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Gartner Survey Says Many Organisations Fear their Privacy Activities are Insufficient

Analysts Will Examine the Outlook of Privacy in Europe at Gartner Symposium/ITxpo 2013, 10-14 November, Barcelona, Spain

Companies Must Refocus Privacy Efforts to Deal with the Impact of the Nexus of Forces

Egham, UK, 25 September, 2013 — The perceived level of maturity attached to organisations' privacy activities has decreased since 2011, as many organisations deem their existing privacy activities to be inadequate, according to a survey by Gartner, Inc. The survey found that 43 per cent of organisations have a comprehensive privacy management programme in place, while seven per cent admitted to "doing the bare minimum" regarding privacy laws.

"More than a third of organisations still 'consider privacy aspects in an ad hoc fashion' and it is surprising that so many companies are saying that they are *not* conducting privacy impact assessments before major projects. 62 per cent do not scan websites and applications, or conduct an organisation-wide privacy audit every year. Organisations must put these activities on their to-do list for 2014," said Carsten Casper, research vice president at Gartner.

These results are based on 221 respondent organisations surveyed in April and May 2013 in the US, Canada, the UK and Germany that are responsible for privacy, IT risk management, information security, business continuity or regulatory compliance activities.

"Organisations continue to invest more in privacy due to ongoing public attention and a number of new or anticipated legal requirements," said Mr Casper. "They also show that previous investments have not always paid off and that organisations need to refocus their privacy efforts if they want to raise the maturity level of their privacy programmes back to that of 2011."

Mr Casper added that many organisations are looking to boost their privacy activities through increased staffing and budgets to initiate comprehensive privacy programmes to deal with cloud, mobile, big data and social computing challenges. Creating the right staffing model is crucial to the long-term success of privacy programmes and central to that is the role of a privacy officer.

"Gartner's consistent observation is that privacy programmes are only successful if someone is driving them. Almost 90 per cent of organisations now have at least one person responsible for privacy. However, having privacy programmes that are owned by this individual is still not the norm," said Mr Casper. "Only 66 per cent of survey respondents said they have a defined privacy officer role - although the number is as high as 85 per cent in Germany and similar countries where this role is a legal requirement."

Mr Casper added that a privacy officer should have broad expertise and solid relationship management and communication skills, because they must monitor a variety of (sometimes conflicting) business and IT requirements and collaborate with different internal and external business functions. In larger organisations, privacy officers will not only require a budget and a team, their success is also dependent on support from senior management.

Fortunately, it seems that the need to address privacy concerns more decisively is already being reflected in the amount of investment by organisations. Thirty two per cent of survey respondents said that their organisations have increased privacy-related staff from 2012 to 2013 — the most significant increase since Gartner started its privacy surveys in 2008.

Once the right team is in place, businesses must prioritise privacy programmes as the number one objective. This will enable effective monitoring of privacy-related performance and allow suitable adjustments processes and technologies, particularly for data masking, encryption, data storage and document retention.

The handling of personal information for employees, customers and citizens tops the list of requirements respondents believe should be included in a privacy programme. Some organisations — concerned about violating domestic privacy laws and the risk to their reputations — do not store personal data in locations where it can be seized by foreign authorities or is at great risk from cyber attacks. However, central global storage of personal data is becoming increasingly widespread. For the first time this year, more organisations stored their customer data in a central global place rather than in a regional or local data center, which was the dominant model previously.

The survey found that 38 per cent of organisations transform personal data before transmitting it abroad (with masking, encryption or similar), thus keeping sensitive data local, while allowing some functionality abroad. This is the preferred option compared to domestic storage (29 per cent), remote storage with only local access (27 per cent) and with a focus on legal protection (22 per cent).

"When storing and accessing personal data, organisations face a number of options. They can store data locally or in a low-cost country, allow access to domestic or remote staff, use a provider for application management or for infrastructure management, or implement legal and technical controls, such as data masking, tokenisation and encryption," said Mr Casper. "There is no right or wrong answer. Organisations have to decide which type of risk they want to mitigate, how much money they want to spend and how much residual risk they are willing to accept."

Privacy trends and strategies will be discussed in more detail at Gartner Symposium/ITxpo 2013.

About Gartner Symposium/ITxpo

Gartner Symposium/ITxpo is the world's most important gathering of CIOs and senior IT executives. This event delivers independent and objective content with the authority and weight of the world's leading IT research and advisory organisation, and provides access to the latest solutions from key technology providers. Gartner's annual Symposium/ITxpo events are key components of attendees' annual planning efforts. IT executives rely on Gartner Symposium/ITxpo to gain insight into how their organisations can use IT to address business challenges and improve operational efficiency.

Additional information for Gartner Symposium/ITxpo in Barcelona 2013, 10-14 November, is available at <http://www.gartner.com/emea/symposium>. Members of the media can register for the event by contacting Laurence Goasduff at laurence.goasduff@gartner.com.

Additional information from the event will be shared on Twitter at http://twitter.com/Gartner_inc and using #GartnerSym.

Upcoming dates and locations for Gartner Symposium/ITxpo 2013 include:

- October 6-10, Orlando, Florida: www.gartner.com/us/symposium

- October 15-17, Tokyo, Japan: www.gartner.com/jp/symposium
- October 21-24, Goa, India: www.gartner.com/in/symposium
- October 28-31, Gold Coast, Australia: www.gartner.com/au/symposium
- November 4-7, Sao Paulo, Brazil: www.gartner.com/br/symposium
- November 10-14, Barcelona, Spain: www.gartner.com/eu/symposium

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