Shifting the Corporate Mindset: Cyber Risk as a Business Risk

Patrick Sheehan, President & CEO
WE THINK IT’S TIME FOR YOU TO COME SIT AT THE BIG KIDS’ TABLE!!!
“By 2020, 60% of digital businesses will suffer major service failures due to the inability of the IT security team to manage digital risk in new technology and use cases.”

Gartner Group
Company Challenge

• Cyber incidents impact every company
  • Financial
  • Operational
  • Reputational

• All are constrained

• Few have the skills
Industry Challenge – Disruption & Pace of Change

Business Needs
- Rapidly changing business landscape
- Increased reliance on technology for growth

Cyber Challenges
- Growing cyber skills gap
- Increasing frequency and scale of cyber threats
- Reactive approach to cyber security leading to increased risk exposure
- Acceleration of digital initiatives to keep pace with business objectives

Digital Imperative
Cyber Risk Management needs to align to business goals and deliver value while protecting the brand.

Business Demand

Cyber Delivery

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Industry Challenge – *Started from the bottom, now we’re here*
What is *Effective* Cyber Risk Management?

- Right-Sized
- Aligned
- Risk Tolerance
- Measured
### Pathway to Mature your Cyber Program

<table>
<thead>
<tr>
<th>PREPARED &amp; FOUNDATIONAL</th>
<th>BUSINESS ALIGNED</th>
<th>EFFECTIVE &amp; MEASURED</th>
<th>RISK INTELLIGENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Program &amp; Policies</td>
<td>• Business Context Prioritizing</td>
<td>• Testing &amp; Recoverability</td>
<td>• Risk Quantification</td>
</tr>
<tr>
<td>• Training &amp; Awareness</td>
<td>• Governance &amp; Compliance</td>
<td>• Benchmarking &amp; KRI's</td>
<td>• Business Intelligence</td>
</tr>
<tr>
<td>• Crisis Management &amp;</td>
<td>• Critical Assets &amp; Processes</td>
<td>• Resource Allocation</td>
<td>• Business Resilient</td>
</tr>
<tr>
<td>Incident Response Planning</td>
<td>• Risk Register &amp; Tolerance</td>
<td>• Technology Rationalization</td>
<td>• Value Creation</td>
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<tr>
<td>• Cyber Insurance</td>
<td>• Secure Architecture</td>
<td>• Budget Optimization</td>
<td>• Continuous Assurance</td>
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<tr>
<td>• Brand Focused</td>
<td>• Business Continuity</td>
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Solution

*Desired Future State*

- Holistic Cyber Program Strategy
- Establish a Cyber Risk Committee
- Measure effectiveness and quantify risk
Cyber Risk Program Strategy

- Define Common Language
- Align Expectations
- Develop Use Cases & Define Business Outcomes
- Agree On Measurement of Success/Failure

<table>
<thead>
<tr>
<th>PROGRAM CATEGORY</th>
<th>MATURITY</th>
<th>SCORE</th>
<th>OVERALL MATURITY</th>
<th>TARGET MATURITY</th>
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<tbody>
<tr>
<td>TRAINING</td>
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<tr>
<td>GOVERNANCE</td>
<td>REPEATABLE</td>
<td>1.8</td>
<td><strong>1.8</strong></td>
<td><strong>3.0</strong></td>
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<tr>
<td>RISK MANAGEMENT</td>
<td>REPEATABLE</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>TECHNOLOGY</td>
<td>DEFINED</td>
<td>2.0</td>
<td>DEFINED</td>
<td>DEFINED</td>
</tr>
</tbody>
</table>

Overall Maturity Graph:

- Training: DEFINED, Score: 2.0
- Governance: REPEATABLE, Score: 1.8
- Risk Management: REPEATABLE, Score: 1.2
- Technology: DEFINED, Score: 2.0

Top Technical Findings:

1. Enable ZTA on VPN access
2. Enable 14 character PW
3. Implement PW Manager
4. Implement email Anti-Spam filter
5. Enable password expiration

Top Administrative Findings:

1. Obtain Cyber Insurance
2. Implement regular Cyber Training
3. Establish Cyber Program with traditional Cyber Risk Expert
4. CMITF Table Top Exercise

- Review contract to improve go-forward needs
- Perform annual Risk Assessment
- Post Cyber Security Policies and gain Employee acknowledgement
Establish a Cyber Risk Committee

Effectively answer the following questions:

- What are the risks to our business strategy and operations?
- How much risk are we willing to take?
- How do we ensure we have the right information to manage risk?
- How do we determine the size and scope of the risks and report the results?
- How well do we manage the risks?
Cyber Risk Measurements/Metrics

Cyber Program Maturity

Cyber Control Effectiveness

Cyber Risk Quantification

Cyber Program Maturity

Cyber Control Effectiveness

Cyber Risk Quantification

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Top 5 Things You Should Know

1. How your business works
2. One size does not fit all
3. Cyber risk management is a team sport
4. Cyber risk is a complex problem
5. Proactively manage cyber risk
Top 5 Things You Should Do

1. Formalize cyber risk governance
2. Measure cyber risk program maturity
3. Inventory and protect critical assets and data
4. Hold everyone accountable to protecting the brand
5. Regularly practice your cyber crisis management plan
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