

## WHITE PAPER

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# Compliance is More Than Just Cost: Creating Value Beyond Compliance

Sponsored by: BalaBit

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## EXECUTIVE SUMMARY

Modern IT has entered a new phase in which compliance to regulation and advanced controls are the real challenges. While the technical value of IT quickly commoditizes due to easy access to resources (i.e., cloud computing), business value rockets, and calls for advanced controls, tuning, and settings. Following numerous crises and critical situations, IT has been enclosed within in a broad set of regulations in order to prevent them happening again. This IDC White Paper explains how regulations enforce the adoption of technology. It invites decision makers to look beyond the pressure for compliance at the additional value of technology, so that cost will not be the main challenge for compliance investment. The document also shows the added value of activity and access management tools.

Over the past decade, much of the new regulation has focused on transparency, audit, and loss prevention of transactional and customer data: such as in Basel II /III, SOX, the Markets in Financial Instrument Directive (MiFID II), Payment Card Industry Data Security Standard (PCI DSS) and European Data Protection Directive (EDPD). To this we must add the intervention of the local regulators, and other standards forcing the adoption of IT controls such as Control Objectives for Information and Related Technology (COBIT) or ISO 27001/27002.

### *IT Controls Build Global Trust*

Many companies have to comply with more of these standards. In many cases these compliance efforts are only seen as simple cost and not as business enablers. Since spending to align with regulations is compulsory (no one escapes the law, unless he is ready to pay the fine), it is very difficult to bring in cost (and business) considerations while implementing a compliance process and investment plan. However, IT security budgets are not flexible. Organizations are pressured between the need for compliance and the overall need for budget control. Nevertheless, agile organizations found a way to identify overlapping compliance investments. They can reuse existing technology and solutions — or extend the legal reach — so that one solution can cover multiple regulations. CIOs can also use the compliance momentum to increase the trust and transparency level inside the organization and with this new infrastructure they can support the business needs much better.

When companies start to rethink their security and control infrastructure they soon may realize the benefit of higher transparency and trust level. In this regard, it is possible to expand the reach of compliance investments, either outside the regulated perimeter or into adjacent businesses (trusted networks with distant partners, checks of employee behavior, fault clearance, advanced non-legal event analysis). Thus the rebuilt IT processes can be more flexible and tailored to the business model. In that case the CIO has more opportunities to become a business model enabler.

Besides regulations and compliance, the basic control of super users can also provide effective value for organizations. In the situation of IT controls on the controllers and super users, IDC believes that the existing investment can be extended to the trustworthy domain. Once implemented in a compliance process, an activity monitoring tool can be extended to user monitoring and clearance. As an addition to the compliance factor, some regulated investments can help build a safer ecosystem with remote users, partners, and non-permanent IT users. Such a landscape can build trust and competitive advantage for those that are involved.

### ***How can activity monitoring help you?***

BalaBit IT Security is a fast-growing, technology-focused company specialized in securing IT assets by providing trusted log infrastructure and activity monitoring of privileged accesses. Its flagship solution, BalaBit Shell Control Box (SCB) is a network security tool that is able to audit and control access to remote servers and network devices. By implementing SCB, organizations can easily monitor privileged user access, track outsource partners and comply with industry and international standards. SCB can help companies in conducting external and internal audits, enforcing company policy and forensics IT incidents. The solution has already hundreds of satisfied customers around the globe, including:

- ☒ **Interoute.** Interoute is one of the fastest growing communications companies in Europe. The next generation network of the carrier and IT hosting provider extends to 55,000 kilometers, covering Europe and stretching even to North Africa and the United States. Driven by one of its hosting client demand, the company searched a solution for completely transparent system administration. Finally, Interoute found BalaBit Shell Control Box, which provided a quick and full flagged solution for its need to assure a transparent and accountable service to its client. In the meantime, even more customers of the IT outsourcer are interested in auditing their system administration with such appliances.
  
- ☒ **Handelsbanken.** Handelsbanken is one of Sweden's leading banks, with over 700 branches in 22 countries, and more than 10,000 employees. The bank follows strict information security guidelines that form the basis for IT governance and compliance to various local and international requirements. Accordingly, it required tools that would enable third parties access to the systems in a safe way without compromising integrity of the sensitive data. The bank selected SCB, the key benefits of which are in its unique audit and visualization of its logging function. The bank can now review every login and commands made by third-party administrators in real time (ensuring additional supervision) but can also review historical activity for the purpose of audit (compliance or accident management). The visualization interfaces and the real-time element of the auditing were crucial factors in Svenska Handelsbanken's decision to select SCB.

## **LEARN MORE**

Download the full white paper: <http://www.balabit.com/network-security/scb/support/documentation/idcbusinesswhitepaper>

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