

## Background

### The risk of things going wrong

PINs, passwords, antivirus software, secure servers – these are all ways we try to protect ourselves against identity theft and fraud. So it comes as a massive shock when government agencies reveal they have lost people's personal data and put millions of people at risk. That is exactly what happened when the British Revenue and Customs department announced that it had lost a disk with the data of over seven million families on it. The disk, which contained names, birth dates, addresses, and national insurance numbers, was sent via courier from one agency in Newcastle to another in London, but it never arrived at its destination. The loss was put down to human error. A junior official apparently broke security measures by sending it using an external courier and not internal mail. The disk had the details of nearly half of the population of the UK and cost the chief of the Inland Revenue his job.

A similar incident occurred in New York where the personal details of over 17,000 employees of a Boston railway company were 'lost' from a lorry outside a record storage company in the Bronx. Again the company responsible for the data blamed human error for the 'accident'.

So why in an age of heightened security can these security mistakes occur? A recent report from Leeds University Business School suggests that these types of errors are to a large extent unavoidable – it's due to the way our brains are programmed. Humans have a natural predisposition to ignore

the possible negative consequences of their actions and have a tendency to take risks. Research carried out on people using IT systems at work revealed that despite the fact that all of them were aware of Internet security risks and the potential consequences, they admitted that they didn't always follow correct procedures and short cuts were often taken to save time.

This wide-spread relaxed attitude towards risk has come under increased scrutiny in light of the recent credit crisis. The UK banks that needed to be rescued with government money all employed risk managers, but the warnings issued by these people were largely ignored. They were unable to exert enough influence over the decision-makers, many of whom saw these risk managers as an irritant getting in the way of their ambitious plans. In fact, some of those who pointed out that the deals being made were reckless and potentially disastrous were fired! Now the true value of having effective risk management strategies in place has been recognized. It's not only our personal data that may not be safe – it's also our money! Whilst it may be human nature to take risks and ignore potential dangers, and whilst it is also true that a certain amount of risk-taking in business can reap significant rewards, the latest advice to all businesses is to employ experienced risk assessors and listen to what they have to say about your company – ignore the risks at your peril!

## Exercises

### 1 Work with a partner and discuss these questions.

- 1 What is identity theft?
- 2 Do you know anyone who has had their identity stolen?
- 3 How can you lower the risk of having your identity stolen?

### 2 Work with a partner. Student A: read the text quickly and find out why experts think that security mistakes are unavoidable. Student B: read the text quickly and find out how people's opinions on risk managers have changed recently. When you are ready, explain what you found out to your partner.

### 3 Read the text again and answer these questions.

- 1 How many people in the UK had their identities put at risk?
- 2 How many people in the US had their identities put at risk?
- 3 What is the attitude of the majority of people working with IT systems towards security risks?
- 4 What happened to many risk managers in UK banks before the credit crisis?

### 4 Match 1–6 to a–f to make collocations / phrases. Refer to the text to check your answers.

- |                      |                  |
|----------------------|------------------|
| 1 come under         | a in the way of  |
| 2 exert              | b at your peril  |
| 3 get                | c scrutiny       |
| 4 reap               | d a shock        |
| 5 ignore (something) | e influence over |
| 6 come as            | f rewards        |

### 5 Match the collocations and phrases you made in 4 to the following definitions. Refer back to the text to help you if necessary.

- 1 a warning that if you intentionally do not listen to / give attention to something you will be in danger in some way: \_\_\_\_\_
- 2 when it is decided that something will be carefully examined in order to obtain information about it: \_\_\_\_\_
- 3 get the benefit as the result of your actions: \_\_\_\_\_
- 4 to prevent something happening: \_\_\_\_\_
- 5 when something happens that people did not expect: \_\_\_\_\_
- 6 to use your authority or power in order to make something happen: \_\_\_\_\_

### 6 Work with a partner. Make a new sentence for each of the collocations and phrases in 4.

### 7 Look back at the text and choose three words that you could use in your day-to-day work.

### 8 Work with a partner. Discuss these questions.

- 1 Do you worry about identity theft? Why? / Why not?
- 2 Do you follow correct procedures regarding Internet security? Why? / Why not?
- 3 Do you think that a relaxed attitude towards risk was the main reason for the credit crisis? If not, what do you think the main reason was?
- 4 Do you think that a more cautious attitude towards risk will be good or bad for the global economy?