Quantifying security risk in financial terms to help guide cybersecurity decision making.

IBM Security identified vulnerabilities in a client’s human resource system. The client was faced with the decision to invest in cybersecurity solutions for a legacy HR system or accept the risk of successful phishing attacks.

**Key data inputs**

<table>
<thead>
<tr>
<th>Data</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average loss of records per data breach*</td>
<td>25,230</td>
</tr>
<tr>
<td>Average cost per lost or stolen record*</td>
<td>$150</td>
</tr>
<tr>
<td>Minimum chance of vulnerability resulting in a successful attack</td>
<td>30%</td>
</tr>
<tr>
<td>Maximum chance of vulnerability resulting in a successful attack</td>
<td>80%</td>
</tr>
</tbody>
</table>

**Inputs**

- Frequency
- Vulnerability
- Industry loss data

**Output**

- The FAIR model for risk calculation
  - 47% probability of $2M or greater loss – With current state of HR system
  - 12% probability of $492K or greater loss – With upgrade of HR system

**Making an informed decision**

The client is equipped with risk analysis measured in financial terms. The client can seek upgrade and encryption solutions that maximize return on investment.

- $5.8M potential financial loss
- $400K security investment
- $5.1M risk reduction

Get more info to help you quantify risk in financial terms.

Contact IBM Security Services: Contact us

*2020 Cost of a Data Breach Report

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