

Trust, Fear, and Fast Digitization

Oliver Tuszik, general manager of Cisco Germany, and Anthony Grieco from the Trust Strategy Office on trust and transparency as fundamental drivers for accelerating digitization.

- Michelle Dennedy: By 2019, analysts predict there will be a global shortage of two million cyber security professionals. Cyberattacks on hardware are upping the ante by moving down the computing stack and with GDPR around the corner, the repercussions for not protecting your customer's data are about to get very real. Some may call it a perfect storm of data insecurity, I call it a Monday.
- Michelle Dennedy: Cybersecurity. Data protection. Privacy. You like to stay ahead of the curve and listen to experts who are leading the way in deriving greater value from data with a more organized approach to data privacy. You're like us, a few deviations past the norm. You are a Privacy Sigma Rider.
- Michelle Dennedy: Hi, Michelle Dennedy here, recording live from Cisco Live Europe 2018 in Barcelona.
- Michelle Dennedy: As you know, security is foundational to data privacy yet with each new security breach in the news affecting millions and probably billions now of users' data, it's getting harder for those of us responsible for trust and privacy to be optimistic about the future. That's why I'm thrilled to have pinned down two very busy gentlemen for today's discussion on the state of cybersecurity. Vice President and General Manager of Cisco Germany, Oliver Tuszik.
- Oliver Tuszik: Hi, great to be here.
- Michelle Dennedy: And, Anthony Grieco, my colleague and senior director in charge of the Trust Strategy Office at Cisco.
- Anthony Grieco: Hi Michelle. Good to be here.
- Michelle Dennedy: So, welcome guys. It's very exciting to have you here at Cisco Live. We're introducing a bunch of new things and there's a lot of stuff that processes data. Can you guys actually share a little bit more about how you fit into the picture, about your individual roles, and then how you actually interoperate to start driving value in this area of trust and privacy?
- Anthony Grieco: Oliver, why don't you go ahead and get started.
- Oliver Tuszik: No problem. So, running Germany, you have the data privacy topic everyday on your agenda. And that's a good point, let's be very clear here.
- Michelle Dennedy: So Oliver is running Germany? To interject there, Oliver what do you do for a living?
- Oliver Tuszik: No, just to be serious, data privacy is one of the hottest topics and people treat it like it could stop digitization, where I have a completely different view. I think it can accelerate digitization. If we fix this, if we approach this, and it's not just a technical problem, we will be accelerating the entire digitization efforts not only in Germany, in the whole world.

Michelle Dennedy: Absolutely. And how did you find yourself in this role? When he says he running Germany, he's running Cisco's office for Germany and it's a sales office and more, right? So, tell us a little about your background and how did you find yourself in this role?

Oliver Tuszik: So, my background is, I have a Master of Science, so I am an electrical engineer so I understand the technology I am talking about, which helps sometimes.

Michelle Dennedy: Anthony is cheering in the background.

Anthony Grieco: That's why Oliver and I get along so well. We're both electrical engineers.

Oliver Tuszik: But the interesting thing is I came into this role through a lot of other interesting companies like GE and a systems integrator called Computer Center. But right now, at Cisco, the number one topic is how we drive digitization, especially in these countries that have huge industrial production, like Germany. And therefore, we started to invest in Germany, in getting rid of all the obstacles we have.

SO what is blocking digitization? And one big block is the discussion, the fear, the insecurity that people feel which is not only about data privacy, it's about classical security. And the number one topic we are driving, together with Anthony and his team, is the trust topic. And trust is exactly the key point that we need to address.

Michelle Dennedy: Exactly. So, Anthony, I know who you are. Introduce yourself to the Sigma Riders.

Anthony Grieco: I run the Trust Strategy Office and my team partners a lot with country leaders like Oliver and others around the globe. As we look at countries that are going down that digitization path and as we do so, we look for the opportunities where we can build trust to accelerate digitization because ultimately, we see trust as foundational component. Every country that's going through this digitization process, whether it's Germany, France, Italy, the UK, and others, all face a set of fears, uncertainty, and lack of real confidence in some respects around the path that they're on around digitization.

My team works with teams like Oliver's to really partner with public sector and private sector customers to build that confidence around the technology, the people, the processes, and the policies that go along with what are needed to build security into the digitization process.

