

## ENISA – ANACOM event on

### “Risk and Innovation”

22<sup>nd</sup> January 2010, Sofitel Lisbon,

Lisbon, Portugal

*“..We know that there is a direct link between the investment in ICT and economic performance, as it raises the innovation capacities of all industrial sectors in a horizontal way, improves productivity and helps us optimise the use of natural resources...”*, Commissioner Viviane Reding,  
Information Day on the 3 PPPs, Brussels, 13 July 2009

### Background

*Innovation...*

is about doing things in a new way. Innovation helps in generating new opportunities for traditional business activities by injecting new ideas that are often oriented towards higher specialization and thereby are more knowledge intensive. Innovation contributes thus to the improvement of competitiveness, fosters knowledge based economy and contributes to the overall prosperity of our societies.

In corporate world, innovation aims at introducing advancements/novel approaches in product development, business processes, organisations and culture. The factors affected by innovation are usually efficiency, economic status, product attractiveness, strategic alignment, market share, resource consumption, etc.

Given the big number of interconnected individuals, open and ad-hoc networks of knowledge are created. Through open interaction models, exchange and convergence of knowledge from various disciplines and sources, very fertile grounds for the creation and discussion of new ideas are created. It is expected that this increasing capacity is going to be one important source of innovation in the future.

The process to achieve innovation is often an ad-hock and dynamic one involving various stakeholders with diverse knowledge and, although usually of confidential nature, has various explorative interfaces to the internal and external environment of a company.

One of the difficulties of innovation is thus to combine heterogeneous knowledge to create and seamlessly implement an idea within the organisation, while at the same time have the discipline to maintain the innovation's life cycle up to its successful end.

In the optimal case, the process of innovation will end up with a competitive advantage in form of a final outcome (i.e. product, process, organisation form, etc.) that is mature enough to be successfully placed on the “market” (being internal or external).

## *Risks..*

are interwoven with innovation. In order to innovate, organisations need to perform well-judged risk taking. There is no innovation at zero risk. The issue, however, is to find ways to judge risks and prepare risk-taking decisions, while mitigating unacceptable risks for the organisation.

And, indeed, innovation might bear unacceptable risks too: implementation of an innovative idea might lead to a destabilization of a corporate environment. In the middle/long term, changes made to a “running system” for the sake of innovative approaches may fail to meet their objectives and bring severe instabilities and problems. On the other hand, if during the development of the innovation stakeholder involvement and/or resource availability are not properly sized, the innovation life-cycle may generate irredeemable operational “turbulences” in the entire corporate environment. Depending on the innovative advancement of competitors, in a worst case scenario, unsuccessful innovation may lead to a total loss of businesses.

The outcome of many innovative activities will fall between these two extremes, depending on the capabilities and risk posture of the implementing organisation. The main challenge for the management would be to take appropriate measures, so that the outcome falls more towards the optimal rather than the worse case. This is becoming particularly challenging and crucial during times of financial crisis.

In order to support decision makers in managing these risks, new approaches for risk identification with regard to prospective/futuristic scenarios need to be developed. In these approaches, a bigger and wider knowledge capacity has to be part of the assessment and new categories of threat agents have to be taken into account. A vital element will be the validation of the scenarios. In order to achieve this, additional facilities have to be used, such as research labs, open knowledge communities, current and future market trends, etc., in novel ways of interaction.

## **Objectives of the event**

We believe that current developments in the area of finance put innovation and risks in new a light and make a debate on their coexistence as interesting as ever before. In this event, we would like to discuss about experiences from innovation activities of “high-tech” organisations from different sizes and sectors. Possible courses of action that have supported innovation will be presented and discussed, especially in areas where ICT deployment plays a fundamental role. In these discussions, positive and negative aspects from the coexistence of risk posture, innovation and entrepreneurship will be main elements to be addressed.

Main focus will be on the identification of relevant risk areas, particular risks and mitigation techniques to surface them. Very important will be to refer on the size, nature and management techniques of residual risks that have been accepted during the innovation process.

Given the context of ENISA and ANACOM activities, information security risks will be the main concern of the discussions. This perspective underlines the fact, that good security is an essential component of innovation. In other words, due to their inherent risk exposure, implementations of innovative ideas that do not incorporate reasonable security models will probably not survive in the long term.

