

# Personal data impact on company work transformation in the digital era

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## INTRODUCTION

General Data Protection Regulation (GDPR) came into force in May 2018 by reinforcing new knowledge for companies on PD protection, storage and processing. According to the legal definition in the GDPR, "personal data" means any information relating to an identified or identifiable natural person. PD shall also consist of a collection of different information enabling a specific natural person to be identified directly or indirectly, in particular by reference to an identifier (European Parliament and Council, 2016). A major challenge related to the implementation of the GDPR is the companies' lack of awareness and understanding of the forthcoming changes and requirements that the GDPR imposes through its new rules (Tikkinen-Piri, 2018). One of the most difficult challenges facing our current information society is the accelerated accumulation of data routes in business and communications systems, which can be used not only for profiling individuals' behaviour for commercial, marketing and law enforcement purposes, but also for finding and determining to follow things and actions. Data mining, convergence, interoperability, increasing computer power and extreme hardware miniaturization are elements that contribute to the main modern challenge: the profiled world (Gutwirth, S., Pouillet, Y., de Hert P., 2010). In the field of new and evolving technology management, and in particular human rights regarding the use of digital data in the public and private sectors, empirical data showed the existence of a number of contentious issues, such as the sharing of responsibilities between the public and private sectors in relation to the use of online data (Dowd, 2021).

## RESULTS

The results proved that enterprises still lack the overall understanding of personal data (PD) meaning; PD processing and storage is urging micro and small companies to outsource the data protection officer services which occurs certain financial investment, and finally, the PD breach consequences regulated by national regulation is not even known to enterprises, thus, bringing the potential damage to reputation and business conduct. Companies' management is hardly aware about the individual's rights to be forgotten, which enables individuals to request that all of their personal information be removed from an organization's environment. Companies lack the ability to recognize personal data.

## METHODOLOGY

The study focuses on micro and small enterprises in Latvia by assessing the knowledge of PD related rules, risks and procedures after May 2018. The literature review encompasses the classification of human data in the digital environment and existing risks. The pilot survey was conducted to validate the personal data related risk mitigation framework for small and micro companies in Latvia as this size business organizations may not possess human, intellectual and financial resources to tackle personal data related company work transformation in the digital era. The survey dimensions were focusing on the human open, shared and closed data in the digital environment and micro companies ability to recognize and assess these risks, namely, Data asset surveillance, Risk assessment and severity modelling, Data protection and security, Access and rights management, Data governance and discovery tools.

## CONCLUSION, CONTRIBUTION AND NOVELTY

The personal data related risk mitigation framework for small and micro companies was pilot tested. The authors propose to the national public institutions engaged in data protection field to organize the informative campaigns for particularly micro and small companies explaining the recognition of personal data and develop the open access free of charge Data governance and discovery tool. This pilot survey contributed the practical research in entrepreneurship in Latvia on GDPR requirement forced changes in micro and small companies' management.

The European Parliament voted on the General Data Protection Regulation (GDPR) in May 2016. The GDPR came into force and replaced the Data Protection Directive 95/46/EC in May 2018. It improved data subjects' privacy protection and facilitates organisations' and companies' work through its clarified rules, more concretised requirements and even direct instructions on the provisions' implementation. On the other hand, the GDPR's new obligations brought considerable changes to companies' privacy protection implementation. All companies handling EU residents' personal data or monitoring data subjects' behaviour within the EU, regardless of where they are based, are governed by the GDPR (Tikkinen-Piri, 2018)

## References

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