



What your business needs to know about data

The big stuff, the little stuff, and how to use it safely

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It's been almost 20 years since the Data Protection Act was introduced, but data theft still costs the UK economy over £193 Billion a year - that's a loss of £6,000 every second. So how do you keep your data safe in a world where hackers are ready to pounce at any given moment?

Like many things in life, it begins with education. You'll need to understand what your responsibilities are when it comes to keeping your data safe, and that must be filtered through to the rest of your organisation.

This guide provides you with all the key information you'll need to keep your important and confidential away from the beady eyes of predators.

What does data collection mean for your organisation?

First, let's have a quick recap of the Data Protection Act 1998. It was implemented in its current form in 2000, and consists of 8 principles that all businesses and organisations holding personal data must adhere to. **These 8 principles are as follows:**

1. All data must be used fairly and lawfully.

Basically, this means that if you're going to collect or share any personal data you must obtain permission from the individuals in question first. You have to make it clear what you'll be using data for, and give people the opportunity to say no if they're not happy.

2. All information must be collected for limited purposes.

This means that if you're collecting data for one thing, you can't then start using it for something else without asking for further permission - in a nutshell, don't take advantage and always communicate with your customers.

3. The data you collect must be adequate, relevant and not excessive.

You're only allowed to collect data that is relevant to your organisation. If it's not of your concern, don't collect it.

4. The information you hold must be accurate and up to date.

Often, the data collected about customers and beneficiaries can contain sensitive information. If it's wrong or out of date, the information you hold can result in distress or misrepresentation of your customers, so if in any doubt double check.

5. Information must only be held for as long as necessary.

All companies are expected to conduct regular reviews of the data they hold, so don't hang on to stuff when it no longer serves a purpose to you. If someone closed their account ten years ago there's no reason at all for you to still keep their data - if it's old and irrelevant, get rid.

6. Information must be processed in accordance with the individual's rights.

All customers must be given access to the information you hold about them. They have the right to ask for copies, object to the processing of their personal data, deny their information being used for direct marketing, have incorrect data destroyed, and claim compensation for any breaches.

7. All information must be secure.

You may remember the case a few years ago when a civil servant left a top secret file on a commuter train, causing widespread chaos and embarrassment. This was far from an isolated case, and with today's flexible working conditions it can be even harder to keep tabs on where data is. You must have a clear data protection policy and take appropriate measures to ensure that your information doesn't end up in the wrong hands.

8. Information must stay within the European Economic Area and must not be transferred elsewhere without adequate security measures.

Any data relating to third parties must be kept within the EU, unless adequate harbouring laws are met. This relates in particular to points 1 and 6- you must always ask permission to move data and remember your clients' rights at all times.



So, now you understand the Data Protection Act, what else do you need to do?

It costs small to medium businesses a lot of time and resources to collect and create data, so it's important to understand how to make good use of it.

Business intelligence software makes it far easier for businesses to collect and use their data in a meaningful way and facilitate effective communication with customers. The customer journey is now easy to map, allowing companies to predict spending habits and use that info to inform effective marketing campaigns.

Everything from a simple spreadsheet to cloud based data warehouses can be classed as business intelligence, and you don't even need to keep your information in physical files anymore.

Although the whole business of data protection is simpler and more intuitive these days, you'll still need to take some important steps towards keeping it where you want it and avoid losses.

Here's the lowdown on data for all small to medium business owners:

Storage

Gone are the days when offices were filled with dusty filing cabinets full of 30 year old documents. There are lots of different options for storing data these days, and the options you choose are pretty much up to you. Just bear in mind some golden rules:

- Only keep what you need
- If it's sensitive or crucial, make sure you back it up to the cloud

You can use memory sticks and portable hard drives if you wish, but remember they can easily go walkabout. Never rely on a portable storage method as your main home for data and stick to just using them to copy files. This option is best for:

- Making temporary copies
- Back-up copies
- Non confidential data
- Use by one person at a time

Back it Up

If you've ever spent ages writing an important document only to find that you've accidentally deleted it and it can't be retrieved, you'll understand the pain of failing to do a proper backup. Even though the majority of modern computers and word processing packages do automatic file saves, it's still possible to accidentally over-save or lose pages of important information.

It's important that you understand the process of backing up data and that this is communicated to all appropriate staff to avoid the loss of time, money and information. Your IT manager or contractor must be able to tell you:

- Where automatic backups are held
- How often the backups happen
- How long the information is stored for
- Where to go if you need help

This should be outlined clearly to all staff, ideally in your induction document, and regular training sessions should be held to make sure everyone is up to date. It's always wise to get into the habit of backing up files as you're working and keep a few copies in different places just in case.

Keep an eye on it

With so many organisations giving employees the opportunity to work remotely, it's important that you have clear policies and procedures in place when it comes to accessing information.

If your team are using their own devices to work outside of the office, you should develop a Bring Your Own Device policy that outlines your expectations and your employees' responsibilities. This should cover:

- **Monitoring of access:** You need to keep on top of who has access to your information at all times and pay attention to any unusual activity on your network, such as attempted login failures. Be very clear that users are not allowed to share data with anyone outside of your organisation and be sure to get them to sign a statement to that effect.
- **Security:** All personal devices should be checked for viruses prior to work use, and your network should be accessed by pre-set passwords. Many people avoid setting passwords and pin numbers on their personal devices, but it's wise to insist they use them if they're accessing work documents.
- **Compatibility:** It's best not to assume that a mobile device will work perfectly with your system, so have an IT professional check for compatibility first.
- **Employee rights:** Often, employees bring their own devices to work because it's a cheaper option than buying everyone their own work phone or laptop. You can't expect to have access to your staff's personal communications like texts and emails, so make sure that working from their own devices won't compromise your team's personal rights to privacy.
- **Risk:** Prevention is always better than cure, so it's wise to write a thorough risk assessment and know what to do if the worst happens. You should always protect your most sensitive data and have a clear record of roles, responsibilities and processes if there is a breach.