By having a good mix of speakers and open discussions among the participants, we would like to obtain a cross fertilisation of ideas through mix of experience from different disciplines of corporate innovation activities. This will help to look beyond purely technological, ICT security issues and understand the influence of other internal and external factors to information security, such as: resource availability, operational issues, market opportunities, relevant technological developments, etc. In the long run, we consider the provision of interdisciplinary knowledge as a key element in both successful innovation and effective information security risk management.

ENISA co-organises this event together with ANACOM, the Portuguese Telecommunication Regulator who maintains high level of awareness on new technologies, security and innovation.

## Target Audience

As with all processes that introduce change in organisations, innovation process is at the responsibility and attention of the executive management. Other key roles involved in this dynamic process will be CIO, carrying the responsibility of technology deployment, CFO, carrying the responsibility for budgeting, Business Development, bringing in competitive knowledge on products and last but not least Risk Management. Depending on the size of the organisation, these roles might be united to few persons around the executive manager of a (small/medium) enterprise.

Accordingly, target groups of this event are managers (co-) owning the innovation process in their public or private organisation, together with the chief officers supporting that process. Entrepreneurs from small, innovative enterprises will definitely belong to the target group of this event as they unite most of the roles involved in the innovation process.

## Structure of the event

The structure of the workshop is towards three thematic areas which, as logical structure, characterise major cases where interaction between innovation and risk management exist, especially for organisations whose business depend on ICT. These are:

*Innovation and Risk Management within big organisations:* This thematic area concerns the innovation preparedness vs. risk posture for business, service development and operations within big organisations from both public and private sectors. Subject matters covered are the balance between innovation power, flexibility, cost effectiveness, culture and the utilisation of Risk Management as an element for securing business processes and operational activities.

*Risks in Emerging Technologies:* This thematic area concerns the necessary attitude to consider risks in the early stages of technological innovations, that is, development/deployment of new technologies and applications. The keyword here is “security by design” and is considered as a challenge both within production as well as operational processes throughout many sectors and business sizes.

*Entrepreneurship, Innovation and Risks:* This thematic area concerns the enforcement of innovation while applying “light” and cost effective risk management approaches within small, innovative businesses, potentially acting in high tech sectors. Peculiarity of this area is the fact that innovation has to be achieved with limited resources, limited knowledge of risk issues and limited financial flexibility. At the same time, exposure to risks might be fatal especially in incubation and development phases of innovative products and services.

We believe that these three thematic areas are a good raster for structuring the ENISA-ANACOM event, as it will better reflect aspects that are of interest for both audience and potential speakers.

In addition to the above sessions, we have planned a panel discussion where points identified during discussions in the three sessions will be further elaborated by means of statements from the panellists.

## Getting the most out of the event

Given the novelty of the issue “Risk and Innovation” we would like to encourage participants in going beyond one-way interaction from speakers to audience: the event should be primarily a FORUM FOR DISCUSSION among ALL involved people. In doing so, we would like to have provocative presentations and statements from speakers that are going to trigger discussions with participants. Hence, presentations will cover the half of the allocated time slot, while the moderators will take care to animate audience to challenge the presented statements within the remaining time.

Key issues that led to the most discussions will then be channelled to the panel discussions and will lead to the conclusions of the event.

## Social event

In the evening of 21<sup>st</sup> January, a dinner will be organised. Details about the location and time of the dinner will be communicated in due time.

At ca. 18:30 there will be a transfer from Sofitel to the venue of the dinner.

## Event Organisation

Manuel de Barros, Director ANACOM, Alternate Member of ENISA Management Board, PT

Dr. L. Marinos, Senior Expert, Risk Management, ENISA

*Secretariat*

Maria Papadopoulou, ENISA Technical Competence Department, ENISA

*The event is based on an idea generated by Manuel de Barros and further developed in cooperation with ENISA Risk Management.*

## Attendance

The attendance to the event is free of charge. Participants have to make their travel arrangements by their own.

Admission of participants is limited to the room availability (ca. 120 participants). The participants will be accepted for the conference following the first-come-first-served principle.

