Cross-Cultural Analysis of Data Breach and Forgiveness

TREO Talk Paper

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Abstract

“Criminal punishment and sanctions should be prioritized before any countermeasure.” (A South Korea Newspaper after January 2014 KB Card Data Breach)

“There’s really no way of preventing this type of attack from happening again.” “Data breach triggers call for deeper collaboration.” (A US Newspaper after September 2014 JP Morgan Chase Data Breach)

The purpose of this study is to find the cultural difference in data breach. Using a thematic analysis of two data breach cases in the US and South Korea, this study will explore the role of forgiveness after a data breach.

In October 2014, JPMorgan Chase released a statement regarding the details of their data breach. It was found that hackers had access to information of users of Chase.com, JP Morgan Online, Chase Mobile, and JP Morgan Mobile, covering name, address, phone number and email address and internal JPMorgan Chase information relating to approximately 76 million households and 7 million small businesses. JPMorgan did not provide individual customers with notice of the breach because it had no obligation to do so unless “sensitive customer information” was involved in the data breach. In response to this incident, J.P. Morgan Chase reassigned an executive who was in charge of network security a year after the data breach.

In January 2014, the South Korea Financial Services released a statement regarding a massive data breach of three Korean credit card companies including KB Card. According to the statement, a worker, who had access to various databases at the firm, is alleged to have secretly copied data onto an external drive over the course of a year and a half (Yonhapnews 2014). Crucial personal data like identification numbers, addresses, and credit card numbers were all stolen. After the announcement, executives at the three Korean firms have issued a public apology, and top-level managers at each firm have offered their resignations.

Criminology literature suggests that many factors influence the decision to grant forgiveness, including the relationship between the perpetrator and the victim, the victim’s statuses with their society, and the cultural background of those involved. Especially, a study identified that people’s forgiveness in different cultures is largely determined by their uncertainty avoidance and power distance (Lennon 2013). Another study also found that Japanese and American had different ideas of what features were most/least important to forgiveness, as well as exhibited different underlying structures (Terzino 2007).

References

