Data privacy & GDPR Beyond business development strategies

It should be common sense that data privacy is a very important element of business these days. Even though many responsible people have not yet overseen the necessity and possible consequences of not taking care about these issues. In the eyes of many, the GDPR is nothing but a bureaucratic monster created by the EU. Some "implement" the regulations within their process landscapes without understanding the surrounding world and internal consequences. If people consider the contents of GDPR as unnecessary and some kind of chicane, it shows that they have not yet understood how vulnerable individuals got in the digital age. Especially considering long term effects, is somehow peculiar for many people since in business life many decisions are driven on short term perspectives.

For many decades companies and many organizations have been continuously working on improving themselves. However, improvement is mainly considered as an increase of efficiency. Thinking this way, data privacy elements are hardly incorporated in improvement activities. GDPR related actions do not contribute to more efficiency, they even reduce it. They do not lead to higher profit, on the contrary.

Suddenly some highly paid people need to take care about issues protecting privacy of people, employees, customers and business partners. From a certain point on, in the eyes of many management people this appears to be a waste of time.

Creating new processes and improving existing ones require much more than just a focus on the so-called "low hanging fruits" (attention, consultant bullshit). These "fruits" are seen as high profitable results with low efforts. Since data privacy never returns immediate profit, its is not describable in spread sheets and therefore often not understood by managers. But it still represents a very important and real customer value, completely independent from the question whether it is expected by law or not. I am convinced that only companies which treat their customers, employees and business partners well, can be sustainably successful in the long term.

Understanding customer values

Customer values must not be mixed up with solutions. While solutions can be touched or at least specifically described, the values fulfilled by the solutions always remain abstract und hidden. As an example, the iPhone was invented by Apple due to the customer value of using the Internet on mobile devices in a convenient way. The solution, which existed so far, was nothing but the transfer of existing solutions (means keyboard) to mobile devices. The result was what Nokia called the "Communicator" and Blackberry used for many years. But both solutions were not really accepted by the customers. Blackberry was an exception, because here another type of customer value was covered, namely data security. If Blackberry have not had their own

protected servers, their solutions would have disappeared much sooner. Apple came out with a product, which is common in these days, the smartphone. A device with no keyboard at all but capable of accessing the web in a convenient way.

After understanding the customer values, the corresponding solutions can be developed. This approach also applies to process development, not just for product development. Finally, out of the solutions for the customer values, a process can be designed and its target state described. Customer values must always be the core of every process development and improvement.

Customer values versus ROI

The majority of customer values appears as external values, means values that fulfill expectations of external customers. But designing the right processes and their landscapes also requires so-called internal customer values. These can contribute to employee's satisfaction what drives motivation and attracts the best talents on the market. Sometimes internal and external customer values seem to compete against each other, since fulfilling internal values can be cost intensive but a real ROI is not visible. But they must not be seen in competition, these values are pretty much linked very closely, even though a direct ROI cannot be calculated. Good leadership always considers aspects, rational numbers, emotions and conviction. These are the ingredients for a leader, an entrepreneur and this is a big difference to a manager.

The role of data privacy

Data privacy is something that cannot be calculated as an ROI. A process design reflecting this aspect can only be considered as a "soft" factor which is driven by the conviction that it serves the customers, employees and business partners.

Among other success factors, this is one, which is not directly visible because people will feel it only if it disappears. But if this happens, the damage can be huge. In the past, many companies did not take much care about it due to the facts mentioned above. The GDPR has changed the game.

Now companies have to include data privacy into their business landscape, whether they want it or not. Hence, the customer values of data security and privacy protection have to be covered. The EU has done something which creates a huge benefit not just for the customers but also for the companies themselves.

The challenges of fast adoption

Companies faced challenges for decades but in these days, problems occur much faster. They need to design and implement stable and sustainable processes driven by (external/internal) customers. Companies need to develop and drive the ability to question themselves, their customer values and solutions as well as their process landscape and the ability to change quickly and structured.

Companies, which are first driven by effectivity and second by efficiency, will succeed, the others will fail. GDPR should be seen as one guiding element in evolution of company and society and not as something that compromises business. GDPR drives crucial customer values, even though some people have not recognized the urgency yet.

About the author:

Mario Buchinger is a lateral thinker, visionary and creative mind. After ten years as employee and leader in German companies (Daimler, Bosch) he founded his own company Buchinger|Kuduz. This is not a consulting company but an external supporting entity in developing unique ways of intrinsic change abilities. Mario sees himself as a part of the team and he is driven by the conviction of a fair and sustainable world within business and society. Mario Buchinger did not go through the typical business education. He studied physics with a diploma thesis in astrophysics and a doctorate in material physics. He is also a musician and music producer running his own music project (The Pyramidis Project) and working for other artist in mixing and mastering. www.buchingerkuduz.com

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