
Chapter 9

ICT (Data Protection)

Higher Level

Past Exam notes (For this chapter)

HOW CAN ICT HELP BUSINESS COMMUNICATION

Information Communication Technology

Def This refers to the use of computers telecommunication and electronics to gather, store, process and distribute information

Past Exam Questions
2020 Short Q 7

The Internet

Def This is an international network of computers connected through the telephone network

E-mail

This allows documents to be sent quickly over the internet

Intranet

Def This is an internal computer network. There are networks of computers within the business. They are known as LAN - Local Area Networks. It is an internal internet for a business

EDI

Def This is known as Electronic Data Interchange. It is an automatic stock ordering system. It allows stock to be reorder automatically from one computer to another

It allows firms to order stock on time and with very little paperwork. The benefits include

1. Speed up ordering and reduces human error
2. Reduces cost by eliminating paperwork
3. Improve cashflow and invoices are sent on time and are accurate
4. Increase customer satisfaction

Video Conferencing

Def This is like a virtual meeting. People can see and hear each other. an example would be google hang outs or skype

Word processing

Def This allow the creation of professional looking reports, letters and other relevant documents

Data bases

Def This allows business to store huge amounts of data electronically that can be easily accessed

DEVELOPMENT IN ICT

1. High speed Broadband

Continuous advancements in technology have resulted in high speed communication across the world. Irish business can communicate with customers, suppliers, service providers at

Past Exam Questions
2020 Q3 C

the touch of a button. It has reduced costs for business and given them greater access to customers around the world. This improvement in internet access and internet speed has facilitated video conferencing and ecommerce. This is of vital importance during the Covid 19 crisis

2. E-commerce and Increased Sales

E-commerce refers to businesses selling goods and services online. By using the internet as a sales tool, Irish businesses no longer have to rely on traditional retail methods to sell to customers. Selling online allows even the smallest of businesses to increase their sales and profit margins as there are opportunities to sell all over the world, once they have an online presence. This has maintained a cashflow for businesses who closed during the Covid 19 pandemic.

3. Video Conferencing

Video conferencing refers to virtual meetings using technology. Developments in ICT have resulted in more cost effective methods of communication, production, sales. Irish businesses can hold meetings via videoconferencing software such as 'Zoom' or google hangouts, cutting down on travel costs and utilising time more efficiently. Irish businesses only use an online platform, and this leads to a reduction in the amount of manpower required to sell the product/service. This reduces greatly the cost of employing staff.

4. Market Research results in decision making is improved

Business can use the internet to research markets, competitors, suppliers thus helping them to make better and faster decisions by using a variety of different sources. Improved decision-making results in more cost savings and increased profits.

5. Social Media as Digital Marketing and Promotion Tool

ICT developments have revolutionised how businesses promote themselves and how they interact with customers. Social media such as Facebook and Instagram, Snapchat keep businesses connected to their customers 24/7. It allows them to tailor advertising and develop customer loyalty.

6. Email

Electronic mail has transformed written communications. Data can be sent and received in large quantities. Email has reduced the cost and improved the speed of written communications.

IMPACT OF ICT ON THE COST AND OPPORTUNITIES OF A BUSINESS

1. Impact on finance

There is a big capital expenditure for acquiring the technology.

This financial cost will include the purchase installing and maintenance costs. It will also include the training cost of staff to use the new technology

Past Exam Questions
2016 Q5 B

2. Impact on production

With the use of Computer Aided Design and Computer Aided Manufacturing there will be increased product quality and greater efficiency with less waste. Companies will be able to avail of economies of scale and speed of production

3. Impact on staff

ICT will have an impact on employees and management and may result in staff redundancies as the technology will be able to do a better job than a human - for example self checkouts in Tesco. It can also lead to teleworking and employees working from home especially during the COVID pandemic.

Impact new technology has on employees

1. change how an employee performs their duties.

Employees need to receive training to ensure that they can carry out their tasks.

2. New job opportunities may be created as a result of new technology.

There are major employment opportunities in the IT sector from cloud computing to social media.

3. Redundancies may occur

This is due to the replacement of employees with technology. New machinery or equipment which can now conduct the work of humans will result in job losses and possible industrial relations issues.

