

## COVID-19 and the Long-Term Impacts on Cybersecurity

The novel coronavirus pandemic has created powerful effects across all areas of our lives, including how we interact with others and how business is conducted. COVID-19's negative health effects are only one part of how this pandemic is influencing business operations. As more companies move to virtual at-home work environments, the need for robust cybersecurity has grown in importance. There are short-term effects associated with changing cybersecurity needs, but insurance agents need to be aware of potential long-term ramifications for their business clients, including comprehensive cyber liability insurance solutions.

### Challenges in the Remote Working Environment

For many companies, shifts to telecommuting and similar remote working environments were done quickly and with little thought about the potential risk exposures these environments would create. Workers with little previous experience logging into company systems from home, or protecting passwords and sensitive business data, have opened the door to cyber criminals. Some companies shifting to remote working environments for their employees are not adequately protected with cyber liability insurance, and this alone can result in expensive risk exposures.

Computer industry analysts suggest that cyberattacks will continue to be a significant problem long-term. For insurance agents, the COVID-19 pandemic is a great opportunity to help clients assess their cyber liability risks and insurance coverages.

### Emerging Trends and Long-Term Impacts for Business Owners

Remote work environments have already been shown to give businesses the chance to continue operations in the face of the COVID-19 pandemic. Companies of all sizes and types have moved relatively seamlessly to telecommuting, while others have struggled with this new way of doing business. For the long term, however, the pandemic is forcing companies to reassess their operations. For example, many face-to-face interactions between employees and with clients can now be done virtually using tools like video conferencing. Remote work environments may also unlock new opportunities in terms of improving efficiency across business operations.

One of the most important long-term impacts of the pandemic is that of business continuity. As part of a broad risk-management strategy, companies need to establish continuity plans that incorporate the protection of cyber liability insurance, solid cybersecurity practices, and keeping employees safe from health risks.

### Opportunities for Insurance Agents

As mentioned earlier, insurance agents play an important role in helping their clients protect business assets—including sensitive data—from criminal activity. Cyber liability insurance solutions from specialty providers offer a broad range of coverages. As remote working environments continue to be adopted and to evolve in the business community, insurance agencies and their agents have incredible new opportunities to assist their clients. These opportunities include:

- Establishing or refining online risk management tools, particularly those that are focused on telecommuting/remote working systems.
- Sharing information resources with clients, including details on cybersecurity practices from trusted IT sources.
- Reviewing existing cyber liability insurance coverages to identify coverage gaps and limitations that may negatively impact businesses if a data breach should occur. Not all cyber policies are alike, and each business will have its own unique risk exposures. Taking the time to help clients understand potential limitations can strengthen business relationships.
- Improving the cyber claim filing process to allow for fast response. Many cybersecurity professionals agree that during the pandemic, it is a matter of when, not if, a company will experience an unlawful breach of sensitive data. Being able to respond quickly and to file cyber claims efficiently is the key to protecting business assets. If a client does not have specialty cyber coverage, now is a good time to apply. Most specialty cyber insurance carriers are ready and willing to provide outstanding protection for their business clients, even in the wake of the challenges presented by the global coronavirus pandemic.

### Sources

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