Paying the Price: Selling Your CFO on Cybersecurity

Including the value of insurance in an effective cybersecurity strategy
Agenda

- Businesses run on balance sheets
  - Establishing the balance sheet for security leadership to measure, monitor and report

- The importance of insurance in protecting the balance sheet
  - Don’t believe all of the security industry negativity about cyber insurance!

- From theory to practice
  - Partnering with the insurance industry provides practical benefits to security leaders, if you let it!

**Diagram:**

Cyber Risk Reduction Curve (aka Cyber Risk Balance Sheet)

- Invest in Technology
- Invest in Transfer

RISK

CYBERSECURITY CAPABILITY
Key Questions

- How do security professionals align with “risk” as defined by the CFO?
- What does “Mean-Time-to-Fix” have to do with quarterly projections?
- How much “less risk” will we have after we patch our systems this week?
Move away from “Identify, Protect, Detect, Respond, and Recover” and embrace your inner accountant:

- First and third party
- Financial and Tangible
- All in Dollars and Cents

Losses Due to Cyber Events (data breaches, destructive attacks, and other unauthorized access or use of your computer systems) can be categorized into these four quadrants.
This is well-worn territory

- What hits your budget during an incident?
- Focuses mostly on breach categories like credit monitoring
- It’s easy to get these values
What hits your customers or partners when an incident occurs? What do they need to pay for – and what are you on the hook to pay them?
Quantifying the destruction that may happen during a cybersecurity incident with ICS.

This could dwarf the estimates for “traditional” data breach quantification.
…And it would impact your business partners, too, potentially. What would you be liable for?
Creating a balance sheet of cyber impacts based on meaningful, yet plausible scenarios
Re-evaluate your “balance sheet”

Does your insurance cover the impacts you would suffer during an incident?
Initial investments should be in cyber capability development—controls to protect and sustain.

As risk curve flattens, cyber insurance becomes an efficient means to further reduce risk.

Harmonizing the investment in technological and transfer controls requires better risk understanding.

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1. Technology Risk Reduction
2. Insurance Risk Reduction
Questions?

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