

A large, abstract graphic on the left side of the page, consisting of several overlapping, curved, semi-transparent shapes in shades of gray, creating a sense of depth and movement.

MOVING BEYOND COMPLIANCE TO TRUE BUSINESS VALUE

The Role of Identity Management
White Paper
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Chapter 1

Executive Summary

In the last several years, dozens of new laws have been passed worldwide that are aimed at ensuring the security, integrity, and privacy of financial, consumer, and other sensitive data. The obligation to comply with these regulations and conform to their requirements has become foremost among business priorities, and identity management has been instrumental in meeting this obligation. In fact, identity management has played a key part in helping companies make compliance an integral and ongoing part of everyday business operations.

But now that these companies are working on putting identity management and other systems and processes in place to readily maintain compliance, what's the next step? Compliance will undoubtedly be an ongoing part of how they do business far into the future. But as achieving compliance becomes less of a difficult and expensive operational burden, will its role change? It is Sun's position that companies that understand the ongoing nature of compliance and have taken steps to make it as painless as possible are now in a unique position to benefit from it. They can move beyond seeing compliance as an operational obligation, and instead seize upon it as a business opportunity.

This paper will:

- Explain the shift in the perception of compliance from a burden to an opportunity
- Describe identity management's role in that shift
- Explore specific business opportunities presented by compliance today
- Consider the influence of identity management in exploiting those opportunities
- Provide specific, real-world scenarios that demonstrate how companies are moving beyond compliance to true business value

Chapter 2

Redefining Compliance as Everyday Business

As several recent laws were passed, requiring businesses to conform to a multitude of new and extensive requirements that protect the integrity and privacy of information, many businesses responded with understandable concern. Suddenly faced with the prospect of being audited at any moment to ensure that their operations were in compliance with these new laws, many businesses could not help but believe that compliance would be a very costly, time-consuming, burdensome effort that would take valuable resources away from emerging business opportunities. And they were right — to an extent.

Initially unprepared to comply with the new regulatory requirements, many businesses invested significant resources in efforts to meet those requirements. They spent money to develop processes that would meet compliance requirements; untold hours collecting evidence for audits; valuable human capital responding to audit demands and requests — all while core business priorities went neglected for lack of resources. Clearly, such an approach could not be sustained.

Implementing Identity Management for More Efficient Compliance

Because the mandate underlying these recently passed business regulations is to protect the integrity and security of information, identity management has a critical role to play in enabling companies to meet that mandate. As an automated solution for monitoring, tracking, reporting on, and auditing access to information and resources, it provides an efficient, effective means of enabling compliance. The following identity management capabilities can help businesses meet their compliance obligation more efficiently than efforts that are not driven by identity management.

- **Centralizing security and audit policy enforcement.** Identity management can provide a central point for enforcing user access privileges, which provides an efficient way to manage a multitude of users accessing a vast amount of information in a large number of sensitive applications.
- **Automatically detecting security and audit policy violations.** Identity management can include the ability to automatically scan critical applications for violations of audit policy, and then make instant notifications about those violations so that they can be addressed immediately.
- **Delivering instant knowledge of who has access to what.** Identity management can also enable the appropriate people to know who has access to what information and resources at any given time — which is critical to efficiently complying with laws that govern data integrity and privacy.
- **Providing automated certification reviews of key identity controls.** Identity management solutions that are designed to send regularly scheduled reports about access or violations to appropriate personnel make the process of detecting and reporting on key information more efficient.
- **Automating audit procedures.** Identity management can automate the otherwise time-consuming and costly manual processes of collecting and assembling audit data, reducing the administrative burden of meeting audit requirements (not to mention lowering the risk of manual errors that could compromise compliance).

Using Identity Management to Make Compliance Sustainable and Manageable

Many of the same capabilities of identity management that make compliance more efficient can also be employed to establish it as a more sustainable and manageable part of doing business — one that can be conducted on an ongoing basis with minimal drain on financial or human resources. The central characteristic that makes such sustainability possible is automation. By eliminating the manual element from compliance and audit processes, automation makes those processes not only faster and more efficient, but *repeatable*. And that, in turn, makes them sustainable over the long term.

The result? Instead of moving into full crisis mode every time an audit threatens, companies find that the information and resources required by the audit are readily available — because they have been automatically collecting them on an ongoing basis over time. There is no longer any need to stop business as usual to meet the demands of an audit; rather, meeting those demands is a natural part of business.

