

identifying and controlling social media risks

Carlos Batista

Enterprise Technology Risk Management

SunTrust Bank

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What We'll Cover

- Opportunities in Social Media
- Business & Technical Risks
- A Word on Consumer Risks
- Control Strategies
- Q&A



Disclaimer: *The opinions expressed in this session represent those of the presenter and the presenter alone, and do not represent the views of SunTrust Bank, or any previous employer of mine.*

Additionally, nothing represented in this session should be construed as legal counsel. I am not an attorney, nor am I licensed to dispense legal advice.

The Opportunities Within Social Media are Everywhere



For Consumers

- Keeping in Touch
- Seeking Company/Product Info.
- Seeking Advice
- Staying up-to-date on activities



For Enterprises

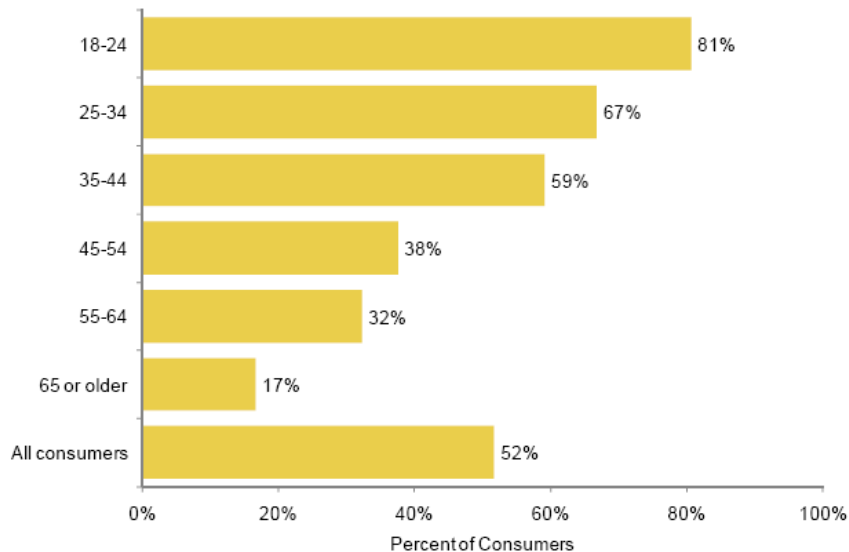
- Marketing Products/Services
- Seeking Consumer Feedback
- Providing Client Assistance
- Influencing the Brand

A key is understanding how these two align!

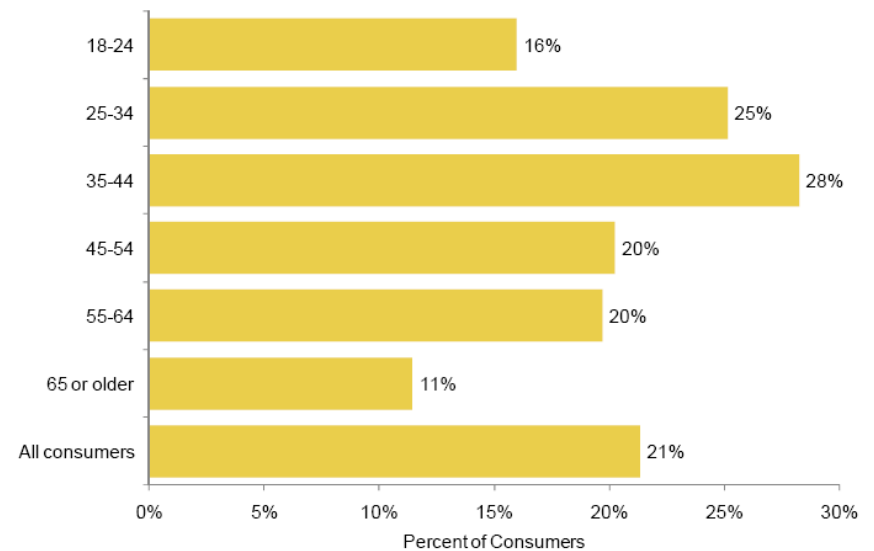
Everybody's Doing It

The number of U.S. consumers using some of kind of social network (i.e. FaceBook, MySpace, LinkedIn, etc.), is staggering, **and it's still growing!**

% of U.S. Consumers using Social Networks



% Growth New Social Networkers – Past 12 Months



Source: *Social Media & Banking: Brand Opportunity, Risk or Complete Waste of Time?* – Javelin Strategy & Research. March 2010.

Business Risks Affecting Social Media

Productivity Loss – How much time will your employees now spend on social networking sites?

