

Risk Identification

The Risks Technology Professionals Face

When people think of professional risks, they automatically envision doctors treating patients and claims of malpractice. But professional risks occur in almost every profession—some more than others, including technology professionals.

Technology professionals are at an increased risk because of the more advanced and evolving technology and services involved with your project work. Here are several of the most common risks technology professionals face today:



Cyber breaches and malicious software. Cyber-attacks and malware incidents are at an all-time high. If you keep client data and project work online and often use mobile technology, you're at an increased risk of having information compromised by cyber thieves.



Intellectual property issues. If you provide proprietary services that include copyrights, trademarks, trade secrets, or patents to your clients, you could be at risk of lawsuits that question who owns the work and how it's used.



Small business partnerships. Whether you're a solo contractor or work for a small firm, you may partner with other businesses or vendors. If something goes awry because of your partnership (providing faulty material or work), you could be considered the responsible party.



Drone mishaps. If you use drones to survey land, inspect sites, monitor projects from afar, or other business services, an accident or breach of privacy could occur subjecting you to an increased risk of a lawsuit.



Web services. Providing IT services in today's world can be a challenge, especially if networks and servers go down or there are other malfunctions that could lead to your client's work disruptions or loss of revenue.



Negligence. Everyone can make a mistake. As diligent and detailed as you are, a design spec could be off, a material may be flawed, documents could be misplaced, informal advice may be misunderstood, a team member could miss something during inspection and so on, increasing your risk.

What's At Stake For You?

If a claim or lawsuit is filed against you, here's what you personally risk:

- **Your reputation**—Accusations can have a significant impact on the good name you've worked hard to build.
- **Your successful firm**—Defending yourself in a lawsuit can decimate a firm because energy normally devoted to clients and projects is instead funneled into documenting details and past decisions.
- **Your assets**—It takes time and money to defend yourself. Defending yourself in a lawsuit also takes time away from clients and your business, costing you the ability to continue to earn your income.
- **Your credit rating**—A lawsuit could freeze or impact your credit, which could prevent you from purchasing a home and equipment for your firm, or even helping your children with their college tuition.



On average, a contract dispute suit will cost business owners **\$91,000.**

Source: courtstatistics.org

If a claim is filed for any of these or other situations—and even if it is unfounded—the cost to defend yourself, your business and your work could be costly. **Professional Liability Insurance is recommended to protect you against these risks.**

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