YOU'RE WELCOME:
6 Ways GDPR is Doing Businesses a Favor

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The importance of the approaching General Data Protection Regulation (GDPR) has been hammered home by a glut of coverage and analysis from the media, lawyers, regulators, and tech vendors. Most businesses are at least somewhat aware of the upcoming May 2018 compliance deadline and may even have a working knowledge of what is required. However, there is an important point to be made that isn't just about avoiding fines and legal action.

GDPR is providing a much-needed kick in the rear to many businesses that have become somewhat complacent when it comes to securing the data they collect and process.

Companies generally understand how valuable consumer data can be, but that hasn't consistently translated into careful data stewardship. Bad habits surrounding data collection and storage, such as ill-defined processes and policies or out-of-date systems, have begun to hurt businesses frequently and severely in recent years.

WHY DATA STEWARDSHIP MATTERS

Just in the first 6 months of 2017, more than 6 billion personal records were exposed through data breaches. Successful breaches cost companies millions, not only in cleanup, but in future earnings as well. Breaches that are discovered and publicized send shock waves throughout a company's customer base and peer groups, eroding trust and confidence.

In the wake of high profile breach news from companies like Equifax, Intercontinental Hotels Group, and Verizon, consumers are becoming much more discerning about their data's whereabouts and with whom they are willing to work. Almost 70% of customers report that they'd be less inclined to work with a business that suffered a publicly disclosed data breach. As this consciousness and wariness grows, it will become progressively imperative for companies to prove themselves worthy of consumer trust. Responsible data stewardship is essential to a business's ability to earn that trust.
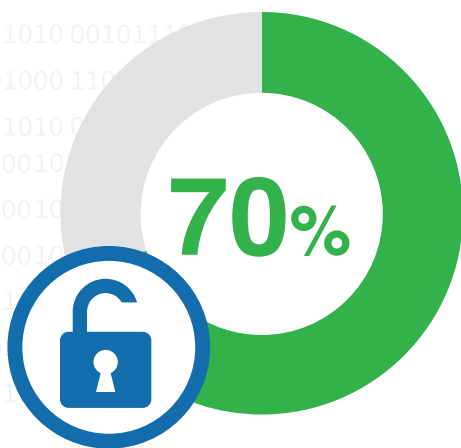
70%

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-Verizon PCI Compliance Report

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CARPE COMPLIANCE

Businesses with a vision for the future are working to shore up their data protection efforts and establish themselves as trusted data partners. The looming GDPR compliance deadline provides additional wind to fill these progressive sails. Compliance and security advocates can use GDPR as an added selling point when lobbying for security resources. Additionally, more leaders are starting these security and compliance discussions, realizing however belatedly that there will be hell to pay if they lag in this area.

GDPR's global impact creates the perfect opportunity for a security evaluation because so many businesses will be doing the same thing. Taking the time and resources to dive into data processes and policies will help companies become more competitive rather than putting them behind.
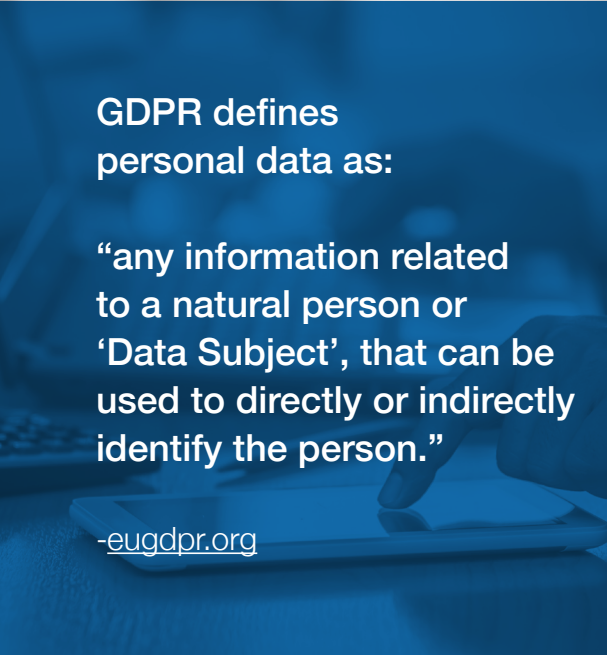
Additionally, the work to improve security and compliance will pay off in spades sooner rather than later when it comes to consumer confidence. In short, companies should be embracing the level of consciousness that GDPR is creating in the business world.

Below are a few ways GDPR is affecting data security consciousness:

① Forcing Data Web Awareness

Business leaders are being forced to take the time to properly understand their data landscape, which includes all data comings and goings. If the enterprise is a large conglomerate with subsidiaries and partners, it is likely operating a contrived web of consumer data streams that have accumulated over time. It is essential that company leaders acknowledge the existence of their complicated data webs and do their level best to understand, document, and streamline them.

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GDPR defines
personal data as:

"any information related
to a natural person or
'Data Subject', that can be
used to directly or indirectly
identify the person."

-eugdpr.org

Forbes defines data
minimization as

"the practice of limiting
the collection of personal
information to that which
is directly relevant and
necessary to accomplish
a specified purpose."

