



IPSWITCH FILE TRANSFER WHITE PAPER

# The Definitive Guide to Managed File Transfer:

Attaining Automation, Security, Control & Compliance

## The Growing Challenge: Moving Files to Support Critical Business

As the number of files being transferred – and the costs related to those transfers – continues to increase, and as compliance and security demands grow, organizations are looking for a better way to transfer files.

They need to make sure that those files are transferred securely and compliantly, that IT has visibility into what files are going where (whether the file is being exchanged between processes or among people, internally or externally), and that file transfers can be set up and made quickly and easily. Traditional file transfer methods such as FTP lack enterprise-wide management capabilities including – security, compliance, monitoring, and reporting. More complex approaches to file-based integration – B2B integration and EDI – can be inflexible, expensive, time-consuming to implement and support, and only take care of process-related transfers, ignoring the fact that many files are transferred between individuals. And the ad hoc methods adopted by those individuals – e-mail and consumer-grade cloud file sharing services – lack the oversight capabilities that IT requires.

Enter *Managed File Transfer*, which lets your organization easily, securely, and confidently take care of their file transfer needs.

In this eBook, we'll introduce you to MFT, laying out its importance in today's data-driven, security-conscious, and compliance-intensive environment; compare MFT to other methods you may be using; and describe how implementing a comprehensive MFT solution can benefit your organization.

## How important is all this?

The boom in file transfer activities, and the cost of getting it wrong, makes it very important

The Aberdeen Group\* recently surveyed over one hundred enterprises – the large majority of which were not using managed file transfer – and found that:



### Risk

Security and compliance incidents showed a

**4%**  
INCREASE

year-over-year.



### Efficiency

Errors, exceptions and problems

AFFECTED  
**4-5%**

of all annual file transfer volume.



### Costs

Average time spent on file transfer errors or problems was

**4-5**  
HOURS

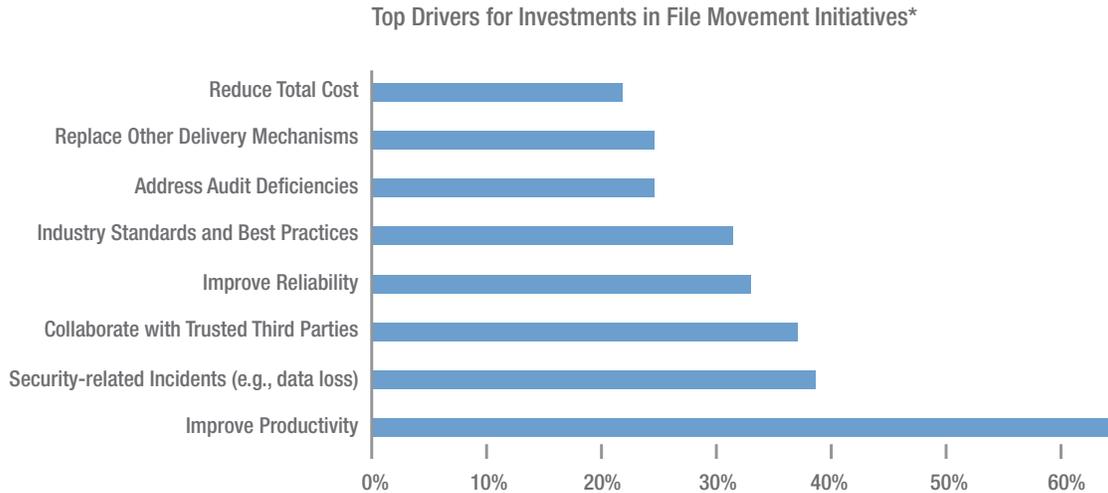
per incident.



IPSWITCH  
FILE TRANSFER

The number of users – employees, temps, contractors, business partners, customers – needing to transfer files is growing 6%-9% per year.

Given these issues, the mandate to invest in improved file transfer solutions is clear. The Aberdeen survey found organizations are heeding that mandate, and they're doing so to:



Top drivers for current investment includes both pursuit of positive outcomes (improve productivity, collaborate with trusted third-parties) and the reduction of negative outcomes (security, reliability, audit, and cost)

And because MFT works: fewer errors, fewer security and compliance incidents, fewer support calls.

