



TECHNOLOGY TIMES

“Insider Tips To Make Your Business Run Faster, Easier And More Profitably”

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“As a business owner, you don’t have time to waste on technical and operational issues. That’s where we *shine!* Call us and put an end to your IT problems finally and forever!”



Top 3 Tech E&O and Cyber Claims

With the ever-expanding amount of data and information in the world, one of the scariest exposures faced by companies nowadays is the vulnerability of online platforms. Hand in hand with that, the expansion of business technology is increasing the potential for claims of financial loss against a company’s professional services and offerings.

We’ve all heard of the big ones; the **Equifax** and **Target** breaches left millions of Americans’ personal information exposed and landed the two companies in a world of hurt. But what are the other types of claims covered under **Tech E&O / Cyber policies**? Why is this such a large exposure for companies of all sizes and operations? Let’s get after it:

1. Negligence

Perhaps the easiest and most preventable way by which information is breached is human error – accounting for about **88% of data breaches**. Whether or not the professional error or cyber breach was intended or not, clients, stakeholders, and even regulators can come after your

company for damages or fines. The grounds? Failure to exercise the appropriate precautions and practices. If your mistake causes a financial loss due to a lack of “best practices” or even just general oversight, you can be held financially accountable for rectifying the loss. This coverage can protect your company from lawsuits for victims’ financial loss or breach of privacy.

Let’s say one of your employees is traveling for business and leaves their laptop in a cab. The laptop does not have sufficient protection and is opened by the next cab rider, exposing much of you and your clients’ data. Because your employee was negligent in leaving the laptop in a frequented location, and it was not equipped with the proper software to prevent intrusion, you would be responsible for any expenses for recovering the data, any business disruption and whatever precautions to safeguard your clients’ information.

2. Theft of PII and Failure to Prevent Introduction of Malicious Code

Here’s what most people think of when

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they hear about cyber insurance. It's what makes headlines. Theft of Personally Identifiable Information (PII) like credit card info, Social Security numbers, addresses, etc. is scary for clients and consumers but potentially devastating for the company holding the data. The targets (pun) are usually massive institutions (Equifax, Target, **Yahoo!**) but can also be smaller companies. In fact, according to a survey conducted by the Ponemon Institute in 2020, 66% percent of businesses with less than 1,000 employees experience a cyber attack. Approximately 60% of smaller businesses are out of business within six months of suffering a cyber attack.

Claims allege it's the company duty to properly protect the data, and the company is in-turn responsible for restoring the security of their customers/clients confidential information. Many policies will also cover credit monitoring for clients as well as any consultative and forensic services required to help restore their data infrastructure and reputation.

3. Defamation in Online Content

Slander, libel, smear campaign – whatever you want to call it, communicating a false statement that harms the reputation of an individual, product, or business will cost you. Anything on or produced for your website that falls under this category would make you and your company responsible for the impact on reputation, lost income, etc.

What's interesting about these claims is that they typically come about for sites that allow their users to spread information on their website (eg. comments sections, posts, etc.). Coverage is needed for the vicarious liability to defamatory user-generated

content. Even if you didn't produce the content, you could be brought to court over your responsibility as the platform manager.

A simple example of this would be for a business whose survival is heavily reliant on its reputation (even more so than other industries). Let's say you run an online platform that allows individuals to write restaurant reviews, something that's commonplace in today's foodie society. A new restaurant opens up and only a few days into its operations, someone posts on your site that they got violently ill after going, but in fact, the individual hadn't even eaten there.

Nevertheless, the post gains traction and the restaurant goes out of business. While you did not create the post, your site may be held liable because the content was kept on your site for a number of days and as a result became at least partly responsible for the restaurants sullied reputation and eventual closure.

Conclusion

So, who is at risk? For nearly all tech/consumer-based companies in our contemporary society, Tech E&O and Cyber coverage have become an almost compulsory coverage. As data collection and the fluidity of information increases, so does the exposure. While many people think the real risk is limited to multinational corporations, smaller companies (including startups in their early stages) are also exposed.

The vulnerability of data and sensitivity of 3rd party financial loss due to your professional services represent the necessity and comprehensiveness of this coverage. While the 3 claims scenarios are covered under Tech E&O and Cyber policies, understanding this policy in its totality can be complex. Research more which one works best for your company given your budget and needs.

Human error accounts for 88% of all data breaches

"I DIDN'T KNOW"

Unfortunately, That Excuse Doesn't Replenish Your Bank Account, Resolve A Data Breach Or Erase Any Fines And Lawsuits.

It's coming ...

- That day a hacker steals critical data, rendering your office useless ...
- That day when your bank account or credit card is compromised ...
- Or that day when your customers' private lives are uprooted ...

Cybercriminals and hackers are constantly inventing NEW ways to infiltrate your company, steal your assets and disrupt your life. The ONLY way to STOP THEM is by CONSTANTLY EDUCATING yourself and your staff on how to PROTECT what's yours!

Now, for a limited time, we have the perfect way to help reduce your risk and keep you safe! Simply sign up to receive our FREE "Cyber Security Tip of the Week." We'll send these byte-sized quick-read tips to your e-mail in-box. Every tip is packed with a unique and up-to-date real-world solution that keeps you one step ahead of the bad guys. And because so few people know about these security secrets, every week you'll learn something new!