Only when compliance is not an all-consuming drain on resources are companies free to see it as a source of opportunity. The following chapter suggests some of the business opportunities that compliance can present, once it has become a part of the day-to-day routine.

Chapter 3

Seizing the Business Opportunities Presented by Compliance

Companies that are using identity management to make compliance a sustainable, ongoing part of their business stand to benefit in several ways. Here are some of the business opportunities available to them as a result of their approach to compliance.

Stronger Business Relationships

Successful compliance with laws governing the integrity and privacy of sensitive data sends out a message to customers, partners, employees, the media — everyone a business comes in contact with, essentially — about the trustworthiness of that business. A company's careful attention to security and compliance requirements enables it to avoid system breaches or other threats to the integrity of its operations. As a result, customers, partners, employees, and others become increasingly confident that they can trust their sensitive data won't be compromised and their privacy will be consistently protected. This benefits everyone. Customers, partners, and employees have a safe, secure experience in their dealings with the business, which in turn increases their loyalty and improves the company's competitive advantage.

Improved Opportunities for Business Growth

The same identity management infrastructure that helps make compliance sustainable over the long term also helps drive new growth by making it easier for companies to participate in collaborative networks. In the extended enterprise, for example, identity management allows companies to easily and securely bring partners onto the network for activities such as the delivery of new revenue-enhancing services, or the outsourcing of noncore areas from HR to IT. And in customer-facing environments, identity management can boost customer satisfaction and loyalty through conveniences such as a single view of multiple accounts and extranet single sign-on (SSO) across multiple sites, as well as the security of global logout and session management.

More Efficient Business Operations

A business simply cannot run very efficiently when it is using many of its key resources to address compliance and auditing demands; other areas of the business that require those resources will suffer. Introducing identity management to the environment enables the business to operate more efficiently by meeting compliance and audit requirements without making extraordinary demands on existing resources. In addition, identity management increase overall efficiency of user access to information and applications in the networked environment by automating provisioning, password management, and other access-related activities.

Greater Focus on Core Business Priorities

Making compliance a sustainable part of everyday operations is a source of business opportunity in itself. This is because when compliance becomes such an easily managed, integrated part of everyday operations, it frees up tremendous resources. And when those resources are not being focused on auditing and compliance, they can be rechanneled to core business priorities, such as developing new sources of top-line revenue.

Chapter 4

Using Sun™ Identity Management to Exploit New Business Opportunities

The following presents a brief summary of how selected components of the Sun identity management product suite can help an enterprise realize true business value from compliance.

- **Sun Java™ System Identity Manager**

Identity Manager improves compliance and audit performance by providing a comprehensive solution for managing identity profiles and permissions in a manner that can be fully tracked, audited, and reported. By helping to ensure the security of sensitive information, it also encourages high levels of trust and confidence, which are essential to building stronger business relationships. It also increases operational efficiency through automated provisioning, password management, and other access-related activities.

- **Sun Java System Access Manager**

Access Manager allows the status of access privileges to be viewed at any time to meet audit requirements and governmental mandates, as well as prevent unauthorized access to sensitive information. A standard-based solution for secure access, it enables interoperability across multiple technology platforms within a company, as well as across extranets. It also uses role- and rule-based access control to enhance security, increasing confidence and trust in the integrity of operations.

- **Sun Java System Directory Server Enterprise Edition**

Directory Server Enterprise Edition provides the foundation for the entire enterprise identity infrastructure that underlies successful compliance and pursuit of compliance-related business opportunities. It delivers directory services, security and failover capabilities, and synchronization with Microsoft Active Directory, all in a single directory solution.

- **Sun Java System Identity Auditor**

Identity Auditor is critical to enabling businesses to achieve repeatable, sustainable, and cost-effective compliance with internal policies and external regulatory requirements across applications and locations. It provides capabilities to monitor and verify key identity controls, detect and call for action on violations of those controls, and fully report security events.

Chapter 5

Realizing Real-World Successes in Compliance-Driven Opportunities

Businesses from a range of industries have used Sun identity management to help achieve compliance and seek expanded business opportunities.

Mitigating Risk and Improving Compliance in Materials Manufacturing

The Challenge: A leading manufacturer of building materials faced two critical challenges: protect the business by reducing threats to the integrity of its systems and information, and ensure compliance with the Sarbanes-Oxley Act of 2002.

