

CIO

PERSPECTIVES

Aligning IT Strategy, Security and Emerging Technologies



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Strategic Planning and Initiatives

VISA

Strategy is difficult

Question

You are selected by the President of the United States to choose a State to remove from the union.

Which one do you choose?



#1 priority of **business execs** for IT is to drive growth

#5 priority of business execs for IT is to reduce costs

26% are satisfied with IT's engagement with execs on new ideas/enhancements

We are not aligned

61% of business execs are "very happy" with IT's cost of basic services

#1 priority of **IT execs** is to reduce IT costs



Bridge to growth?

Emerging technology adoption:

➤ **Social platforms** to increase customer engagement, branding or marketing

16% deployed

53% selected/piloting

30% none

➤ **Cloud solutions** to create/deliver new business models, products or services

12% deployed

48% selected/piloting

40% none

➤ **Mobile deployments** to engage customers, partners or suppliers

15% deployed

51% selected/piloting

34% none

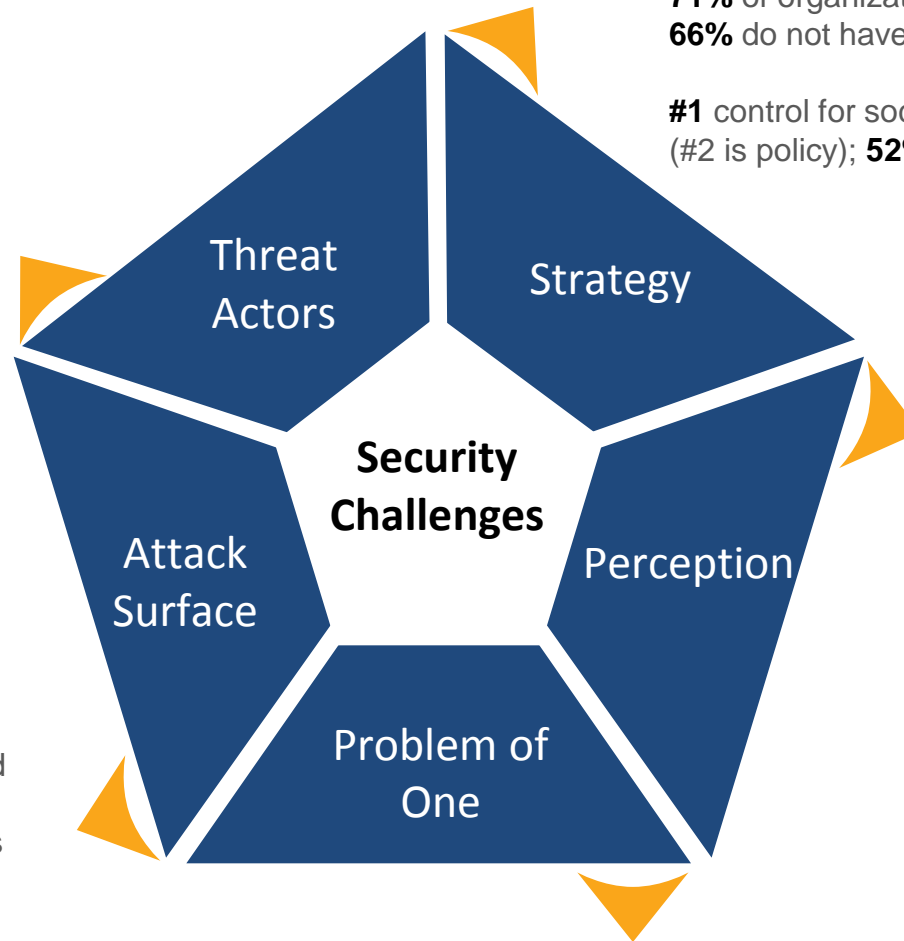
Security situation

Financial gain is primary motivating factor behind attacks

79% of victims were targets of opportunity

84% of public company web applications failed OWASP top 10

57% of developers scored "C" or lower in basic security assessment tests



48% of organizations have no documented security strategy

71% of organizations have no SSDLC program; **66%** do not have DLP

#1 control for social media is blocking access (#2 is policy); **52%** have no cloud controls

51% of execs state that information security is not meeting the needs of the organization

47% of execs believe IP-related attacks are rampant

97% of breaches were avoidable with simple or intermediate controls

Strategy drives alignment



Strategic Process

- ▶ Diagnosis: understand the playing field
- ▶ Approach: determine where you will choose to play and not play
- ▶ Actions: define how you will win – the capabilities and the metrics to measure success