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Security Corner

Tax Season is Here: Is Your Return Secure?

Tax season is almost here! Are you ready to file? While preparing all the necessary documents and getting your ducks in a row can be time-consuming enough, it's not the only downside of doing taxes. Did you know that cybercriminals also take this opportunity to increase their identity theft and fraud activities.

What to Look Out For

What kinds of schemes do threat actors run during this time of year?

- W-2 form theft, commonly executed against accounting and managerial departments
- False tax preparation sites that claim to help you file, then steal personal information
- Phishing scams insisting you click a link to complete tax forms, which then download malware when opened

What You Can Do

Learning how to protect yourself against tax scams matters. In 2020, the IRS reported \$2.3B in tax fraud. The confusing nature of tax season can be made more stressful by concerns about threat actors. Protect yourself from tax-related scams with some of the following tips:

- Don't give your Social Security number or employee ID over the phone
- Do not send money to solicitors without verifying the demand on encrypted government websites
- Enable multi-factor authentication on your accounts

For more information on common types of tax scams and how to avoid them, call us at 248-362-3800 or visit: <https://bit.ly/37gPSPG>

How Technology Solves Managerial Problems In Small Businesses

Before the digitalization of the business sector, it was impossible to comprehend how easily you can perform business tasks today. Every business industry is drastically changing by integrating new and advanced tech tools. The way you communicate with clients and other employees is different from how it used to be. This is possible because we now have the tools capable of solving our problems in a better way. Here are some ways in which technology is solving managerial problems in small businesses.

Resource Planning.

Whether you are a small business or an enterprise, you will agree that managing your resource is a challenge. Especially, when you are a start-up, you need to visualize your business process and create effective resource planning. By integrating an Enterprise Resource Planning tool into your business infrastructure in an efficient way to solve departmental problems including finance, sales, marketing, and accounting. The management team is responsible to solve problems for all the departments and streamline the coordination between front and back offices. An ERP program offers solutions to problems and helps the management team to make better decisions using insights.

Collaboration Tools

Many businesses have different outlets or locations that function independently. Sometimes, these branches collaborate on a project or share information from headquarters to follow the same standards and stay on the same page. A manager, by integrating a collaboration tool, can streamline the communication between both ends. These tools are not only beneficial for enterprises, but small businesses can also solve their problems. If you manage a small business, you can effectively collaborate with your clients and instantly share data. These tools are also helpful for employees working remotely. That way, they can consistently stay in touch with their team. Furthermore, you can also utilize collaboration tools for time management and project management. It also enables you to improve the customer-client relationship and simplify the workflow.



Business Analysis Tools

In an enterprise, management can create and run an entire department for business analysis. However, that is not possible for small businesses with limited resources. Therefore, as a small business owner, you should consider integrating business analysis tools. Without hiring a professional team, you can crunch the data with these automation tools. It helps improve the productivity of your employees by generating accurate insights for improved decision making. Many employees ignore the micromanagement practices, and it's a huge drain on management. By using a tool that produces insights about employees' productivity, you can achieve your business goals. You can also enhance the relationship between staff and the management with this data-oriented system as it eliminates personal opinions in favor of objective data. An analysis tool helps your employees meet their deadlines and keep new projects in line based on the priorities.

Decision Support System

A decision support system or DSS helps operational management to gather the data and generate insights for better decisions. This tool saves a lot of time for the management team enabling them to solve complicated problems. They can reduce decision cycle time and increase employees' productivity. This tool also helps with collaboration and communication and helps share facts and assumptions with the employees. With these tools, your business management team can learn new techniques and concepts. As a result, they can come up with productive ideas and implement new practices based on data.

■ What Is Digital Agility?

Digital Agility is the ease with which an organization can rapidly enable, update, change, or adapt their processes.

With digital agility, you can improve cross-departmental collaboration. Below are some popular uses of digital agility to improve productivity:

1. Empower your employees with easy-to-understand and simple tools.
2. With digital agility tools, your employees can save time when solving problems. These tools include an easy-to-use interface.
3. Your employees will easily understand the tool without any need for additional training sessions.

4. You can easily integrate these tools with third-party plug-ins, thereby increasing productivity.

■ Effectively Use CRM Tools

A Customer Relationship Management tool (or CRM for short) is a vital component to every business to help you manage your Clients and their Experience. Here are some tips on ways you can effectively utilize your CRM tool in your business to help create a better experience for your clients:

- Identify and specify your target audiences through shopping patterns, likes, and, of course, dislikes
- Schedule meetings and to-do lists on the CRM program and sync them

with your Calendar

- Deliver your Clients a super personalized and unique bespoke experience
- Keep your Client and Sales information up to date in a single location
- Streamline the sales process so you know the status of every order
- Improve communication within your Marketing and Sales teams through cross-team collaboration with a single pane of glass.

■ Collaborate With Your Team While Traveling

Keeping in touch with your employees is essential, especially when you're traveling. These amazing tools help collaborate with your team while you are on the go:

Microsoft Teams: Upload and share resources, set reminders, and track progress in tasks and projects. Plus, you can instantly share amazing ideas with your team along with hosting 1:1 and group video calls and chats!

Zoom You can instantly communicate with your team using the video conferencing feature. It also includes built-in tools for screen-sharing and whiteboarding. Plus it's awesome for running group webinars for your Prospects & Clients.

