Show Me the Money: Making the Cost-Benefit Pitch That Prevails

P2P2-W05: Show Me the Money: Making the Cost-Benefit Pitch That Prevails

Kenneth Morrison, Principal, Morrison Consulting

Everyone has a wish list—projects you are sure will improve your organization's IT security. When a "pitch" is schedule how do you stand out to gain the commitment you need. What format should you use that clearly documents benefits that are compelling to management? What challenges do you face? RSA Conference USA 2018 featured two Peer2Peer (P2P) sessions that provided the opportunity for a great group of attendees to talk with each other in a small session about making a successful pitch for funding.

Two P2P sessions were scheduled for this popular topic, Wednesday and Thursday mornings, and both were full. The objectives for these sessions were:

- Learn how to effectively craft and present a Cost-Benefit proposal to management
- Learn how to clearly define business benefits in strategic language
- Learn what funding strategies have worked, and how to avoid sabotaging yourself

At both sessions there was great energy and pretty much everyone contributed to the conversation. A variety of points of interest were made, coming from diverse backgrounds and issues, with talk flowing around the room. This is the direct connection opportunity Peer-to-Peer sessions give within the larger Conference.

The key issues of concern voiced and discussed (the survey in advance of the session helped us focus the discussion here), involving both people and process, were:

- Pitches, what's worked, what's not
- How to measure the "benefit" part of costs/benefits

In general participants wanted most to discuss how to best make the pitch that succeeds, and our discussion unfolded to reveal these key best practices, as shared by attendees:

- Pitch a story. Keep it simple, and make the case with the first 90 seconds.

- The idea matters only so much; likely other factors will fail you. Know the forum and decision makers, and adjust your pitch accordingly.

- Pitch business benefits first, aligned with the communicated strategy of the business, in the language of the business. How much savings are expected? Consider risk aversion as a benefit: how is risk lowered? If there is considerable detail to the proposal then provide it in advance, but be prepared to discuss details if asked. The business plan can come later.

- Mood matters. Be passionate, be authentic. Try to enroll decision makers in your passion and creative process by inviting input. Project decision-maker's needs onto your project. Include stakeholder testimonials gathered in advance, particularly from outside your group. Be careful

about slides, they detract from passion so must be essential.

- Prepare in advance for your pitch. Learn about successful and unsuccessful pitches. If possible network with and learn pitch strategy from your company's experts, the people in sales. Anticipate questions. Sow the garden for your proposal before preparing it by asking decision-makers in advance for thoughts and input, and respond to these.

- Prepare yourself. Understand your "category box", how you might be viewed by decision-makers.

There are foundational documents and web resources you can use in specific situations:

- There are standard methodologies that can be used, such as "Cost-Benefit Analysis" (CBA/BCA) and the Value-at-Risk framework (VaR), the latter which is often used to quantify cyber-risks. Others include cost-effectiveness analysis, cost-utility analysis, risk-benefit analysis, economic impact analysis, fiscal impact analysis and social return on investment analysis. But preparing these can take considerable time.

- Cost-effectiveness analysis is less laborious and time-consuming as it does not involve the monetization of outcomes, which can be difficult

- Value-at-Risk (VaR) is typically used by firms and regulators in the financial industry to gauge the amount of assets needed to cover possible losses, but it has four main uses in finance, one of which is risk management, which can include quantifying risk appetite and risk retention.

- ISACA has their Risk IT framework, fully covered within the scope of COBIT 5, which provides an end-to-end, comprehensive view of all risks related to the use of IT, including risk management, from the tone and culture at the top. "*Risk is a natural part of the business landscape. If managed effectively, losses can be avoided and benefits obtained.*" Businesses are used to incorporating risk, such as market risks, credit risk and operational risks, into the corporate decision-making process. IT Risk belongs in these conversations.

  http://www.isaca.org/knowledge-center/risk-it-it-risk-management/pages/default.aspx

- SANS Institute: Incident Handling, an action plan for dealing with security risk and incidents. It is comprised of a six-step process: Preparation, Identification, Containment, Eradication, Recovery, and Lessons Learned.

  https://www.sans.org

The dynamic energy of this great discussion was a call to continue the conversation. I encourage all interested professionals to comment on the blog, and to reach out to me directly:

https://www.rsaconference.com/events/us18/speakers/8341DFF8324DE5C2-Kenneth-Morrison

Kenneth Morrison is the Principal of Morrison Consulting, an international IT security firm. With 16+ years of corporate and consulting experience, he has analyzed security for hundreds of systems, domestic and global, for regulatory compliance, architecture and policy assurance. His work includes cloud migrations, ERP and regulated systems, and design of strategic security architecture frameworks based on COBIT, ITIL, ISO/IEC requirements and controls. He has contributed to (ISC)2's Safe and Secure Online project. He has an architecture degree from UC Berkeley, and holds CISSP and CISM certifications. He is a Distinguished Visiting Fellow, College of Environmental Design, UC Berkeley. He is currently working with an IT security hardware startup focused on network security.

Tags: practitioner perspectives, professional development & workforce