## ANACOM-ENISA WORKSHOP ON RISK AND INNOVATION

### FINAL PROGRAMME

#### 21 JANUARY 2010

19:00 REGISTRATION

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20:00 DINNER

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#### 22 JANUARY 2010

08:30 REGISTRATION

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09:00 OPENING SESSION

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- WELCOME ADDRESS BY JOSÉ AMADO DA SILVA | ANACOM CHAIRMAN OF THE BOARD
- RISK MANAGEMENT AS AN INSTRUMENT TO ENABLE INNOVATION  
UDO HELMBRECHT | ENISA EXECUTIVE DIRECTOR

09:30 RISK AND INNOVATION IN BIG ORGANISATIONS (PUBLIC AND PRIVATE)

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MODERATOR: MANUEL PEDROSA DE BARROS | ANACOM

- ORGANISATIONAL/TECHNOLOGICAL INNOVATIONS AND THEIR RISKS  
LUISA CONSOLINI | DIRECTOR, CESIA, UNIVERSITY OF BOLOGNA, ITALY
- BALANCING RISKS, INNOVATION & RESULTS IN REAL WORLD PROJECTS  
STEVE DEIGHTON | HEAD OF UNIT OPERATIONS SUPPORT, EUROPEAN MARITIME SAFETY AGENCY  
(EMSA), EUROPEAN UNION
- INNOVATION, RISK AND COMPLIANCE  
DAVID ZAFRILLA | INNOVATION MANAGER, BBVA, SPAIN
- INNOVATION AND REGULATORY RISK  
ANTÓNIO ROBALO DE ALMEIDA | CHAIRMAN OF THE EXECUTIVE BOARD OF ETNO (EUROPEAN  
TELECOMMUNICATIONS NETWORK OPERATORS' ASSOCIATION)

11:30 INNOVATIVE TECHNOLOGICAL DEVELOPMENTS AND THEIR CHALLENGES

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MODERATOR: BARBARA DASKALA | ENISA

- IT RISK MANAGEMENT & AIRCRAFT INNOVATION LIFECYCLE  
JULIEN TOUZEAU | HEAD OF AIRCRAFT SECURITY INNOVATION AND STRATEGIC PROJECTS, AIRBUS,  
FRANCE
- CHALLENGES FOR EFFECTIVE DEPLOYMENT OF TECHNOLOGIES  
HASAN ALKAS | DIRECTORATE-GENERAL FOR ENTERPRISE AND INDUSTRY ICT FOR COMPETITIVENESS AND  
INNOVATION, EUROPEAN COMMISSION
- RISK AND REGULATION: MAXIMISING THE BENEFITS OF OPEN ACCESS  
ERZSEBET FITORI | REGULATORY AFFAIRS MANAGER, ECTA (EUROPEAN COMPETITIVE  
TELECOMMUNICATIONS ASSOCIATION)
- RESEARCH TO SUPPORT INNOVATION  
EURICO NEVES | CEO, INOVA, PORTUGAL

14:30 ENTREPRENEURSHIP, INNOVATION AND RISKS

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MODERATOR: ALJOSA PASIC | ATOS ORIGIN, SPAIN

- GETTING INNOVATION AND RISK MANAGEMENT TO SMALL BUSINESSES: A PRACTICAL APPROACH  
HANS-JÜRGEN POLLIRER | AUSTRIAN FEDERAL ECONOMIC CHAMBER (BSIC), AUSTRIA
- EFFICIENT PRACTICES TO IDENTIFY AND REDUCE RISKS AT LOW PRICE  
JEREMY WARD | EXECIA, UNITED KINGDOM
- RISKS IN A SPIN-OFF IT-COMPANY  
HARALD KÜHN | CEO, BOC, AUSTRIA

16:30 DEBATE: PROPORTIONALITY OF INNOVATION | ENTREPRENEURSHIP | RISK

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MODERATOR: JOSÉ AMADO DA SILVA | ANACOM CHAIRMAN OF THE BOARD

- HOW DOES RISK AFFECT FINANCIAL SERVICES?  
MARIANO ARNAIZ | DIRECTOR IT, CESCE, SPAIN
- HOW TO SIMPLIFY AND POPULATE PRACTICES?  
DAVID REYNOLDS | CEO, IAAITC, UNITED KINGDOM
- HOW TO HELP STAKEHOLDERS?  
LOUIS MARINOS | SECTION RISK MANAGEMENT, ENISA
- Q&A  
ALL PARTICIPANTS

17:30 CLOSING SESSION

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- CONCLUSIONS, POSSIBLE FUTURE ACTIONS AND FOLLOW UPS  
STEVE PURSER | HEAD OF ENISA TECHNICAL COMPETENCE DEPARTMENT, ENISA