

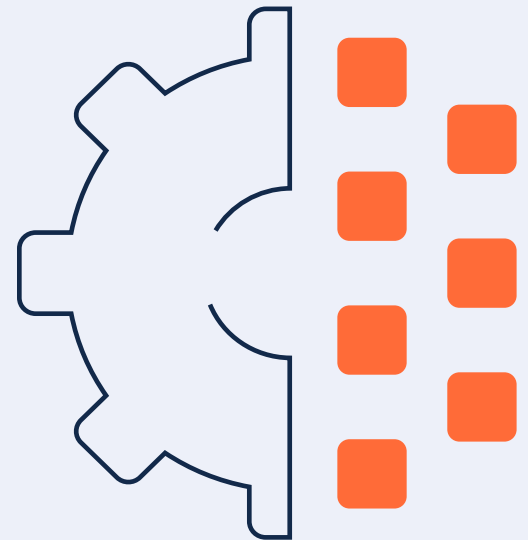
# Digital Transformation is Increasing Cyber Risk

*Digital transformation is widely accepted as critical, but the rapid adoption of it is creating significant vulnerabilities for most organizations.*

With digital transformation significantly increasing reliance on third parties and **82% of respondents** believing their organizations experienced at least one data breach as a result of digital transformation, it's more important than ever to be cyber certain.

Digital transformation is the use of technologies to improve operations and customer relationships. CyberGRX and Ponemon Institute surveyed 581 IT security and 302 C-suite executives to determine what impact digital transformation is having on cybersecurity and how prepared organizations are to deal with that impact.

The results show that while digital transformation is widely accepted as critical, the rapid adoption of it is creating significant vulnerabilities for most organizations – and these are only exacerbated by misalignment between IT security professionals and the C-suite.



## Digital transformation is increasing cyber risk.

*IT security has very little involvement in directing efforts to ensure a secure digital transformation process.*

**ONLY 37%** of respondents say the CIO is most involved.

**ONLY 24%** of respondents say the CISO is most involved.

**82%** of respondents believe their organizations experienced at least one data breach as a result of digital transformation.

**55%** of respondents say with certainty that at least one of these breaches was caused by a third party.

## Digital transformation has significantly increased reliance on third parties.

**58%** of respondents say the primary change to their organizations is increased migration to the cloud.

**58%** of respondents say that despite the increased risk, their organizations do not have a third-party cyber risk management program.

**63%** of respondents say their organizations have difficulty ensuring there is a secure cloud environment.

**56%** of C-level executives say their organizations find it challenging to ensure third parties have policies and practices that guarantee the security of their information.

## Conflicting priorities between IT security teams and the C-suite create vulnerabilities.

C-level and IT security respondents disagree on the importance of safeguarding high value assets and other areas of risk. **Only 16** percent of respondents say IT security and lines of business are fully aligned with respect to achieving a secure digital transformation process.

	C-SUITE	IT DEPT
Rushing to achieve digital transformation increases risk of a data breach	<b>53%</b>	<b>71%</b>
Do not want security measures to prevent the free flow of information in an open-business model	<b>63%</b>	<b>45%</b>

## Budgets are and will continue to be inadequate to secure the digital transformation process.

**ONLY 35%** say their organizations have budget for protecting data in the digital transformation process.

**ALMOST 2x** the amount the average digital transformation budget should be increased to be more effective.

In two years, respondents believe the average IT security budget percentage will increase to **37** percent, although that will still be inadequate.

## Unless things change, the future doesn't look any more secure.

**ONLY 29%** of respondents say their organizations are very prepared to address top threats related to digital transformation.

**ONLY 43%** of respondents are very optimistic their organizations will be prepared to reduce the risk of these threats within two years.

**66%** believe cyber security attacks, third party breaches, and system downtime will be their biggest threats in the next two years.

## A few recommendations for a secure digital transformation

Collaboration between C-level and IT Security teams is essential to the success of your organization's digital transformation process.

Prioritize to ensure your most sensitive data is protected first.

Make sure your digital transformation strategy involves the assessment of third-party relationships in addition to the protection of data and assets.

Educate your organization – including C-level – about the cyber risk that comes with digital transformation.

Ensure your company's Digital Transformation budget reflects the industry's best practices.

Continuously invest in technologies that secure and protect your data and assets.

To see the rest of the data, **watch the webinar**, **download the report**, or talk to your trusted CyberGRX advisor.