When Aberdeen compared file-transfer related metrics between MFT users and non-MFT users, it found that, when it comes to the number of errors, exceptions, and problems, MFT users experienced 26% fewer than non-MFT users, and corrected those errors in less than one-quarter the time. Over the twelve-month period covered in the survey, MFT users reported decreases in security incidents (e.g., data loss or exposure); compliance incidents (e.g., audit deficiencies); errors, exceptions, and problems with transfers; and calls and complaints. In all of these arenas, non-MFT users reported increases. ***MFT reduces costs, improves IT responsiveness, and enables the business to be more responsive to opportunities!***

\* Move Away From the Tangled, Digital "Do-it-Yourself" Approach to File Transfer  
A webinar panel of IT practitioners, led by Derek Brink, VP at Aberdeen Group.



# A Whole Lot of Data Going On

Each year, more business users are transferring more and more data.

To put all this in context, it's important to note that, these days, there's a whole lot of data going on. In today's information-driven economy, organizations run on data, and they're transferring billions of files each day. Just how much data is going on? CNET estimates that one billion files are transferred or shared daily and that's not slowing down..

As the Aberdeen survey revealed,

- The number of end-users who are transferring files is **growing between 6 – 9%** year-over-year
- They're transferring more data, with the volume of file transfers **increasing between 8 – 11%** year-over-year
- And those files are getting larger, **growing in size between 6 – 7%** year-over-year

## What's in these files?



### Personally Identifiable Information (PII)

Name, physical and e-mail address, phone number, date of birth, Social Security/national identification number), vehicle registration information, driver's license number, digital credentials, biometrics



### Financial Customer Data

Credit card numbers, financial statements, credit applications, claims



### Business Customer Data

Letters of agreement, statements of work, purchase orders, invoices, corporate financial information, intellectual property, business plans



### Legal Information

Contracts, discovery, privileged communications



### Medical

Patient-provider communications, patient records, test results, X-rays, CT Scans, PT scans, MRIs, prescriptions, insurance claims



### Government and Regulatory Data

Compliance information/audits, tax filings



### Personnel

Payroll data, workmen's compensation, unemployment tax filings, HR records, 401k data, benefits information, employee applications, offers, agreements

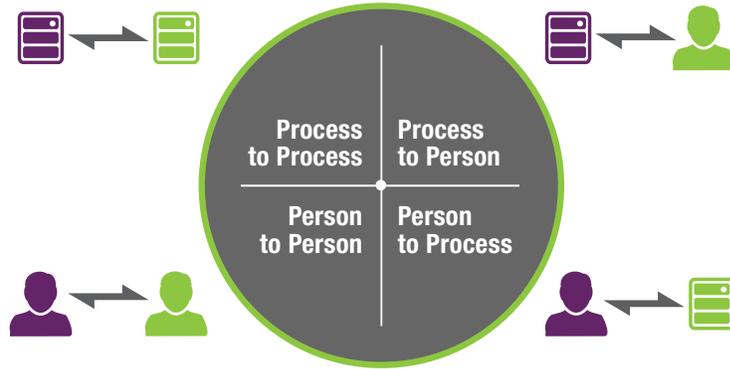
Access to much of this data is governed by regulations – PCI, HIPAA, FISMA, Sarbanes-Oxley – about how it must be sent.



# Where's It All Going?

Files are being transferred between processes, between people, between people and processes.

There are four different file transfer scenarios, and, when you consider managed file transfer, you should be looking for a single solution that can support all of them.



## Process to Process



Many files are automatically transferred between systems. This is especially true when it comes to an organization's external partners – clients, vendors, service providers, government organizations.

**FOR EXAMPLE:** An organization's internal financial system may integrate with banking systems with scheduled or event-driven data transfers.

## Process to Person



These transfers occur when an automated process creates a file or report and transfers it automatically to a person, based either on a schedule or an event.

**FOR EXAMPLE:** A CRM system reports are automatically created and transferred to company executives who access the files from a mobile device.

## Person to Person



Ad hoc or impromptu file transfers from one person to one or more other parties.

**FOR EXAMPLE:** A hospital administrator transfers healthcare records from his email system to someone at a partner insurance company.

## Person to Process



In this scenario, an employee, customer or partner transfers a file that is automatically uploaded into storage or a business system.

**FOR EXAMPLE:** An insurance company wants to enable their small business partners, such as auto repair shops to upload pictures and reports without web services development or needing an FTP client.



# How's It Getting There?

Most companies have multiple systems in place to transfer files.

Organizations typically do have an approach in place for handling these types of scenarios, but it's often a combination of technology and manual processes – secure or standard email, cloud file share, FTP servers, home grown scripts – that have been cobbled together over time.

**Email attachments** have the advantage of being simple to use and universally available. But they present problems when it comes to security, compliance and control, and can also present problems when it comes to transferring large files.

**Cloud file share** are similarly easy to use, and becoming more and more popular. They're typically designed for collaboration, rather than secure file transfer, and may not be well-suited for the transfer of sensitive data that requires management oversight and end-to-end encryption.