Big Data for small businesses

“Big Data” is one of those buzz phrases that has become prominent over recent years, but many small businesses think that it only applies to the big boys. Not so. We can all use Big Data to influence our processes and marketing efforts, it’s just a case of understanding how.

First, it helps to understand exactly what we mean by Big Data. The full explanation is somewhat complex and long winded, so here it is in a nutshell:

Big Data is the use of information to reveal trends and patterns of behaviour.

It’s really helpful if you want to understand how your customers think, what drives them to make purchases or engage with services, and it can go a long way towards helping you develop a successful marketing strategy or business plan.

Nowadays pretty much everything we do is recorded somewhere. Everything you search on Google, everything you purchase on your bank card, every journey you complete with your Oyster card all goes to a big data management system in the sky (AKA the cloud).

High street fashion retailers are particularly good at collecting Big Data, and it’s not always obvious that they’re doing it. **Here’s a common scenario:**

You buy a lovely new top or pair of trousers from your favourite high street store.

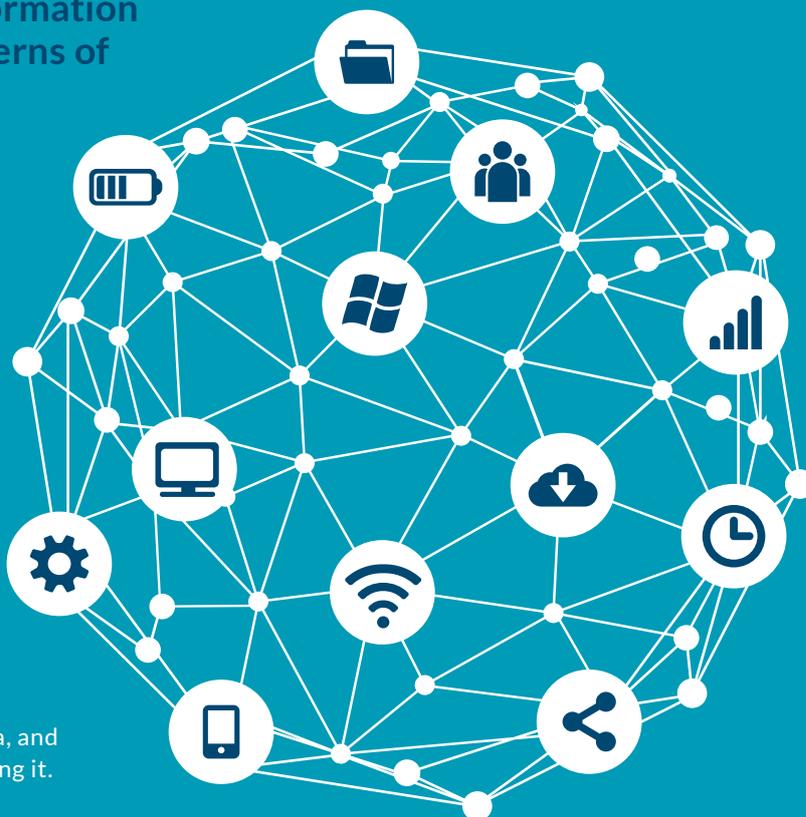
You pay by card.

When the purchase is made, the sales assistant asks, “Is it ok if I take your email address so I can send you an electronic receipt?” You say “Yes, that’s fine, it’s joebloggs@blahblah.com”

The purchase is complete and you go home, hopefully happy with your purchase.

What’s just happened is that you’ve also passed on lots of important data in that seemingly simple transaction—the store now have access to your name, contact information and email address. That information can now be used to track your other purchases with that store, send you marketing emails and analyse your daily spending habits and even internet search results.

Ever Googled something and then found related information coming up in your social media feed or Amazon suggestions? It’s no accident, and certainly not the work of psychic shop owners who have been busy reading your tea leaves. This is Big Data at work, and it can be a helpful tool for small businesses too.





If you're a small business wanting to make use of Big Data, here's how:

- **Be clear about what you're trying to achieve:** It's utterly pointless collecting information about someone's shoe size and the name of their pet guinea pig if you don't know how it can help you. Set clear targets and goals about what information your business needs to thrive, and then focus your data collection around that.
- **Measure your success:** Let's face it, collecting information and writing reports isn't always at the top of our lists of fun things to do, but if you want to really make use of your data it's a necessity. Set yourself some clear milestones and put some timely measurement methods in place to demonstrate the value that the data collection brings to your organisation.
- **Be meticulous about quality:** Collecting loads of data means diddly if it's out of date or inaccurate. Organising regular data clean ups and undertaking regular checks can mean the difference between your company moving up a level or a pointless waste of time.
- **Use it!** This might sound obvious, but a surprising number of businesses and organisations collect all singing, all dancing sets of data and then do absolutely nothing with it. If you're going to take the time to collect this information then make sure you use it properly.
- **Small is beautiful:** Small businesses actually have an advantage over big corporations when it comes to collecting and using data. Generally speaking, the smaller the business the easier it is to adapt to change - there are fewer staff to train, easier communication methods and less red tape to wade through.

If you use data wisely, you can make some big changes to your organisation without even breaking a sweat.



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