Michelle Dennedy: And it's a fascinating layer of needs, right? So here we are in Barcelona, one of the largest ports in Europe, and you can't look at all of these giant containers and not think of what goes on in Singapore, for example, where you've got the straits there, 80 percent of the world's crude oil running through that part of the world. The other part is coming from this port, traveling across, driving literally the world economy. Then you've got industrialized systems wanting to digitize, I'm using air quotes that no one can see. Digitize by having automated factories for safety and efficacy but also for quality and testing. Then you're looking at things like cameras everywhere, consumer data being sucked in through something as small as an app put together in some college kid's dorm that turns into a major consumer thing.

Michelle Dennedy: So how do you cope with the range of government needs, consumer needs, and the interesting intersections that you both have to deal with world history that doesn't always respect huge

swathes of data and a world hungry to be more efficient and to run things better with the computer resources that we have. I realize that we only have like two hours.

Oliver Tuszik:

You're making this really big, but I believe it's not as big and complex as it might sound because what is happening here has happened before. We have a new technology, this kind of industrial way that we all see, the difference in seeing it is it's faster than ever before so, we can't wait for a generation to adapt, which we did in the past. But if you look back, it doesn't matter; if you look at electricity, at trains, there was always a phase where people saw it as a threat and the number one reason was because they didn't trust and they didn't trust because they didn't understand.

You can go a long time back when you look at flash, there were times where people were saying that a flash was something that comes from God or whomever and they didn't know how to handle this. Now we handle electricity power to our advantage. And we are doing something which is pretty similar. And that's the reason why the approach of trust offices, transparency is the number one enabler for digitization.

I would love to say it's just the technology, because we are a technology company, but we fix most of the technology problems. What we didn't fix is that the people trust in your technology. And therefore, what we are doing together with Anthony and his team, we are training people, a lot of stuff with networking academies [Cisco Networking Academy]. We make transparent what we are doing so people can review the code and understand what we are doing. And this is nothing that happens after one day. Trust needs to be built up over a long time. Therefore, it's very important that we are doing this over a long time with government institutions but also with every other kind of customers we are having.

Michelle Dennedy:

I'm hearing a lot of consistency as well. That you have to be consistent over time.

Anthony Grieco:

You have to be there for your customers and it is about a long-term investment and that's indeed what we are doing. And the components that Oliver brought up are ones that we see globally. Whether it's in Singapore or Australia, the traditional places that you would think would have a deep understanding and be technologically advanced actually end up harboring the same sets of concerns as those that are new to the digitization activities. So, that activity of really building the trust and confidence in the technology, the people, the processes behind it, I think is fundamental for us to get past the hurdles that we see today and it's not specifically Germany. We see the same challenges whether it's in India, or Germany, or Singapore, or all around the world.

Michelle Dennedy:

So this is the thing that I think is interesting, you start with something that's possibly very big and complex and overwhelming and you break it down to the common factor. So, transparency is one of those elements of trust. Particularly coming out of Germany, I mean Germany is like the privacy officer's Boogiemán. And I've heard so many young entrepreneurs from many, many different countries say two things: one, either they build it first in Germany and if it flies, they know it's ok or build it anywhere but Germany as if there's some magical way of respecting those borders. So that's the number one is the laws are very complex and the data protection privacy laws are human rights as well as very strict commercial rights, if you will. And then the role of standardization in all of this. So how do we get that all to work together?

