

From the Editor



BY PHIL BECKER

Digital ID World was spawned two and a half years ago from two premises – the inevitability that identity must become the organizing paradigm for networked computing, and the awareness of how much technology and networked business process needed to be better understood and innovated upon before that could happen successfully. We were pretty alone back then, but we had faith that the “network school of hard knocks” would make things clear as the world learned from experience.

The “network school of hard knocks” is a stern teacher, as many know all too well. But as we reach the mid-point of 2004, its students are beginning to produce a variety of new techniques, and a much more robust picture of how identity based computing infrastructure can become reality. As the stories in this issue reveal, many new technologies are coming into being to address the weaknesses and bottlenecks that have plagued previous attempts to scale identity based computing to the level today’s networked applications demand. Our original premises are being borne out, but not without some discomfort as both vendors and customers come to realize the need to learn new ways of thinking.

The Identity Paradigm

As I write in every issue, we are at the beginning of a multi-decade transformation of both computing and business from hierarchical organization models to true networked organization models. This transformation is what ultimately makes identity the inevitable organizing paradigm for networked computing. The stories in this issue illustrate real world examples of how the breadth of that

transformation is beginning to manifest itself in new approaches to networked computing and new identity technologies – including federated identity.

Information Technology has been burdened during this transition by several early assumptions about network identity. Among these was the fact that both directory technology and PKI technology were designed from a firmly rooted hierarchical premise. It has taken us years to begin to learn how to use them in a networked world without the effort being greater than the benefits realized. Finally, however, we are starting to see approaches that will let us network islands of identity built with these hierarchical designs, and scale their use without the explosive, exponential growth in management and physical security requirements that made them unusable or far too expensive to deploy. In this issue we bring you stories of real world deployments that show some of these new approaches in action.

Effects of the Lack of Identity

The ongoing IT and business transformation has also revealed the destructive results of the fact that TCP/IP and other Internet protocols were designed to promote anonymity within a network that it was presumed was only being used by “friendly” folks. The “network school of hard knocks” has brought us spam, phishing, hacking, viruses, network spoofing attacks and other examples to teach us the need for identity in networked computing, and the futility of current perimeter based defense approaches. Here too, we are starting to see new technologies emerge from a host of new startup companies to use identity to make things safe and manageable.

Learning from experience is the key to success in any endeavor. Identity technology has been attending the “network school of hard knocks” for the past few years, and it turns out there was a lot to learn. Early, naïve assumptions about the magnitude of the task are now giving way to new methods that are more suited to the realities of a networked world. As understanding progresses, innovations are reaching the marketplace, and identity is breaking out all over.

Again, this issue brings you stories of some of those technologies to illustrate the breadth of work being done.

Networks have unique characteristics that create the effects we are seeing today, and there is no hierarchical way to restore order to a network once it gets large enough that it is lost. Only networked, identity based techniques can do so. This has been difficult for businesses and technologists alike to fully grok, since those techniques are quite unlike the ones previously used in computing. They require massive distribution of asynchronous processes into hostile territory which requires distributed, identity based management techniques to attain reliability and security. In addition, their use and administration must be distributed along vastly different vectors from each other. Both seem at first to be in opposition to the methods traditionally used to assure reliability, security and control.

The Lessons are Being Learned

But slowly, the lessons are being learned. And new techniques are being created that allow networked management and administration, as well as networked use of applications and data, without sacrificing the ability to trust the result. Federated identity, the feature focus of this issue, is the most obvious example.

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than 5,000 people, and if you assume only 10% of those are for pilot projects, that represents 500 projects by itself. Surveys show that federated pilots will turn into production federated deployments in six to twelve months.

The largest initial rollouts are happening in financial services, specifically integrating 401k benefits into employee portals. Telecom is building new capabilities using federated identity while two of the three largest pharmaceutical companies are planning federation for their extensive partner networks. HR outsourcing companies are also planning significant rollouts to federate things like payroll processing, etc.

Federated identity is a technology that came into being almost in spite of itself. At no point were its designers truly aware of the real problem set they were trying to deal with. The article on the future of federated identity recaps that fascinating history as predicate to what will come.

