

The Cost & Impact of IT Outages

Despite advancements in technology, networks, hardware, software, and databases, IT downtime is inevitable at some point. The only way to mitigate the risk is to prepare and have the technology in place to alert the team who can restore and restart the systems quickly.



Cost Introduction

The average cost of IT downtime is dependent on many factors. The losses can vary based on revenue, the industry, the actual length of the outage, the number of people impacted, the time of day, etc. An unplanned outage during the middle of the day will most likely have a bigger impact than during the middle of the night.

According to a Gartner report, the average cost of IT downtime is \$5,600 per minute. Because businesses are different, there are variables that need to be considered in outage cost and impact.



Downtime at the low end can be \$2,333 per minute or \$140,000 per hour and as much as \$9,000 per minute or \$540,000 per hour at the higher end. Medium size firms or small incidents tend to be at the lower end of the scale while larger firms tend to be at the higher end.

Another report by the Ponemon Institute, estimates that a data center outage now costs approximately \$9,000 per minute.

This eBook will outline the best ways to mitigate the impact of IT downtime by preparing a plan with tools for execution

Impact of IT Outages

Role of Notification and Communication

Complete Planning

HipLink as a Solution



Impact of IT Outages

Areas affected in customer-facing businesses during an outage are:

- Lost revenue or cancellations for service not delivered
- New customers can't sign up
- Existing customers can't use self-service systems or be serviced in traditional ways
- Increased customer calls to a call center and possible overtime of staff
- Manual data entry of customer interaction after the fact

Overall, fixing an outage can be relatively cheap. The real costs occur when systems are offline and this can be very expensive.

Potential costs include loss of revenue, labor costs, and services all contribute to the total tangible cost of an IT outage.

Where are the potential downtime costs?

- The IT Department in productivity for detection & recovery efforts
- End-user productivity
- Employees sitting in front of a blank screen waiting for systems to come online
 - This not only influences overall morale, but impacts job satisfaction too
- Overtime paid for lost productivity during downtime
- Manual data entry for updating offline systems
- Business disruption, in general

In addition to the tangible costs, there are other costs that you can't put a price tag on. The damage to a company's reputation may be irreparable and the impact could be far beyond the downtime costs.

Role of Notification and Communication

Dimensional Research® states 91% of IT professionals believe poor incident communication increases downtime. Manual outage communication has its own unique challenges and only adds to the response and resolution time metrics.

One of the most agreed upon opportunities to reduce the overall length of an outage and the associated costs, is to have an integrated alert notification platform for all incidents, both large and small. This helps both in the response time and the need to communicate with stakeholders in the lines of businesses affected, along with the end-users before they flood the Help Desk with calls.

Managing updates to stakeholders adds an additional burden on the IT Team when they need to focus on the problem. This alone can add additional time to the total problem resolution metrics, along with dealing with frustrated stakeholders who need the latest updates to run their teams. No one in a company wants to hear about an IT issue from their customer.



Complete Planning

Before	During	After
<p><i>Prepare Better</i></p> <ul style="list-style-type: none">• Develop a contingency plan with complete communication pathways• Identify individuals and assign specific responsibilities for action• Launch drills to test plans and track results• Analyze results from drills to identify areas for improvement• Create custom mobile workflows to fill in the blanks	<p><i>Respond Faster</i></p> <ul style="list-style-type: none">• Send the most robust 2-way alerts and notifications to all mediums• See real-time status of resources• Execute remote application workflows from smart devices• Communicate to employees, outside agencies, vendors, customers – any stakeholder quickly & reliably	<p><i>Recover Sooner</i></p> <ul style="list-style-type: none">• Perform detailed analysis<ul style="list-style-type: none">○ Personnel response○ Carrier efficiency○ System performance• Fine-tune your plan for a better, faster response in future scenarios

HipLink as a Solution

HipLink's alerting software reduces the total downtime and the costs that come with it, by optimizing alerts and notifications, to quickly reach the right people. With targeted notification, there is faster resolution. HipLink can also alert on pre-cursors to an event so the team can respond **before** there is a crash.

Our experience shows that without an automated platform, it can take just as long to find the right person as it takes to actually fix the problem - many times 15 minutes or more. In today's world you can't rely on Excel spreadsheets, phone trees, or manual call-outs.



HipLink Highlights

As a platform, HipLink provides a robust, secure, and highly scalable wireless communications software solution designed to meet the critical messaging needs of a major enterprise.

HipLink communicates with any data or voice-enabled wireless device supporting alphanumeric, numeric, or voice transmission of critical data and remote access to corporate systems.

Any solution includes the ability for both voice delivery of messages and Interactive Voice Response (IVR) functions. HipLink has advanced features for both in its platform.

