

IT Security Challenges and Solutions in the Era of Digital Transformation: Financial Services Industry

According to Gartner Research, 48% of CIOs expect increased business through digital channels. And like many industries in the Asia-Pacific region, the financial services industry is experiencing the positive impacts of digital transformation trends. Driven largely by consumer expectations of anywhere access through mobile devices, digital transformation provides financial services with an opportunity to increase customer engagement and improve employee productivity. Unfortunately, data breaches aren't relenting. And IT has to balance keeping up with digitalization trends while keeping data secure.

“With centralized user identity management, we can present our company in a seamless fashion. Customers no longer need to remember multiple IDs and passwords to access their many different services with us.”

Kanon Cozad
Senior Vice President and Director
of Application Development
UMB Financial Corporation

Challenges

Unrelenting Data Breaches

Data breaches are a global concern, but recent incidents in Asia, especially in the financial services sector, have highlighted that the region is not immune to data theft. Across the Asia region, the financial sector has been hit hard. In some situations, the breaches can be on a very large scale: “\$81.3bn SGD lost to cyber-attacks in the Asia-Pacific region in the 12 months; of a global total of \$315bn SGD.”¹

In 2016, Japan witnessed its largest banking hack: 14,000 ATM cash withdrawals amounting to ¥1.8bn. Over the past few years, large-scale heists took place in South Korea, Taiwan, Malaysia, and Thailand.

These attacks are increasingly worrying because banks in Asia have, since the start of the decade, enjoyed steady growth to their assets. In total, the region saw its share of the global banking market increase from 27% to

40%, while total assets increased from around \$37 trillion in 2010 to almost \$55 trillion last year². Safeguarding these assets is critical.

Rapid Transformation

In addition to protecting these growing organizations from breaches, IT must also enable financial services to be competitive by meeting consumer demand for services such as mobile apps.

More specifically, IT teams will need to work with other areas of the business to offer customers and partners simpler, more complete access to business data and systems, regardless of where information is hosted (in the cloud, on a mainframe, in the data center), where it is accessed from (mobile, desktop, devices), and who is accessing it, to drive business value and competitive advantages.

Identity Powers Financial Services

Understanding the relationships between the identities of people, the devices they use, and the information they need enables financial services companies to innovate more quickly, drive more value and services to customers, and improve the overall security posture throughout the customer engagement.

1. www.ft.com/content/38e49534-57bb-11e6-9f70-badea1b336d4

2. www.consultancy.uk/news/13309/asian-banking-industry-assets-breaches-50-trillion-barrier-top-30-banks

“We have the right identity management foundation to keep up with bigger players in our market and stay ahead of smaller ones.”

Kanon Cozad

Senior Vice President and Director of Application Development
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To improve competitive advantage, financial services need a richer, more actionable understanding of their customers. Self-service portals and better, more efficient ways to enable privacy controls help meet the expectations of today's users and customers.

Additionally, gaining a single view of the customer that is managed from a central location is essential. Centrally managing identities will provide a single view of any identity, enable the institution to gain better clarity, and enable them to efficiently offer more services, thus improving customer engagement and generating new revenue streams.

Implementing the right identity access and security management solution can help your financial services company in the era of digital transformation. But what exactly should you look for?

Identity and Access Management (IAM) Considerations

An effective IAM solution should help you:

- Easily and quickly grant secure access to the correct people, both in the cloud and in the enterprise
- Enable a seamless single sign-on (SSO) experience across the enterprise and the cloud

- Strengthen authentication without restricting productivity

Most importantly, you need IAM that provides the tools you need to aggregate identity information from across your IT infrastructure and integrates this information into your security monitoring tools. This level of information delivers the essential “identity context” teams need to recognize—and address—potential attacks faster than ever.

Security Management (SM) Considerations

Again, remember that attackers won't wait for you to address digital transformation trends. SM solutions help keep your organization secure by detecting and responding to all potential threats quickly and decisively:

- Detect and disrupt data breaches quickly
- Get compliant and stay compliant
- Configure systems to protect against threats
- Protect sensitive data
- Control and monitor privileged users

Find the Right Solutions

Several financial services companies have already recruited OpenText™ to provide robust identity and access management (IAM) and security management (SM) solutions for their organization.

For example, UMB—one of the largest independent banks in America—knew it needed to improve its online services offerings to be more competitive.

The bank turned to OpenText for help and was able to:

- Provide 150,000 customers with single sign-on access to their accounts
- Reduce workload for the IT team by centralizing and streamlining identity management
- Received valuable resources and expertise from OpenText consulting

OpenText can also assist your financial services organization with IAM and SM projects. With a firm understanding of digital transformation trends and IT security, we can help your organization remain secure while you innovate to stay competitive.