



**INFORMATION
TECHNOLOGY
FACULTY**

BUILDING TRUST IN THE DIGITAL AGE: RETHINKING PRIVACY, PROPERTY AND SECURITY

SUMMARY

MAKING INFORMATION SYSTEMS WORK INITIATIVE



Introduction

Building Business Trust in the Digital Age: Rethinking Privacy, Property and Security forms part of the ICAEW IT Faculty's thought leadership programme, *Making Information Systems Work*.

By summarising a wide range of business practice, underlying theory and new areas of debate, the report aims to achieve two principal benefits:

- to help management make better decisions about digital information and improve business performance in relation to information risks; and
- to inform widespread public debate about digital information and thereby support the development of a variety of regulatory, industry and social solutions.

In the process, it brings together three areas of thinking that are often looked at separately: privacy, intellectual property rights and information security. While these continue to be distinct fields, the digital environment brings them closer. As a result, this report takes a first step in bringing together key elements of a disparate and complex literature to support more integrated business practices and policy-making.

Addressing concerns about IT

Information technology transforms the way that many businesses operate and presents tremendous opportunities to increase revenues, cut costs and create new customer value. However, alongside these opportunities, there are growing concerns about the control and security of digital information which a business needs to manage in order to capture and retain value from IT. These concerns are fuelled by:

- high-profile data breaches and the growth of cyber attacks;
- individual experience of identity theft, phishing emails, spam and computer viruses;
- controversial use of personal information by governments and businesses; and
- repeated failures to secure intellectual property and prevent others from exploiting it.

These incidents can result in substantial financial losses for businesses, governments and individuals, damaged reputations and reduced confidence in IT systems more broadly. Therefore, this is an area of growing importance for business and economic success. Furthermore, these issues affect all of us as individual consumers or citizens.

Building trust

Trust is an important feature of any economy and society. It enables businesses and individuals to carry out economic transactions and social interactions in the belief that other parties will behave in a non-harmful way. Building trust that other parties will secure and use digital information in acceptable ways is therefore an important element of addressing concerns about, and building confidence in, a digitally-based economy.

Our approach to addressing concerns is based on the belief that businesses cannot build trust in isolation. While they are necessary, today's good practices are not enough. Businesses operate within a network of formal and informal norms which influence and limit their actions. As a result, good information practices are ultimately grounded in clear rights and duties over information and need to be built on an accepted framework of social expectations and laws.

Digital technology is disrupting and challenging many aspects of the existing social and legal environment. Consequently, we need to encourage widespread engagement, understanding and debate of the issues presented by digital information to build a social and legal framework which is broadly accepted and can underpin individual business actions.

Our approach

Our approach recognises three sources of concern: personal information, intellectual property and information security. We need to underpin specific actions and solutions to address concerns in four ways:

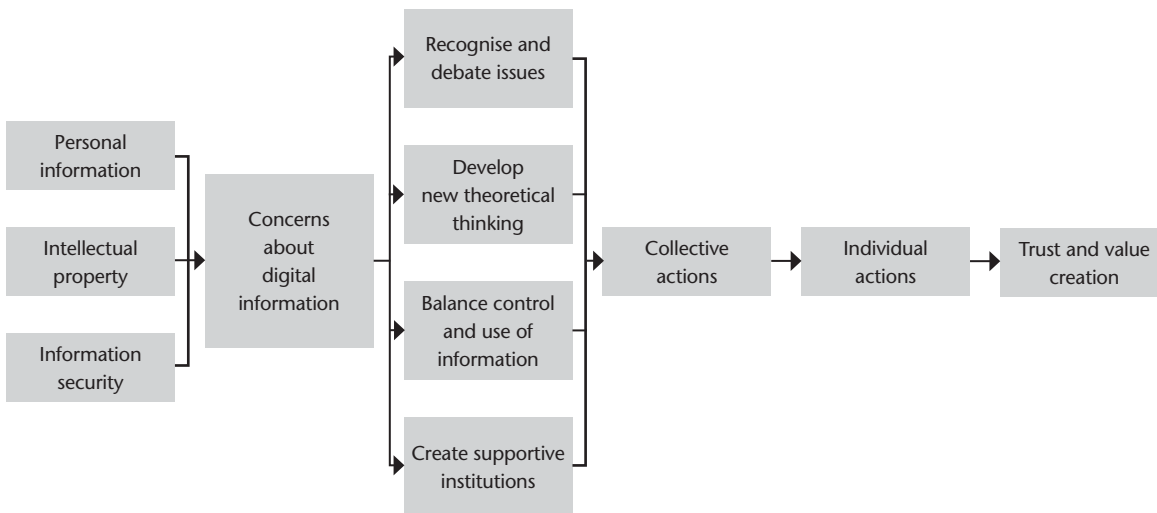
- recognise and debate issues which arise around the collection, use, sharing and exploitation of digital information;
- develop new theoretical thinking which addresses the radically changed economics of the digital environment;
- balance control and use of information so as to maximise the benefits which can be realised; and
- create supportive institutions that can develop a variety of practical solutions and encourage the evolution of new social norms.

These elements support a range of collective actions that can be taken by governments, businesses, the technology industry and individuals. These could include regulation, voluntary codes of conduct and consumer pressures on businesses.

In turn, collective actions inform the individual actions that a business can take around digital information. These actions are reflected primarily in good practices in information security, as well as specific practices around personal information and intellectual property.

All of these different elements contribute to building trust in the behaviour of individual businesses and the wider social and legal framework which surrounds digital information. This will ultimately enable businesses, individuals and economies more broadly to achieve sustainable value creation through digital technology. This approach is summarised below.

ICAEW approach to building trust in the digital age



The IT Faculty

The ICAEW IT Faculty is a network of chartered accountants and other professionals who have an active interest in IT. The faculty provides help and support to its 3,000 members regarding best use of IT. It also has a wide-ranging public interest role which is supported by its thought leadership programme, *Making Information Systems Work*.

Contact us

We welcome views and other comments on this work. For a copy of the full report or for further information, please email informationsystems@icaew.com or telephone Kirstin Gillon on +44 (0)20 7920 8538.

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Our members provide financial knowledge and guidance based on the highest professional, technical and ethical standards. We develop and support individuals, organisations and communities to help them achieve long-term, sustainable economic value.

Because of us, people can do business with confidence.

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