**Focus on Resiliency: A Process-Oriented Approach to Security**

**Carnegie Mellon University, Software Engineering Institute, Pittsburgh, PA, 15213**

**32nd Annual CSI Conference & Exhibition, held in Washington, D.C., on November 14-16, 2005.**

**Security Classification:**
- Report: unclassified
- Abstract: unclassified
- This Page: unclassified

**Limitation of Abstract:**
- Same as Report (SAR)

**Number of Pages:**
- 88
Agenda

About the SEI
Characterizing the problem
Security, resiliency, and risk
A process-oriented approach
Thinking about solutions
Conclusions and next steps
Questions
Federally Funded Research and Development Center; awarded to Carnegie Mellon University in 1984 based on competitive procurement

Sponsored by Office of the Under Secretary of Defense (Acquisition, Technology, & Logistics); contract administered by USAF Electronic Systems Center (ESC)

Offices in Arlington, VA, Huntsville AL, Pittsburgh, PA and Frankfurt, Germany
Software Engineering Institute -2

Mission is to provide leadership in software engineering and to transition new software engineering technology

Encouraged to support industry in pre-competitive technology research and development and in technology transition activities
SEI Technical Programs

Product Line Systems
Dynamic Systems
Software Engineering Process Management
Networked Systems Survivability or CERT
CERT
Focus on Resiliency: Characterizing the Problem
What is the problem?

Is your organization’s security capability sufficient to identify and manage risks that result from

- failed internal processes
- inadvertent or deliberate actions of people
- problems with systems and technology
- external events
Why does it matter?

Organizations must focus their limited resources on identifying and managing the risks that have the most potential to:

- disrupt its core business drivers
- impede the survivability of its mission
Lessons from OCTAVE<sup>SM</sup>

✔ Organizational focus improves information security activities

✔ Operational unit-driven risk assessment more meaningful

✖ Organization often impedes progress of operational units

✖ Sustained organization-wide improvement still elusive

✖ Risk assessment not equal to active risk management

Operationally Critical Threat, Asset, and Vulnerability Evaluation
Recent case history -1

Poorly planned and organized security function and roles/responsibilities

No active involvement of business units

No information asset management

Funding model reactive, not strategic

Regulatory drivers not a sufficient driver for success
Recent case history -2

Attaining and sustaining security success difficult

Security is a technical function

Frequent collisions between operational units and organization on security strategy

Searching for magic bullet – ITIL, COBIT, etc.

“Can someone else do this for us?”
Fieldwork conclusions -1

Security is often an end-state or “goal”

Security activities are predominantly technical

Technical leadership drives security program

Senior-level sponsorship, planning, and funding lacking

Organizational context of security ignored
Fieldwork conclusions -2

- Lack of collaboration across enterprise
- Failure to recognize risk as the basis for security activities
- Best practices substitute for active management
- Quick fix preferred over developing competency
- Security isolated from operational risk management
A new operational environment -1

No operational boundaries

Pervasiveness of technology

Expanding and rapidly changing risk profile

High dependency on upstream partners

Successes are short-lived

Skills have shorter longevity

Less resources, more demands
A new operational environment -2

Increasing regulatory requirements

Criticality of data and information

Distributed workforce

Heightened threat level and increasing uncertainty

Insurance costs

Reliance on third-parties
Focus on Resiliency: Security, Resiliency, and Risk
Back to basics

To make security a more effective activity in the organization, we must:

1. Re-define its role and contributions
2. Acknowledge risk as the driver
3. Position it as an enabler to resiliency
4. Manage it as a process that can be improved: PLAN → DO → CHECK → ACT
Redefining security -1

How do we view security in the organization?

**From**
- Technical issue
- Owned by IT
- Expense-driven
- Practice-centric
- Security & survivability

**To**
- Business issue
- Owned by organization
- Investment
- Process-centric
- Enterprise resiliency
Redefining security -2

How do we approach security in the organization?

