Trust In, and Value From, Information Systems
What Does It Mean?

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Jeff Spivey
Charlotte Chapter

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Appointed directors: Marc Vael, Belgium Chapter; Allan Boardman, London Chapter
Digital power =

Computing: Moore’s law
  Doubles every 18 months

Communication: Fiber law
  Doubles every 9 months

Storage: Disk law
  Doubles every 12 months

Content: Community law
  \[2^n\], where \(n\) is number of people

Source: John Seely Brown
Global spending on all IT (including computing hardware, enterprise software, IT services and telecom) is expected to total US $3.67 trillion in 2011, a 7.1% increase over 2010.

Spending on global IT services is forecast to reach US $846 billion in 2011, a 6.6% increase over 2010.

The computing and hardware segment is poised for the strongest growth among the IT categories with spending expected to grow 11.7% from 2010, to US $419 billion in 2011.

Source: Gartner 2Q 2011 Technology Spending Forecast, July 2011
1. The high-IQ network effect
2. The enterprise cloud
3. Large data sets
4. Social enterprise
5. Emerging video
6. Personalization
7. IT departments increasingly influenced by users
8. Machine-to-machine-to-people communications
9. Compliance with security standards
10. Energy-efficient business practices

Source: Verizon
1. Media tablets and beyond (bring your own technology)
2. Mobile-centric applications and interfaces
3. Social and contextual user experience
4. Application stores and marketplace
5. The Internet of everything
6. Next-generation analytics
7. Big data
8. In-memory computing
9. Extreme low-energy servers
10. Cloud computing (number 1 on the list for 2011)

Source: Gartner
We no longer speak using terms like bytes or kilobyte (KB) or gigabytes (GB)

How many bytes in a Terabyte (TB)?

$10^{12}$ (or $2^{40}$)

Equivalent to roughly 1,610 CDs worth of data

Anyone heard of a Petabyte?

Or an Exabyte?

1 Petabyte (PB) is 1,024TB
1 Exabyte (EB) is 1,024PB
1 Zettabyte (ZB) is 1,024EB
1 Yottabyte (YB) is 1,024ZB
Top 10 CIO Priorities

10. Improve collaboration
9. Explore cloud computing
8. Get your arms around the consumerization of IT
7. Leverage social media
6. Find the right people
5. Prep for the post-PC era
4. Harness big data
3. Break out of the 80/20 spending trap
2. Make IT one with the business

And the number 1 priority: IT is too darn slow (and needs to get faster)

Source: InformationWeek
## ISACA Then and Now

<table>
<thead>
<tr>
<th>THEN</th>
<th>NOW</th>
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</thead>
<tbody>
<tr>
<td>EDPAA</td>
<td>ISACA</td>
</tr>
<tr>
<td>IT auditors…</td>
<td>… and risk managers, privacy officers, compliance professionals, information security experts, IT control and IT governance professionals</td>
</tr>
<tr>
<td>CISA…</td>
<td>… and CISM, CGEIT and CRISC</td>
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<tr>
<td>IS Auditing Standards…</td>
<td>… and IS Control Standards</td>
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<td>ISACF</td>
<td>IT Governance Institute</td>
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<tr>
<td>COBIT</td>
<td>COBIT 5</td>
</tr>
<tr>
<td>7,504 members (y-e 1992)</td>
<td>103,043 members (y-e 2011)</td>
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</tbody>
</table>
## North Texas Chapter Then and Now

<table>
<thead>
<tr>
<th># members</th>
<th>1,680 (as of 31 January 2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member Growth (as of 31 January each year):</td>
<td></td>
</tr>
<tr>
<td>2012 = 1,680</td>
<td></td>
</tr>
<tr>
<td>2011 = 1,614</td>
<td></td>
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<tr>
<td>2010 = 1,611</td>
<td></td>
</tr>
<tr>
<td>2009 = 1,602</td>
<td></td>
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<tr>
<td>2008 = 1,503</td>
<td></td>
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<tr>
<td>Renewal Percentages (as of 31 January each year) (regional % for comparison):</td>
<td></td>
</tr>
<tr>
<td>2012 = 70% (68%)</td>
<td></td>
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<tr>
<td>2011 = 72% (71%)</td>
<td></td>
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<tr>
<td>2010 = 67% (66%)</td>
<td></td>
</tr>
<tr>
<td>2009 = 67% (65%)</td>
<td></td>
</tr>
<tr>
<td>2008 = 65% (66%)</td>
<td></td>
</tr>
<tr>
<td>Year formed</td>
<td>December 1975 (12th ISACA chapter charter)</td>
</tr>
<tr>
<td>% members certified</td>
<td>74%</td>
</tr>
<tr>
<td>Number of Certifieds (Member Certifieds)</td>
<td></td>
</tr>
<tr>
<td>CISA = 1,172 (1,020)</td>
<td></td>
</tr>
<tr>
<td>CGEIT = 81 (81)</td>
<td></td>
</tr>
<tr>
<td>CISM = 260 (234)</td>
<td></td>
</tr>
<tr>
<td>CRISC = 315 (296)</td>
<td></td>
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<tr>
<td>Awards won</td>
<td></td>
</tr>
<tr>
<td>2008 – K. Wayne Snipes Award for Best Very Large Chapter in North America</td>
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<tr>
<td>2009 – K. Wayne Snipes Award for Best Very Large Chapter in North America</td>
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<tr>
<td>2009 – K. Wayne Snipes Award for Best Very Large Chapter Worldwide</td>
<td></td>
</tr>
<tr>
<td>2010 – K. Wayne Snipes Award for Best Very Large Chapter in North America</td>
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</table>
ISACA
As an independent, nonprofit, global membership association, ISACA engages in the development, adoption and use of globally accepted, industry-leading knowledge and practices for information systems. ISACA helps its members achieve individual and organizational success, resulting in greater trust in, and value from, information systems. Its members and certification holders are qualified and skilled professionals who make a difference.
ISACA’s vision (to aspire to as an organization)

