Environmental Business Continuity Concerns In 2022

What are the key concerns organizations have in 2022 as they review their business continuity plans and prepare themselves against unexpected costly downtime caused by environmental factors?

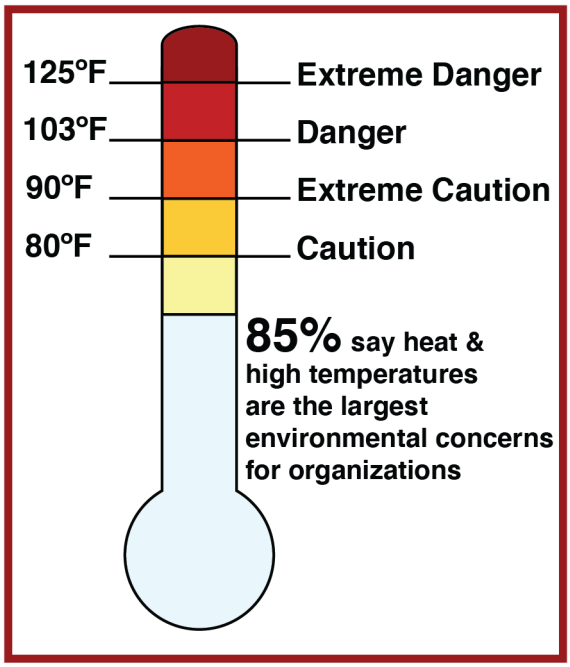
Business Continuity is an ongoing concern for organizations in 2022 and beyond. The threats of downtime, data loss, physical damage to facilities and inventory, employee health, and lost productivity remain top of mind for many professionals.

It is critical that organizations invest time and effort into ensuring they won't be negatively impacted by environmental concerns that can cause irreparable damage. While some events cannot be avoided, such as storms or unexpected accidents, having proactive environment monitoring as part of a documented business continuity plan can help avoid many unexpected downtime episodes while helping to mitigate and quickly recover from situations that are simply unavoidable.

To gather information for this report, we surveyed 1800 professionals to gather their thoughts and insights into environmental concerns, business continuity, and their experiences with downtime in the past and steps they are taking to ensure maximum uptime in the future.

What environmental concerns are top of mind?

Heat and high temperatures remain the largest environment concern for organizations, with **85%** of survey respondents listing it as their top worry. This is an understandable concern as high heat can lead to a wide range of issues within an organization and their facilities.



Data Center Outages

High heat is one of the leading culprits of data loss and downtime. Data center environments must stay within specific defined ranges to ensure optimal server, hard drive, and appliance performance. When data center temperatures reach **81°F** (27°C) they are at the top range of recommended temperature, according to the American Society of Heating, Refrigerating and Air Conditioning (ASHRAE).

Once that temperature is exceeded, hard drive performance begins to drastically decrease and also shortens hardware life – even a 5°C increase in temperature can reduce hard drive life by almost two years, leading to early failure, data loss, and crashes.

Cold Storage Concerns

Freezers and refrigerators in multiple industries are impacted when heat rises within their units. Whether it is edible goods that can no longer be served or sold for fear of foodborne illness, vaccines that lose effectiveness, or stored samples that can no longer be used, cold storage temperatures that move outside of their required zones will cause irreparable harm.

Monitoring units to be alerted when temperatures rise above specified levels remains a key factor in business continuity for these industries. Unit hardware failure, power loss to the unit, or something as benign as someone not closing a door properly can result in massive losses in a matter of minutes if not monitored properly.

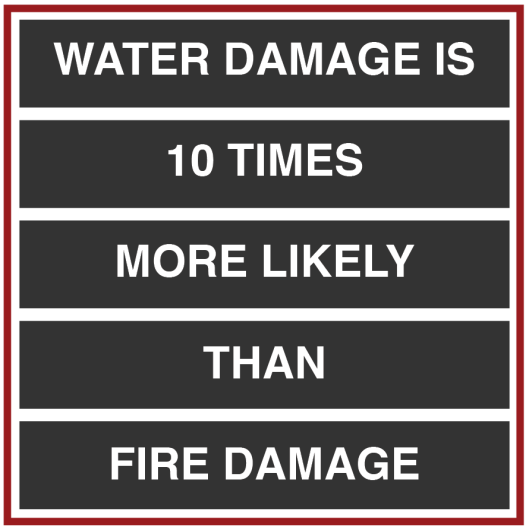
Personal Wellness

High heat, when combined with high humidity, results in a high heat index which can cause a wide range of health-related problems. Employees become fatigued more easily, decision making is impaired, and serious health concerns can come on quickly, including dizziness and fainting. These conditions are also ripe for mold or mildew growth, which can also lead to health related concerns.

Higher temperatures than normal, even without high humidity, can cause problems for the people within your facilities. ***An increase of just 8 degrees can result in a 10% decrease in the cognitive abilities of your staff, students, or tenants.*** For any organization, be it a business, educational facility, or hospital, keeping temperatures in recommended ranges and not getting too hot can help prevent a wide range of potential problems that can cause downtime.

Power Loss and Water Leak Concerns

Professionals surveyed also noted that unexpected power loss (**9%**) and water leaks (**5%**) were also environmental concerns that they felt could impact their business continuity. While backup generators and uninterruptible power supplies are far more widespread than even just a few years ago, any power disruption can cause damage to an organization's ability to remain up and running.



