

A man with dark hair, a beard, and glasses, wearing a dark suit, light blue shirt, and dark tie, stands in a cluttered office. Behind him is a chalkboard with the word "BIENVENIDOS" written on it. The office is filled with papers, a desk lamp, and various office supplies.

# **Five objections to FAIR and how to overcome them**



# Who we are



**Prashanthi Koutha**  
**Senior Security Risk Engineer**

I've worked in the Information Security and Risk Management fields for over 5 years. I have a MS in Information Technology Management from the University of Texas at Dallas and hold the OpenFAIR Analyst industry certification. I am also a member of the RiskLens Technical Advisory Board: a platform that offers quantitative cyber risk management solutions built on the FAIR standard.

**Favorite Netflix Show:** Indian Matchmaking



**Tony Martin-Vegue**  
**Senior Security Risk Engineer**

I've worked in the Information Technology and Information Security fields for over 20 years, with the last 12 in technology risk management, focusing on quantitative methodologies. I have a BS in Business Economics from the University of San Francisco and hold the CISSP, CISM and OpenFAIR Analyst industry certifications. I co-chair the San Francisco chapter of the FAIR Institute and serve on ISACA's Risk Advisory Council: two organizations dedicated to advancing technology risk practices.

**Favorite Netflix Show:** Love is Blind

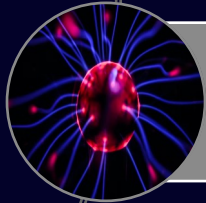
# Agenda



Our risk program

5

5 common objections



Parting thoughts



Q&A

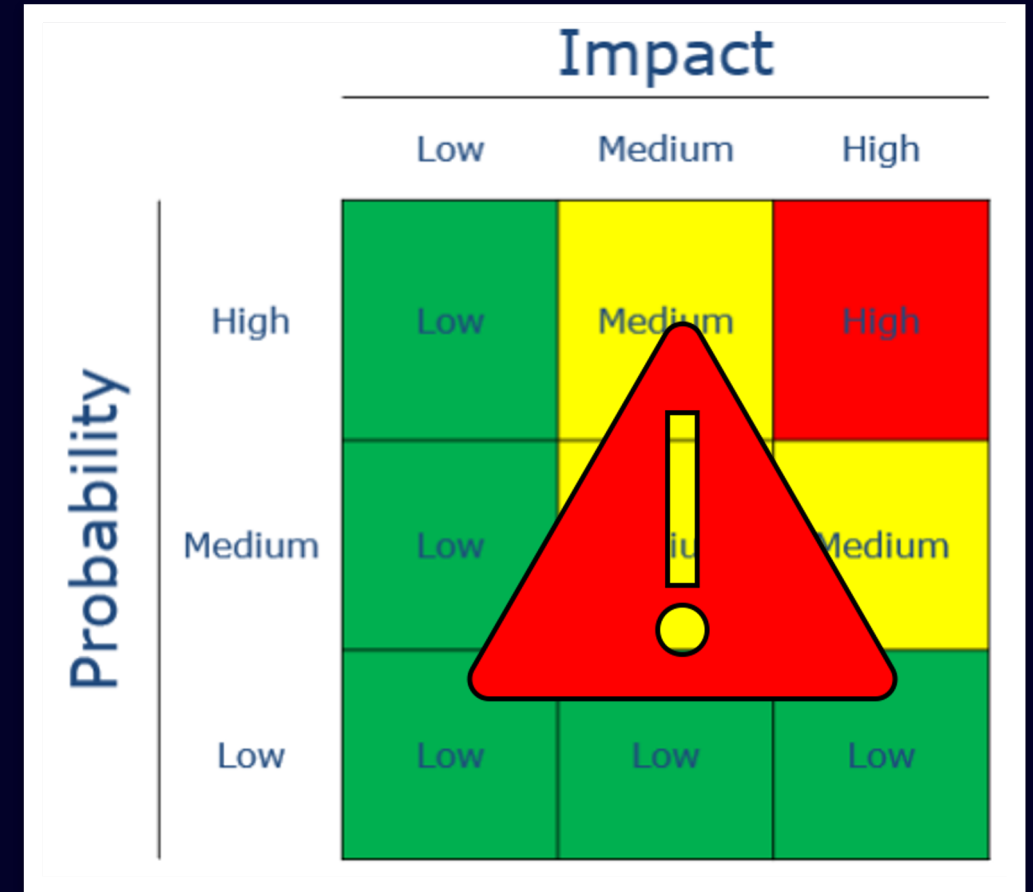
# Our Leadership Wanted More

Cost/benefit analysis

ROI

Risks in business language (\$)

No fear mongering





**We slowly, and  
carefully, moved  
to risk  
quantification...**





Objection!