Past Exam Questions
2023 Q6 A

4. Productivity may increase

Employees' productivity may improve due to investment in new technology. Mundane tasks may now be done more efficiently, giving employees more time for more complex aspects of their job.

5. Employees' health and well-being

The health and wellbeing of employees may be affected by technology. Increased exposure to technology may have an impact on eyesight, back strain, sleep issues and overall health.

6. Impact on communications

There will be quick and better decision making due to availability of large amounts of data that is easily to store and retrieve. The use of video conferencing and Zoom calls means it is easier to have meeting and the relevant decision makers online at the same time .

7. Impact on marketing

The use of on-line advertising such as Instagram and Facebook means the company can advertising their product to a larger market. E-commerce also aids the business with the help of a website the company can sell online 27/7 365 days a year. During the pandemic also of business created a website to sale their product as customer couldn't come to their shop. For example restaurants and meal kits.

8. Impact on sales

There could be enhanced reputation with existing and potential customers. Business will be able to edge over rivals as a result of increased present online through advertising and a website

9. Impact on security

IF companies are holding important information about their customers, they are at the risk of hackers getting this information and looking for a ransom. Breakdown in technology could result in down time, result in employees not been as production and then orders not being meet

WHAT ARE THE BENEFITS AND RISKS OF ICT IN BUSINESS

The following are the benefits and risk of ICT

Benefits	Risks
1. Faster Communication - large files can be sent over the internet	1. Information Security - open to viruses, hackers
2. Advertising - open 24/7, larger market	2. E- Crime - credit card fraud, fake website
3. Stakeholder relations are enhanced - video conferencing, emails make it easier to communicate	3. Business Disruption - a fault in ICT system can bring a whole business to a halt
4. Reduce marketing Costs - Customers buy online	4. Can be expensive - change in technology can be expensive and goes obsolete very fast
5. Reduce staff travel Costs - Video conferencing and e-mail	
6. Staff motivation - teleworking	

GENERAL DATA PROTECTION REDULCATION ACT 2018

Businesses nowadays now keep a lot of written records about customers. As a result, the business comes under following act
GDPR Act (2018)

Past Exam Questions
2017 Q4 C

GDPR Act

Def This requires that any organisation storing information on other people on computer or in manual files must ensure that the information is accurate and kept up to date.

Data

Def This is information in a form in which it can be processed

Data subject

Def This is a person who is the subject of personal data, e.g. employee

Data controller

Def is an individual in your organisation who collects, stores or processes any data about living people on any type of computer or in a structured filing system.

The Data Protection Commissioner ^{Def} They aim to make sure that an individual's rights are being upheld and that data controllers respect data protection rules.

Personal data ^{Def} This is any information that can identify an individual person. This includes a name, an ID number, a postal address, online browsing history

Data Protection

Data Protection ^{Def} Data protection is the means by which the **privacy rights** of individuals are **safeguarded** in

Relation to the processing of their personal data.

1. The essence of data protection is that everybody should be able to control how information about them is used.
2. It ensures that personal data which is processed is accurate and it enforces a **set of standards** for the processing of such information.
3. It includes both **automated data and manual data**.
4. The information held must be accurate, up-to-date, appropriate security measures must be in place to safeguard it and it should only be held as long as is necessary.
5. The rights of individuals cannot be subjected to automated decision making; there must be human input in the making of important decisions relating to an individual.

1. From 25th May 2018 the *General Data Protection Regulation (GDPR)* replaces current data protection laws in the European Union.
2. The new law gives individuals greater control over their data by setting out additional and more clearly defined rights for individuals. It also imposes greater obligations on organisations that collect this data.

Data Controller

Organisations and businesses must:

1. collect no more data than is necessary from an individual for the purpose for which it will be used

2. obtain personal data fairly from the individual by giving them notice of the collection and its specific purpose
3. retain the data for no longer than is necessary for that specified purpose
4. to keep data safe and secure,
5. provide an individual with a copy of his or her personal data if they request it.

Data Subject

Under the GDPR individuals have the rights to Data Subject)

1. obtain details about how their data is processed by an organisation or business,
2. obtain copies of personal data that an organisation holds on them,
3. have incorrect or incomplete data corrected,
4. have their data erased by an organisation, where, for example, the organisation has no legitimate reason for retaining the data,
5. obtain their data from an organisation and to have that data transmitted to another organisation (Data Portability),
6. object to the processing of their data by an organisation in certain circumstances.

