

# Workbook

## MEASURING EFFECTIVENESS

### Is Your Security Strategy Sound?

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No matter how much money you throw at securing your systems, there's no guarantee that they are 100% secure. Nonetheless, there are indicators that you can examine to determine if your information security approach is on track or needs to be overhauled. The tool below is aimed at helping you make three key comparisons: your information security costs vs. total I.T. spending, loss of employee time vs. security costs, and loss of employee productivity.

**INSTRUCTIONS:** Fill in your organization's numbers in the right-hand column, and follow the calculations described in the middle column. You can download an interactive version from our Premium Tools Site at [GO.BASELINEMAG.COM/NOV06](http://GO.BASELINEMAG.COM/NOV06).

#### Tool: How to Measure Your Security Investments

	BASICS	EXAMPLE	YOUR COMPANY
A	Number of employees	1,000	
B	Average annual salary, fully loaded	\$75,000	
C	Average hourly salary, fully loaded (assumes 1,500 hours per year)	\$50	
<b>INFORMATION SECURITY COSTS</b>			
D	Total I.T. spending	\$18,500,000	
E	Share of I.T. spending on information security	2%	
F	<b>Total information security spending by I.T. ( D × E )</b>	<b>\$370,000</b>	
<b>DENIAL-OF-SERVICE ATTACKS ON SERVERS—USER COSTS</b>			
G	Incidents per year	6	
H	Average duration of downtime, in minutes	60	
I	Time spent while system reboots, in minutes	15	
J	Time spent on recovery of lost work, in minutes	60	
K	Time spent running backup and file integrity check, in minutes	90	
L	Total minutes of user downtime ( A × G × ( H + I + J + K ) )	1,350,000	
M	Percentage of user total work time dependent on servers	30%	
N	<b>Total user cost ( L × M × C ÷ 60 )</b>	<b>\$337,500</b>	
<b>VIRUS AND WORM ATTACKS ON CLIENTS—USER COSTS</b>			
O	Incidents per year	12	
P	Average duration of downtime, in minutes	15	
Q	Time spent on system reboot, in minutes	15	
R	Time spent on recovery of work, in minutes	30	
S	Time spent running scans for viruses, spyware, etc., in minutes	15	
T	Total minutes of user downtime ( A × O × ( P + Q + R + S ) )	900,000	
U	Percentage of user total work time dependent on personal computers	50%	
V	<b>Total user cost ( T × U × C ÷ 60 )</b>	<b>\$375,000</b>	
<b>INFORMATION SECURITY INDICATORS</b>			
W	<b>Total info security costs ÷ Total I.T. spending ( ( F + N + V ) ÷ D )</b> <b>WHAT THIS MEANS:</b> If this ratio exceeds 10%, your business architecture is not designed to cope with attackers. Go back to the drawing board.	<b>5.9%</b>	
X	<b>Loss of employee time ÷ I.T. costs for info security ( ( N + V ) ÷ F )</b> <b>WHAT THIS MEANS:</b> If employee downtime costs exceed security investments by 200% or more, your security strategy needs remediation.	<b>193%</b>	
Y	<b>Loss of employee productivity ( ( N + V ) ÷ ( A × B ) )</b> <b>WHAT THIS MEANS:</b> If cyberattacks are responsible for a 1% loss or more in employee productivity, your I.T. operations are a drag on the business. Take steps to improve security.	<b>1.0%</b>	