- Oliver Tuszik: You draw a pretty, how can I say, sad picture about Germany.
- Michelle Dennedy: We love our Germans.
- Oliver Tuszik: You should be surprised because, you're right, whatever you said. This is a booming economy since a long time. We got to an unemployment rate which we have never seen before. We have shortage of skills. And, the Germans are, let's call it a bit slower in adapting to certain things because they have concerns. But if you ask for one reason why a lot of German companies, not only the ones that have been successful is because they have created a brand of quality: reliable technology.
- Oliver Tuszik: And if you work at a startup and shoot out the first reliable product, you will not create the quality, especially in a car. Would you go for a car where they say, we're not sure if the brakes and steering wheel might fall off but try it 200 miles in all. You will never do this. Nonetheless, I believe we can turn it, over the next years, into something which is an advantage for us. I'll give you an old example again: If you look at a car, if you have ever been on the German Motorway and drive at whatever, 180 miles per hour, what is the most important piece of the car?
- Michelle Dennedy: Your brakes.
- Oliver Tuszik: The brakes. And this is the security in the car. So, we can only drive fast, we can only get this amount of cars on the same street by ensuring that we manage the risk. When we now talk about digitization, the security and data privacy topic, it's all about managing risk. And companies in the world, especially German companies, have been very good at managing risk. But this time, it's like we would say no we don't drive a car because it could hit a wall. Yes, it could. People say, "No. I don't want to go to the internet, I don't want to connect because something could happen." If we would have this kind of spirit, we would never invent great cars, great machines, whatever.
- Oliver Tuszik: So, we need to turn it around, and this is what we are exactly doing with this trust approach, helping the people to understand the risk and there's lot of engineers and smart people in the world that then can evaluate what is the biggest risk we should work on. And then, we start to use technology like end-to-end security approach, and so on. And then we can manage these. This is the reason why we can have fast cars and fast digitization.
- Michelle Dennedy: So, I want to pick up on this really quickly. Let's stick with this analogy for a minute because I think there are a couple of things that are very rich. One is it's not just about managing risk when I'm in my car; it's about being in the car because it's a rush, because it's a luxury thing, because I'm with my family, I'm grooving out to my music, and it's destination, right? So, we want to get on the digitized autobahn, if you will, but that's your original point, if there weren't signs, if we didn't understand the standards of which side of the road we are driving on, if we don't know how to operate the equipment. Once we have those pieces, yes, of course it's managing that risk, but more importantly, it's understanding the capability of taking a vacation with your family that's not walking distance. That's pretty remarkable.
- Oliver Tuszik: Exactly.

- Anthony Grieco: Well, there's also the component of time. I think if you look at the snapshot of Germany today, versus Germany five years ago, versus Germany in the future, it would be very different places when it comes to this conversation. As we build things like trust and understanding of the technology, I think we'll see a lot of maturation around the world in these sets of topics. Ultimately, cars are not the same as they were five years ago, even. Today they will continue to change their safety mechanisms and all the mechanisms associated with them. I think we also need to be careful not to take a snapshot of today, react too directly today. Even though we are moving at a very rapid pace in an agile world, things will evolve over time and I think the things that end up drawing tension around the edges will end up being brought closer together.
- Michelle Dennedy: So, I'll ask you a trick question. We're in Spain today and I think about standardization in terms of the train tracks, right? So, we decided to get on one gauge standard in Europe and who decided to not get on board with Spain? And I think it really disturbed commerce and their ability to recover from World War II and the economic arms race that happened. What is your feeling on things like localization, sovereignty, and standards?
- Oliver Tuszik: It's very clear and very simple. If you don't think at least, European, better even global, it will not work. Just look at the classical German mid-sized company. The German business is mainly export oriented so if you are a company of over 200 people and you have a product, and it doesn't matter in which areas, but you need to adapt your product to standards in every single country. You won't be able to grow the business.
- Michelle Dennedy: No. And no one will know how to drive.
- Oliver Tuszik: Therefore, the European data privacy policy helps. You might say it's too big, or too rich in certain areas but having one is the most important. It doesn't matter what it's in, it's having one. Because now, I can work on one. SO, if I fix all the requirements there, I can do business in all countries in Europe. So, let's align it with the ones that we have in Asia Pacific, in the U.S., and then we have real business opportunity and we get speed.
- The bad thing, and this is important for the European countries, there will be other bigger players dominating. If we don't work closely, and just to be very clear, it's not a German, France, Spain, whatever, it's Europe. It's better that we align.
- Michelle Dennedy: The word "global" slipped in there. Yes, for Europe but I'm really hoping for global on this issue because I think the more we put up satellites around the planet, we're going to have networking that goes on and it's going to be very hard to distinguish between the satellites.
- Oliver Tuszik: We still have too much, let me call it, country ego.
- Michelle Dennedy: Exactly.
- Oliver Tuszik: I wouldn't pick on people, but it's like, if you don't bring up a German standard, you can say it's not a good one, that's bull&*&#. Of course you would like to influence a standard to your benefit; every country would like to do it. Nevertheless, the delay we create can never catch up later on with the benefit of the influence.