Water leaks are also a problem, especially when they remain undetected. *Insurance data shows that water damage is 10 times more likely to occur than fire damage, yet many organizations do not proactively monitor for potential leaks in the same way that they monitor for fire or smoke.* Addressing potential leaks in your business continuity plan will help your organization remain vigilant about potential water damage and downtime that will result from a leak.

How prevalent and costly is downtime?

Over half of the professionals who responded to the survey (**56%**) have experienced downtime in the previous 24-month period. While this is an alarming number on it's face, this shows further proof that no organization is immune from downtime, no matter how well prepared they are.

What is more concerning than the amount of organizations that have experienced downtime is the length of time that their organizations weren't able to operate. Fully **29%** of respondents had downtime lasting 1 – 4 hours, while another **29%** of respondents had downtime lasting 4-8 hours. ***Put together, nearly 60% of organizations had downtime that lasted anywhere from half a day to a full day!***

Even more alarming were the organizations that experienced extended downtime, with **12%** of organizations experiencing outages that lasted longer than one day, and **8%** of organizations experiencing outages that lasted over *two days*. For some organizations, that amount of downtime could be catastrophic.

Downtime Costs and Losses

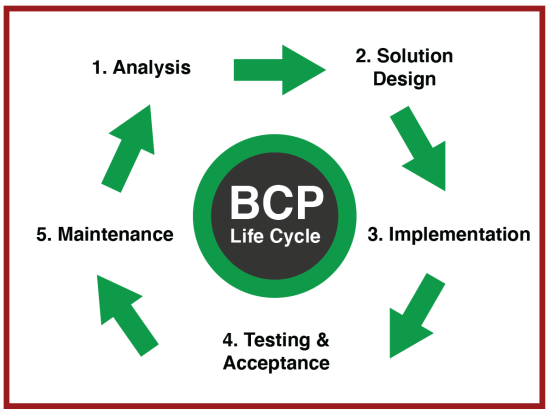
When it comes to financial loss, nearly a quarter of respondents (**24%**) reported a monetary loss of anywhere from $5,000 through $20,000. Some organizations may be well-equipped to absorb this as a cost of doing business, however even a small to medium sized business could be badly impacted with a loss of this size.

Another **20%** of respondents reported losses of **up to $50,000** due to their downtime. Whether it's lost data or lost goods that were damaged or rendered unusable, or simply lost productivity, experiencing downtime with this sort of financial hit is unacceptable no matter the organization's size. These types of figures help to reinforce the need to have a defined business continuity plan that is understood and in practice throughout the organization.

Is Business Continuity a Focus for Organizations?

Nearly a third of organizations (**31%**) reported that they did NOT have a documented and defined business continuity plan. While many reported having processes and monitoring in place to help prevent downtime, their organization as a whole did not have a defined plan in place.

When asked why they felt their organization was not fully prepared in the event of an unexpected outage, nearly half of all respondents (**42%**) noted that budget constraints were the primary reason for not being prepared. Based on the financial losses noted previously, it may make sense for organizations to evaluate their risk and determine how much budget they should allocate to business continuity to prevent potential downtime as a result from environmental factors.



While budget was the top concern preventing organizational business continuity, many respondents felt that staffing (**24%**) and organizational knowledge (**18%**) were barriers to helping prevent downtime. With many organizations adopting hybrid or remote work models recently, having adequate "boots on the ground" can reduce the ability for organizations to fully inspect all aspects of their facilities on a regular basis. Installing and maintaining remote monitoring capabilities via hardware and software can help mitigate the impacts of reduced staffing.

Additionally, implementing learning modules or working with third party vendors to help identify gaps within the organization's knowledge base can quickly bring a staff up to speed on where their weaknesses are when it comes to their potential business continuity.

For organizations that may not have the ability or budget to work with outside help, there is a wealth of freely available helpful information, documentation, and tools available online they can take advantage of. Resources such as business continuity checklists and downtime calculators can help identify key pain points and areas where organizations can focus their efforts to help prevent downtime.

Take Steps To Prevent Costly Environmental Downtime

No organization can maintain 100% uptime. Problems can and will occur that have the ability to cause costly downtime and negative impacts on your organization. Taking the time and steps to implement business continuity plans, installing proactive monitoring, and having defined steps in place in the event of an incident will help your organization quickly recover, reduce loss, and hopefully allow you to prevent an outage from even occurring at all if you are fully forewarned and prepared.

Business continuity is far more cost effective than disaster recovery, especially when considering some of the costly losses reported in the survey that informed this report. Investing budget into proactive measures is proven to prevent far more costly losses in the event of extended outages and downtime caused by unexpected environmental factors. By taking proactive steps now to prevent downtime, your organization will be prepared and ready to identify potential outage events, saving thousands of dollars in lost revenue and productivity.

Key Report Takeaways

- **85%** of organizations are most concerned about high heat causing damages or downtime
- **56%** of organizations have experienced downtime in the last 23 months
- **60%** of organizations have had downtime lasting one half to a full day
- **24%** of organizations lost $5,000 - $20,000 while **20%** lost up to $50,000 due to downtime
- **31%** of organizations do not have a documented business continuity plan

Methodology

AVTECH surveyed 1800 customers between Dec. 8, 2021 and Jan. 8, 2022 via email. All responses were recorded anonymously. The survey contained eight multiple choice questions with the option to choose "other" and record a customized response to better accurately record their specific concerns and situation. Survey options that had a 0% response rate were not noted in this report.

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