From
- Irregular
- Reactive
- Immeasurable
- Absolute
- AD-HOC and TACTICAL

To
- Systematic
- Adaptive
- Measured
- Adequate
- MANAGED and STRATEGIC
Redefining security -3

How do we perform security in the organization?

**From**
- Protective stance
- Monitoring
- Reacting to complexity and risk
- Rewarding individual heroics

**To**
- Enabling stance
- Sensing
- Adapting to complexity and risk
- Rewarding collaboration and process improvement
Summary

Security is a business issue

Security is owned by the organization

Security is an investment

Security is an enterprise process that can be measured and managed

The goal of security is to contribute to attaining and sustaining enterprise resiliency
Resetting success criteria

C-level sponsorship and authority
Strategic planning
Achievable and measurable goals
Limited control and influence of IT
Organization-wide resources
Adequate and sustained funding
On-going process management
Operational risk management and resiliency focus
Back to basics

To make security a more effective activity in the organization, we must:

1. Re-define its role and contributions
2. Acknowledge risk as the driver
3. Position it as an enabler to resiliency
4. Manage it as a process that can be improved: PLAN→DO→CHECK→ACT
The rationale for security

Protect critical enterprise assets (information, technology, facilities, and people)

- Keep business processes are viable and mission-focused
- Minimize disruptions in achieving enterprise goals and mission
- Contribute to the management of operational risk and resiliency
The risk equation
Operational risk

A form of hazard risk affecting day-to-day business operations

The potential failure to achieve mission objectives

Must be managed to ensure the organization’s resiliency
Operational risk management

- A new operational environment brings a need for sustainable improvement in managing operational risk
- Security management is a significant component of managing operational risk

“Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events.”

--Basel II Capital Accords
ORM requires balance

Managing Threat

Managing Impact
Managing ORM

Two choices:

1. **Manage threat** by reducing the likelihood of the condition occurring

2. **Manage impact** by reducing potential impact and/or ensuring the organization can handle the result of a realized risk

**Enterprise resiliency** requires BOTH.
Back to basics

To make security a more effective activity in the organization, we must:

1. Re-define its role and contributions
2. Acknowledge risk as the driver
3. Position it as an enabler to resiliency
4. Manage it as a process that can be improved: PLAN→DO→CHECK→ACT
What is enterprise resiliency?

The competency and capacity of the enterprise to adapt to changing risk environments.

- Emerging threats to critical assets
- Changes in business environment
- Changes in social, geographical, and political environments
- Disruptions in upstream and downstream value chain
- Insider threat and fraud
- Natural disasters
Notable definitions of resiliency

Withstand systemic discontinuities and adapt to new risk environments [Booz-Allen04]

Be sensing, agile, networked, prepared [Booz-Allen04]

Dynamically reinvent business models and strategies as circumstances change [HBR05]

Have the capacity to change before the case for change becomes desperately obvious [HBR05]
Focused on five objects

- people
- business processes
- information
- facilities
- technology
People

The human capital of the organization

Use the other objects of resiliency to ensure goal achievement

Disruptions to human resources often result in the failure of business processes to achieve their mission
Business processes

Most important resiliency object
The engine that propels the organization toward its mission
Each business process has its own mission that contributes to the larger mission

Interruptions in business processes are disruptive to the resiliency of the enterprise
Information

One of the most important assets of the organization

Business processes cannot operate effectively without access to information

Disruption of availability of information (either through modification, loss, or destruction) directly affects enterprise resiliency
Technology

Directly supports the automation of critical business processes

Prominent factor in accomplishing mission

Pervasive across all functions of the organization

High exposure to risk that can affect the viability of other resiliency objects such as information and facilities
Facilities

The physical places where other resiliency objects “live”

Provides direct support for business process achievement

Disruption to facilities often directly affects the other resiliency objects
Resiliency is a holistic approach

Managing both sides of the risk equation as a whole, in balance with organizational drivers and costs, to achieve a level of adequate resiliency.
Achieving resiliency is a challenge

Requires enterprise collaboration and coordination

Convergence of operational risk-based activities across the enterprise with similar requirements

Common purpose: achieve and sustain a state of adequate enterprise resiliency
Requires an enterprise view

- **Organizational Drivers**: Establish the parameters and criteria for.