Perspective is critical

- ▶ **Competition:** focus on competitive advantage – is cost your only competitive lever?
- ▶ **Engagement:** guide and advise the business on how to best leverage IT as a differentiating capability
- ▶ **Risk:** measure risk relative to the value of opportunities

Competitive positioning

Google CIO:

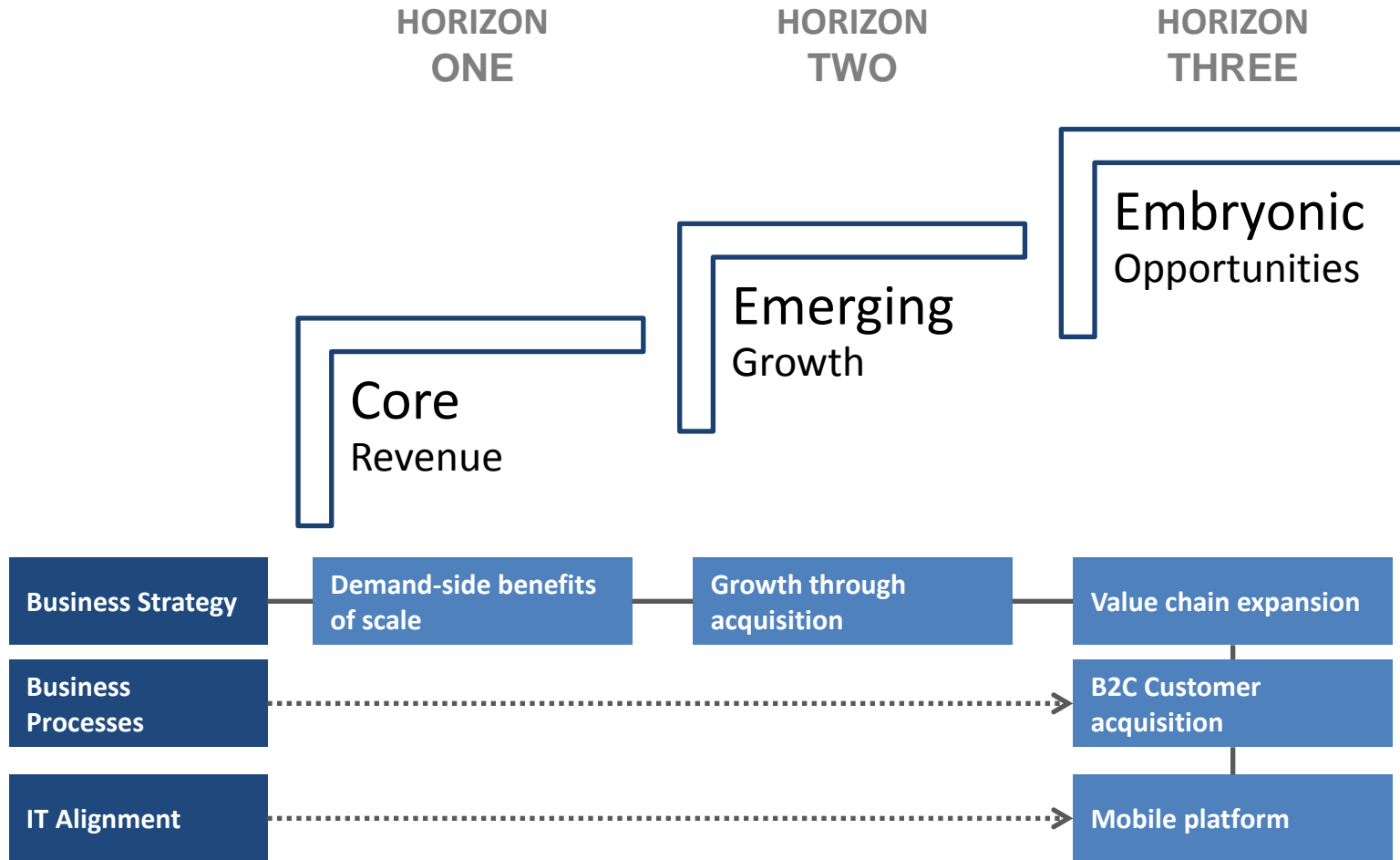
- ▶ Differentiate by:
 - Making technology accessible and open
 - Empowering users to do more
 - Facilitate corporate culture of innovation
 - Focus on things that are noticeable
 - Drive non-standardization

