

Alarming Statistics On Cloud Use

By Brian Von Hatten

Softchoice, a widely recognized technology services provider recently published a presentation containing some interesting statistics regarding Software as a Service (“SaaS”) use in the Cloud.¹ The information should sound alarms for IT administrators and risk managers.

First, according to the survey, 27 Percent of SaaS users surveyed have accessed work-related files by way of applications the IT department does not know they have. If their employer’s IT department does not know about these applications, it becomes more difficult for IT to control their use as well as protect the flow of potentially regulated information such as personally identifiable information or the company’s protected trade secret information, for example.

Similarly, the survey indicated that almost one third of SaaS users surveyed downloaded an application without informing IT. IT administrators likely have their own reasons for why they find this alarming, but in addition to the reasons concerning information disclosure noted above, other concerns come to mind. Many “free” applications that a user may download that exposure the network to malware. Additionally, this may expose the company to legal risk. These types of applications often contain terms and conditions in the end user license agreement stating that the application is free for personal use, but that commercial use requires appropriate licensing.

Organizations should review these types of SaaS services and applications as part of their routine asset management and compliance auditing activities.



About the author Brian Von Hatten:

Brian represents many large and mid-market organizations on matters related to transactions, software licensing, and disputes. Brian’s focus includes substantial attention to complex information technology issues for companies of all sizes.

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¹ <http://softchoicecloud.com/carelessinthecloud> (last visited February 12, 2014).