

FOURTH ANNUAL NOVIPRO/LÉGER SURVEY CANADIAN BUSINESSES ARE NOT TAKING CYBERSECURITY RISKS SERIOUSLY

While IT, AI and Cloud Computing are all growing in importance, more businesses need to up their data-security game

Montreal, QC, January 27, 2020 – Results from the <u>fourth annual NOVIPRO/Leger IT Portrait of</u> <u>Canadian Business survey</u> questions whether Canadian businesses are taking the responsibility for their data seriously. In 2019, cyber attacks affected more than one third of companies (37%), up from 28% the year prior. Yet, instead of taking a proactive stance against a possible breach, surprisingly, most companies are opting for a wait-and-see approach, potentially jeopardizing the safety of their data, clients and business altogether.

The survey showed that less than half of all Canadian companies surveyed (48%) took steps to review their data protection plans last year. The financial industry has been the hardest hit with security issues, however just 58 percent of those businesses have undertaken a review. Results also found that only 38 percent of companies surveyed would alert clients to a cyber-attack event, down from nearly half (49%) in the year prior.

"Like it or not, data is our digital fingerprint," says Yves Paquette, cofounder and CEO, NOVIPRO. "User-confidence is deeply rooted in a business' ability to protect the data we've entrusted to them; it is one of the most important responsibilities of business today. Companies that are not reviewing their IT practices or investing into their security infrastructure can be opening themselves up to serious breaches that not only impact their users, but can greatly affect their reputation and bottom line."

RESPONDENTS RECOGNIZE A NEED FOR IMPROVEMENT

While three out of four companies (76%) believe they have a solid knowledge of new North American and European data management regulations, less than half of all companies feel they are well protected against data loss (46%), intrusions (44%), and viruses (45%).

An encouraging sign from the survey is that respondents pegged security solutions as their top tech investment priority (42%), up from the second spot last year and ahead of infrastructure (40%) and business (37%) solutions.

"We must see the protection of informational assets as a strategic investment contributing to the achievement of the strategic objectives of the company," says Alina Dulipovici, associate professor in the Department of Information Technologies of HEC Montréal. "More action is also needed to enable employees and even business partners to become strong links in the information asset protection chain by raising awareness of security risks."

FRIENDLY FIRE

When asked about the sources of IT threats, the survey revealed businesses need to focus internally more than externally. Thirtysix percent of respondents pointed to partners, suppliers, and clients as threats; 32 percent cited internal resources (employees); and only 30 percent blame external threats that have no connection to the company.

GREATER IMPORTANCE ON IT, AI AND THE CLOUD

Increased investment in security is essential as Canadian companies are placing more importance on IT services than ever before. Today, IT is seen less as an investment (47%/28%, 2016/2019) and more as a strategic partner (21%/41%, 2016/2019) in success*.

Artificial intelligence (AI) has been gradually gaining traction to where, today, 92% of businesses feel they have a solid grasp of AI solutions. Companies investing in AI are leveraging it to boost productivity (51%), cut operating costs (38%), replace manual tasks (36%), decipher market trends (32%) and improve the customer experience (31%), which fell from number two in 2018 to last.

With regards to Cloud computing, close to 50 percent of companies feel the technology has enabled them to be more efficient than ever, and one in three (33%) agree the future is in the Cloud, but say they are not yet ready to take the plunge. As in 2019, one in three companies (33%) say that Cloud computing is not a viable solution due to the costs involved. The other reasons given are the lack of support (31%), unproven reliability (29%), lack of security (27%), and inadequate performance (25%). That said, business confidence in Cloud computing has increased significantly. Among companies where Cloud computing is not a solution, only one in four (27%) deem the technology unsecure compared to 43% in 2018.

ABOUT THE 2019 NOVIPRO/LÉGER SURVEY

This fourth portrait was conducted from September 23 to October 23, 2019 among 496 respondents (300 IT decisionmakers and 196 from other sectors) from Canadian companies. Most respondents are men (70%) working full time (96%) in a medium-sized business (100 to 499 employees - 43%) or a large company (500 or more employees - 55%).

ABOUT NOVIPRO

A technology partner since 1993, NOVIPRO's mission is to guide companies in achieving their business objectives by leveraging its wealth of human capital, its range of expertise and the power of its network. With a team of over 135 employees, NOVIPRO stands out for the excellence of its business, technology and cloud.

MEDIA CONTACT: ANDREA MANCINI SENIOR CONSULTANT, CASACOM AMANCINI@CASACOM.CA 416-944-2145

Source : NOVIPRO

*Methodological note: Sample respondents in 2016 (IT decision makers, clients) differ from 2019 (decision makers and vice-presidents in IT and other domains, clients).