**Innovation &
Productivity**

▶ **Google's strategy** is to push out the largest possible range of products: the CIO is positioning IT to enable that strategy

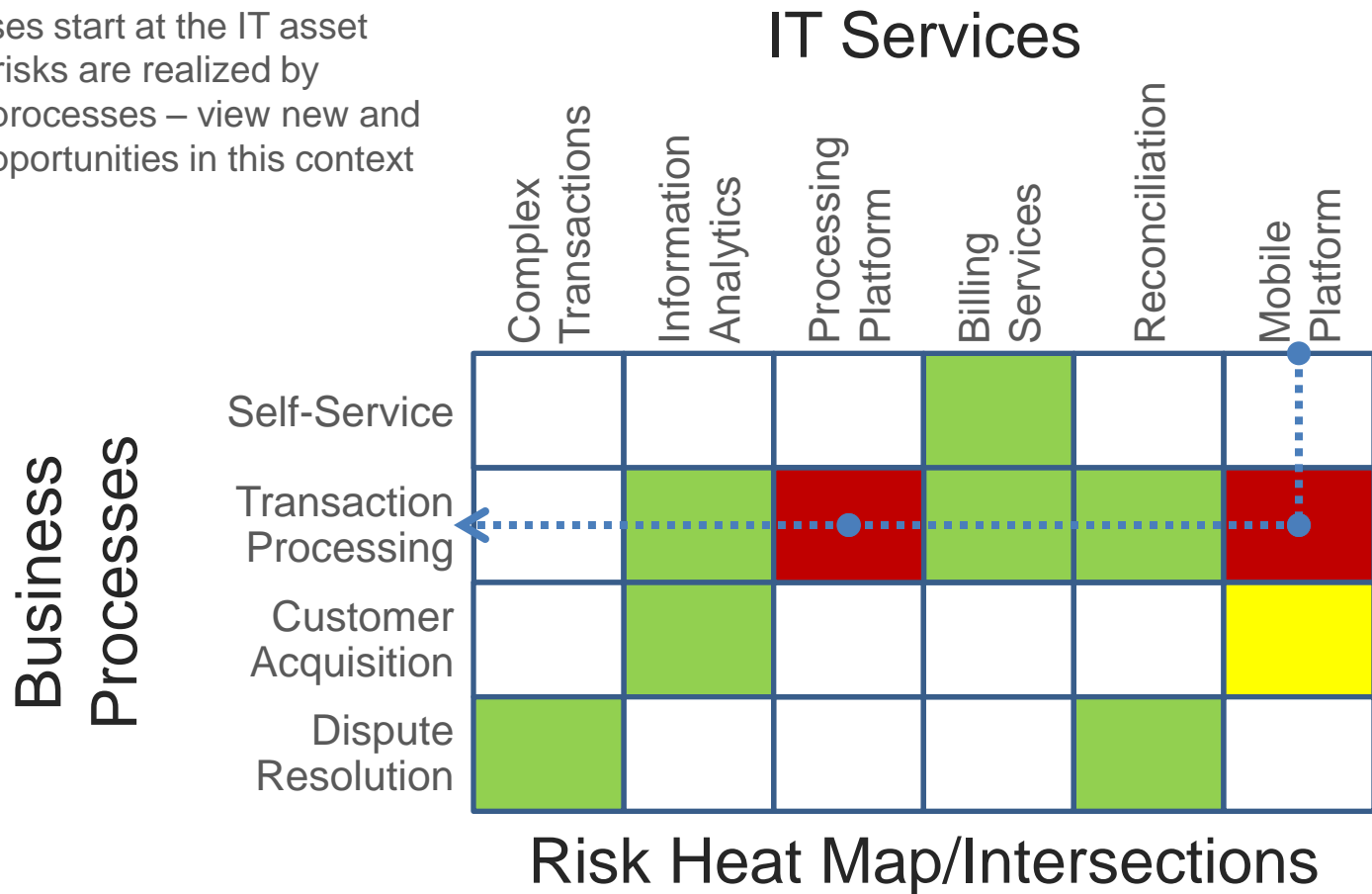
▶ **How are you positioning IT** to enable your business' strategy?

