

Cost of Downtime for Fake Company inc.

Fake company has 100 employees, each is paid \$10 USD per hour of work. There are 48 hours a week in which they do not work, and 80% of them claim that break. The business gets 2 million dollars per year of income. Each year totals to 1,768 hours of active business.

$$100 \times 80\% \times 10 \times 48 = \$38,400$$

$$2,000,000/1,768 = 1131.22$$
$$1131.22 \times 80\% \times 48 = \$43,439$$

$$38,400 \times 365 = 14,016,000$$

$$427 \times 12 = \$5,124$$

How long could you be down? 24 hrs (hours, or days)
How long would you be down? 12 hrs (hours, or days)

Cost per day of downtime

Payroll (ex. \$1million is about \$4,000 per day) \$ 14,000,000
Lost business/Orders/Revenue \$43,439
Total \$14,043,439 x 12 hrs = \$168,000,000

Cost to recover

Reenter Accounting \$10,240
Reenter Data and Systems Recovery \$5,124
Law Suits from Clients\$???
Lost reputation \$???

Basic Stats

- It takes 19 days and costs \$17,000 to retype 20 megabytes of sales data
- The same volume of accounting data takes 21 days and costs \$19,000
- Recreating data from scratch is estimated to cost between \$2,000 and \$8,000 per MB