

Security as a Business Function

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Agenda

- 01 **Introduction**
 - Some statistics
 - A tale: Not so long ago...
 - Overview

- 02 **Corporate Security Management**
 - Top-Down vs. Bottom-Up
 - Outsourcing
 - Security as a Business Function

- 03 **Conclusions**

- 04 **Questions & Answers**

01

Introduction

CyberThreats To Corporate Data and Information

The Odds of a Cyber-Security Incident

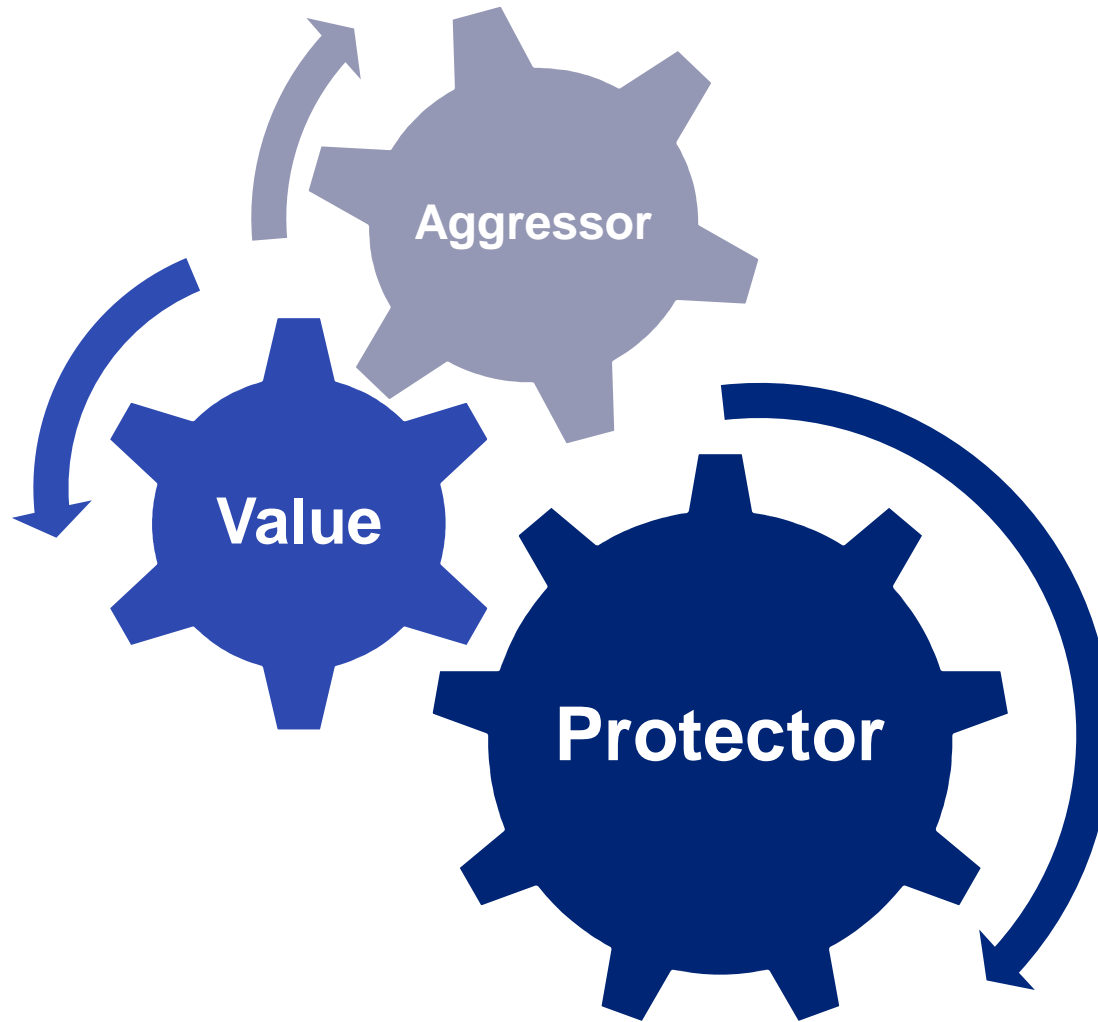
- Being struck by lightning: 294 Million to 1
- Injury from shaving: 6,585 to 1
- Becoming the victim of a cyber security or privacy incident: **7 out of 10**

