

Security, Preparedness, and Exposure – The Panama Papers Paradigm



*By Samantha Kruse, Account Supervisor,
[LEVICK](#)*

The fallout from the [leak](#) of 11.5 million documents held by Panamanian law firm [Mossack Fonseca](#), first revealed by the International Consortium of Investigative Journalists, has yet to reach its peak. Though comparatively fewer Americans than internationally-recognized names have been exposed so far, the number of American institutions implicated is on the rise. So, what should U.S. businesses be doing as a result?

With repercussions yet to come for U.S. corporations, individuals, and their institutional advisors, here are four steps that organizations can and should be taking now:

• Plan for the worst

Identify the specific vulnerabilities of your organization. Map out your top concerns and shore up defenses. FBI Chief Information Security Officer Arlette Hart, reacting to the record-breaking leak of confidential information, cautioned individuals who share data with other parties to be mindful of whether those vendors are properly protecting said data. The consequences of this information leak on privacy, including the particular vulnerability of the legal sector and its

sensitive client information, will be far-reaching.

Cybersecurity is at the forefront of many companies' [risk management plans](#), yes, but how many corporations are concerned with the security of their vendors? Are we too focused on whether an employee might leave a laptop in an airport security line or whether organizational files might be hacked and encrypted by a foreign entity? Americans and U.S. companies ought to take this opportunity to refocus data security efforts.

• Spell out your intellectual argument

Your rationale should be easily understood. Prepare your messages on organizational relationships, data security protocols, and reputational integrity. Avoid qualifiers and long-winded explanations. The more precisely you can get the key point across to your audience, the better. When a crisis hits and queries ensue, a company should not be scrambling to draft a multi-page response. A truthful, positive statement that highlights relevant facts is the most effective way to respond at the outset.

• Line up your champions

Use peacetime to secure and prep your messengers. When your company is implicated in a crisis, third parties add invaluable perspective. Often, you cannot control the narrative on your own. But, if you have already cultivated allies who can add a trustworthy voice to the conversation on your behalf, you have ensured a more wide-reaching, validated foundation of support.

For example, if customers wrongly accuse a food company of fault in a product recall, as the American public did during the peanut paste recall of 2009, engaging third party experts in the food industry who can validate the company's position

via online and social media posts is a good way to reach concerned Mommy bloggers looking out for their child's safety.

• **Be flexible and well-informed**

Organizations recover reputations more quickly when they communicate efficiently and honestly. Follow the breaking story to inform your strategy. The full picture of the Panama Papers has drastically changed on a daily basis. Iceland's Prime Minister initially stepped down and then recanted his decision. So much about the ultimate impact of this growing story is still unknown. It is essential that companies monitor social and traditional media conversation to inform strategic decisions about customer and stakeholder engagement. Earlier this week, the same day that a teenager died from an accident as a result of a Takata airbag explosion, Takata airbag user Honda promoted a tweet about the company "pioneering safety." While the tweet may have been planned for distribution in advance, the company should have adjusted its social media content.

Yet again, the Panama Papers have highlighted the importance of effective communications and [crisis preparedness](#) on the international stage. Financial regulations and data privacy will undoubtedly be impacted at a global level as a result of the corrupt schemes that have come to light over the past week. How will you and your organization fare?

About the Author: Samantha Kruse is an Account Supervisor at LEVICK. Samantha has worked with companies and brands in the legal, energy, education, insurance, real estate, agriculture, and professional sports industries. Samantha focuses on reputation management, including data security incidents and product recalls.