“FAIR risk managers need a degree in Statistics to do an analysis”



**#1 Steep Analyst Learning Curve**

# We say...

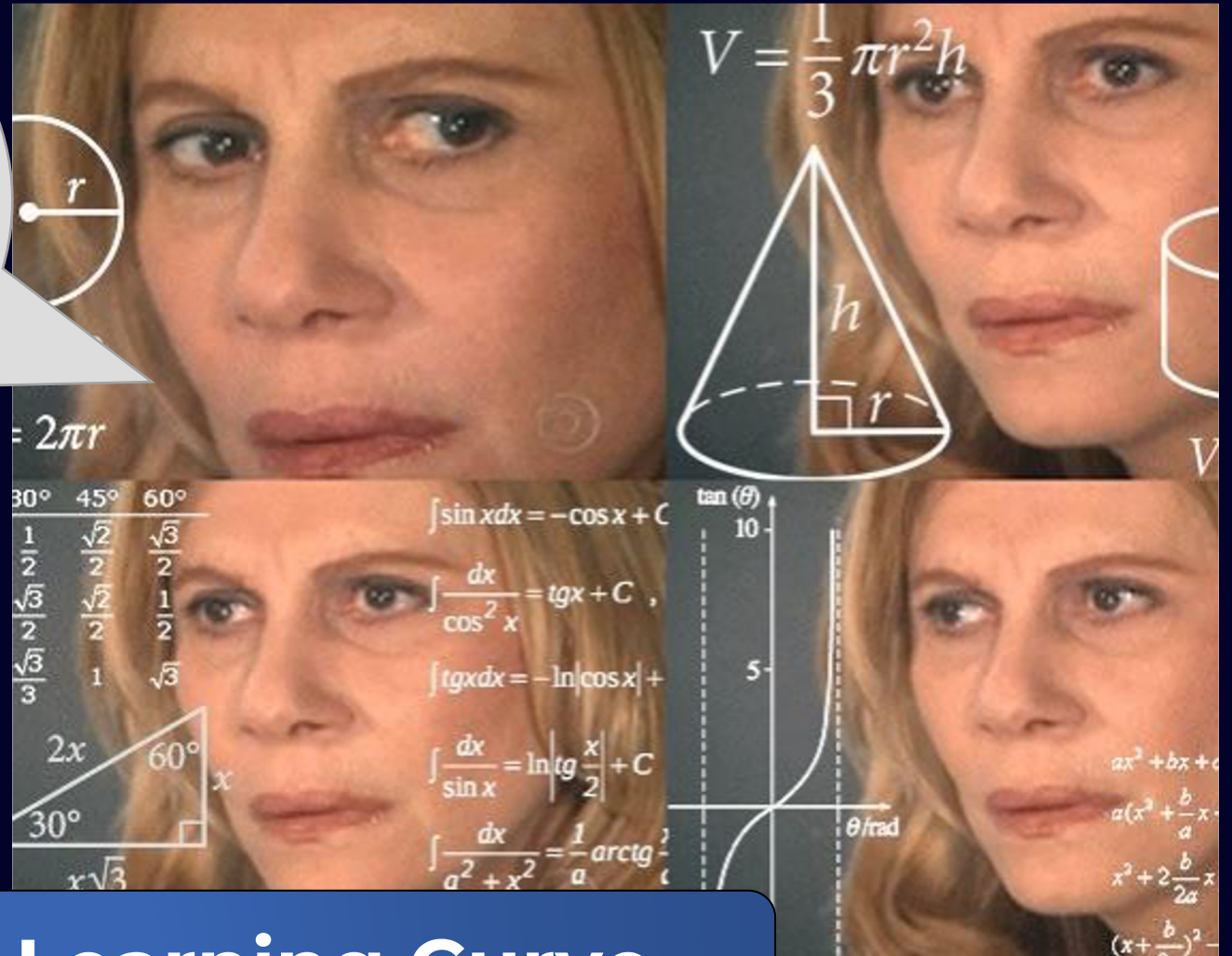


FAIR leverages centuries-old techniques

The FAIR community is vast

So are the Stats, Finance and Business Forecasting fields

“I need a degree in Stats to UNDERSTAND a risk analysis”