01 Introduction

The Republic of Minerva



01 Introduction - Security Dynamics



02 Corporate Security Management

Top-Down vs. Bottom-Up

The Bottom-Up approach

- IT, Security Managers or engineers trying to get individual security related **projects** approved and implemented

- InfoSec as a sales activity

02 Corporate Security Management

Top-Down vs. Bottom-Up

The Top-Down approach

- Security **Plan** aligned with the Corporate Strategy
- Buy-in at senior-level
- Large/mature organizations

02 Corporate Security Management Outsourcing

When organic capabilities are not appropriate

- Lack of internal expertise, infrastructure and availability of resources
- Cost-effectiveness and **trust**

02 Corporate Security Management Outsourcing

Top 10 Reasons Companies Outsource

1. Reduce and control operating costs
2. Improve company focus
3. Gain access to world-class capabilities
4. Free internal resources for other purposes
5. Resources are not available internally
6. Accelerate reengineering benefits
7. Function difficult to manage/out of control
8. Make capital funds available
9. Share risks
10. Cash infusion

02 Corporate Security Management Outsourcing

Top 10 Factors in service provider selection

1. Commitment to quality
2. Price
3. References/reputation
4. Flexible contract terms
5. Scope of resources
6. Additional value-added capability
7. Cultural match
8. Existing relationship
9. Location
10. Other

02 Corporate Security Management Outsourcing

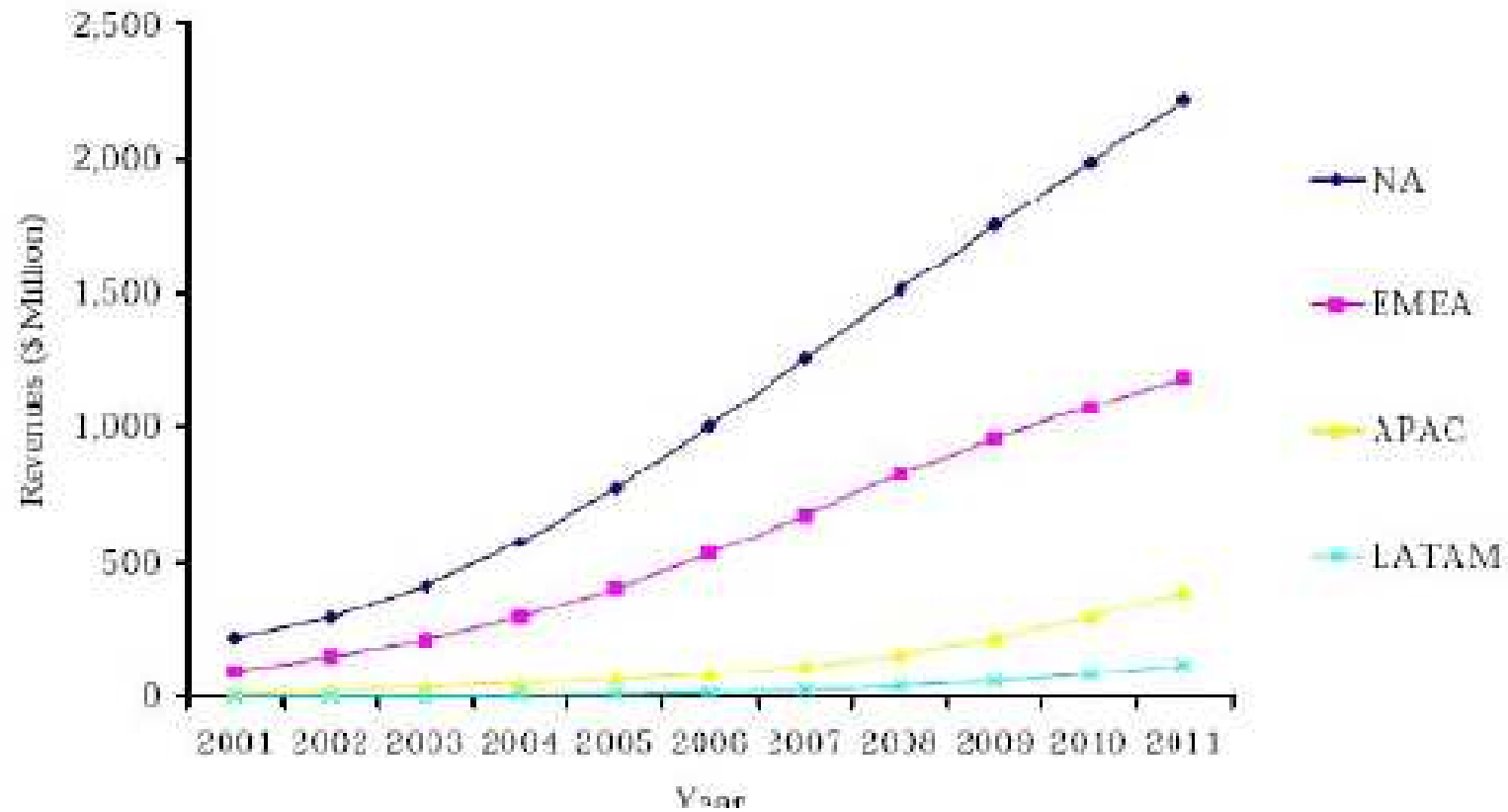
Factors for Enterprises to Outsource Security