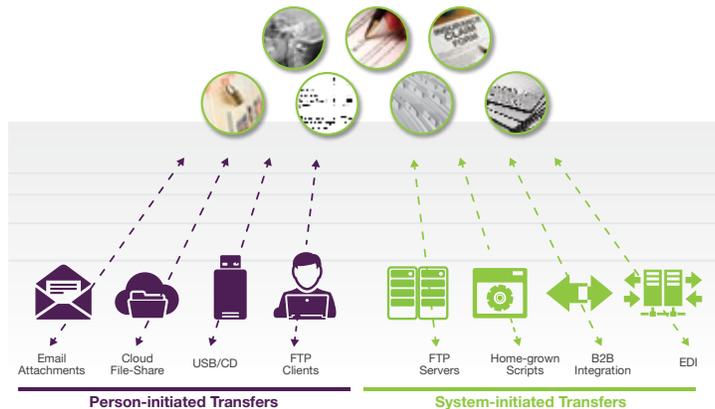
**FTP servers** are the granddaddy of file transfer. They're workhorses, but can be cumbersome and lack enterprise-wide management oversight. Relying on FTP can put your files at risk and has lots of hidden costs.

**Home grown scripts** are also workhorses, but they're an administrative headache to maintain and consume scarce IT resources to develop. Relying on home grown scripts can be especially problematic when a script's author leaves the organization.

**B2B Integration Platforms** manage file exchange among disparate systems, and are well suited for internal process-to-process low-latency transactions. But they're costly to implement, and adding a new process or integration point can be costly and time consuming to implement, and impossible when needing to integrate with business partner systems.

**EDI/VAN** is another data transfer approach, with EDI providing a set of standards, and value-added networks providing an intermediary function between partners in the exchange. Less tightly coupled than a B2B integration platform, EDI/VANs share much of the downside in terms of the difficulty of adding new exchange points, not to mention high on-going fees.

And we won't even mention **thumb-drives** and **sneaker-net**...



According to Aberdeen research **most companies (70%)** currently support **multiple methods** (physical and digital) for moving files



# The Problems with this Approach

Existing file transfer methods just aren't up to the task.

While cobbled together systems “worked” in the past, these days, the situation has changed so significantly that organizations can no longer get away with this type of approach to critical file transfers. The less-than- systematic approaches typically share these weaknesses.



## Complex Manual Systems

When organizations use multiple systems and custom scripts to manage file transfer, they needlessly increase complexity for employees, customers and partners. How chaotic is your environment?



## Lack of Visibility & Control

Due to the importance of security and compliance, it's critical that companies have complete visibility and control over their file transfer process. Do you have the visibility you need into file transfer?



## Employees Circumventing IT-sanctioned File Transfer Processes

Security is critical when it comes to file transfers. Unfortunately, because the systems are often difficult to use, employees will use their own solutions – putting the company (and its data) at risk. How compliant are your file transfers?



## Need to Ensure Security

Data and file security requires more than just securing infrastructure. You need the right tools to respond to security and compliance incidents. How secure are your systems?



## Insufficient Resources

Companies of all sizes and industries are quickly realizing their file transfer requirements are growing well beyond the growth of their IT-teams. How well will your systems scale with your business?

Time-consuming to string together. Hard to support. Difficult to secure. A problem to monitor. Easy to ignore.

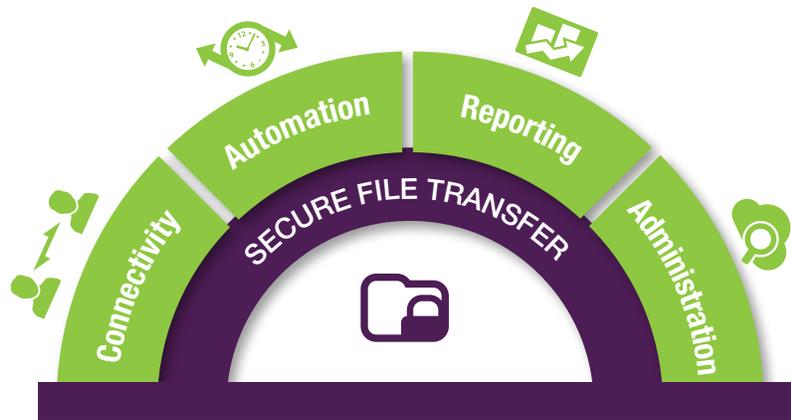
IT can *theoretically* handle all these challenges. But there is a far better approach, one that's easy to implement and cost- and time-effective to use, freeing up scarce IT resources to focus on more strategic tasks. And that approach is MFT.