The Solution: Sun identity management replaced the company's manual, fragmented, and inconsistent user management processes with an automated, centralized approach to managing users and their access. As result, the company is now able to maintain far greater control over who can access resources. The Sun solution helps to ensure that only authorized users have access to sensitive systems and information, and alerts administrators about potentially compromised access. In addition, these and other access-related activities and information can be fully tracked and reported on, making them entirely auditable for regulatory purposes.

The Technology: The Java System Identity Manager component is the main focus of the company's efforts. This product provides a single access control process across all financially significant applications. Its capabilities specifically allow the company to automatically carry out a number of key tasks:

- Add and remove access rights to sensitive applications
- Modify access rights associated with transfers or other changes according to security policy
- Instantly disable user accounts due to terminations or other changes in employee and contractor relationships

The Benefits: The company now has a documented, audited provisioning process as well as access-related audit logs and trails, a major step in achieving Sarbanes-Oxley compliance. The company also increased security for its financially significant applications, reducing immediate risk and increasing trust and confidence in the company. The company also improved service to its users by providing fast, automated account set-up capabilities.

Reducing Risk and Increasing Trust in International Banking

The Challenge: An international interbanking group needed to facilitate collaborative interaction among 11 member banks, while protecting the integrity of its data systems and meeting relevant regulatory requirements. As the guarantor of rules defining functions such as credit card issuance, cash withdrawal management, and payment acceptance, the group is responsible for ensuring that its systems are reliable and secure.

The Solution: The group chose Sun identity management to address the security requirements of an access environment involving multiple organizations and high user turnover. The goals were to:

- Make it possible to immediately suspend access privileges when a user's association with the group ends
- Enable accurate, up-to-date visibility into user access
- Provide ongoing detection and reporting of potential security risks and security policy exceptions

The Technology: Automation is key to enabling the group to achieve its goals. The Sun identity management solution automates user provisioning and deprovisioning processes, eliminating security risks associated with delays in changing users' privileges when their roles change. The Sun solution also enables immediate visibility into who has access to what resources at any given time, and automatically detects and reports on potential problems, improving the group's ability to comply with regulatory requirements.

The Benefits: Sun identity management provided reliable, repeatable processes for provisioning and deprovisioning a large, diverse, and constantly changing set of users, reducing the risk of security breaches that could put sensitive information and valuable assets at risk. Centralized visibility into access and ongoing risk detection further secure the environment, as well as helping to ensure compliance.

Improving Relationships and Cutting Costs in a Highly Regulated Healthcare Environment

The Challenge: A national provider of health improvement services with more than 1400 clients needed to accomplish three objectives, each of which would be compelling in and of itself. First, the company needed to protect relationships with clients and improve its ability to interact with them by improving service — specifically by meeting stringent service level agreements to provision them in hours, instead of days. Second, it needed to comply with HIPAA dictates and the electronic records requirements imposed by the U.S. Food and Drug Administration (FDA) 21 CFR Part 11 regulation. Finally, the company needed to cut costs and improve customer satisfaction by reducing the need for help desk assistance.

The mandate to make improvements and add capabilities without adding costs — and in fact, actually reducing costs in the process — posed an extraordinary challenge.

The Solution: Sun identity management enabled the company to achieve all three goals by improving a number of processes related to service levels, compliance, and costs. It specifically automated user provisioning processes; improved controls over access privileges to individuals' private health information; and empowered users to perform tasks such as password changes themselves, rather than calling the help desk.

The Technology: The company is employing Java System Identity Manager to automatically provision users, centralize control over access to information and systems, and deliver self-service capabilities to users.

The Benefits: Through automation and self-service, Sun identity management is bringing users onboard immediately and meeting their changing needs more quickly, adhering to and even surpassing the requirements of its service level agreements. By centralizing administrative control over access privileges, the solution put the company in a far better position to meet regulatory requirements. And it achieved these business and compliance goals while reducing costs through the use of automation and self-service. In fact, the company realized a 100-percent return on its investment in the Sun solution within seven months.

Chapter 6

Conclusion

More and more businesses today are realizing that compliance can be a source of business opportunity as well as a burden, if it becomes an ongoing, sustainable part of everyday business. Identity management is key to enabling businesses in making compliance sustainable, and discovering and exploiting business opportunities that may result from doing so. Sun identity management provides a complete portfolio of products to help businesses address these issues efficiently and cost-effectively.

To learn more about identity management and its role in meeting the challenges and opportunities presented by compliance, visit www.sun.com/identityconfidence/compliance.

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