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# Addressing Technology Risks within the Financial Services Industry

[CYBERSECURITY](#), [FINANCIAL SERVICES](#), [RISK ADVISORY/INTERNAL AUDIT](#)  
BY [ERIC FAIR](#)

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As rapidly as technology evolves, so does the inherent risk surrounding that technology. It has now become ever so critical to ensure appropriate mitigation strategies are constantly evaluated and overall governance is maintained at the executive and board levels. Financial institutions continuously face risk due to misalignment between business and IT strategies, management decisions and the lack of experience to support ever-changing technologies that are critical to the ongoing success of the institution. Oftentimes, financial organizations are reliant on legacy systems that may become obsolete, uncompetitive or disruptive, thus jeopardizing the security, availability and integrity of the data.

Depending on the size of the institution, mergers and acquisitions – all too common in the financial services industry – can often burden an organization's IT environment by increasing the number of systems, applications and interdependencies (including vendors), which are frequently overlooked and under-budgeted, further increasing risk. For more on the effects of M&A, please see our OTO article, *Don't Acquire the Data Breach – The Importance of Cybersecurity and Information Technology Due Diligence*.

In general, financial services executive management and boards of directors must be acutely aware when addressing risk areas, which often include:

- IT strategy
- Cybersecurity and incident response
- Resiliency and continuity
- Third-party vendor risk management
- Data security and management
- Expertise and experience of IT professionals
- Ongoing risk management

At the end of the day, technology risks have financial, regulatory, operational, strategic and reputational implications if not addressed in a collaborative manner with board-level oversight. Members don't have to be IT experts, necessarily, but they do need to understand how technology supports strategic initiatives so they can provide oversight and challenge management if/when required.

If you have questions on how technology risks impact your financial institution, or would like to learn more how Schneider Downs can help your organization with any of the specific risks above, we're happy to discuss.

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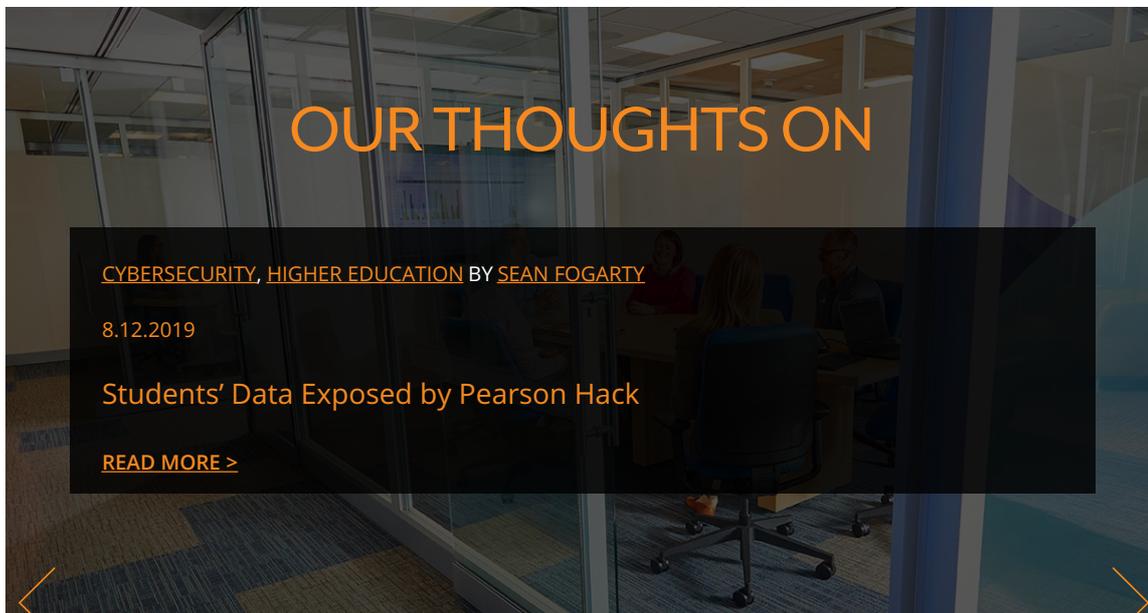


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### PITTSBURGH

One PPG Place, Suite 1700  
Pittsburgh, PA 15222

[contactsd@schneiderdowns.com](mailto:contactsd@schneiderdowns.com)  
p:412.261.3644 f:412.261.4876



### COLUMBUS

65 East State Street, Suite 2000  
Columbus, OH 43215

[contactsd@schneiderdowns.com](mailto:contactsd@schneiderdowns.com)  
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### WASHINGTON, D.C.

1660 International Drive, Suite 600  
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[contactsd@schneiderdowns.com](mailto:contactsd@schneiderdowns.com)  
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