

Web Compliance Efforts Still Lacking

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Web compliance management is essential if companies want to make sure their sites handle private customer information within the bounds of regulatory guidelines, as well as within the bounds expected by customers.

In May 2004, the Strategy Group conducted a survey for COAST Software and Ziff Davis Media among 401 business professionals from a cross section of industries. Fully 80% of respondents said their organization is engaged in compliance-related activities. However, the survey shows that there's a wide range of approaches to ensuring compliance. In fact, only 20% of companies continuously monitor their sites compliance.

Frequency with which US Companies Monitor and Test Their Web Sites to Ensure Compliance, May 2004 (as a % of respondents)



Note: Web compliance issues include privacy, accessibility, information assurance and Web governance

Source: COAST Software, June 2004

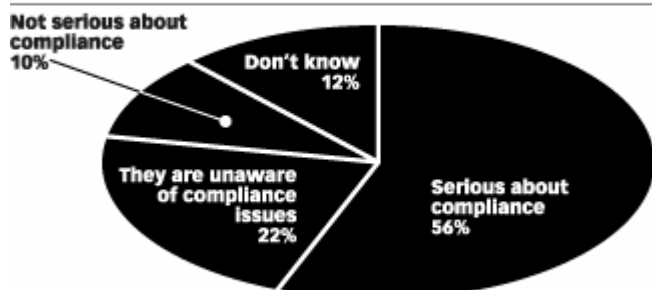
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Overall, 75% of respondents said that their company is not yet compliant with Web standards. And while 70% said their site would pass if audited for privacy standards, real audits might show a lower pass rate based on the poor knowledge most respondents had on what standards and regulations applied to their Web site.

Though a majority (56%) of respondents felt that the executive team at their company is serious about compliance, 32% said that the team is unaware of compliance issues or does not take them seriously.

US IT Professionals' Opinions Regarding Whether the Executive Team at Their Company Is Serious about Web Site Compliance, May 2004 (as a % of respondents)



Note: Web compliance issues include privacy, accessibility, information assurance and Web governance

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On a positive note, the study found that 85% of companies surveyed plan to spend as much or more on compliance in 2004 as they did in 2003. Still, money is not the only answer - more knowledge of what regulatory rules apply, more frequent compliance testing, and overall better company awareness of the importance of compliance are crucial.

The organizations that are not addressing compliance as seriously as they should are exposing themselves to major risks. In addition to being in danger of litigation and government fines, these companies could experience a loss of reputation and consumer trust if it seems like they are not sufficiently concerned about maintaining Web compliance. A comprehensive program to ensure compliance should be a priority for online organizations.

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