



Security On a Budget

Measuring ROI



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The background of the slide is a solid light green color. Overlaid on this background is a faint, semi-transparent image of a chain link, which is part of a larger chain structure. The chain link is positioned diagonally across the frame, with its top-left and bottom-right corners visible.

Chris Christiansen

VP, Security Software

IDC

Security and ROI

- All Security Product Purchases Require Justification
- Security for Security's Sake is Not Sufficient (Not Just About Reducing Threats)
- Proposal Must Differentiate between Hard and Soft Dollar Savings

Tangible Benefits

- **Hard Dollar**
 - Hard Dollar Savings Reduce Budgeted Costs Such as Salaries
 - Reducing Help Desk Calls with Single Sign-On (SSO)
 - Only One Password to Remember, Instead of 15-20
 - Reduce or Re-Deploy Help Desk Staff
 - Shift Customer/Partner Inquiries from Telephone Support to Web Site
- **Soft Dollar**
 - Not Directly Associated with Budgets
 - Improve Customer Satisfaction
 - Develop Proactive Defenses with Intrusion Detection and Vulnerability Assessment
 - Provide Greater Customer Convenience Because SSO Eliminates Customer Need for Multiple Passwords and Log-Ons

Threats: Internal vs. External

- External
 - 2001 Survey Respondents Said 70% of Attacks from External Sources
 - Respondents Reported Quantity Increased from 2x to 10X
- Internal
 - 2000 Survey Said 60% Internal versus 40% External
- Reconciliation of Contradiction
 - Number of External Threats Dramatically Increased Last year
 - With Reasonable Security, 97% of External Threats Are No Problem
 - Majority of Internal Threats are Serious Problems

Calculating ROI

- Document the Baseline: Before Installation
 - When, Where, Why, and What Did You Measure?
 - Who Did the Measurements?
- Decide When You Will Measure After the Installation
 - Review Baseline Documentation with Original Evaluators
 - Compare Before and After Scenarios for Hard and Software Dollar Savings
- Technology Is Less Important than Repeatable ROI Methodology

Software Calculators: TCO & ROI

TCO (Total Cost of Ownership)

- Costs of Ownership Personnel (Measure tasks on an hours/week, not just the number of people)
- Hardware
- Software
- Networking
- Telecom Services
- Professional Services

RIO (Return on Investment)

- Historical Baseline
- Before & After Costs
- Payback Model
- Real ROI
- Hard Savings
- Soft Savings
- Cost of Money
- Tax Rate

Packaged ROI Software

- Manual Process Comes First
- Value of Packaged ROI Software
 - Structured Process
 - Descriptions of Cost Factors
 - Automated Calculations
- Customers Should Closely Examine and Understand the ROI Logic



Michael Young

**CEO & Founder
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Information Security Investment

- ♦ The business mantra of security is about Risk Management. As with all other aspects of business, the risks have to be weighed against the desired gain. Like a mutual fund manager an organizations risk tolerance has to be established to determine the investment required.
- ♦ Then intangibles
 - Trust
 - Reputation
 - Marketability



ROI – A Business Proposal

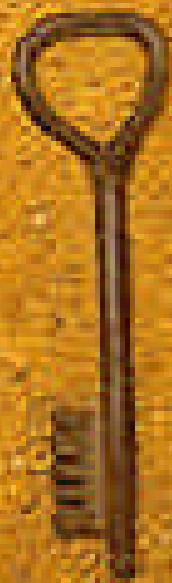
- ♦ Security ROI can be determined by two basic concepts:
 - Good Security Practices
 - Great Security Solutions

Security Goal	Investment	Return on Investment
Good Security	Time + Personnel =	Loss Prevention
Great Security	Good Security + Dollars =	Profit From Services



Good Security

- ♦ Quality Trained Security Professionals
- ♦ Well Defined Policies and Standards.
- ♦ Consistent Change Management
- ♦ Consistent Configuration Management
- ♦ Security Patch program
- ♦ Semi-Annual Review and Internal Audits
- ♦ User Training.



Great Security

- ♦ Good Security +
- ♦ Managed Security to Include
 - Managed Anti-Virus
 - Email Filtering
 - Intrusion Detection
 - Event Monitoring and Correlation
- ♦ Process or Business Enablers
 - PKI and Digital Certificates
 - LDAP and Session Management
 - VPN and Web Portal Services
 - Screened Email



Security as a Profit Motive

- ♦ Information Security is normally seen as an additional cost items that is weighed against the businesses ability to make a profit.
- ♦ It is necessary for security and IT professionals to evaluate security and IT jointly as a profit generator.
- ♦ This can be accomplished by a smart, simple and subtle marketing campaign.



Bart Stidham

**Independent Technology
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Integrate Security

- Integrating security into an organization's entire IT strategy can significantly reduce overall security spending
- Retrofitting security is extremely expensive, frequently costing 2 or 3 times as much as an initial deployment

Security Increases Survivability

- A robust infrastructure design will increase the likelihood of surviving any major event – Including significant business upturns as well as attacks
- A robust infrastructure design also makes hardware and software upgrades much easier by allowing for components to be “traded out” while the system is live

Key Recommendations

- Get in front of security issues
- Virtually all major security holes are known to security professionals before major problems arise
- Tracking security threats pro-actively will keep you ahead of hackers

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Coming up...

The Bill Laberis Take-Away



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