

## CEP Magazine - October 2018 Five steps to manage data integrity risks

by Michael Yachnik, CPA, CFF

Michael Yachnik (myachnik@stoneturn.com) is a Partner at StoneTurn in New York, NY.

In today's world, big data continues to transform the way companies do business by identifying new markets, manufacturing more efficiently, targeting consumers with personalized ads, or developing new products through more effective research and development. Despite these benefits and opportunities, the reliance on data has brought about a surge of data consumption, creating the need to constantly validate, secure, and maintain the data being used and stored.

This proliferation of data can be seen on a global scale, affecting every industry that manufactures products and is held responsible for testing and complying with product safety standards, including food service, children's apparel, cosmetics, farming, pharmaceutical, automotive, construction, and real estate organizations. There have been a number of high-profile data manipulation cases recently in which a company has been caught falsifying data in order to deceive its customers or product safety regulators to get a product to market. This, oftentimes, results in a costly criminal investigation and irreparable damage to the company's brand. These improprieties have raised concerns about the issue of data integrity, and to the extent to which data is complete, consistent, and accurate, they shine a light on the need to better manage, mine, analyze, and protect the data being collected, especially in assessing product safety.

With more and more instances of data manipulation being uncovered, companies and their counsel need to examine internal controls, policies, procedures, and IT systems, not only to avoid the manipulation in the first place, but also to effectively remediate issues to impede recurrence. Implementing a comprehensive data integrity compliance program is a critical step to ensure a company's processes, systems, control environment, and culture can prevent and deter data manipulation or deletion.

Here, we present five steps companies —particularly those that produce products subject to safety regulations or standards — can take to successfully meet, or even exceed, the requirements and expectations of regulators, customers, and the public to ensure data integrity is maintained.

This document is only available to members. Please log in or become a member.

Become a Member Login