How to protect your small business

Between thieves, lawsuits and unplanned accidents, there's a lot to worry about as a business owner. But with the proper planning, you can protect your small business against the most common threats.

Top threats for a small business

Theft: Organized retail theft has spiked recently. 56% of small retail businesses experienced shoplifting at their stores, and 50% say the issue is getting worse.[1]

Property damage: Fire, wind and water could potentially damage property like inventory or equipment, requiring costly replacement.

Lawsuits: Running a business means facing the risk of a lawsuit from employees, customers or vendors. Going through litigation can cost your business a lot of money, even if you win the judgment.

Cybercrime: Hackers may target small businesses because they expect them to have weak cybersecurity. The median cost to settle a ransomware attack more than doubled over the past two years to $26,000.[2]

Steps a small business can take to help protect itself

Implement physical security measures

An alarm system, closed-circuit television (CCTV) cameras and clear lighting around entrances could deter thieves from acting.

Consider small business insurance

Small business insurance may help replace or repair damage to equipment, maybe even inventory or lost business income.[3] Do your research and work with an insurance provider if needed.

Consult a small business lawyer

You may want to consult a lawyer who works with other small businesses. Personal recommendations are often a good way to find one. In addition to providing general guidance, a qualified attorney can help you decide on an appropriate corporate structure that can help maximize resources.

Educate your employees about cybersecurity

Train employees on how to help avoid phishing and malware attacks, including cybersecurity best practices for protecting passwords and login credentials for company devices.[4] Back up critical online files. Every case is different, but if ransomware freezes a device, you may still have access to what you need without paying a ransom when critical backup is in place.

Prepare for emergencies

Nobody wants to face an emergency. Nevertheless, they happen, so it's a good idea to be prepared. The Small Business Administration recommends creating a preparedness plan and communicating it to employees in advance.[5]

Secure your organization

A little preparation goes a long way toward protecting your small business. Learn more about how Verizon can help secure your organization.

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The author of this content is a paid contributor for Verizon.

1 U.S. Chamber of Commerce, Retail Crime Hurts Small Businesses, June 2023.
2 Verizon, 2023 Data Breach Investigations Report: Frequency and Cost of Social Engineering Attacks Skyrocket, June 2023.
3 Small Business Administration, Get Business Insurance.
4 Verizon, Best Practices for Cyber Security Employee Training, 2023.
5 Small Business Administration, Prepare for Emergencies.