

# Shadow IT

The Good, The Bad & The Ugly



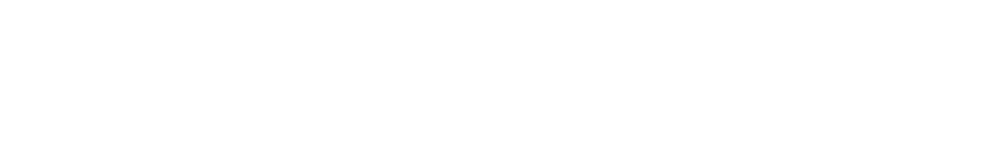
Shadow IT is an incredibly common practice within most organizations today. Though the term sounds ominous, Shadow IT is a major part of most organizations. When workers turn to cloud-based systems or software that haven't been pre-approved and vetted by their company's IT and Security teams, proprietary information can become vulnerable to new risks. Business applications whose purpose is to help with workplace productivity, such as Evernote and Dropbox, can put an entire organization at risk for exposure and compliance issues.



## The Good (sort of)

### Efficiency

Employees engaging in Shadow IT don't need to wait for IT work requests. This is frequently a much more streamlined process that allows employees to complete work-related tasks quickly, enabling a "just get it done" mentality.



### Innovation

The people who go out of their way to construct and utilize shadow IT techniques reflect a sophisticated level of innovation. These systems are unique and often provide the foundation for later organizational prototypes.



### Quality

With the rapid growth of Shadow IT, consumer applications deliver a quality of service often unmatched by traditional on-premise applications. This is part of the reason that Shadow IT usage is estimated at 10x that of "sanctioned" Cloud usage.



## The Bad

### Unmonitored

IT and Security departments lose control over application security and compliance. This presents a very dangerous situation for the enterprise, especially for sensitive company data.



### Internal tension

IT departments frequently have to deny employee requests to use outside cloud applications for security reasons and/or bandwidth reasons (e.g. IT resources not available to vet and standardize the application). Employees, in response, turn to applications that may introduce security and compliance risks when their requests are denied.



### Slow company adaptation

If companies can't track employee cloud usage, they are unable to determine what upgrades need to be made to company applications. This creates a cycle where employees feel a need to keep finding more Shadow IT applications, while companies remain on existing on-premise services.



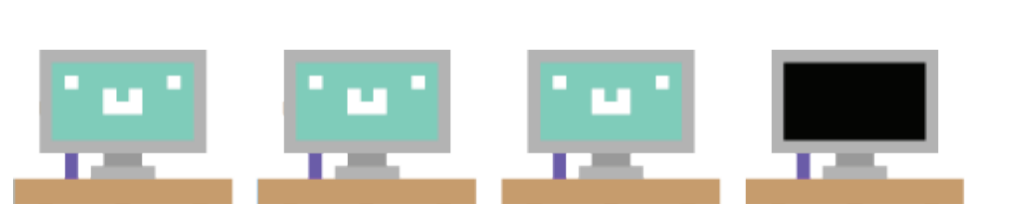
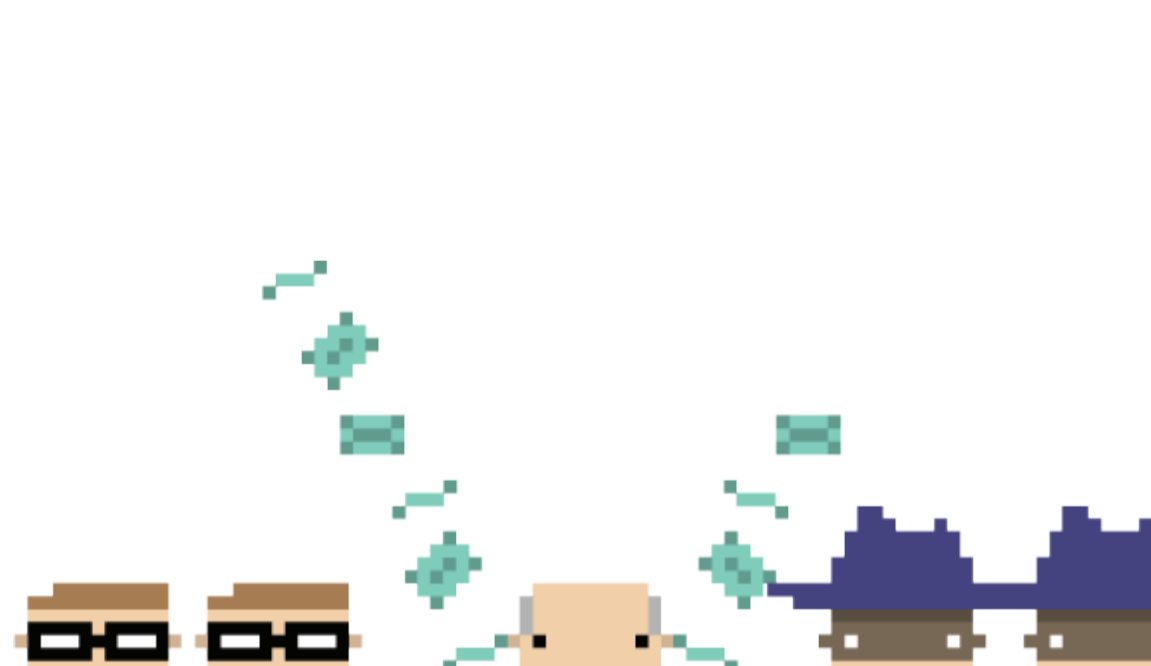
## The Ugly

### Leaks

With no security guarantees for the Shadow IT applications, sensitive or regulated company data is at risk of being leaked (with no ability to recognize/determine the data loss) or stolen. With more frequent attacks on cloud-based systems, as well as strict new compliance requirements that mandate protection techniques like encryption or tokenization be used on data moving into cloud based systems, this presents a serious business risk to the company.

### Waste

Companies often invest heavily in a particular system and allocate a specific budget to their IT department. Shadow IT diverts spending to various other systems and applications that may not fully satisfy company needs. As much as 40% of IT spending is now being spent outside of company IT departments and the lack of control can lead to tremendous inefficiencies.



### Inconsistency

Calculations and operations performed by different cloud applications can have minor differences that accumulate across a company. Without standardization, companies run the risk of flawed data and information over a long period of time.

Smart enterprises are turning to new cloud security tools to help them maximize the good, and minimize the bad and the ugly of cloud adoption.

## Compliant Cloud IT

The Good

The great news is that there is a way for enterprise IT and Security teams to harness "The Good" of Shadow IT use while bringing its adoption into the light of day. By adopting Cloud Access Security Broker (CASB) solutions, corporations gain visibility into all cloud use, can monitor what data is being used in clouds, identify anomalous cloud user behavior and set policies to restrict cloud access or protect sensitive cloud data via techniques like encryption and tokenization.

Learn More At:

<https://www.bluecoat.com/products-and-solutions/casb-cloud-access-security-brokerage>

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SOURCES

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