

**COMPUTER ALERT**IT security breaches rose by 25% worldwide in 2013 despite record spending to stop them. **B3****SECURITY**

# Firms fail to keep pace as IT breaches rise again

Information technology security breaches rose by 25% worldwide in the past year, even as companies spent a record amount of money to stop them, says the latest global report on the state of information security.

A joint effort of PwC and *CIO* and *CSO* magazines, the survey urged businesses to ensure that they have robust information security safeguards in place, as IT-related risks continue to rise despite an increase in overall security spending in the past year and increased confidence among executives of thwarting attacks.

Business leaders are overly optimistic about the strength of their security frameworks, the survey warned, with adversaries expected to outpace them unless companies update practices.

The annual survey of IT security, featuring interviews with more than 9,600 top-ranking executives from 115 countries, found that the number of security incidents detected in the past 12 months rose by 25% to 3,741.

The average financial loss associated with security incidents climbed by 18%.

South America and Asia-Pacific lead the world in security practices and performance — 66% of South American and 60% of Asia-Pacific businesses expect to boost security spending over the next 12 months — while Europe and North America lag in many respects.

Given the elevated threat landscape, Thai companies must rethink security strategies to be integrated with business needs and prioritised by top executives.

Globally, the average information security budget totalled US\$4.3 million in 2013, a 51% jump from a year earlier.

Despite the increase, security measures accounted for just 3.8% of total IT spending. In the next 12 months, half of all respondents plan to spend more on security, up from 45% a year earlier.

Vilaiporn Taweelappontong, a partner at PwC Consulting (Thailand), said the rise in global security incidents combined with outdated strategies leave systems vulnerable to attack.

"As security incidents in the world rise, so do financial costs," she said.

"Many executives are still too optimistic about the strength of their information security systems. That leaves their businesses open to fraud and makes them less attractive to potential clients."

Another danger sign: the number of companies unaware of security breaches doubled in two years, perhaps because of investment in outdated solutions.

According to the study, 74% believe their organisation's security precautions are effective, with top executives even more optimistic. Optimism also ran high when half of respondents considered their organisation a "front-runner" in strategy and security practices, a 17% increase from a year earlier.

While insiders, especially current or former employees, are the most prone to perpetrating security incidents, the outsiders often involved include hackers (32%), competitors (14%) and organised crime (12%).