

The nationalisation of information risk

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Overview

This paper reviews the impact on information risk management within the UK in the aftermath of the global financial crisis of 2008.

It proposes that the impact of the economic downturn has seen information risks nationalised with organisations now able to ignore critical business intelligence about threats and problems with confidence that they will be protected by UK national government.

The paper proposes new approaches to managing the value of business information to incentivise the improvement of risk management to help support the economic recovery within the UK.

Research Background

Information is the currency of the modern organisation. All staff are involved in the creation, management and final disposal of data, information and records to deliver services. However the risks associated with this currency are poorly considered or capitalised by organisations.

A number of highly publicised data breaches within the UK public sector highlight that the value of information is poorly understood. At the same time the private sector is protected from its information risk failures. Recent research highlights that whilst information and intelligence was available on the scale of the 2008 financial disaster this was ignored by senior planners due to the lack of credibility of information risk products. This is despite the existence of corporate risk management teams including information risk strategists within most large organisations.

The subsequent bailout of a number of large organisations by the UK government outlined the weaknesses within information risk management practices and its positioning within organisations. It also demonstrated that the failure to value business information and the risks associated has led to a multi-billion pound bailout that is yet to deliver results.

Key Issues

Assessing the economic, political and cultural impact of this change in information risk management requires further research to determine;

- The ongoing costs of nationalised information risks
- The role of public and private sectors in determining information risks
- The tools and techniques that need to be introduced to improve information risk

The objective is to determine how the nationalisation of information risk needs to be a transition phase towards the UK as a whole capitalising its information and data sources to underpin economic recovery.