- **Business Impact Analysis**: Helps to identify and prioritize.

- **Critical Business Processes**: Are analyzed and used to create.

- **Critical Support Objects**: Are analyzed from a support perspective and feed.

- **Resiliency Requirements**: Form the basis for developing and used to create.

- **Security Goals and Objectives**: Provide input to determining.

- **IT Operations Service Levels**: Influence the development of.

- **Resiliency Goals and Objectives**: Are executed in the organization through.

- **Business Continuity Plans**: Form the basis for the development of.

- **Disaster Recovery Plans**: Are executed in the organization through.
Resilient organizations. . .

Are agile and prepared
Inculcate risk management as a way of life
Endure disruptions to primary earnings drivers
Change before they need to
Sense, respond, thrive, and improve
Use security as a means to control, manage, and enable resiliency
Positioning security in resiliency

Security is an operational risk management activity → Managing operational risk contributes to operational resiliency

Security is focused on enterprise assets → Operational resiliency depends on the resiliency of enterprise assets

Resiliency emerges when enterprise assets are free from disruption
Security is a resiliency activity

- Managing firewall rule-sets
- Installing access controls to facilities
- Limiting access to intellectual property or confidential information
- Developing business continuity and disaster recovery plan

The aim of these “security” activities is ultimately to manage operational risk and resiliency.
Recasting security in resiliency

How do we perform security as an enabler to resiliency?

**From**
- Managing to threat and vulnerability
- No articulation of desired state or goals
- Possible security overkill or misapplied security activities

**To**
- Managing to threat and IMPACT
- Adequate security and resiliency defined as desired state
- Security in sufficient balance to cost and risk
Resiliency expands security

Allows operational risk to be considered alongside organization’s traditional risk management activities

Moves the focus of security from point solutions (best practices) to a process-oriented approach

Integrates security into the overall corporate strategy

Positions security as a means to an end
CERT
Focus on Resiliency: A Process-Oriented Approach
Back to basics

To make security a more effective activity in the organization, we must:

1. Re-define its role and contributions
2. Acknowledge risk as the driver
3. Position it as an enabler to resiliency
4. Manage it as a process that can be improved: PLAN → DO → CHECK → ACT
What is a process?

A series of actions, changes, or functions bringing about an intended or expected result.

- The process of digestion
- The process of evolution
- The process of paying vendors
- The process for signing up for benefits
- The process of managing enterprise resiliency

A process approach -1

Elevating the management and coordination of all risk-based activities to the enterprise level.

- Setting and achieving common goals
- Collaborating and sharing resources
- Eliminating stovepipes
- Eliminating redundancy
- Measuring effectiveness
- Systematically improving

Working smarter, not harder
A process approach -2

- Managing both sides of the risk equation from an enterprise perspective
- Managing across all risk-based activities
- Taking a holistic view
- Performing security in context

Getting “resiliency” to emerge
Process improvement

Activity of elevating the performance of a process with regard to its goals

Processes can be measured and actively managed

Gaps in expected performance can be identified, prioritized, and corrected

What is learned can be fed back into the process for continuous improvement and maturity
Common frameworks

There are process improvement frameworks for various disciplines and industries

Aimed at defining and improving processes in the context of the enterprise

- Capability Maturity Model(s) for software and systems engineering
- Six Sigma
- Goal, Question, Metric (GQM)
- ISO9000
- TQM
- Toyota Production System/Lean Manufacturing
Viewing security as a process

A process-view brings process improvement constructs to security and resiliency

Common goals replace functional goals

Common resiliency requirements drive all risk-based activities

Efficiencies are realized in the collaboration and coordination of efforts and assets

Stovepipes are reduced, perhaps eliminated
Process vs. best practices

Processes define what you do and are relatively stable over time.

Practices define how you do it, which changes over time.

Aiming at the process level means active management and goal achievement.

