## **CPA**

## Practice **Advisor**

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us



Recently, one of my clients saved some very important picture files to the hard drive on their local computer. They thought they were saving these picture files to the corporate network drive. This computer was on the upgrade list and was upgraded a few weeks later with the requirement of having the hard drive formatted. The

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

A few months before this event, I had talked to a representative at Gillware, a company that specializes in the recovery of data from disk drives along with other services helpful in the recovery of data. I had done some research on disk recovery services some years ago and, while impressed with the technology, found the successful recovery rate for data was very low. The representative from Gillware said they were different and had a higher data recovery success rate than their competition. So the client decided to give them a try and see if they could recover the data.

What would have been better than using the disk recovery service? Having a backup of the data would have saved weeks of time spent waiting to see what the recovery service could do ... without the uncertainty. Even better would have been having the data backed up online. Online backup brings many niceties to the table with very little downside risk. Had the data been backed up online, it would have been a very fast and simple solution to restore the files with the pictures recovered in just a few hours.

Online backup is becoming more and more popular for business critical data. In the case of my client, business critical data included pictures that were important for their business. In tax and accounting firms, business critical data might be the practice management data or perhaps the accounts receivable information. This data could be backed up to an online data tool for safe keeping as a supplement to the existing backup procedures.

Many people are concerned about the security of their data leaving their offices and the problems and disclosures it might bring as a result. This is a legitimate concern considering all the new regulations and requirements from various governmental agencies and state boards of accountancy. Because online backups are encrypted before they leave the company network and again after they arrive at the online

storage location, the data is secure and unable to be read without the proper

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

was the file names were gone. Considering the master index was erased, it made sense that the names would be gone. Recreating file names, however, is a very small annoyance versus not having the pictures. The client was happy to have 95% of the lost data recovered.

Considering the experience of my client with data recovery and considering the need for ensuring that data is protected, online backup could have been a real lifesaver and could have allowed the client to recover 100% of their files instead of only 95%.

Because data loss can be a huge impact to an organization, firms should consider online backup as part of their business continuity and disaster recovery planning. n

John Anderson, CPA.CITP is the founder and CEO of Anderson Strategies, LLC. Anderson Strategies focuses on developing technology plans for firms who provide accounting services to the public. John has over 14 years of experience helping practitioners in public accounting manage their technology needs.

Taxes • Technology

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved