The General Data Protection Regulation (GDPR) is designed to protect the personal information of European Union (EU) residents, but many companies do not realize how it applies to them. The following are the top GDPR misconceptions:

1. GDPR does not apply to me

Some companies think they are too small, or ignore the guidelines because they do not have European operations or don’t think they possess European data. However, GDPR applies to companies of all sizes, and many companies that think they don’t have EU data often do.

2. GDPR is not in effect yet

GDPR has been in effect since 2016; enforcement begins in May 2018. The time for organizations to prepare was between 2016 and 2018, and that preparation time is now limited.

3. It’s not enforceable against U.S. companies

While GDPR is an EU regulation, it applies to all organizations worldwide that collect or possess EU resident data. The law provides four different mechanisms that outline a framework for global enforcement.

4. GDPR compliance is not required in the U.K. because of Brexit

The U.K. is currently still in the EU, and therefore required to adhere to GDPR guidelines. Even after the U.K. leaves the EU, parallel U.K. regulations will require compliance with equivalent rules.

5. My company does not possess personal data

U.S. companies typically consider personal data as Social Security numbers, credit card numbers or banking information. However, GDPR protects any information that could identify a person, including biometric, geolocation and browsing data, for example.

6. GDPR is mostly a technology problem

While technology can help with GDPR compliance, significant compliance risk stems from underlying business issues requiring improved governance, stronger training programs and improved breach response programs.

7. Fines for noncompliance are huge

GDPR fines can be significant, and range to the higher of 20 million euros or 4 percent of global revenue. However, enforcement actions are based on 11 different factors, and taking even partial action towards compliance will help lower potential fines.