- Anthony Grieco: I will say, the one thing that scares me in this topic is that there is a wave of nationalism that is sweeping beyond technology that is going to drive influence on this.
- Michelle Dennedy: And it's fear.
- Anthony Grieco: It's driven completely by fear, and not about the technology, but broader fears that are being brought to bear. And I think, Oliver, I agree with your point: Europe and then the broader global stage is going to be important. I don't believe that the globe in total will become that nationalistic place where every country is only worried about itself and that's going to drive someone who is going to win if everybody else does.
- That to me is the tension that I see in the context of this discussion. When it comes to technology, it doesn't know boundaries and so when we try to put these artificial boundaries around it, that's when the tension starts to happen in very real ways and I don't think there will be a path forward, especially economically, from a growth perspective that is successful with those artificial boundaries.
- Oliver Tuszik: Keep one thing in mind, and just to add this point, there are companies that won't be able to survive in the digitized world. So, if you would run a company which is really good old technology, you make profitable business since ages, family owned, your home, really. So, you might be the one who is trying to keep old standards but I'm pretty sure digitization has just started and the power behind it is so massive so if these companies don't pick up right now, they will be gone maybe in two years already.
- Anthony Grieco: But to go back to your historical examples, we've seen exactly the same things with horse and buggies, to cars, to trains. This tension has been around forever; however it is certainly accelerated and will be able to be seen in much narrower times but I think that tension is not a new one, overall.
- Oliver Tuszik: This is also, when we look at global CDA, the country digitization acceleration activities, a big chunk is always education.
- Anthony Grieco: Absolutely.
- Oliver Tuszik: And education, because it's different than the last industrial waves. Normally, we took the generation that comes next to prepare. This time, especially in Germany, we need to focus on the people that are 50, 55, because we need them. We don't have enough people that can drive this so we need to train people that would believe that they will never go to a training course in their entire life.
- Michelle Dennedy: Which is ironic because we are such a youth-oriented planet right now and yet you're absolutely right, the worker, the human capital, is still a critical asset. When I talk to AI and robotics people, "Oh, they are going to take our jobs, we're never going to--" No. The need for human capital is not going away and I think, my final point on this analogy is, back in the day it would still grow. The one thing that unified everybody was math. So you can call one item and one item "uno and dos" or "one and two" but the reality is, when you put them together they are still two objects or dos objects or whatever you want to call it. So the abstract is true. The layer or talkie talk that we put on top of the abstract I think confuses us as a species but I think we can figure it out.

- Michelle Dennedy: So, let's close it out and start with you, Anthony. What gives you hope in doing strategy for these digitized economies that you are working on?
- Anthony Grieco: It goes to what we were just talking about, the people involved. There is a deep yearning by the right folks to do the right things around security by and large. For me, that's what gets me the most excited about the opportunities ahead is that generally speaking, while there is fear, there is a general path toward success because the people involved believe in what's happening.
- Oliver Tuszik: Fear is something that helps us to survive. So fear in general is nothing bad. But it makes us think and to take the example we started with, it makes us think about how we protect the data. I am very positive, despite the fact that there's a big amount of work in front of us. But I believe if we do it right, we will be able to get a benefit for everyone, for every person that lives in the world, for every company, for governments, it doesn't matter. We can generate a benefit for everyone and then we will get on to the acceptance and the trust.
- Michelle Dennedy: I think it's really exciting. I think we have broken a lot of myths today. Germany is a place to innovate, they have humor. They're fun. They're thinking big. Big economy is growing. Anthony, Oliver thank you so much for being on the show today and plod on and sigma right on into the future, guys. Thank you so much.
- Anthony Grieco: Thanks, Michelle.
- Oliver Tuszik: It was a pleasure.
- Michelle Dennedy: You've been listening to Privacy Sigma Riders brought to you by the Cisco Security and Trust Organization. Special thanks to Kory Westerhold for our original theme music. Our producers are Susan Borton and David Ball. You can find all our episodes on trust.cisco.com or subscribe wherever you listen to podcasts. Then please take a moment to review and rate us on iTunes. To stay ahead of the curve between episodes, consider following us on Facebook, LinkedIn, and Twitter. You can find me, Michelle Dennedy on Twitter, @mdennedy. Until next time.