By following the use cases and the needs of networked computing and networked business applications where they led, however, those innovators have reached a point where the bigger picture of federated identity is not only being seen, it is being implemented and deployed. And those deployments are teaching even more lessons about how the breakthrough of federated identity will transform both computing and the businesses it serves, as our deployment stories reveal.

Internal Identity Management Also Evolving

Meanwhile, the realm of internal enterprise identity management is also benefiting from its time in the "network school of hard knocks." The products in this realm are beginning to reflect the feedback from the lessons learned through real world deployments and the modifications in understanding of the "big picture" that has created. 2004 has already seen a noticeable uptick in enterprise identity management projects, and analysts indicate we are nearing the inflection point in enterprise identity management sales and deployment.

On the product side, we are seeing groups of identity management products coalesce into fewer, more integrated products where use and management can be integrated and organized around identity, then distributed in a networked fashion as required. The integration of authentication, access control, and password administration into the first generation of identity management is now nearly universally seen as "the way to go" (though it is still sometimes called AAA or I&AM.) The second generation of identity management – adding provisioning, workflow and the ability to do auditing by identity to meet compliance requirements, etc. – is well underway.

No One is Untouched

Vendors are being affected by this process every bit as much as their prod-

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ucts and customers are. Not surprisingly, those vendors who were most immediately negatively impacted by the changes underway are learning the fastest just what is going on. The change in vendor understanding of identity in just the last eight months is dramatic, but also quite varied. No vendor (or their products) will escape the effect of what has been learned in the past two years about identity management for much longer.

Meanwhile, customers are starting to see that identity isn't a point product, but should be approached strategically with cross-functional teams and executive bstanding of identity in just the last eighty-in for projects. There has been a marked increase in the number of enterprises that are beginning identity management task projects. This, coupled with the dawning realization that there is no such thing as perimeter security when the perimeter can't be defined in any persistent way is prompting the acceleration of the use of the word identity by security companies. This is most obvious at security expos where in two years the percentage of vendors who use the word identity has grown from negligible to well over 50%.

The Added Pressure of Compliance

Slowly but surely, we are seeing the interaction of vendors and customers develop useable, properly delegated administration, virtual integration of identity for application views, networked use of "islands of identity", etc. that reflect the changes IT must undergo to allow it to be far more flexible in its response to business process evolution and more adaptable to change. That this is all taking place in a scary environment of regulatory requirements to "know and prove"

what happens in your computer systems just makes things move even faster. Here too we find innovation, and in this issue we bring you the a story of a new technology that uses identity based techniques to provide compliance and security in new ways.

Learning Gets Personal

I've been doing a little personal learning from experience here at Digital ID World too, as the cover date on this issue will reveal. My first mistake was to think that because we're a small band (a total of three people make this magazine happen each issue) we didn't have to be bound by rigid schedules - that I could slip "a few days" to get a good story in the issue so it wouldn't have to wait two months. Even worse, I got away with it for a couple of issues - that's how the school of hard knocks conditions its students for the real lesson.

Putting this issue together, I became enthralled researching the many exciting stories of federated identity, and the many innovative new identity technologies that were starting to deploy. I saw that we are nearing an inflection point, and I wanted to get that perspective across in this issue. So I kept stretching deadlines "just a bit" to get past embargo dates, or obtain one more interview, so I could bring you the real story of what was happening. While I feel good that this issue brings you the story of federated identity (and the evolution of identity based computing in general) in far more depth and breadth than it has ever been presented, the

result is that this issue is quite late. The next issue will tell how well I've learned my lessons in the "publishing school of hard knocks."

But We're Willing to Share

Lastly I can report to you that the October Digital ID World conference is shaping up to be the biggest identity event ever. All sponsorships and exhibit booths are sold out more than six months in advance of the event. This conference provides you with the best opportunity anywhere to network with those who are deploying and designing identity technologies and it surprises attendees every year with the depth and breadth of knowledge it makes available. To register, go to <http://conference.digitalid-world.com>. Do so early to take advantage of the generous early bird discounts.

The conference is selling out, this issue provides you with stories that illustrate the depth and breadth of new identity technology development and deployment, and federated identity is being widely deployed. Each of the trends on display here reflect that fact that only by organizing computing around identity and managing it by identity can networked computing's current problems be solved. For those who don't yet see that, the "network school of hard knocks" still has some tough mid-terms ahead. ■



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