

Is Cloud Computing Risky?



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There are certain facets of nonprofit management that haven't changed in the 25+ years I've been working in the nonprofit sector. As was true in the "old days," it's still vital to recruit qualified staff to execute the vision of the nonprofit board. And it remains true that written policies that are ignored or misunderstood can increase an organization's exposure to liability.

But one area where almost everything has changed... and will continue to change... is IT. Do you remember the days when:

- your nonprofit's fax machine coughed up slick paper that often rolled out of the output tray and on to the floor?
- making a personal "long distance call" was grounds for serious punishment, "up to and including termination."
- you weren't connected to the Internet until you heard the strange buzz that followed the sound of a phone dialing?

If you don't recognize anything in the bullet points above, you probably weren't even born when my nonprofit sector career began. Whether you're a baby boomer, Gen Xer, member of Generation Y or a Millennial, the one thing that hasn't changed about new technology in the workplace is that risk is the ever-present companion to IT innovations that promise greater efficiency, lower costs and a "wow" factor.

We often ignore major risks when we rush to take advantage of technology that wows us. Like Icarus who failed to notice his melting wings, we may fly too close to the sun without suitable preparation or resources. The latest time and money-saving messiah is cloud computing. Here are a few key questions to ask as you ponder ascending to the cloud with your nonprofit:

- How have other nonprofits fared after transitioning from servers you can see, to servers that you don't own up in the cloud?
- Are all our staff members prepared to access information in the cloud, or are some staff at risk of being stranded on the ground?
- Is our nonprofit jumping on the cloud computing bandwagon just to keep up with the trend?
- Do we have staff members who actually understand the technical aspects of cloud computing?
- Are we prepared to experience cultural and procedural shifts and push-back as we rely more heavily on new technologies?
- Have we ever felt disenchanted after adopting the latest IT craze? Do we need the capacity to evolve

continuously alongside IT developments for them to be truly useful to us?

On **Thursday, March 7th at 2 pm** Eastern, we'll explore risk and reward in the cloud. Our webinar will feature two experts on cloud computing and cyber liability. Some of the questions we will discuss during the webinar include:

- How is my nonprofit exposed to risks in the cloud? What are the major categories of risk?
- Have other nonprofits stumbled when moving to the cloud? How can my nonprofit keep from making the same mistakes?
- What type of cyber security options are available to protect my nonprofit's cloud data?
- What role might insurance play in the event a downside cyber risk materializes?

If you are considering a move to the cloud, or you have recently moved, join us for a conversation that will illuminate the risks that could rain down on your nonprofit's mission. Our webinar will light the way for you to fly safely above the cloud.

Melanie Lockwood Herman is Executive Director of the Nonprofit Risk Management Center. She welcomes your ideas about any risk management topic, suggestions for best-in-class risk management, and questions about the Center's resources at Melanie@nonprofitrisk.org or 703.777.3504. The Center provides risk management tools and resources at www.nonprofitrisk.org/ and offers [consulting assistance](#) to organizations unwilling to leave their missions to chance.