

Managing Risk and Security Efficiently and Affordably

Managed Security Services are, in our opinion, one of the best ways to achieve higher security posture at a very contained cost. There are many advantages for a bank to outsource its network security to a managed service, but it basically boils down to increased cost-effectiveness and how a managed service allows an IT department to operate without in-depth understanding of the various security functions, such as:

- o Gateway protection, including managed services for firewalls, intrusion detection and prevention (IDP) and virtual private networks;
- o Security monitoring;
- o Incident management, including emergency response and forensic analysis;
- o Vulnerability assessment and penetration testing; and
- o Anti-virus, anti-spam and content filtering.

Partnering with a managed security service (MSS) is also a sound solution for transferring information security responsibility and operations. Although the bank still owns information security risk and business risk, contracting with an MSS allows it to share risk management and mitigation approaches.

The cost of using an MSS is typically less than hiring in-house, full-time security experts, who are needed even when the organization owns a unified threat management (UTM) appliance, an all-in-one device that greatly simplifies the network security architecture. Managing a UTM device, though, is still a complex undertaking and requires considerable expertise. The in-house administrator would need in-depth understanding of networking and routing; know the firewall language and understand firewall security; and know how to configure the IDP, the anti-virus and the policies, the proxy, the anti-spam, and the content filtering. Each of these tasks is a job unto itself, and an MSS, with its experienced network operation personnel, is best equipped to manage the UTM appliance it might provide.

Moreover, a shortage of qualified information security personnel puts tremendous pressure on bank IT departments to recruit, train, compensate and retain these critical but costly specialists. When outsourcing, however, the costs to hire and train highly skilled staff becomes the responsibility of the MSS, who is likely to retain security experts by offering a range of career opportunities and positions from entry level to senior management - all within the information security field.

In another scenario, an in-house staff customer who deals with network security only on a part-time basis is probably not as competent as someone who is doing the same work full-time, seeing security impacts across several different clients, and crafting security solutions with broader applicability. MSS providers have insight into security situations based on extensive experience - dealing with hundreds or thousands of potentially threatening situations every day. They can also enhance security simply because of their facilities; many MSS providers have special security operations centers located in various parts of the globe - physically fortified sites with state-of-the-art infrastructure managed by trained personnel.

Finally, it's important to note that MSS providers can be held accountable for the service standards they provide. They guarantee service levels and assure their availability, because failing to do so can have financial repercussions for them. Their operational procedures are designed to ensure uninterrupted service availability. Because of all these strict contractual obligations to their clients and the need to maintain their reputation in the marketplace, providers of managed security services have control procedures in place that are generally both well documented and carefully enforced.



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Pierluigi Stella is CTO of Network Box USA, Inc. Pierluigi worked for 15 years at IBM, accumulating international experience primarily in the oil and manufacturing sectors. With a sterling track record of successfully accomplished projects, an extensive technical know-how, and six years as head of both the technical as well as customer service divisions of Network Box USA, Pierluigi has been helping financial institutions and health care providers develop their security policies, and has accumulated extensive experience and knowledge of security issues. He is one of the founders of Network Box USA. Pierluigi graduated magna cum laude with a Masters in Electrical Engineering and has received numerous industry recognitions for notable career achievements including two Excellence Awards for innovative design.