## #2 Steep Consumer Learning Curve



# We say...



## Meet people where they are

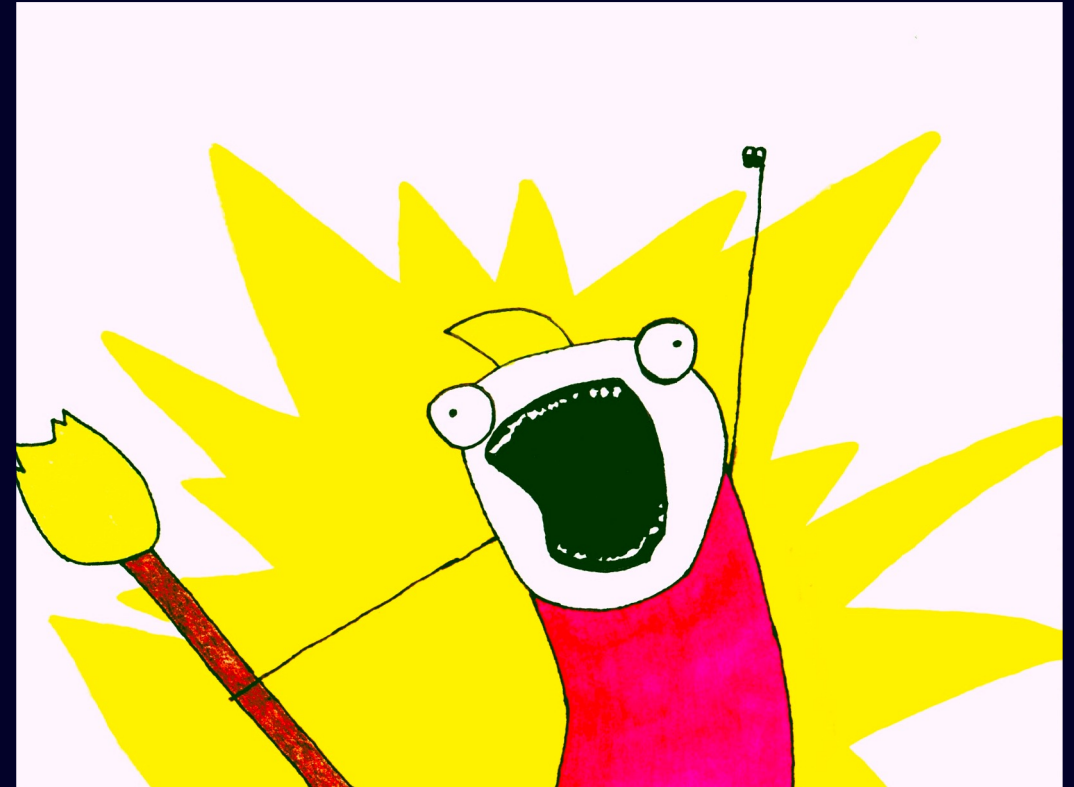
“Your risk analysis doesn’t account for all the millions of possibilities of things that can happen”



**#3 It's not perfect**

# **We say...**

**We don't  
want to count  
all the things.**







“If your inputs  
are garbage,  
then the results  
will be garbage”

**#4 Garbage in, garbage out**



# We say...

Use your experts!

...but no more than 8!

Debias your experts

Leverage all three types of data sources

# Where do we get data?



## External Research

We use external research (Verizon DBIR, Cyentia reports); SEC filings for event type and cost data; news reports; public insurance claim data (e.g. Advisen), other reports for trends, threats, emerging risk, vectors, etc.

## Internal Incidents

All previous incidents that have occurred at Netflix help us forecast future events.

## Subject Matter Experts

We ask experts to take external and internal data and filter it through their years of experience and knowledge about the environment that helps us adjust our forecasts.



