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Risk management in data protection from a company perspective

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Abstract – English Version

In the modern corporate landscape, risk management in data protection is becoming increasingly important. Due to advancing digitization and the increasingly intensive use of data in business processes, companies are faced with the challenge of processing personal information not only in compliance with the law, but also in line with strategic goals. This article examines the key aspects of risk management in data protection from a business perspective, linking relevant topics from the areas of organizational theories, psychological constructs, strategic management, risk management and data protection. Particular attention is paid to quantitative methods and the possibility of risk management contributing to value-based corporate management.

After an introduction, various organizational theories are presented. This ranges from the classic approaches, in which the machine metaphor of organizations was dominant, to modern approaches of lateral management and New Institutional Economics. Since trust plays a major role in various respects, especially in modern approaches, this construct is then examined in more detail. In addition to one of many possible causes of a lack of trust, the psychological contract is also discussed in this context. The effects of a lack of trust, such as a lack of or impaired organizational commitment and organizational citizenship behavior, are also briefly presented.

This is followed by a presentation of the aspects of strategic management relevant to this work. From the author's point of view, it is possible to use tools from strategic management in a modified form for data protection and to create a data protection strategy. The "Balanced Score Card" is also particularly highlighted here as a means of strategy implementation. As a means of comprehensive goal definition, it is an important tool for

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risk management - also in the area of data protection - given the definition of risk as a deviation from goals.

The next step is a presentation of the basics of risk management. The definition of the term "risk" as a positive or negative deviation from goals is an important basic element of this work. In addition, great attention is paid to risk assessment using statistical probability or density functions and the aggregation of the risks assessed in this way using Monte Carlo simulation - these elements represent important basic requirements for determining the overall risk position of a company and thereby making a contribution to value-oriented corporate management.

After that, some aspects of data protection relevant to this work are considered. In addition to highlighting the term "risk" as it is used in the GDPR, various "target systems" are presented. Targets (and deviations from them) form the basis for risk management.

The next chapter describes some special features of data protection. The emphasis is on considering data protection as a product feature that is suitable for strengthening customer trust and thus making a contribution to value creation in companies with data protection. Furthermore, four different models for risk management in data protection are outlined. They are based on the use of different target models and the different use of (quantitative) methods.

Finally, the hypotheses put forward are summarized.

This work aims to show that holistic risk management in data protection is advisable and, when appropriate methods are used, can help to support a more efficient allocation of resources within the company and ultimately make a contribution to value creation for the company.