

MAKING SECURITY CONVERGENCE A REALITY



WESTERN FEDERAL
CREDIT UNION
HAWTHORNE, CA

Western Federal Credit Union
Creates New Approach to Security to
Protect Privacy, Safety and Success of
Members, Employees and Community

1

About: A member-owned financial cooperative, Western Federal Credit Union is a multi-state, multi-sponsor credit union with more than 30 branches in the western United States. With more than 140,000 members, Western serves the information technology, service, airline, retail, manufacturing, healthcare and aerospace industries. Since the 2003 merger with TRW Systems Federal Credit Union, Western has grown to become one of the nation's leading credit unions with more than \$1.4 billion in assets.

Solutions: A Diebold customer for more than 20 years, Western Federal Credit Union was Diebold Security's first alarm monitoring site. Today, Western leverages Diebold's expertise for a multitude of security, workflow improvement and self-service solutions, including: access control, alarm monitoring, alarm panels, automated teller machines (ATMs), ATM security, ATM software, cellular communications, Diebold AccuTrack® DVRs, safes and vaults, service, surveillance and teller equipment.

For Western Federal Credit Union, convergence is more than a buzzword or a philosophy. It's a strategic and operational priority for its entire organization.

A 30+ branch, multi-state credit union headquartered in Hawthorne, Calif., Western has been evolving its security operation to a converged approach since 2006.

"When Western talks about convergence," said Nate Howe, assistant vice president and security officer for Western Federal Credit Union, "we are referring to the cooperation and coordination of physical and information security within a single risk management program."

But it has not been an overnight evolution. Prior to 2006, Western did not have an enterprise-wide information security function. That role was perceived to be the responsibility of IT. Plus, physical security was perceived to be a facilities issue. The functions were not collaborative, and both were decentralized. They lacked the integration, processes and procedures that could enable them to work together to maximize Western's security investment.



SECURITY

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“There was a disconnect between physical and information security,” Howe said. “But we saw the many commonalities between the two. Elements such as user enrollment, user access removal, event log monitoring, alignment of permissions to job functions, incident response, business continuity planning, hardening IP-connected devices and physical systems and procedures — these are all joint functions. We knew our approach needed to be one of coordination and cooperation.”

The Transition

A Diebold customer for more than 20 years, Western has long taken a progressive approach to security. In 1988, the credit union became Diebold’s first site for alarm monitoring. As it looked toward convergence, the organization again relied on its security partner to aid in the transition.

“We needed a partner with a holistic view,” Howe said. “Diebold can address the physical and the logical. They’re part of this thing we call convergence. Diebold was in a position to help us achieve our convergence goals.”

Those goals began with the inception of an information security function as part of Western’s risk management department. Then, the credit union also brought the physical security function under the risk management umbrella. Physical and information security were integrated, and a cross-functional team within Western’s risk management department was appointed to oversee the security operation. By creating a converged, enterprise-wide function that is centrally managed, security is positioned to add value even beyond the prevention of critical loss. It can also leverage its resources to help support and achieve overarching business objectives.

Housing security in the risk management organization enables Western to better understand risk and more effectively coordinate strategies and tools to mitigate that risk. As the credit union’s security structure evolved, it was driven by a consideration of the universe of risks the organization faced. Howe and his team ranked various scenarios of “what could go wrong.” From high risk to low risk, the team considered the scenarios and assigned resources accordingly. As risks change, the team advocates for continued investment in security.

“It’s critical that our approach to risk management considers the universe of risks,” Howe said. “This enables



us to understand our current capabilities and compare them to our needs.”

As the organization developed a deeper understanding of its risks, it also recognized the need to articulate the policies and procedures that would ensure it could effectively utilize the new security structure. Specifically, physical security policies and procedures required a refresh, as well as comprehensive documentation.

“We have policies and procedures for technical security topics, but we also needed to dedicate resources to creating or building similar physical security elements,” Howe said.

Creating and documenting procedures alone was not enough. The credit union also needed to place emphasis on education and training.

“The organization had previously entrenched views and experiences when it came to security,” Howe said. “For better or worse, staff was familiar with picking up the phone and calling facilities to discuss physical security needs. In some cases, out-of-state branches were familiar with ordering their own field services. These are exercises that are now centralized through risk management. As employees have been trained on the changes and have learned to trust risk management to be their single point of contact, they have learned to break old habits and adjust their understanding of security.”

Diebold served as an advisor as the credit union defined its new security structure and created the policies and processes that would ensure its success. Once the new structure was in place, Diebold partnered with Western to evaluate its security technologies' ability to meet new security objectives. This entailed not only assessing technologies to verify they were operating effectively and with the newest upgrades and patches, but also developing a plan for the integration of physical and logical systems.

"From a technology standpoint, our short-term challenge was catching up our physical systems to have the same level of security our IT systems would typically have," Howe said. "That meant consistently doing things like installing missing patches, resetting default passwords and disenrolling from our systems team members who are no longer working for us."

As Western's security partner, Diebold also worked with the credit union to leverage its legacy equipment. Diebold's experts helped Western integrate the physical and logical — to the extent possible — to enable once disparate systems to work together to achieve the organization's converged security strategy. Where systems have not yet been integrated, such opportunities are on the roadmap for future improvement.

"The various systems we have in place today — badges, alarms, cameras — do not integrate to the degree we would expect if we bought new equipment," Howe said. "But Diebold has helped us in our organizational convergence by enabling our equipment to work more effectively and efficiently. They also have met with us frequently to help solve problems and answer questions that arose during the integration process."

The Benefits of Convergence

Howe said the credit union can already see the benefits of convergence, both in terms of the effectiveness of its overall security operation and efficiencies of its security technologies.

"One example of the improvement in our operation is the evolution we've seen in our access provisioning system for alarms and cameras," Howe said. "Although we're using the same equipment, Diebold has helped us make it work more effectively as part of the converged model. In most cases, we can now offer same-day enrollment and disenrollment. In the past, the days or weeks we had to wait not only had the potential to create security vulnerabilities, it was also inconvenient."

Ultimately, Howe said the credit union would like to "virtualize" its security operation to enable remote management. With a lean security operation and with more than 30 geographically dispersed branches to protect, it is critical that Western has consistent, around-the-clock access to its security technologies, regardless of location. Diebold has offered the credit union a variety of solutions to meet this need.

"As we move forward, whatever we do within our security operation, we expect it to be remotely managed and remotely controlled," Howe said. "With a multi-state operation, our security technology must provide us with the flexibility we need to accommodate our mobile staff. We have been able to leverage a variety of Diebold's Web-based management tools. Diebold has also been able to deliver service even to our remote locations, where it is not necessarily realistic for our team to provide support. There is just one number to dial, and we can get support for any of our sites."

Although Western Federal Credit Union now has a solid foundation for security convergence, there is still work to do. Howe said his near-term challenges include continuing to align out-of-state branches, seek funding for critical security projects, correct errors of the past, bring consistency to branch configurations and continue to promote adoption of new security procedures.

"As our organization has evolved, so have our needs," Howe said. "Whatever the need, Diebold has provided expert counsel and delivered the solution we needed. They were ready to grow with us. And we're not done yet."

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