

Good
Privacy
is Good
Business

Know your
Privacy Rights
and Obligations



Privacy Commissioner
Te Mana Matapono Matatapu

Good privacy is good business – why?

Collecting and using information about people – even if it's just a phone number and address for invoicing – is an everyday part of doing business. Keeping that information safe and secure should be too. But mistakes happen – and they can have a major effect on a business. For example:

- » Oscar owns a panel and paint firm. One day he answers a phone call from a friend about a mutual customer. The friend is concerned about the customer's credit-worthiness, so Oscar tells him about a large unpaid bill. As a result, Oscar's friend refuses to give the customer credit. Oscar then gets an angry call from the customer who had actually paid the bill early, though the payment went into the wrong account. The customer says he will tell everyone he can that Oscar's firm is lousy.
- » Anna works at a beauty salon. A man rings asking for a client's new address so he can "send flowers". She provides the information. A week later the client threatens legal action. Anna had not been aware the man was her client's abusive former partner.

Good privacy is simply good business practice these days. Following some simple rules of thumb will get you a long way.

Privacy is your business

Above all, remember your business relies on people – whether they are customers, staff, contractors or suppliers.

Those people trust you to look after the information you have about them. If you lose that trust, they will go somewhere where they are treated better. Also, your business reputation could be badly damaged.

Have a privacy officer



All businesses are required by law to have a privacy officer. A privacy officer also adds value to how you deal with people and therefore adds value to your business.

The privacy officer is the person who is most familiar with how personal information should be handled. He or she might be the manager, or the person dealing with human resources or customer information. The privacy officer will:

- » develop good policies for handling personal information that suit your particular business needs
- » handle queries or complaints about privacy from customers or employees
- » alert you to any risks that might arise with personal information (eg. security)
- » liaise with the Office of the Privacy Commissioner if necessary.

If a mistake has occurred, your privacy officer can help you sort out complaints yourself – quickly, well and without unnecessary expense. This is particularly important if you have an ongoing relationship with the person.

When we get an enquiry we always encourage people to seek help from the privacy officer at the organisation first, if possible.

The Office of the Privacy Commissioner offers training for privacy officers. We also encourage them to form networks to learn from other privacy officers, seek advice and share their experience.

Call our helpline for general advice:

09 302 8655 or 0800 803 909

or visit our website: www.privacy.org.nz

Privacy protection – a guide for good business

1 Tell people what you are doing and why.

If you're collecting information about someone, tell them what you're doing.

Tell them why you need it, and what you plan to use it for.

Tell them if you intend to send the information to another business or person.

2 Keep information safe.

Many people, including your customers and suppliers, worry about the security of their personal details.

The more sensitive the information is, the more careful you need to be.

Make sure your staff know how information should be handled – this will avoid many mistakes.

3 Obtain only the personal information that you need to do your business.

4 Only use personal information if you're reasonably sure it's accurate and up to date.

5 If someone tells you that the information you hold about them is wrong, correct it if you can. If there's a difference of opinion about whether the information is right, make a note on the file of the person's view.

6 If someone asks for a copy of their information, you usually have to give it to them – and do so as promptly as you can.

Of course, there are exceptions to every rule of thumb. Get your privacy officer to find out about the exceptions to the privacy principles.

Common examples

Have a look at these examples – would you do the same thing?

- » Ernie is a sole trader who fixes appliances. He visits a regular customer whose washing machine has broken. Ernie sets to work, leaving his paperwork on the kitchen table. The customer notices copies of invoices, including one for a friend. It appears the friend has not paid Ernie for some time. The customer is mortified on behalf of her friend. She is also very worried that her own information could sit in someone else's kitchen in the same way. She decides never to use Ernie's services again, and tells her friends that he is not reliable.
- » Diana interviews Mary, a candidate for a sales position. Mary seems suitable for the job, but Diana is always careful to check references. Mary has given her two referees. She contacts one, who is very positive about Mary, but the other is unavailable. Diana checks Mary's CV and sees that she used to work at a local department store. She rings up the manager to get a reference. He is scathing about Mary's abilities. Mary is upset and angry that Diana got a reference behind her back. She had complained about the manager because he was abusive to her, and he had been disciplined. He was bound to be rude about her. Mary says she won't take the job with Diana, because she doesn't trust her to behave properly. Diana has to readvertise.
- » Charlie's finance company puts all its rubbish into ordinary bins at the back of the office. This includes drafts of letters, loan documents and so on. A long-standing – and lucrative – client notices this one day and is horrified. She points out that anyone could go through the bins and find highly sensitive information. She immediately withdraws all her business from Charlie – and she tells the local newspaper about his lack of security.

Our contact details

Office of the Privacy Commissioner

PO Box 10094

Level 4, gen-i Tower

109-111 Featherston Street

Wellington

04 474 7590

Enquiries line

09 302 8655

or call free on

0800 803 909

*We can't give you legal advice,
but we can talk you through some
of the issues involved and what
the relevant law might be.*

Website

www.privacy.org.nz



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