**❷ Demanding Knowledge of Data Sources and
Origin Countries**

Customers, clients, subsidiaries, and partners are all data sources
feeding into a business. As part of GDPR, every data source coming into
an organization must be vetted and documented. This should
be happening regardless of new regulations, but GDPR is prompting
many businesses to take this more seriously. Gone are the days when
faith, word of mouth, or vendor history were good enough to validate
data security. The stakes are too high to take a chance on a partner's
or vendor's verbal promise of security and compliance.

Businesses must be aware of which countries are represented within
their data. GDPR is the first global data protection law to be introduced.
That means it applies to any company anywhere that processes data
about European Union (EU) citizens. So, even if a business doesn't
directly work with EU companies, it might have personal data pertaining
to EU residents. If your company has any EU personal data or will
ever possibly have personal data from a resident of the EU, it must be
GDPR compliant.

❸ Advising Data Minimization

The approaching GDPR enforcement is also increasing the need
for businesses to adopt data minimization practices. It might seem
fundamental, but companies need to examine their reasons for collecting
personal data and their planned uses of it. Many businesses have
been guilty of indiscriminant data collection in the past, approaching it
with a "we might use it later" attitude. As part of GDPR, companies must
be able to state a planned use for ALL of the personal data they obtain.
Therefore, "extra" data could become more high maintenance than
it's worth.

Data minimization can help companies avoid spending unnecessary
resources managing extraneous data. It prevents future problems by
limiting the collection of data to only those data points that have a pre-
scribed purpose.
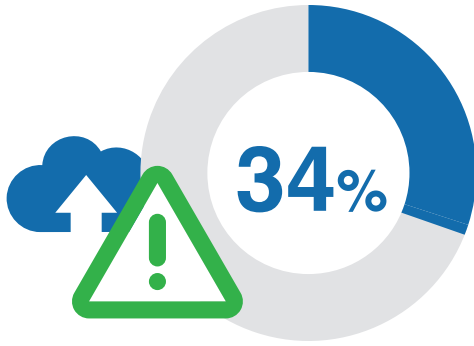
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34%

With 34% of file sharing users uploading sensitive information to the cloud, that puts a great deal of personal information at risk.

Data minimization provides a sort of code by which businesses should operate. Under GDPR, some key data minimization principles include:

1. Not holding data for any longer than absolutely necessary

2. Not changing the original purpose of the data

3. Deleting any data at the request of the data subject

4 Spotlighting Data Sharing

The impending GDPR enforcement has started various security and compliance analysis within organizations, including evaluation of security for data in transit. Conducting business in today's marketplace involves a great deal of data sharing. With 34% of file sharing users uploading sensitive information to the cloud, that puts a great deal of personal information at risk. Fortunately, there are safe methods of file sharing, such as secure managed file transfer (MFT) technology. Secure MFT platforms, such as Globalscape's Enhanced File Transfer™ (EFT™), offer a variety of safeguards for data transfer, including:

• Encryption

• Secure protocols

• Password policies

• Strong ciphers

• Integration with Virus scanners

• Integration with Data loss prevention (DLP) tools

Whether it is a simple upload or complex sharing among partners, vendors, and subsidiaries, businesses must be able to document appropriate security measures for every step in their data's lifecycle. While this is required by GDPR, it should also be an essential part of any responsible data stewardship, regardless of compliance regulations.

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❺ Acquiring Consent

GDPR has accelerated the consent conversation in the US, which currently doesn't have a comprehensive data privacy law. GDPR requires clear, affirmative consent of use for personal information of EU citizens. Additionally, lack of response is not considered automatic consent.

While logistically daunting, getting consent could cut down on legal action regarding personal data, which would save companies a lot of money. It is also plausible that consent requirements will soon spread to other countries' data. Businesses must consider 1) whether they have EU citizen data for which they need consent and 2) how they will go about getting consent for all of their data in the not-so-distant future.

❻ Breach Monitoring and Response

The term "breach" just keeps getting scarier. The reality is that businesses need to plan for when they are breached, not just if. Policies, processes, and procedures must be clearly defined and widely known throughout the organization.

GDPR requires breach notifications within 72 hours of breach detection. No doubt this has caused more than a few companies to realize they do not have adequate breach policies or procedures in place. Not only that, but many businesses are probably not aware of the breach policies for their business partners and third-party data vendors. Contracts must be reviewed and breach policies must be documented in order for businesses to ensure they and their partners can effectively respond to a breach.

Just like any other commodity, data will likely see an increase in regulation as its value rises and GDPR could be considered a harbinger of regulations to come. Companies that learn and grow from GDPR successes and failures be well prepared and positioned to earn consumer confidence in the future.

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Learn more about Globalscape and EFT at www.globalscape.com.

ABOUT GLOBALSCAPE

Globalscape enables businesses around the globe to unleash the power of their data. As a leader in secure information exchange and a data integration innovator, Globalscape's powerful yet intuitive platform, reliable support and dedication to solving even the most complex of data challenges help organizations accelerate their digital business transformation.

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