“Trust in, and value from, information systems”

ISACA’s mission (to guide decision making and investments)

“For professionals and organizations be the leading global provider of knowledge, certifications, community, advocacy and education on information systems assurance and security, enterprise governance of IT, and IT-related risk and compliance”
IT Value Factors

Alignment
- IT and business processes
- Organization structure
- Organization strategy

Integration
- Enterprise architecture
- Business architecture
- Process design
- Organization design
- Performance metrics
• IT is not an end to itself but a means of enabling business outcomes. IT is not about implementing technology. It is about unlocking value through IT-enabled organizational change.

• Value is the total life-cycle benefits net of related costs, adjusted for risk and (in the case of financial value) for the time value of money.

• The concept of value relies on the relationship between meeting the expectations of stakeholders and the resources used to do so.
Definition 1: Trust is the ability to predict what a system will do in various situations.

Definition 2: Trust is using an information system without having full knowledge about it.

Definition 3: Trust is giving something now (credit card) with an expectation of some future return or benefit (on line purchase).

Definition 4: Trust is being vulnerable (entering private and sensitive information) while expecting that the vulnerabilities will not be exploited (identity theft).

Trust that:

Private and sensitive information will remain confidential

Process integrity is maintained

Essential business processes are available or recoverable
Systems should give minimum and, as much as possible, measurable guarantees and information on related risks concerning quality of service, security and resilience, transparency of actions and the protection of users’ data and users’ privacy, in accordance with predefined, acknowledged policies.

Systems should provide tools and mechanisms (or allow third-party service providers to do so) that enable the user to assess the risks and audit the qualities it is claimed to possess.

A *bona fide* trustworthy system must also entail quantifiable and auditable technical and organizational aspects of delivery (policies, architectures, service level agreements, etc.), as well as the user’s perceptions on its operation.
Security
Investment in expertise & technology
Responsible leadership and partnering
Guidance and engagement through best practices & education

Privacy
Design, development and testing
Standards and policies
User sense of control over personal information

Reliability
Resilient – continues in the face of internal or external disruption
Recoverable – restorable to a previously known state
Controlled – accurate and timely service
Undisruptable – changes and upgrades do not disrupt service
Production ready – minimal bugs or fixes
Predictable - works as expected or promised

Integrity
Acceptance or responsibility for problems and takes action to correct them
Trust creates the opportunity for Value
Value is based on an expectation of Trust
Assurance binds Trust and Value together
CISAs provide assurance by conducting audits and assessments of information systems to ensure:

- Information systems risks are measured and managed.
- Information systems and assets are protected and controlled.
- The adequacy of, and compliance with, organizational standards, policies, procedures, processes.
- Information systems controls are efficient and effective.
- Information systems are acquired, developed, implemented and maintained according to established management policies and practices.
CISM develop, implement and manage information security activities to ensure:

- Information security risks are identified and managed.
- Information security requirements are integrated into, and maintained throughout, the organization’s information systems processes.
- Information security controls are monitored and tested for efficiency and effectiveness.
- Information security roles and responsibilities are defined throughout the organization.
- Information security incidents are managed efficiently and effectively.
CGEITs define, establish, maintain and manage a framework of governance to ensure:

- Business value is achieved from the implementation of information systems.
- Risk management is integrated into business and planning.
- Appropriate management structures, roles, responsibilities and accountabilities are established and strategically aligned.
- Information system processes and controls are comprehensive and repeatable and optimized.
- Investments in information systems and resources are appropriate, measurable and managed.
Global Status Report on GEIT

• IT is important in delivering on the business strategy, but there are challenges, notably increasing cost of IT and insufficient IT staff.

• IT is more effective when it can be proactive; it tends to be proactive where it has a seat at the senior executive table.

• Governing IT is a priority and most organizations are making an effort, with the primary results being mitigation of IT-related risk and better communication between IT and the business.

• There is concern about jumping on board with new technologies, particularly in areas of security and privacy.

Top Business/Technology Issues 2011

Top Seven Business Issues Overall
1. Regulatory compliance
2. Enterprise-based IT management and IT governance
3. Information security management
4. Disaster recovery/business continuity
5. Challenges of managing IT risks
6. Vulnerability management
7. Continuous process improvement and business agility

Global Status Report on GEIT

Survey Results
CRISCs identify, evaluate and manage risk through the development, implementation and maintenance of information systems controls to ensure:

- Organizational management and stakeholders are aware of risks and how they are being addressed.
- Information systems controls are aligned with business process objectives and risk tolerance levels.
- Information systems controls mitigate risk.
- Information systems control deficiencies are corrected.
- Information systems controls are efficient and effective.
Information systems are integral enablers that:
- Achieve an organization’s strategy and business objectives
- Provide the confidentiality, integrity, availability and reliability of information assets
- Ensure compliance with applicable laws and regulations

Their criticality brings to the enterprise unprecedented potential for both value creation and risk (creating the need for trust).
What does all this mean for ISACA members?
• White papers
• IT audit/assurance programs
• Survey results
• COBIT 5
  ❖ COBIT Process Assessment Model
• Other research
• *Journal* articles
• Networking at chapter, regional and international levels
• Knowledge Center on ISACA’s web site
• Communicate
Engage

- Volunteer
- Share knowledge
- Attend
- Get a certification
- Comment on exposure drafts
Trust in, and value from, information systems
Thank you!

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