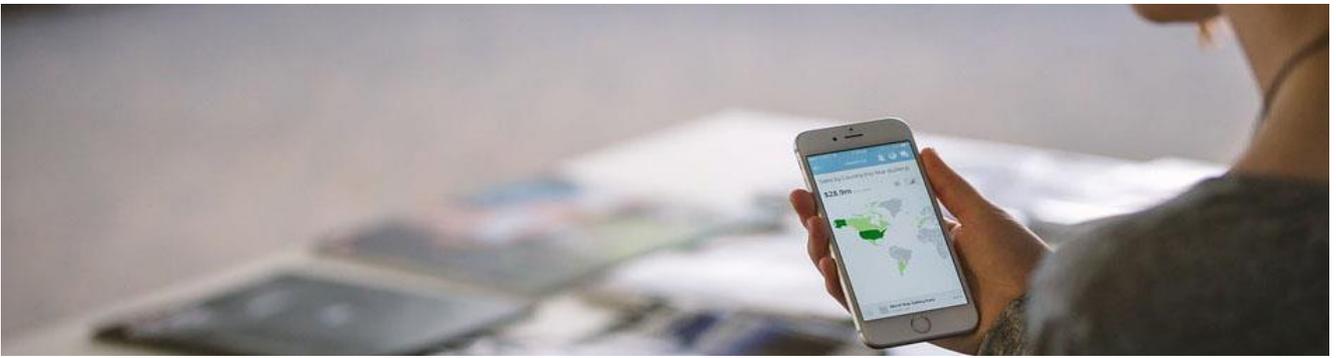
Why you need HipLink

- Reach any device or notification means by text, voice, app, or signage
- Integrate for automatic notification from all systems – software or hardware
- Establish and program pre-defined scenarios for all types of events
- Use schedules to avoid desensitization of on-call staff
- Define automatic escalation of important alerts ensuring response
- Have a view of the entire process with real-time reporting and logging for incident management and forensic review

How much can you save

A reduction of 15 minutes for an hour-long incident can save between \$35,000 and \$135,000 depending on the size of the organization for just one issue. Multiply that by an average of 8 incidents per year and the saving is between \$280,000 to just over \$1M.

By reducing the time to recognize and respond to an issue, an organization can reduce the duration and thus the cost and impact of an IT outage.



The HipLink Common Alert System is the critical alerting link between your IT infrastructure and your technical staff. The software is capable of interfacing with virtually any application, seamlessly integrating into your existing infrastructure to provide powerful, messaging and alerting capabilities out of the box. Additionally, HipLink supports all communication protocols and carriers, allowing you to deploy HipLink in your existing environment rapidly while preserving your existing investments in monitoring applications, devices and service providers.

Maximum Reliability with System Failover, Device and Protocol

In addition to supporting multiple wireless protocols, HipLink has ***built in failover functionality*** at the carrier and the receiver level that assures message delivery even if the primary delivery method should fail.

Confirmation & Two-way Messaging

Two-way messaging empowers employees to confirm messages, send instructions or request additional resources.

Status of message delivery to the carrier and to the receiver are recorded by the system and reflected in a robust reporting facility.

Real-time Reports

Reports are generated in real-time with detailed statistics and message status. Reports are personalized by the User to fit their specific needs.

Easy Deployment & Integration

HipLink successfully integrates into hundreds of software applications, including dispatch, network tools or Help Desk applications both premise and cloud based.

BENEFITS

Easy to use web-based interface for access anywhere

Send messages fast to any size group

Assign unlimited levels of permission for increased security

Supports all text & voice devices and carriers

Get messages simultaneously on multiple devices

Track all messages and monitor effectiveness of your messaging system

Automatic escalation ensures that critical messages are never missed

Administrators can quickly respond to any system outage, reducing application downtime

Employees can easily update their device information, facilitating accurate delivery

About HipLink

HipLink Software was founded in 1993 with its corporate headquarters in the heart of Silicon Valley California. As a stable, profitable, woman-owned business, HipLink continues to demonstrate a high commitment to its customers, while introducing numerous technological innovations. HipLink Software has been the premier provider of software for mobile text and voice communication to global organizations of all sizes for over 25 years.

The first implementation of HipLink was in 1995 and since then, HipLink Software has grown to serve hundreds of customer organizations while benefiting millions of people. Successfully deployed across multiple verticals, HipLink is meeting needs for IT alerting, alarm management, emergency response, mass notification and business continuity.

Customers include Premium Bankcard, Unisys, Allina Healthcare, EPA, St. John Medical Center, SEPTA, Cablevision, Government of Alberta Canada, Calgary Police, Westchester County, to mention a few.

Whether enabling emergency messaging to thousands of people in cities and universities, insuring hospitals, fire departments, airports, and other institutions can quickly notify responders and volunteers, or integrating with help desk and other business software for wireless notification to insure customer service levels, millions of people have benefited from HipLink.

When the Message HAS to get there!