Practices are a means to enabling processes.
CERT

Focus on Resiliency: Thinking About Solutions
Embracing process improvement -1

Security-resiliency link is explicit

Traverses the entire organization

Goals are organization-driven and dynamic, and *specific*

Security practices alone cannot keep up

Improvement in meeting security and resiliency goals is dependent on active management of the process
Embracing process improvement -2

Process management brings active awareness of security-resiliency link

Process maturity brings increasing capability for meeting goals and sustaining the process

Process approach helps to guide the selection and implementation of practices

“Are we secure?” is answered in the context of capability, not threat or incident – success more predictable?
How mature are you?

Most organizations have some rudimentary process (implicit or explicit) for security management, but it may not be effective for meeting goals.

Thanks to www.betterproductdesign.net/maturity.htm for the generic categories.
Lack of process

No process defined or performed

Anarchy and heroics

No awareness of benefits of process-orientation

AD-HOC

Common attributes:

- Focus on events
- Ambiguous lines of responsibility
- Funding sporadic
- No alignment to strategic drivers
- Highly dependent on people
- No governance structure
Partial process

Process recognized

Still functionally focused (not enterprise-wide)

Not repeatable or actively managed

VULNERABILITY-DRIVEN

Common attributes:

- Focus on vulnerabilities
- Responsibility emanates from IT
- Considered an expense or burden
- Awareness of strategic drivers
- Still dependent on people and vul catalogs
- Informal governance
Formal process

Performed and managed

Repeatable

Spans enterprise

Not completely ingrained in culture

RISK-DRIVEN

Common attributes:

- Focus on critical assets
- Responsibility of key organizational managers and IT
- Funded as an expense
- Implicit alignment to strategic drivers
- Dependent on localized risk management
- Informal governance, possibly CRM
Cultural

Performed and managed

Repeatable and proactive

Spans and involves enterprise

Process continually measured and improving

Fundamental to organizational success

ENTERPRISE-DRIVEN

Common attributes:

- Focus on critical assets, processes, strategic drivers
- Responsibility of high-level executive
- Capitalized
- Explicit alignment to strategic drivers
- Reliant upon enterprise capabilities
- Formal governance and feedback
Increasing levels of competency
Improving the security discipline

- Technical problem
- Owned by IT
- Expense-driven
- Practice-centric
- Security and survivability

- Business problem
- Owned by organization
- Investment-driven
- Process-centric
- Enterprise resiliency
Toward continuous improvement

Systematic and Adaptive

Actively managed and controlled

Planned

Event-driven

Formal Process

Partial Process

No Process

Cultural

Irregular and Reactive

Strategic

Tactical

Process

Partial

Formal

Cultural

No Process

Event-driven

Planned

Actively managed and controlled

Systematic and Adaptive

Irregular and Reactive

Strategic

Tactical
What are we doing?

PrlISM – Process Improvement for Security Management

- A framework for describing the security process
- Described as a set of enterprise capabilities that collectively define the process
- Defining a roadmap for process measurement and improvement
- Linked to common practices and activities
- Descriptive, not prescriptive
Developing PrlSM

Affinity grouping of standards, guidelines, practices

Developing and defining capability areas

Determining institutionalizing features—collaboration between capability areas

- “products, activities, agents”

Exploring capability and maturity modeling characteristics
Practice mapping and analysis

What do current best practices tell us?

What capabilities do they represent?

Over 750 practices representing

- COBIT
- BS7799/ISO17799
- ITIL
- ISF
- NIST 800 series
- SEI BOK
- Various BC/DR
## Organizations can use PrIISM to

<table>
<thead>
<tr>
<th>Understand the essential capabilities necessary to manage security effectively to achieve goals</th>
<th>Develop a road map for process improvement to meet desired target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gauge their current level of capability</td>
<td>Improve selection and implementation of complimentary security practices to achieve goals</td>
</tr>
<tr>
<td>Determine the necessary level of capability given their organizational drivers</td>
<td>Improve regulatory compliance competencies</td>
</tr>
</tbody>
</table>
Capability areas

Capabilities cover the five resiliency objects.

Capabilities traverse many organizational entities and functions.

