

VIDEO

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Focus on Funds: Fund Cybersecurity Strategies Are Changing

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New technology is changing how funds approach cybersecurity—and overall risk management. In the January 12, 2018, edition of *Focus on Funds*, IBM cybersecurity expert Bob Kalka discusses what's changing and how it's strengthening fund defenses.

Transcript

Stephanie Ortvals-Tibbs, ICI director, media relations: What cybersecurity megatrend should everyone in the fund industry be watching? At ICI's recent [Cybersecurity Forum](#), noted information technology expert Bob Kalka offered some key takeaways.

Bob Kalka, vice president, IBM Security Business Unit: The most prominent thing going on in cybersecurity right now is a problem with what we call "consumability." There's just too much data, threat intelligence, and cyberthreats out there, and people can't consume them. And studies show it—that people are ignoring up to 50 percent of the stuff coming across their desks, because they can't separate the wheat from the chaff.

So what's happening is a huge focus on cognitive computing and machine learning, that—just as fund managers and asset managers are trying to use cognitive around big data to figure out how to make better decisions—it's the same thing in cybersecurity. It's being able to find the gold within the stuff, so that it's not all ignored.

Ortbals-Tibbs: If cognitive computing can help do that, how is that going to look to the average person in the fund industry? How are they going to see this come into the workplace? How does this play out?

Kalka: The way that they'll see that playing in a workplace is, they'll see what looks like more decisiveness from the IT risk management function. Because they're going to be able to make better decisions, because they're getting clearer outcomes—as opposed to the vague outcomes that they make today, [where] as a result, they have to decide without good information.

Ortbals-Tibbs: It sounds like this is also closely tied in with the move toward cloud

computing that the industry is doing.

Kalka: Yes, what's happening is that people are realizing that leveraging a big-data approach with machine learning to make better decisions is just more easily done from the cloud. Because what you have is, cloud service providers that can bridge this en masse instead of setting up a local instance, and so cloud-based services here for cognitive makes all the sense in the world.

Ortbals-Tibbs: Bob, flag for the industry one other place to watch. What else should they be on the lookout for in terms of megatrends right now?

Kalka: The other megatrend happening is around the intersection of cognitive, cloud, and collaboration. So, it's not only getting deep insights from machine learning and then using it to leverage services from the cloud, but also how does it allow us to collaborate organizationally to make better decisions across the board?

Ortbals-Tibbs: So, is this about making sure that we continue to bring cyber out of one compartment inside an organization?

Kalka: A lot of people look at a cyber bubble within an organization, where nobody really wants to hang out with the cyber bubble, but what's happening is, successful organizations integrate the cyber bubble as a risk-management function across the entire organization. And they are the folks who are making the better decisions.

Additional Resources

- [ICI Information Security Resource Center](#)
- [ICI Viewpoints Series: Cybersecurity at Work](#)
- [Focus on Funds: Fund Industry's Cybersecurity Efforts Continue to Expand](#)
- [Focus on Funds: ICI Brings New Cybersecurity Offerings to the Fund Industry](#)