“We could do 15  
r/y/g/assessments  
in the time it take  
you to do 1 FAIR”

**#5 It takes longer**



# We say...

A quantitative risk assessment does take longer than qualitative – but only marginally longer

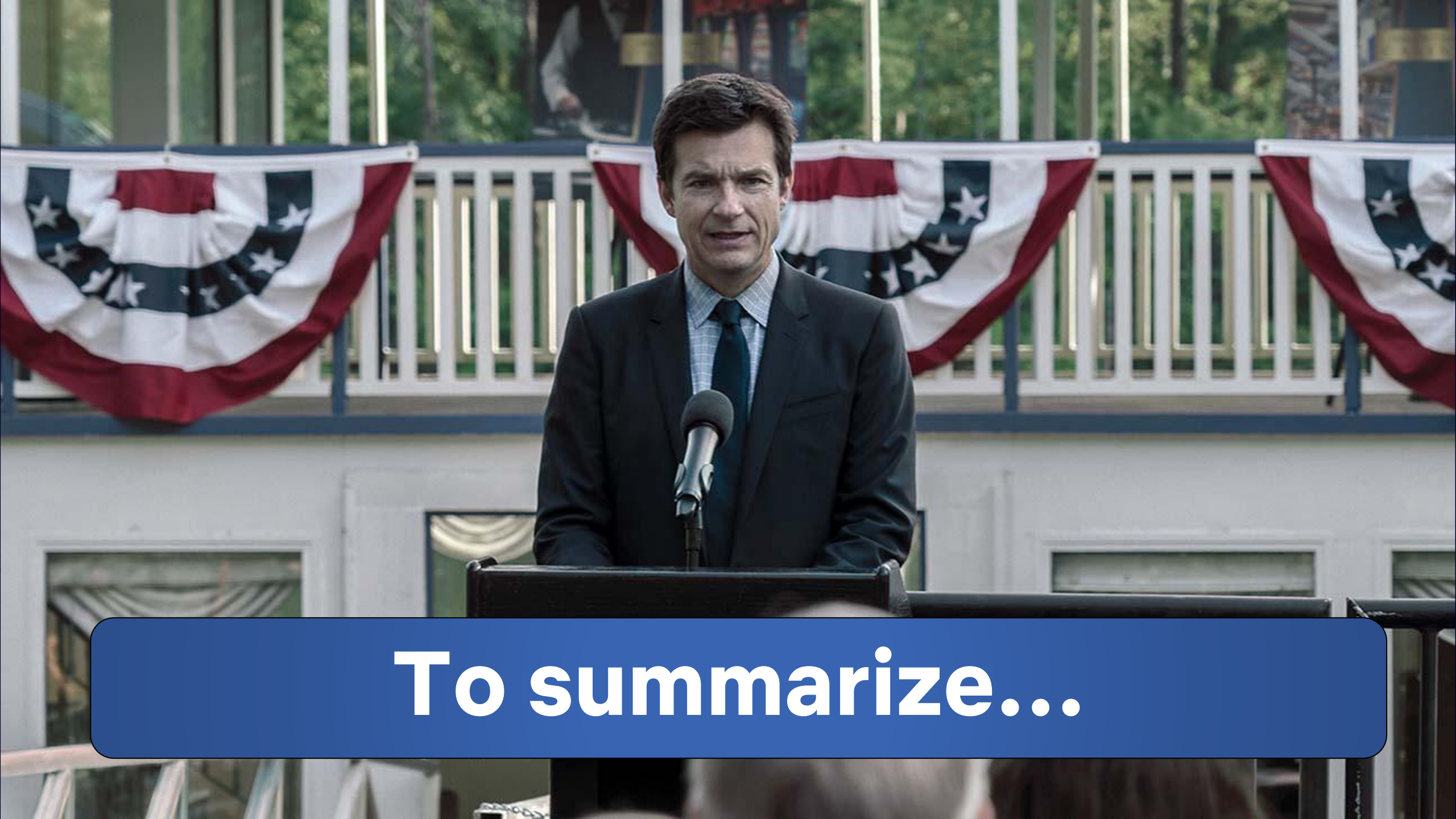
Collecting quantitative data is about 10% of the total time spent on a risk project

All other activities must be done regardless of the methodology



Unique to quant  
risk





**To summarize...**



# Objection, or advantage?

## Objection

## We say...

Steep analyst learning curve



Plethora of resources

Steep consumer learning curve



We provide context + data

It's not perfect



Perfection is not the goal

Garbage in, garbage out



Multiple validation checks

It takes longer



Yes, but only marginally so



A photograph of two men in an outdoor setting. On the left, a man with a shaved head and a short beard is shown in profile, wearing a dark t-shirt and a gold chain. On the right, a man with dark hair and a mustache is looking down with a serious expression, wearing a light-colored striped button-down shirt. The background shows a building with green and blue accents and some foliage.

# Questions?