



Digital Board Solutions: The high price of low-cost approaches

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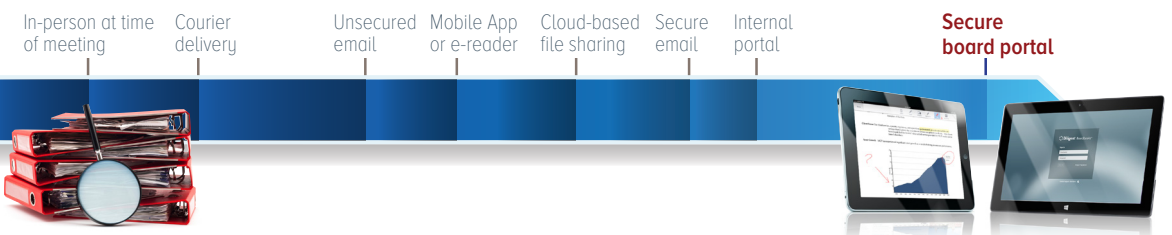
Today there are more reasons than ever to move to electronic board communications. Lack of timely information, security vulnerabilities and privacy concerns. And the sheer bulk of paper, not to mention the proliferation of versions and notes. Yet, as much as electronic board communications make sense, there are many routes a company can take.

EVOLVING TOWARD DIGITAL BOARD COMMUNICATIONS

Organizations on the road toward digitally enabled board communications face a choice: Many migrate directly to portal solutions designed specifically to support boards, while others choose generic software or create their own internal approaches, believing these to be lower-cost alternatives.

While these intermediate solutions provide a board with some form of electronic communication, they can compromise the security, integrity and timeliness of critical information meant to boost board performance. Instead of gaining a low-cost improvement over paper, too many organizations end up paying a high price for solutions that ultimately fail to deliver on expectations. And the majority will, after encountering these issues, graduate from these off-the-shelf and do-it-yourself approaches and turn instead to secure board portals.

Delivery of Board Meeting Materials



Diligent

UNSECURE EMAIL

Using personal email addresses sounds like an easy solution, but it's typically unsecure and prone to error. In fact, Google¹ recently admitted that there is no "reasonable expectation" that the content of their Gmail service is private. And once an email has been sent to a director, the company loses control over it and cannot stop it from being forwarded. Moreover, email can, ironically, lead back to paper. Board members ultimately print email attachments, so not only are they saddled with the inconveniences of paper that motivated going digital in the first place, they also lose the formatting of a bound board pack or binder, which can interrupt the flow of a board meeting.

E-READER APPS

E-reader applications like iAnnotate make it easier for individuals to read, mark up and share PDF files from an iPad. But for enterprise-level security, iAnnotate for Good2 must be purchased to be protected by Good's secure containerization technology. Interestingly, it restricts access to unsecured connectivity sources like third-party cloud storage and unsecured email applications for iAnnotate users. In addition, PDF documents are based on Adobe, which has been found to open users up to security vulnerabilities. Just recently, Adobe³ source code was found on a hacking group's private server with profound security implications. Shortcomings such as these can potentially exact a great cost through leaked or incorrectly stored board materials and private notes.

CLOUD FILE-SHARING SERVICES

Free services such as Dropbox allow uploading and downloading from cloud-based storage, and although Dropbox⁴ is protected by security features like encryption and two-factor authentication, it has been successfully hacked, compromising private files and email addresses. And lesser-known or financially weak cloud storage companies can disappear overnight. When the cloud storage provider Nirvanix⁵ announced its closure, over a thousand customers had to search out another storage solution, or risk losing their data forever.

SECURE EMAIL

Companies can provide directors with a secure email address. This removes some of the security concerns you have with free accounts like Gmail. But directors can still forward confidential emails to unsecured accounts, use e-reader apps and, again, likely resort to printing longer documents. They may also find that checking an additional email address dedicated to board communications is inconvenient.

INTERNAL PORTALS

Organizations can build their own portals or make use of products such as Sharepoint, a collaboration and document management tool. Both approaches have a number of limitations. Directors may need to log onto the organization's virtual private network before logging into the portal, only to find that it is not easy to use. Moreover, support must be handled in-house. The company secretary's office could be responsible for support, but it may lack the requisite skills or access to dedicated IT personnel to troubleshoot and answer technical questions. In either case, the support will not be 24/7. When you add up the time and inconvenience to the board and internal teams, the true cost of a do-it-yourself solution can greatly exceed that of buying a well-supported third-party solution.

THE DILIGENT DIFFERENCE

Diligent Boards™ is the world's most widely used board portal because it was created with one purpose in mind: to provide secure and intuitive access to the information that underpins the best-performing boards. So intuitive that it's as easy as reading a book, the portal gives instant access to updated and archived meeting materials and related resources, combined with the ability to share notes, vote, and access the same secure app online or offline. Robust security and privacy are found at all levels of the product — from the data hosting infrastructure, to encryption of content in transit and on the device, to security processes. Each client gets a dedicated account management team and unlimited consultation, training and 24/7/365 live phone support from Diligent employees. Diligent has served boards since 2001 and has a proven track record as a public company.

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- 4 Security Researchers Prove That Dropbox Can Be Hacked, *Business Insider*, August 28, 2013, <http://www.businessinsider.com/researchers-prove-dropbox-can-be-hacked-2013-8>
- 5 From Cloud storage provider Nirvanix is closing its doors, *Infoworld*, September 13, 2013, <http://www.infoworld.com/d/virtualization/cloud-storage-provider-nirvanix-closing-its-doors-227289>

Our Diligent Boards product brings security, simplicity and service to board communications.

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