# Managed File Transfer: Problem Solved

With the right MFT solution, organizations can reduce security risks and compliance incidents; help increase an organization's efficiency and productivity; and lower the costs associated with file transfer.

Today, MFT solutions have capabilities that extend beyond traditional FTP systems, providing a single solution that easily handles all your process-to-process, process-to-person, person-to-person, and person-to-process file transfer needs, both internal and external.



## Secure File Transfer

- Transfers files between systems, servers and people
- Supports broad range of protocols, hardened security
- End-to-end Encryption, authentication and delivery confirmation
- Guaranteed delivery, scalability and reliability

## User Connectivity

- Allowing users to connect from mobile, email, web
- IT controls user access
- Ease of use, flexibility for wide adoption across the organization and to external partners

## Automation

- Transfers and routes files to get business done
- Controls file transfers to automate business processes
- Integrates with existing scheduling apps
- Simple to use point-and-click interface with no programming required

## Reporting

- Visibility and control
- Reports for auditing, compliance and governance to meet corporate security policies and government regulations like HIPAA and PCI

## Administration and Provisioning

- Simplified administration
- Enabled to set up users / groups / and accounts
- On-board partners
- Secure access control



# MFT: Handling all your file transfer scenarios with a single solution

Comprehensive MFT solutions can provide the full-range of file transfer capabilities that IT, partners, compliance, security, and end-users require. They simply work with your existing infrastructure to automate, secure, and control all file transfers.



## Process to Process

- File and standards based integration
- Automate transfer and workload tasks without programming required
- Enforce policies and rules
- Ease of partner provisioning
- Guaranteed delivery
- Centralized visibility to file status
- No demand upon partners for unique integration or software
- Integrates with existing FT systems



## Person to Person

- Simple for end-users
- Access from email or web browser (FTP client not required)
- Access from mobile devices
- Customizable user interface
- Simple to deploy to end-users
- User self-provisioning
- Non-repudiation



## Process to Person & Person to Process

- Single file transfer solution for both business systems and people
- Integrate structured and unstructured data and files
- End-to-end encryption and security
- Visibility and control over all files, users, systems, and operations
- Integrate with existing IT infrastructure, eg directory, DLP, and anti-virus systems
- Centralized user authentication and authorization
- Log all activities
- Reports for auditing
- Supports broad range of transport protocols from FTP to AS2.
- Real time alerts and notifications
- Fast implementation (hours or days)
- No single point of failure (HA/DR)
- Keep files on-premise or in the cloud



# MOVEit: The Trusted Choice for Managed File Transfer

MOVEit, available from Ipswitch Inc, is an automated file transfer system that lets you manage, view and control all activity through a single system. You will always know where your files are with predictable, secure delivery and extensive reporting. MOVEit reduces the need for IT hands-on involvement and allows for user self-service as needed. You can choose to implement MOVEit as an On Premise or Cloud solution – or hybrid.



**MOVEit™ is a managed file transfer system** that gives companies the ability to:

- ✓ Manage all file transfer activity from a central location
- ✓ Transfer sensitive business files reliably and securely
- ✓ Automate file-based business processes
- ✓ Enable employees to manually send files
- ✓ Gain greater visibility over file transfer activity
- ✓ Meet security and compliance requirements
- ✓ Deploy on-premise or in the cloud

## Next Steps

Get more information at [www.ipswitchft.com](http://www.ipswitchft.com):

Full Aberdeen research report with results from their managed file transfer survey

( <http://resources.ipswitchft.com/Aberdeen-Creating-a-Mature-File-Transfer-Process.html?source=Content&details=Website+Inbound> )

On-demand 5-15 minute MOVEit product demonstration videos

( <http://www.ipswitchft.com/resources/videos> )

Learn how customers are using MOVEit to Move file to support their critical business across industries

( <http://www.ipswitchft.com/resources/case-studies> )

Ipswitch File Transfer provides solutions that move, govern and secure business information between employees, business partners and customers. The company's proven solutions lead the industry in terms of ease of use, allowing companies of all sizes to take control of their sensitive and vital information and improve the speed of information flow. Ipswitch lets business and IT managers govern data transfers and file sharing with confidence and enable compliance by balancing the need for end user simplicity with the visibility and control required by IT. Ipswitch File Transfer solutions are trusted by thousands of organizations worldwide, including more than 90% of the Fortune 1000, government agencies, and millions of prosumers. For more information on Ipswitch File Transfer and its products, go to [www.ipswitchFT.com](http://www.ipswitchFT.com).

