

CYBER SECURITY IS NOT JUST FOR BANKS

-STARTUPS NEED PROTECTION TOO

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The life of a startup revolves around evolution, the ability to pivot and adapt to the ever-changing technological landscape. This agility, while necessary for survival, is the perfect breeding ground for cyber criminals looking for grey areas and opportunities to exploit.

Unfortunately, early startups have the misconception that they are too small to need a cybersecurity program, leaving them at greater risk to the broader threat landscape. In fact, 43% of the time, startup-size organisations are the primary targets for hackers. Because these organisations are not prepared, and since they lack funding as long-standing companies, 60% of small businesses close within six months of a cyber attack.

When you consider that the average cost of a data breach is US\$4.2 million annually as at 2021, then you can appreciate how hackers find vulnerabilities even more crucial. Let's deep dive into the significance of cybersecurity for startups, how it's frequently misunderstood, and how to strengthen your entire security posture.

The importance of cybersecurity.

Put simply, without an essential cybersecurity strategy, your working environment becomes vulnerable to malicious actors which pose not only a risk to the acquisition and integrity of your data but also to your business reputation.

To circumvent perimeter network security, attackers frequently target employees, who pose the weakest link in cybersecurity, with basic insider knowledge obtained primarily through the internet. In fact, according to a 2021 analysis by Verizon, approximately 69% of breaches of public administration were a result of social engineering.

In the age of digitalisation and exponential data growth and accumulation, setting up a cybersecurity framework is no longer a fanciful recommendation but a necessity. Not only are the regulatory requirements becoming more stringent, but consumers now expect a certain level of data protection.

In fact, most prospective clients/partnerships now require organisations, regardless of size, to prove their security posture via issued Security Assessment Questionnaires (SAQ's)- a tedious survey of the policies and procedures implemented to protect data. Depending on your industry and the class of data you're accumulating, regulations may dictate audits that are required to enforce security standards. While these security initiatives can be resource-heavy, they're manageable with a well-established cybersecurity foundation.

Here are some top reasons why startups should prioritise cybersecurity:

- Startups are more likely to be targeted by cyber attackers because they typically have fewer security resources than enterprise organisations
- A data breach can cause significant financial damage, which may be irrecoverable at that phase of startup development

- A cyber attack can be lethal to an adolescent startup's reputation
- Cybersecurity can act as a persuasive competitive differentiator amongst peers less likely to have an established program
- New markets often have independent compliance requirements for conducting business.

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