

CFO: HOW TO CUT COSTS AND STREAMLINE REGULATORY REPORTING ACROSS YOUR SECURITY ENTERPRISE

Executive Summary

In the current economic downturn, most enterprises are examining operating expenses, looking for ways to reduce costs, increase efficiencies and optimize resources. As many CFOs examine their organizations, any related proposals for new technology expenditures must be P&L neutral for the first year, IRR positive over four years and use common, off-the-shelf hardware or software.

This paper addresses one specific area of the enterprise – physical identity and access management – where significant ROI in hard and soft dollars can be quickly achieved (in some cases as little as nine months), regulatory compliance reporting can be streamlined and overall security increased.

Today's Challenges: Cost, Compliance and Risk

Most medium- to large-sized enterprises have numerous physical facilities, with each local facility usually managing its own physical security system, including badge issuance, record changes and alarm/event monitoring. In today's global, regulated environment, there are several challenges with this approach:

- **Cost:** Manual, error-prone processes are often used to on-board and off-board identities, involving entire teams of individuals and multi-layered procedures. For example, in some enterprises, on-boarding times for physical access badges can take 500 or more minutes of labor per identity. Additionally, large enterprises often have numerous different badging, physical access control, alarm and event management systems, each with their own unique software, business processes and ways of naming identities, doors, areas and campuses. This results in significant costs to maintain the systems and communicate to each one from a central source (like an identity management provisioning system)
- **Compliance:** Enterprises often bear numerous compliance regulatory expense silos, including SOX, Basel-II, HIPPA and NERC. Because they must manually compile data related to their security infrastructure and compare it with other lists at the enterprise level, security operations are regularly challenged with recurring costs, non-repeatable processes and a lack of visibility into their compliance standing

- **Risk:** The ultimate goal of anyone optimizing their security operations is to reduce risk. Those companies without visibility and control of identities and related access across their organization are at great risk, both financially and personally. Recent examples include a CFO who was physically accosted in his office by an employee that was laid off but days later still had physical access to the building; or a terminated programmer who used his security badge and access rights to sabotage the IT systems of a major financial institution

Ask Yourself These Questions

For CFOs examining these issues across their security infrastructure, here are six simple questions to consider asking yourself, as well as your physical security, facilities and IT teams:

1. Is your physical security infrastructure managed centrally, or does it require human resources at each facility to manage due to its complexity?
2. Is your physical security infrastructure linked with your IT/HR/ERP databases? Is data between the two systems easily and regularly shared?
3. Are your processes for on- and off-boarding identities within your physical security infrastructure automated, or are there a small army of individuals that are manually managing this task?
4. Are your other trusted and un-trusted identities (vendors, third-parties, etc.) easily managed in your organization, or are there hundreds – if not thousands – of access cards in your company that are not assigned to an identity?
5. Are you able to correlate events and alarms to identities and related access? Can you instantly de-provision a disgruntled worker before s/he can gain access to your server network or senior management offices?
6. Can you provide real-time, automated reporting across your global infrastructure, giving you a single view of your compliance standing and resource optimization issues?

Solution

As an independent identity management consultant, I have led several large Fortune 500 projects that address these challenges. Five years ago, for a large financial client, I had to replace several physical access control systems (PACS) around the world and standardize on one vendor that could communicate with the enterprise directory where we could then automatically on- and off-board identities. I was always struck by the significant capital outlay required by such an effort and wanted a better solution; one that allowed the CFO to leverage their existing physical access control infrastructure. One of the main drivers for this was 70,000 identities which were unknown if they were still active in their security systems.

At another enterprise, I forced the physical access vendor to change their internal code to use an open protocol (Service Provisioning Markup Language), which allowed for easy integration with the identity management provisioning system for rapid on and off-boarding of security badges. I didn't think that most physical access vendors would quickly do this, as it would require expensive retrofitting of older PACS and also required an identity management provisioning system that most enterprises don't have.

