Chapter IX

Unified Identities in Complex Financial Organizations

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Abstract

In this chapter, we make the case for a unified approach to managing identities in a complex enterprise in the financial services sector. We discuss the framework for evolving unified policies and processes and prescribe optimal organizational governance to implement them. We discuss the relationship with regulatory compliance and other critical information enterprise functions. We also include nonprescriptive, strategic positions that progressive organizations may take to streamline enterprise identity and access management.
Introduction

After years of neglect, identity and access management (IAM) is now strongly ensconced in the modern information technology enterprise. Businesses are driven by the desire for greater business ecosystem and process efficiency, automatic regulatory compliance, and, frankly, the deep-seated aversion to negative press resulting from identity theft and other information asset intrusions.

Forward thinking firms, however, realize that IAM goes beyond these traditional “mandates.” The Hewlett Packard Company (HP), for example, realizes that the management of their most valuable assets—142,000 employees, hundreds of thousands of partners, and more than one billion customers worldwide—requires unprecedented C-level commitment, including the creation of a new powerful position of chief identity officer (HP Identity Journey, 2005).

Business Drivers, Organizing Principles, and Strategic Goals

This section provides an overview of high level features of an enterprise identity and access management infrastructure. It is organized into high level focus areas, roughly in order of strategic priority in the financial services sector.

Unified Identity and Access Management (IAM)

Identity management is the process of managing user identities (principals or “users”) in the enterprise. Traditionally, these include employees, contractors, business partners, suppliers, and vendors, amongst others. In the services oriented architecture (SOA) world, identities also may be extended to business entities like assets, projects, or Web services.

The goal of identity management systems is to track user identities as they traverse through various phases in the enterprise. As the identities assume new roles, relinquish old ones, on-board and off-board, a properly designed identity management system manages the process seamlessly from one phase to the next.

Underlying each identity management system is an access management system. An access management system provides primarily authentication and authorization services but may also provide other related services, like nonrepudiation. Once again, an access management system may provide services to traditional identities (principals or “users”) as well as nontraditional identities, like servers and enterprise services.

These two services form the foundation of the enterprise information architecture. Their situation at the center of the information enterprise explains why they occupy such a prominent...
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