- Enterprise
- People
- Technology assets and infrastructure
- Information and data
- Physical plant
- Resiliency relationships
- Resiliency delivery
- Sustaining resiliency

*To date, we have identified 42 candidate capabilities.
Enterprise

*Sponsor, support, and promote an enterprise view and direction for resiliency.*

- Enterprise Focus
- Strategic View
- Resiliency Governance
- Resiliency Standards and Policies
- Resiliency Planning
- Resiliency Requirements Management
- Risk Foundation for Resiliency
- Compliance Management
- Business Process Management
- Resiliency Resource Management
People

Enable the human resources of the organization to contribute to its resiliency.

- Workforce Competencies
- Resiliency Workforce Training
- Resiliency Workforce Management
- Human Resources Management
- Resiliency Awareness and Outreach
Technology assets and infrastructure

Ensure a reliable and stable infrastructure is available as needed to support critical business processes.

- Technology Asset Management
- IT Operational Resiliency
- Software and Systems Resiliency Management
Information and data

Protect and make available the critical information necessary for use by critical business processes.

- Information Asset Management
Physical plant

Ensure the physical structures of the organization are available to support critical business processes.

- Resiliency Facility Management
- Enterprise Facilities Management
Resiliency relationship management

Actively manage the “resiliency value chain” of the organization to ensure upstream and downstream contributions to the organization’s resiliency.

- Internal Partnerships
- Business Partnership Management
- Stakeholder Relationship Management
- Resiliency Partner Management
- Public Authority Relationship Management
- Contract Management
Resiliency delivery

Identify and deliver resiliency services based on organization-driven resiliency requirements.

- Resiliency Support Technology
- Continuity Planning
- Continuity Planning Validation
- Recovery Planning
- Restoration Planning
- Communications
- Event Identification and Analysis
- Crisis Management
Sustaining resiliency

Manage the resiliency process enterprise-wide to ensure continuous improvement and alignment with organizational drivers.

- Inter-group Coordination
- Resiliency Process Management
- Quality Assurance
- Resiliency Services Definition
- Resiliency Service Delivery
- Auditing and Monitoring
Represent a broad range of activities
From PrISM to Maturity Model?

Process maturity concepts are integral to solving current security management challenges.

Focus on security *management* process; **not** a means for rating how secure an organization is.

Aim is process improvement to meet goals more consistently and predictably.

Community calling for a model; lacks experience.
CERT

Focus on Resiliency: Conclusions and Next Steps
Conclusions

Focusing on resiliency properly focuses security activities in an enterprise context.

Security and resiliency are enterprise spanning processes for managing the risk equation.

An enterprise enhances its ability to meet its security and resiliency goals by improving how it manages these processes.
Collaborating with industry

Recent collaboration with Financial Services Technology Consortium

Advancing concepts of resiliency and security process management through the financial services industry

“Resiliency Maturity Model” project

More information: www.fstc.org
On the horizon

- Expansion of PrISM concepts/underlying principles
- Completion of v1.0 of PrISM Framework and technical report
- Development/deployment of framework questionnaire
- Development of notional metrics to measure success and improvement
- Continued exploration of security-maturity connection
- Continued research into resiliency-ESM connection
Parting thoughts

Security is not a one-shot activity.

Security is not only about technology.

Security lives in an organizational and operational context.

Security is a collaborative effort that must draw on a broad array of organizational capabilities.

Security strategies must be aligned with the organization’s strategic drivers and business objectives.

Risk assessment and risk management must drive decision-making.

In the long run, security is about enhancing and sustaining the organization’s resiliency.
Contact Us

Contact Information

Speakers
Richard Caralli
e-mail: rcaralli@cert.org

James Stevens
e-mail: jfs@cert.org

Phone
412-268-5800
(8:30 a.m. - 4:30 p.m. EST)

Web
http://www.cert.org
http://www.cert.org/nav/index_green.html

Postal Mail
Software Engineering Institute
ATTN: Customer Relations
Carnegie Mellon University
Pittsburgh, PA 15213-3890
Useful references