Information & Data Loss – Examples include client data, trade secrets, operational procedures, and company strategies

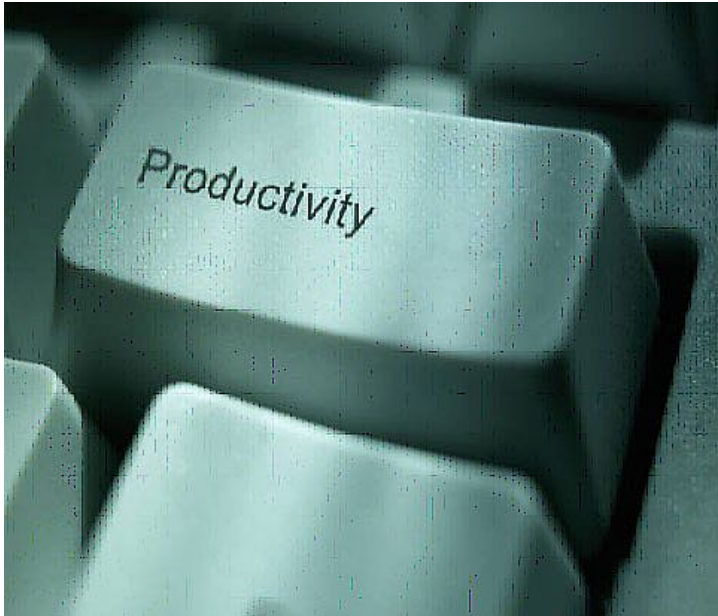
Reputational Risk – The possibility of disparaging or embarrassing information about your organization being disclosed to the public

Fraud Risk – The possibility of your organization's presence on a social network becoming compromised, with fraudsters directing phishing attempts towards "friends", "followers", "fans" or others

Legal Liability & Regulatory Risk – Comments made by Corporate Officers could be subject to securities regulations (i.e. SEC)



Productivity Risks



Source: http://lonewolf librarian.files.wordpress.com/2009/08/productivity-main_full.jpg

Arguably the number one concern for managers.

- **Study from 2009 revealed that employees allowed to access social networks spent, on average, 15 minutes per day at work browsing social networking sites, at a cost of 1.5 % lost productivity per day.**
- **Network bandwidth a primary concern of IT Managers.**

Information & Data Loss Risks

Arguably the number one concern for security & privacy managers.

Specific risks can include:

Strategy Disclosure (M&A)

Intellectual Property Loss

Client Data Breaches

Operational Leaks



Source: <http://information-security-resources.com>

Reputational Risks

Negative or unprofessional comments posted by internal employees, customers, or others may negatively impact your brand.

Several High-Profile Examples:

- ❖ Matrixx – Zicam via Twitter
- ❖ Dominoes Pizza Employees on YouTube
- ❖ Federal Express & Ketchum PR Firm



Source: <http://www.semadvisory.com/>

Fraud Risks



*Who's responsible
for fraud committed
via free social
networks?*

A compromise to your brand presence within social media could result in your customers, clients, and others being defrauded or compromised.

- Website Credential Compromise

- Collect Client Data
- Post or Link to Malicious Content
- Offer Fake Products & Services

- Imposter Company Facebook / Twitter Sites

- Double-Edged Sword

Legal & Regulatory Risks

For many organizations, a social media presence and interactions made therein are governed by the same regulations that govern other forms of electronic communication or media.

Risk Considerations should include:

- SEC Regulations RE: Corporate Officers
- Required Disclosures or Disclaimers
- Electronic Records Retention
- eDiscovery
- Regulatory Requirements Around Social Media (i.e. FINRA)



Source: <http://www.consultwhite.com/>

Technical Risks Affecting Social Media



Malware - Vector for malicious code delivery and social engineering.

Limited eDiscovery / Records Retention – Difficult to extract electronic social media records for pending/active litigation.

Access Management – How do you control access to the administrative or editorial content within social media properties?

“Internal” Social Media Site Risks – Companies must effectively protect internally managed sites that provide social media services.

Other Risks – Limited incident response; limited support at major social media outlets.

A Word on the Consumer Risks...

Privacy

- *Is it dead?*
- *What can the bad guys do?*
- *What can we do?*



Control Strategies for Social Media

Organizational

Cross-Functional Effort
Social Media Acceptable Use Policy
Legal / Compliance Approval
Incident Response

Technical

Updated Anti-Malware S/W
Limit Administrative Rights
Data Leakage Protection (DLP)
Credential Management

An **enterprise social-media strategy** while taking a risk-based view is **crucial!**

Departmental

Active Moderation
Monitoring
New Profiles for Users
Training & Awareness

Tools

Authorization Tools
Social Media Aggregators
Web 2.0 Security Appliances

Additional Notes on Controls

Social Media Policy:

- *Not a Security Policy!*
- *Encourage Positive Social Activity....*
- *...But Lay Down the Law.*
- *Focus on both Brand Protection and IP Protection*
- *Don't Forget about Awareness.*

Moderation and Monitoring:

- *Impossible to Moderate Everything*
- *24 x 7 Monitoring?*
- *Automation*

Social Media Security Tools:

- *At Least Worth a Look*
- *Can Restrict Social Media Interaction Based on:*
 - *Username / Group / IP*
 - *Function (Uploads, Chat)*
 - *Restrict Application Use*
- *Provides Moderation*
- *Provides Logging for Records Retention*

Also:

- *Consider Bandwidth Throttling*

Additional Resources + References

Additional Resources:

- *Facebook: Measuring the Cost to Business of Social Networking.* Nucleus Research. July 2009.
- *Social Media: Business Benefits and Security, Governance and Assurance Perspectives.* ISACA White Paper. Published 2010.
- *Network Interference: A Legal Guide to the Commercial Risks and Rewards of the Social Media Phenomenon.* ReedSmith LLP. May 2010.
- SocialMediaGovernance.com – Social Media Policy Database
- Mashable.com – Social Media Industry Site



Any Questions?

Thank you!