Data Protection officer

According to the legislation the duties of a Data Protection Officer are as follows:

1. Obtain and process data fairly and openly
2. Keep data only for one or more specified, explicit and lawful purposes
3. Use and disclose data only in ways compatible with explicit and lawful purposes
4. Keep data safe and secure/protected against unauthorised access
5. Keep data accurate, complete and up-to-date/keep a register of data kept
6. Ensure that data is adequate, relevant and not excessive
7. Retain data for no longer than is necessary for the purpose or purposes
8. Provide copy of personal data to the individual, on request

Data Protection Commissioner

For organisations and businesses who breach the law, the Data Protection Commissioner (DPC) is being given more robust powers

Past Exam Questions
2013 Q1 A (iI)

1. Enforces Powers

The data protection commissioner has enforcement powers including the serving of legal notices compelling data controllers to provide information needed and to correct personal data.

2. Investigate Complaints

The data protection commissioner may investigate complaints made by the general public and can authorise officers to enter premises and to inspect the type of personal information kept, how it is processed and the security measures in place.

3. Published an annual report

The data protection commissioner publishes an annual report which names in certain cases those data controllers that were the subject of investigation or action by his Office.

4. Maintains a registers of data controllers

The data protection commissioner maintains a register of data controllers giving general details about the data handling practices of many important data controllers, such as Government Departments and financial institutions.

Additional Information

1. to impose sanctions including the power to impose fines.
2. the DPC will be able to fine organisations up to €20 million (or 4% of total global turnover) for the most serious infringements.
3. The GDPR will also permit individuals to seek compensation through the courts for breaches of their data privacy rights, including in circumstances where no material damage or financial loss has been suffered.

Chapter 9

Unit 3 - Managing 1

ICT (Data Protection)

Past Exam Questions (For this chapter)

SHORT QUESTIONS

2023 - Question 12 (Deferred)

Outline two functions of the Data Protection Commissioner (DPC).

(i)

(ii)

2020 - Question 1

Write True or False after each of the following statements.

	Statement	True or False
1	Electronic Data Interchange (EDI) involves a business exchanging its customer's data with other businesses.	
2	Just in Time (JIT) Production allows manufacturing businesses to reduce costs by keeping stock of raw materials to a minimum.	
3	Lead Time is the amount of time it takes a supplier to fulfil an order	
4	Economies of scale increase costs when a business buys large quantities of raw materials in bulk at a discount.	
5	Optimum stock level is the ideal amount of stock a business should have at any given time.	

2014 - Question 4

Outline two rights of a 'Data Subject' under the terms of the Data Protection Acts, 1988 and 2003.

2013 - Question 5

Outline two implications for management when a company develops its own website

(i)
(ii)

LONG QUESTIONS**2023 - Question 6 - Deferred**

Read the information supplied and answer the questions which follow.

Improving Employee Performance During Remote Work A study shows that 83% of employees prefer working remotely in some capacity. Managers who are supervising their teams remotely are trying to find ways to manage workforce performance. Adapted from forbes.com

(A) Apart from remote work, discuss the impact of new technology on employees. (15)

2020 - Question 3

(C) Information and Communication Technology (ICT) has affected international trade. Outline the developments in ICT that have made it easier for Irish businesses to trade internationally. (15)

2017 - Question 4

(C) Read the information supplied and answer the question which follows.

Bective Manor is a stately home available for wedding ceremonies and functions. It has recently started using Twitter and Facebook to market its services. Customers' details are stored in a database. Emer Kelly, the Marketing Manager, has been assigned the additional role of Data Protection Officer.

Using your knowledge of the Data Protection Acts 1988 and 2003, draft a report from Emer Kelly to Richard Daly, Managing Director, outlining the obligations of Bective Manor to its customers in relation to data protection. (Use today's date) (20)

2016 - Question 5

(B) Analyse the impact of new technology on business costs and on business opportunities. Provide examples to support your answer. (20)

2014 - Question 4

(B) Outline how developments in technology have benefited business communications. (20)

2013 - Question 1

- (A) (i) Explain the term 'data protection' under the terms of the Data Protection Acts 1988 and 2003.
- (ii) Discuss the functions of the 'data protection commissioner' under the terms of this act. (20)