

Unit 26: Managing Business Information

P4: Describe the legal issues an organisation must consider in using business information

Tesco with other organisations in the UK, is required to comply with different data laws set by the Government. Due to the size of the organisation and the volume of information that Tesco stores, it is vital that they ensure that all the data they have collected from employees, customers, etc. is secure.

Firstly, the Data Protection Act 1998 is a piece of legislation which is used to protect personal data from different parties involved in Tesco, such as customers and employees. Tesco collects a lot of personal information from those parties for example the customer (name, email, home address, phone number, etc.) and employees (name, email, home address, phone number, salary, medical history).

The overall point of the Data Protection Act 1998 is to prevent data losses, breaches, hacks and to make sure private information stays private. Therefore, the Act defines how all businesses store, use, record and discard personal data, in order to ensure that all these methods are efficient and effective.

In order to make sure that businesses comply with this Act, the government has set out eight key principles, so therefore if the business follows all of these, it ensures they are managing data in the right way and they aren't breaching the law.

The first principle states that "Personal data must be processed fairly and lawfully", so by this, they need to express to the individual what their personal data will be used, so Tesco expresses what personal information is being used and why they use it on their Privacy Policy on their website. They also need to tell the individual that they can access and change the information in which the business stores, as this is their information, so they should be able to see it and also change it if there have been any errors in entering the initial data.

The second principle states that "Personal data must be processed for specified lawful purposes", so if Tesco collect personal information for marketing purposes, they would have to state this and also ensure that they use the personal information just for this reason, and not for illegal reasons, such as selling personal information for those who may want to access other people's private information.

The third principle states that "Personal data must be adequate, relevant and not excessive", so therefore Tesco should only collect data for the purposes that they state, and they shouldn't collect data which is not relevant to the subject matter, so if they are using the personal data for marketing purposes, they wouldn't need to collect financial information, so therefore the data needs to be kept to a minimum, so only basic personal information should be collected, if it's relevant to the purpose stated.

The fourth principle states that "Personal data must be accurate and up to date", which means that customer data needs to be accurate and updated if necessary, so if a customer gets married and decides to change their legal name and billing information, Tesco must provide an accessible system which allows the customer to update their information.

The fifth principle states that "Personal data must not be kept for any longer than is necessary", so for example if a Tesco customer decides to deactivate their online account,