What I was looking for was a set of off-the-shelf tools that allowed an enterprise to quickly reduce costs, automatically meet regulatory compliance and reduce risk. That's when I discovered Quantum Secure.

[Quantum Secure](#) enables enterprises to quickly and inexpensively centrally manage and streamline security identities, compliance and events across disparate physical security systems. Their SAFE suite of software provides off-the-shelf functionality that interfaces with almost all physical security vendors' products, identity management systems and ERP systems. It enables enterprise to quickly deploy, centrally manage and easily achieve cost savings.

By connecting physical security operations closely to the IT infrastructure, the SAFE suite of software enables organizations to implement best practices globally, automate key processes and simplify control of employees, vendors and other third-party identities across a global organization.

Let me give you some real examples of where enterprises using Quantum Secure lowered costs, automatically met regulatory compliance and reduced risk:

- **The Toronto Pearson Airport** – Reduced time for on-boarding an identity with a badge from **560 minutes (9.3 hours) to 20 minutes** while also reducing the **cost of processing from \$45 to \$35 per card** for their 80,000 identities. They now manage all identities from a single identity source and produce centrally managed reporting
- **Symantec** – Has a **\$2.5 million cost savings** over three years in managing their 40,000 employees in 40 countries. They went **from 18 SMEs to eight people** to administer their PACS infrastructure, using electronic workflows for approvals and now easily produce regulatory compliance reports from a central location
- **Baxter Healthcare** – Saved **\$165,000 in their first year** by automating key physical security processes and have a “one click” audit and compliance reporting tool
- **First Data Corporation** – Now does **real-time provisioning of all 40,000 workers** and visitors across eight facilities and centrally manages all physical access security
- **A large pharmaceutical company** – Eliminated over 1500 hours per month of the manual process of managing user access grants and credentials worldwide in over 50 locations, directly saving the company over **\$60,000 per month in cost reductions**.

What Does This Mean to You?

By implementing an integrated, software-based approach for end-to-end identity and access management, a CFO should be able to see the following results:

1. P&L neutral in your first year and IRR positive over 3-4 years – Reduce security/admin staff who are processing people, processes and paperwork.
2. Leverage your existing infrastructure – Eliminate the need to rip out older PACS and replace them. Smarter solutions such as Quantum Secure integrate directly with your current systems, saving both time and capital outlay.
3. Integrate with your ERP and IT-based identity management systems when you want to – You can deploy the SAFE software suite on a standalone basis and then easily integrate across your enterprise when applicable.
4. One-click regulatory compliance – Automatically produce compliance reports, eliminating the last quarter rush and expense of compiling and reconciling lists.
5. Reduce risks – Instantly off-board an identity's physical access rights when they are terminated in your HR system.
6. Better security with improved productivity – Users are quickly given security badges with appropriate access that will work across disparate PACS.

Summary

As the CFO, you want to quickly reduce costs, streamline operations and reduce risk. If you haven't reviewed it yet, physical access control and identity management is an area that can quickly improve your bottom line. Hard, quick ROIs can be obtained without having to change out your entire physical access infrastructure.

With new, software-based solutions such as Quantum Secure, it is easy to integrate your disparate physical security systems with your ERP and identity management systems. When implemented, these solutions automate key internal processes, resulting in lower costs, simplified complexity of regulatory reporting and reducing risk across the entire identity management lifecycle.

How Do I Get Started?

To find out how to quickly calculate your ROI call us for more information:

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Guy has lead many large Fortune 500 identity projects and specializes in identity management and physical and logical security integration. Numerous white papers can be obtained at www.authenticationworld.com. His company also produces 24 enterprise branded and customized security awareness training programs in 11 languages including ones on tailgating (www.traininaflash.com).

Quantum Secure – www.quantumsecure.com – 408-453-1008 or info@quantumsecure.com

Quantum Secure is the exclusive provider of enterprise software to manage and streamline security identities, compliance and events across disparate physical security systems. The Quantum Secure SAFE suite of software enables corporate security managers to implement best practices globally, automate key processes and simplify control of employees, vendors and other third-party identities across a global organization.