Risk Management in the workplace: Human Resource’s role
Human Resource as Risk Management

1. Risk Areas
2. Risk Analysis
Risk Areas Macro

1. Strategic
2. Compliance
3. Operational
4. Financial
Risk Areas Macro

• Strategic-People-related issues that limit the ability to achieve strategic objectives
  1. Talent Management
  2. Ethics
  3. Alignment of pay and performance
Risk Areas Macro

Compliance—keeping company out of trouble
Risk Areas Macro

Organizational--Meeting organizational objectives through effective/efficient use of human resources

Policies

Trainings

Vendor management
Risk Areas Macro

1. Financial
Risk Areas—Survey

1. Shortage of critical skills in the workplace
2. Compliance and regulatory issues
3. Succession planning
4. Gap between current talent capacities and business goals (now, 5 years, 10 years)
5. Shortage in critical skills in external job market

Do you agree?
## Risk Areas—Compliance focus

1. Privacy
2. Data Breach
3. Discrimination/Harassment (political & transgender) (ADA & retaliation)
   1. Common claims—retaliation, ADA
   2. Likely an uptick in sex discrimination
4. FMLA
5. Work Comp (topic for another day)
6. Culture, culture, culture, culture, culture
Privacy

• What is privacy?
• Understanding the scope
• Be intentional, not reactionary
• Impact of AI and/or IoT (internet of things)

• Risk Management issue—how far will you go? Safety v. privacy? Public v. private?

• Do you purposefully chose the level of privacy invasion?
Hot Topics

Video/Audio

IoT—Internet of things—inter-networking of physical devices, vehicles, buildings, and other items embedded with electronics, software, sensors, and network connectivity which enable these objects to collect and exchange data.

Big Data—crunching data to help make better decisions
General Topics--Privacy

Employee Profiling/Screening
Employee Monitoring/Surveillance
Employee Off-Duty Conduct

Hot Topics:
  Background checks
  Data Security/Breaches
  Credit Information/Equifax
  Social Media Passwords
  Other Social Media Issues
  BYOD
<table>
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<th>Technology merges into Workplace</th>
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<td>Smart phones</td>
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<td>Tablets</td>
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<td>Wearable technology</td>
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<td>Video capabilities</td>
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Big Data

What is it?

What can it do?

--Benchmarking
--Recommendations and filtering
--Predictive
--Data used to describe and understand statistical relationships
Big Data

Places for data science to be applied?

--Hiring
--Performance Management
--Collaboration/Team Optimization
--Attrition
--Succession Planning
Big Data

Trends—

Team-focused: How to use data to identify problems with communication & collaboration, and fix those problems.

Performance management: Identify problems from data instead of or in tandem with traditional methods.

Recruiting: Identifying alternative candidate sources with data.
Big Data

Predictive Model Questions:

• How to identify diverse new talent (from non-traditional sources)?
• Which applicants are likely to be the best performers?
• Which are the best performing employees?
• Which employees are the most adaptable to change or the most critical to the organization?
• Which employees are likely to voluntarily quit in the next 6 months?
“You can lie to me, you can lie to your trainer, you can even lie to yourself, but you can’t lie to your Fitbit.”
Ew I start this f***ing job tomorrow

2/6/15, 11:43 PM
Robert waple
@Robertwaple

@Cellla_ And....no you don't start that FA job today! I just fired you! Good luck with your no money, no job life!

7:53 AM - 7 Feb 2015
Matt Buckland
@ElSatanico

Karma - the guy who pushed past me on the tube and then suggested I go F myself just arrived for his interview…with me…
Data Breach

What is a Data Breach?
Data Breach—Threat Assessment

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<td>Internal</td>
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<td>External</td>
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<tr>
<td>Vendors—equifax? Background check company? TPA?</td>
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<td>Customers</td>
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<td>Third parties</td>
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Data Breach—Threat Assessment

Steps:
- Strong and complex passwords & encryption
- Monitoring software
- Every level security approach
- Regular updates

Threat Assessments
- Proactively look for risks
- Review logs
- Intrusion/penetration testing
- Independent testing of security protocols
Data Breach—Threat Assessment

Evaluation threats and risks

What policies are reasonably necessary?

Form Team:
- Key Stakeholders
- External Expertise
- Communications
- Compliance
- PR/Marketing
Data Breach—Examples in HR

Anthem breach (2/5/15)—as many as 80 million current and former members may have had their medical and personal information compromised.

Mount Pleasant Texas School District (1/21/15)—915 present and former staff members had personal information compromised.

NVDIA Corporation (1/6/15)—hackers infiltrated network and stole employee usernames and passwords

Physicians Skin & Weight Systems (12/26/14)—employee laptop and hard drive stolen from car. Info included treatments, credit card numbers, financial applications, social security numbers, DOB, etc.
Godiva Chocolatier (11/25/15)—HR employee had briefcase stolen. Laptop included employee’s names, addresses, social security numbers, and drivers license numbers. Laptop not encrypted.

Equifax—How have you responded? Any notifications?
# DATA Breach issues to consider

Inside threats—**for healthcare providers and business associates**

- Location-based tracking
- Technology budgets
- HIPAA Litigation
- BYOD
- User-generated Health Data
- Risk Assessments
- Written Information Security Program
- What about vendors?
- Plan for Breach notification
- Social Media Investigations
Prevention

Pre-breach response planning
Identify stakeholders
Analysis and communication plan
Evaluate vendors
Testing
HR response
Prevention

Incident Analysis

Breach Containment
Damage Determination
Legal Analysis
Communications
Prepare before a data breach

Form Team

Plan

Test

THINK BEFORE YOU ACT!!
Discrimination & Harassment

• Basic cases are not so basic
• “Me too”
  – Risk Assessment--
  – Liability, Cultural, PR,
• Multiple high dollar cases in Iowa—what does it mean?
Training

• Common mistakes
  – Reliance on employment application
  – Waiver language
  – Other information on disclosure
Harassment Training

- Interactive
- Confirms support from the highest levels
- Seriousness
- Business risk
- Specific examples
- Risk factors that increase likelihood that harassment will be tolerated
- Difference between unacceptable and illegal
- Understanding severe and subtle examples
- All forms of harassment
- MUST train supervisors—recipe for lawsuit otherwise—teach them how to respond—unfair to anticipate appropriate without training. Role play—game theory of HR
- No promise of confidentiality
- Emphasize nonretaliation
- Consider civility training—we will need it (both sides of all issues)
- Use humor carefully—tough one for me. One proper usage is poking fun at those defending inappropriate behavior. Ex. The Hugger
Culture, Culture, Culture

• What is culture?
• What is your culture?
• What do others think your culture is?
What are the future issues challenging HR?

- Privacy/Data Breach
- AI/Big Data
- Culture
- Skills gap—Future Ready Iowa
Questions?

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