

Data Privacy by Design

Data & Analytics

Given the constantly changing legal and regulatory landscape for data privacy, companies must adhere to new and emerging laws that can have substantial impacts on how their organization functions and architects their IT and data infrastructure. Organizations are often challenged to lay the proper IT bedrock that is flexible and scalable enough for shifting laws and regulations. FTI Consulting helps clients incorporate and implement key principles of data privacy by design into corporate policies and technical infrastructure to become compliant and nimble to meet current and future regulatory and legal standards.

Historically, data privacy has taken a backseat to revenue-driving activities such as sales and product design. Customer demand for increased privacy controls over their data and new government regulations that include harsh fines are pushing organizations to pause and rethink how to structure their business and infrastructure with data privacy at the forefront of design. Companies that prioritize ethical and privacy-focused use of customer data could see increased financial benefits by providing additional transparency to customers and mitigating risk.¹ Protecting the data of customers, employees and other key groups enables organizations to build and maintain trust, which helps drive loyalty. FTI Consulting assesses and implements customized approaches to data privacy by design to balance the needs of customers and stakeholders while enabling the organization to leverage data as an asset.



FTI Consulting's Approach to Data Privacy by Design

Data privacy by design implementation begins with an assessment of an organization's existing policies, procedures and infrastructure. Our team of data and privacy experts meets with cross-functional client teams to capture the business requirements from all relevant stakeholders. These requirements include current state, future goals and business planning. We then evaluate how well the organization is performing against the requirements through quantitative (e.g., Pugh matrix) and qualitative (e.g., evaluation of policies) analysis. The resulting evaluation often yields recommendations in two key areas:

Policy Creation, Training and Compliance

Creating or modernizing both internal and external policies are essential to incorporating data privacy by design. Policies act as guiding principles and best practices for IT teams when handling personal data. This hub-and-spoke model allows Privacy teams to act as centers of excellence and advise on the implementation of their policies while leaving the implementation and development to teams such as IT or Engineering. The Privacy (or Legal) team's responsibility is to create training programs and certifications that ensure teams are following the

established policies and procedures. Our experts collaborate with clients to draft relevant policies and often play a role in messaging expectations between the Privacy and IT teams.

Data Minimization and Securitization

Data privacy by design principles are utilized to limit the existence or access to sensitive data so the rights of data subjects are protected. Data minimization practices aim to only capture necessary personal data early in the data collection process. Existing data can be controlled and remediated through retention policies that remove data when no longer needed or within certain timeframes set by regulations or internal policies. Any remaining data that is stored can be securitized by methods such as encryption or tokenization while also limiting access to specific individuals through identity access management. There is no one-size-fits-all roadmap. Our team focuses on tailoring recommendations based on documented requirements, budgetary or human capital constraints, and changing timelines. We advise our clients on the proper implementation of data privacy by design principles, and we also have the capability to engineer and implement the chosen solutions. We work flexibly with the client's existing teams to integrate where we can provide the most value.

— WHY FTI CONSULTING?

We are a team of technologists and data science professionals that draws on years of experience in highly regulated industries to advise clients on how to best manage their data. As the regulatory landscape continues to change, we deliver solutions flexible enough to scale and adjust based on emerging data privacy laws, regulatory scrutiny, technical advancement, and digital transformation. We also understand that data can be a profit center and differentiator, if handled properly. FTI Consulting offers a full suite of capabilities including program design, strategic assessments, data classification, automation, data management and validation, and the development of tailored technical solutions. Our focus is to operationalize Data Governance within an organization to unlock the full value of its data. We take a technology-driven approach to keep Data Governance initiatives current, with a focus on solutions that can be continually managed with minimal demands on personnel.





CASE STUDY

SECURING PRIVATE DATA FOR MEDICAL MALPRACTICE FIRM

SITUATION

A medical malpractice company needed to perform an internal audit of their IT general controls, governance, security and privacy. The project scope focused on change management, system development life cycle, logical access and operations.

OUR ROLE

FTI Consulting designed and executed tests to determine the effectiveness of the client's internal controls.

OUR IMPACT

Our team recommended upgrades and new procedures that focused on modernizing the client's technology, while incorporating better data privacy controls into procedures and controls in the following areas:

- System Incident and Event Monitoring (SIEM) platform;
- Server maintenance/patching procedures;
- Performance management and capacity planning;
- Network monitoring and security; and
- Database and operating system hardening procedures.

1 Martin, K., Borah, A., & Palmatier, R. (2018). Research: A Strong Privacy Policy Can Save Your Company Millions. <https://hbr.org/2018/02/research-a-strong-privacy-policy-can-save-your-company-millions>

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