

Compliance and InfoSecurity - Applying the Right Resources

For the past two years, credit unions have been consumed by compliance and security issues; continuously reacting to the latest legislation or cyber threat, diverting resources that could be spent on activities that accelerate growth.

The problem is, there's no real end in sight. New regulatory requirements will continue to spur compliance challenges. The proliferation of the smartphone/notebook-empowered, connected user will drive new security issues. Smart criminals and new threats emerge every day, if not every few hours. None of this is likely to change.

Instead of wasting time "reacting" to new requirements and cyber challenges, consider a more proactive approach. It is better to help write legislation than react to legislation. By taking the time to plan and measure security expenditures, your credit union will be positioned to lead legislation rather than adopt it. Instead of a continual game of catch up, you stay one step ahead and allocate the appropriate budget for any necessary security enhancements.

It's important to understand that security now requires an ongoing investment that should be part of the annual budget. What works today is probably not enough for tomorrow's threats. The idea is not to do the bare minimum required for compliance, but to ensure your solution can protect your members and your institution's reputation.

If you're currently managing your own Internet banking, consider outsourcing to an experienced provider. A solid Internet banking partner is also a security expert, continually researching threats, with the scale to anticipate and counter new types of perpetrators. For example, a skilled provider monitors and "scores" variables in user behavior, like logging on at odd times of day, unusual IP addresses - or IP addresses that change mid-session. This partner can also help you close down phishing sites more quickly.

By taking advantage of the available technology, you can help your institution stay protected and compliant, without slowing down efficiency. For example, if you want to check member signatures and compare photo I.D. for certain transactions, give your frontline the tools to pull up this information electronically. You add a layer of security without adding steps to the transaction process.

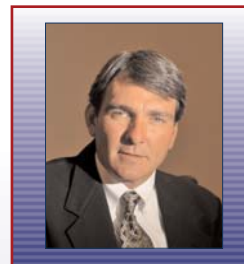
Also, recognize that the increased use of social media and mobility impacts how you secure your Internet banking. Five years ago, asking, "What's your mother's maiden name?" as a single form of verification may have been enough. Now, with so much personal information publicly available through social media, multi-factor authentication is a must for Internet banking.

Additionally, consider the use of one-time passwords to protect your members. These passwords, or secure tokens, can be downloaded and saved to your members' desktop or mobile device and used to safely launch the Internet banking site. If an institution-wide rollout isn't in the budget today, consider starting the program with your high-value users or business members to both protect yourself where you have the greatest risk, but also to differentiate yourself to retain these important market segments.

When it comes to security and compliance, the best approach is the proactive approach. Work with a trusted provider to start creating a well-defined plan of action now. Your efforts will pay off in the form of a more secure, productive credit union that's prepared for anything.

Jeff Marshall

Vice President Strategic Technologies



Jeff Marshall

identifies and evaluates new technologies, solutions, partnerships and acquisitions that present opportunities for

business growth for Harland Financial Solutions. Prior to his current role, Jeff oversaw software development, security and network operations for Harland Financial Solutions' electronic banking business. Before joining Harland Financial Solutions, he developed software for various national industries. He wrote one of the first Internet banking and bill payment systems in the country, as well as one of the first Internet lending systems to include real-time credit decisions. In an ongoing effort to promote the success of community-based financial institutions, he helps hundreds of financial institutions think progressively about the risks and costs related to Internet delivery systems. Jeff is widely recognized in the software industry for his accomplishments, knowledge and vision.

Contact Info

www.harlandfinancialsolutions.com