- High fixed cost of constant monitoring (24x7)
- Increasing complexity of applications and security infrastructure
- High costs for outages. An enterprise downtime cost averages 3.6% of revenue in the last few years
- Increased use of Intranets and Extranets
- Lack of qualified IT security specialists
- Cost savings based on shared infrastructures & personnel

02

Corporate Security Management

Outsourcing Managed Security Services



02 Corporate Security Management

Security as a Business Function

- Security: A service or a Business Function?

- Security in the executive board

- Security as one of the six management functions:
 - Henry Fayol (1841-1925) “Administration Industrielle et Générale” written in 1916 (Functions and Principles of Management)
 - 1. Technical (production, manufacturing)
 - 2. Commercial (buying, selling, exchange)
 - 3. Financial (obtaining and using capital)
 - **4. Security (protection of property and persons)**
 - 5. Accounting (balance sheet, stocktaking, statistics, costing)
 - 6. Managerial (planning, organizing, commanding, coordinating, controlling)

02 Corporate Security Management

Today's Security Departments

- Have distorted, under-valued functions having decision making capabilities subject to other departments.
- Spend much time implementing reactive measures to respond to actions that can harm the enterprise.
- The Security Executive can advise in politics and strategy, not only in projects, systems and guards. In some situations **systems and guards** cannot provide **solutions!**

02

Corporate Security Management

Security as a Business Function

- Ignoring the model of Security as a Business Function leads to wasteful use of corporate resources (sometimes in millions of dollars) that do not result in a more secure corporation, and at the best postpones the risks.

- How many Senior Managers know the answer to these questions:
 - How secure is the company?
 - To what extent is the Company's position dependent on Security factors?
 - What is the budget we need to invest in Security?
 - How do we measure the efficiency of the investment?
 - What's the difference (or link) between Security, Business Continuity, Labor Risks, Financial Risks.... ("security/safety")?

- How do the security measures of my competition affect my business?

03 Conclusions

- With appropriate Security measures, Minerva would still be a Republic.
- The goal of corporate security is not the protection itself, but the contribution that such protection can provide to the company in **economic-financial terms**.

In other words, Security helps the company be in the best market position. It ensures freedom of action, the availability of goods and the participation in free trade.

03 Conclusions

Security, understood from the "management" perspective, should help the organization to get to where it wants, i.e.:
How we want our product to be, our production, our competition, our information...

Pure and simple strategy.



03

Sources

US National Weather Service

<http://www.funny2.com/odds.htm>

National Cyber Security Alliance (NCSA)

Survey of Current and Potential Outsourcing End-Users - The Outsourcing Institute Membership, 1998

Managed Security Services for Network Service Providers – Solution Brief by Alexis Berthillier – Juniper Networks and Frost and Sullivan

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Thank you for your attention

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Questions?

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