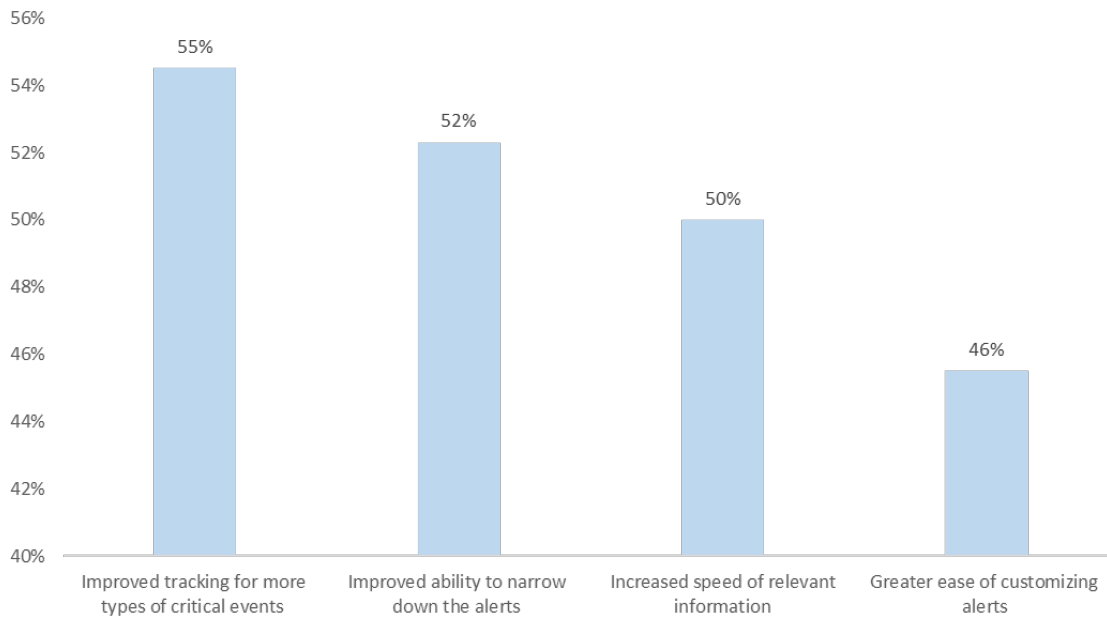
An hour of downtime for critical systems can average a cost of \$300,000, and in many cases can push into seven figures.

Source: Aberdeen

It's no surprise that Aberdeen research found that IT and cybersecurity roles are even more likely to embrace critical event management. In fact, 65% of IT roles currently have critical event management in place, compared to 35% of all other respondents.

But just because these organizations have critical event management in place, it doesn't mean they are completely satisfied and not looking for an upgrade or improved solution that provides better security. In Figure 3, we see that there are some key improvements these organizations would like to see in their CEM systems.

**Figure 3: Key Improvements Required from Critical Event Management**



Source: Aberdeen Strategy & Research, March 2021 n=152

It's interesting to note how much the demands and expectations of IT driven organizations align to the capabilities of traditional IT monitoring and management tools. These organizations want to see better tracking and filtering in their solution, along with improved customization.

Anyone who has used alert management tools in IT and development recognizes these as key capabilities. IT and cybersecurity focused organizations want to be able to track everything, but only be alerted on the things that really matter to them — while getting these alerts as quickly as possible.



## Overcoming Disruptions with Critical Event Management

We've looked at how organizations are turning to critical event management platforms to bring increased insight and responsiveness to their ability to react to and resolve issues and disruptions. And we've seen the importance of selecting critical event management that not only serves the needs of emergency response and security teams, but also meets the requirements of IT and cybersecurity roles that must respond to some of the most common critical events.

But these aren't the only reasons. Aberdeen research shows that when organizations implement a critical event management solution, they gain significant advantages over other organizations that lack these capabilities.


**Table 1: The Clear Benefits of Critical Event Management**

**Organizations with Critical Event Management are:**

<b>70%</b>	more likely to analyze and understand the impact of critical events in minutes or less
<b>3x</b>	more likely to resolve critical events in less than 24 hours
<b>2x</b>	more likely to see no or limited impact to revenue from critical events

Looking at the data in Table 1, we see that when an organization has a critical event management solution in place, they are able to very quickly understand the scope and impact of disruptions. With this information in hand, they can quickly resolve issues — Aberdeen research found that 32% of the time, these organizations see resolution in a matter of minutes and that, with critical event management, these organizations are much less likely than competitors to have disruptions last more than 24 hours.

Most importantly, when it comes to the return on investment for critical event management, when an organization effectively deploys it, they are



2x more likely than competitors to have no or limited impact on the revenue of the business.

## Recommendations

Anything can happen to any organization today. In no time, an organization can experience downtime, power outages, cyberattacks, extreme weather, or any other kind of disruption.


Increasingly, organizations are realizing that reducing the impact of these events requires more than just siloed notifications and emergency response systems and the input of emergency management teams. They realize that they need a centralized platform that makes it possible for IT staff, cybersecurity, business continuity and risk management teams to protect vital systems, workplaces, services, data, and employees.

To meet these requirements, Aberdeen has found that leading organizations are implementing critical event management solutions that enable them to quickly understand disruptions when they occur, respond quickly to limit damage, and even plan for and prevent future critical events from ever happening. In fact, 43% of organizations with critical event management reported improvements in planning and forecasting.

In order to follow these leading organizations, you should invest in critical event management solutions built for modern companies and the challenges that they face. To effectively implement critical event management for your organization:

- ▶ **Develop a strong base and infrastructure for Critical Event Management.** When it comes to managing critical events, understanding your current needs, potential exposure, and key roles upfront is vital to success. Analyze and track all key data sources, ensure responsible teams such as IT, cybersecurity and business continuity are working together, and have deep insight into every asset, employee, and location that can be impacted by a critical event. Aberdeen research shows that organizations with critical event management are twice as likely to see improved collaboration between IT, business continuity and emergency management.
- ▶ **Bring Your Critical Event Management Capabilities into the Modern Age.** Across all areas of IT today, cutting-edge technologies are utilizing artificial intelligence for better analytics and prediction, tapping fast and contextual communication





mediums, and pulling data from anywhere. Aberdeen has found that leading organizations implement Critical Event Management solutions that leverage AI, can enable communication anywhere, anytime, on any device, and have deep and predictive analytics to speed issue resolution, analyze data and logs of past issues, and prevent future disruptions.

- ▶ **Future Proof Your Critical Event Management.** The future holds both promise and risk. Leading organizations implement Critical Event Management that can take advantage of new technologies and trends to boost capabilities, increase collaboration, and protect company assets. This growth is vital, as the future also holds new disruptions, critical events, and disasters. Leading organizations have agile systems in place that help them protect against whatever the future holds.

With a modernized critical event management in place that meets the needs of IT, emergency response and security teams, organizations can speed resolution, reduce complexity, protect employees and data, and ensure that their organization is resilient and productive.



## About Aberdeen

Since 1988, Aberdeen has published research that helps businesses worldwide to improve their performance. Our analysts derive fact-based, vendor-neutral insights from a proprietary analytical framework, which identifies Best-in-Class organizations from primary research conducted with industry practitioners. The resulting research content is used by hundreds of thousands of business professionals to drive smarter decision-making and improve business strategies. Aberdeen is headquartered in Waltham, Massachusetts, USA.

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