Engagement and planning



Risk illuminated decisions

Weaknesses start at the IT asset layer, but risks are realized by business processes – view new and existing opportunities in this context



Security considerations

Mobile, Social and Cloud:

Let risk be your guide, not compliance

Mobile applications are your greatest risk (corporate and consumer-facing). Backend is secured by decades of experience, front-end is not (IDS/IPS, jailbreak detection, etc.)

Build a SSDLC capability to test code and train developers, don't rely on penetration testing as your only application safeguard

Classify sensitive data (customer information and intellectual property) and ensure you know how it is protected.

Conduct 3rd party security reviews to ensure vendors are meeting compliance, information security/data integrity, and continuity requirements

Consider monitoring of social media rather than outright blocking and conduct reconnaissance to illuminate what potential attackers can find through social media

Know stakeholder requirements, security can support any emerging technology if the risk/reward profile is in-line with business risk tolerance

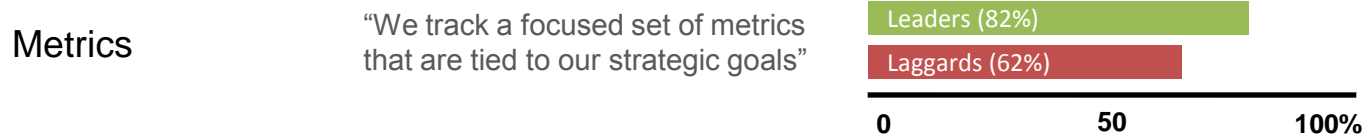
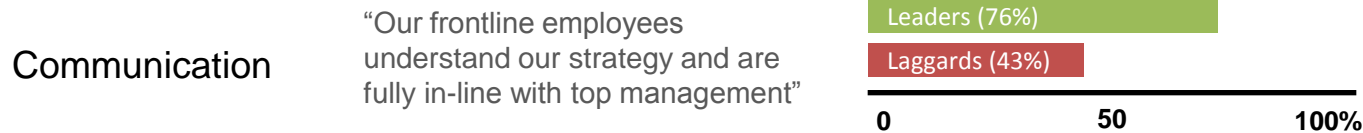
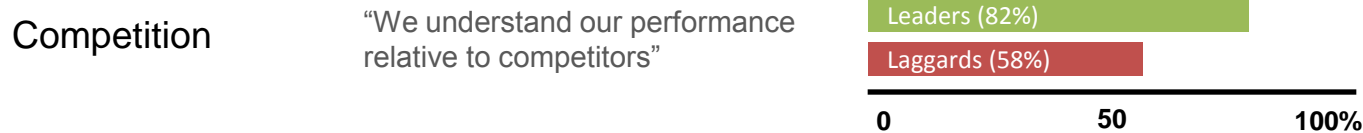
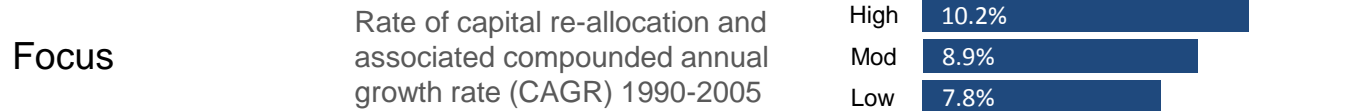
Stakeholder alignment

		Stakeholders				
		M&A	Biz Dev	Product	Sales	Legal
Security Capabilities	SSDLC		✘	✘		✘
	IAM	✘		✘	✘	✘
	EPP	✘			✘	✘
	SIEM	✘		✘		
	Risk	✘	✘	✘	✘	✘
	Crypto	✘		✘	✘	✘

Business Verticals

Capability Horizontals

Realizing alignment



- **Companies growing faster than 10%/yr use 145% more cloud services** than slower-growing companies
- **New CIOs** (in the position within past 12 months) **use 141% more cloud services** than leaders in role >6 yrs
- CIOs with diverse **business experience use 82% more cloud services** than those who spent careers predominantly in IT

Implications

- Technology is changing business
 - Blurring competitive boundaries
 - Undermining established business models
 - Shortening product lifecycles

Examples of incumbents who have adapted to industry changes



Examples of incumbents whom have struggled to transform with the industry



Evaluating your strategy

- What are our broad aspirations and the **concrete goals** against which we can measure progress?
- Across the potential field available to us, where will we **choose to play** and not play?
- In our chosen place to play, how will we **choose to win** against our competition?
- What **capabilities** are necessary to build and maintain, to win in our chosen manner?
- What **management systems** are necessary to operate, build and maintain the key capabilities?



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