BUILDING VALUABLE, AND VALUED, PRIVACY PROGRAMS

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AGENDA

• What is value and how can a privacy program deliver it?
• Elements of value
• Strategies to build and maintain value
• Closing thoughts
WHAT IS VALUE?
WHAT IS VALUE?

NOUN

• The regard that something is held to deserve; the importance, worth, or usefulness of something:
• *synonyms: worth · usefulness · advantage · benefit · gain · profit*

VERB

• Put/set a price on
• Consider (someone or something) to be important or beneficial; have a high opinion of:
• *synonyms: think highly of · have a high opinion of*
HOW DOES YOUR PROGRAM DELIVER VALUE?

A) Compliance with privacy laws & regulations
B) A & understanding privacy risks
C) B & helping guide data usage and/or protect brand
FINDINGS OF 2014 IAPP BENCHMARK STUDY*

Privacy program priorities ranked 1st or 2nd by F1000 companies surveyed.

Regulatory & Legal Compliance  72%
Marketplace reputation & brand  44%
Safeguarding data against attacks & Threats  33%
Increasing customer trust  26%

*Benchmarking Privacy Management and Investments of the F1000, IAPP, 2014
Let’s build a word cloud for the types of value to be gained from:

1) Understanding & demonstrating compliance
2) Understanding & managing privacy risks
3) Understanding & influencing business use of personal data
UNDERSTANDING & DEMONSTRATING COMPLIANCE
UNDERSTANDING & INFLUENCING BUSINESS USE OF PERSONAL DATA
WHOSE VALUE IS IT ANYWAY?

- Who determines if a privacy program is valuable and what that value is?
- Who influences that determination, and who has the final say?
- How can stakeholders be influenced to adapt their positions over time?
COMMUNICATING VALUE IN ALL DIRECTIONS

Executive support, communication and air-cover

Peer relationship management

Privacy Program Development & Delivery
ELEMENTS OF VALUE
ELEMENTS OF VALUE

Harvard Business Review recently published a model breaking value down into 30 individual elements across 4 domains.

While most of the value that privacy organizations provide has typically been in the ‘functional’ area, increasingly brands are trying to connect emotionally with their customers, and the non-profit sector often targets the life-changing space.

https://hbr.org/2016/09/the-elements-of-value
ELEMENTS OF VALUE

Innovation

Responsiveness

Cost

Quality

Delivery
STRATEGIES TO BUILD AND MAINTAIN VALUE
BREAKING IT DOWN

For each of these elements of value, we are going to discuss:

• How can a privacy program create this type of value?
• Who are the people who will most care?
• How would you measure and report it?

We’d love to have your input and examples as we go!
QUALITY

- Innovation
- Responsiveness
- Cost
- Quality
- Delivery
QUALITY

• Delivering quality requires a) understanding what stakeholder expectations are, b) delivering against them and c) validating that they are met in the minds of stakeholders.

• Quality can be somewhat subjective (something that is sufficient quality for one person may not be sufficient for another), hard to measure, and perceptions can be biased towards more recent interactions vs interactions over a period of time.

• It’s therefore extremely important that perceptions of quality are actively and regularly managed.
INNOVATION

- Innovation
- Responsiveness
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- Delivery
INNOVATION

• In many industries, innovative ways of using personal data are disrupting traditional organizations and becoming competitive differentiators.

• As organizations innovate in the ways that they use personal data, the privacy program needs to have a seat at the table.

• How can the privacy program remain relevant in a Big Data, Agile world?
POLLING QUESTION

Y/N: Have you adapted your Privacy Impact Assessment process to an Agile or DevOps type development process?
How much of the data organizations collect is actively used after collection?

A) 1%
B) 12%
C) 55%
D) 74%
A recent Forrester report* indicated that up to 88% of data that organizations collect is never used.

What should the role of the Privacy Program be in helping to both understand the data that is being collected, how it will be used and whether the organization already collects it?

*https://www.forrester.com/The+Forrester+Wave+Big+Data+Hadoop+Solutions+Q1+2014
POLLING QUESTION

Does your privacy program get involved in discussing new use cases for personal data before they are put into production?
WHAT CAN A PRIVACY FUNCTION OFFER AN ORGANIZATION?

• A deep understanding of privacy requirements
• Understanding of how data is being used
• A horizontal view of data across the entire organization
• Understanding what data is collected and why
RESPONSIVENESS

- Innovation
- Responsiveness
- Cost
- Quality
- Delivery
RESPONSIVENESS

• Responsiveness, is a combination of people, process and technology that can deliver appropriate outcomes consistently and in a timely manner.

• While much of what the privacy program does on a day-to-day basis may not be directly visible to the organization, being aware of and responsive to their needs can have an outsized impact on the perception of the value that the program is delivering.
DELIVERY

Innovation
Responsiveness
Cost
Quality

Delivery
• For this presentation, we’re going to define delivery as the program’s ability to get things done, both effectively and efficiently.
• This brings together the other factors that we have discussed.
• How should we think about both building a delivery model that focuses on things that stakeholders care about, and then being able to show progress against those items?
What % of the output that your privacy function delivers do you estimate is visible to your key stakeholders?

A) Under 50%
B) 50-75%
C) 90%+
COST

Innovation

Responsiveness

Cost

Quality

Delivery
COST

- We deliberately put this element last because if discussions about the program focus on cost, you’re already on the back foot.
- Cost discussions should focus on the extent that you are able to understand privacy related risks and keep them within manageable levels
An IAPP study in 2014 sampled over 200 Fortune 1000 companies. The results indicated that these companies spend an approximate average of $76 per employee on privacy, or $204 per $1 million in revenue, i.e.

- 25,000 employees $1,900,000
- 50,000 employees $3,800,000
- $2bn revenue $408,000
- $10bn revenue $2,040,000
OTHER WAYS TO MEASURE COST

As well as raw cost numbers, being able to measure cost per unit of output or being able to show that the costs of running the program are growing more slowly than the growth of the overall business can provide a more balanced perspective.
CLOSING THOUGHTS
LISTENING TO YOUR CUSTOMERS CAN MAKE ALL THE DIFFERENCE

• Condo example
CLOSING THOUGHTS

Understand what your key stakeholders value, and build & operate your program to deliver against that:

- Planning for value
- Delivering value
- Measuring and communicating value
HOW DID THINGS GO? (WE REALLY WANT TO KNOW!)

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• Start by opening the IAPP Events App.

• Select this session and tap “Click the following link for speaker evaluations.”

• Once you’ve answered all three questions, tap “Done” and you’re all set.

• Thank you!