

Information Governance

How IG helps you meet corporate responsibilities



©2013 Kahn Consulting, Inc.



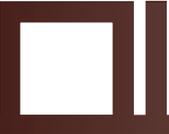
What is Information Governance?



There is a lot of talk about Information Governance (IG), but what is it really and why should you care? One definition is that IG is the holistic approach to managing information that considers the policies, procedures, processes, controls, and technologies that allow an organization to better manage information assets from creation through disposal and at all the various points in between.

IG is also about the employees that touch or create information. It's about the business processes that utilize information. And it's about the technologies used to manage the information that flows through the enterprise. IG is not only about the need to comply with laws and regulations, but also to consider the myriad risk issues of managing information. Simply put, it's about running your business better because you have better control of information assets.

At an enterprise level, the information governance framework incorporates business needs, risk concerns, legal, regulatory requirements, and operational needs that all work together to enable an enterprise to manage information better to increase the organization's efficiency and effectiveness across business operations.



Make Information Governance Work for You

The real benefits come when you integrate information governance into your overall corporate infrastructure and business processes to such an extent that compliance with program requirements become routine¹. IG should be built into your business processes so it is not considered a separate activity, but rather the foundation of good business processes. With a strong IG program in place, you can facilitate better institutional controls and manage information assets in ways that advance your business interests.

But don't be fooled by the "governance" moniker. IG is not just about satisfying laws, complying with regulations, and meeting best practices. It's really about adopting the serious belief that there is significant value in information and the more control around it you have, the better it is for your business. IG is about seizing a core corporate assets and making the most of it for business reasons. If you believe that all executives want more sales, happier customers, and better products, then you are really talking about the value that information governance delivers.

Ten Ways IG Helps Build Business Value

- IG helps you know your customer needs better
- IG helps better utilize resources
- IG helps develop better products
- IG helps you mine data more efficiently
- IG helps you know the history of business transactions
- IG helps better manage business relationships
- IG helps protect company trade secrets
- IG helps minimize wasting employee time by having access to business records
- IG helps develop new services
- IG helps plan for future needs and business growth

A Holistic Approach



Information governance is a way of looking at managing information holistically, including the processes, controls, technology, and employee actions that impact the organization. In other words, while good information governance practices can ensure that records are retained and sensitive data is protected along with a company's reputation, it can also mean being more responsive to customer needs, better resource planning, and running a more efficient business.

The impact of “Big Data” on organizations



Last year, more than several exabytes of new data was created every day. Just a few years ago, it took an entire year to create that same volume of data. To put it in context, one exabyte is the data equivalent of 50,000 years of DVD movies. In 2011 alone, over 1,800 new exabytes of dataⁱⁱ was created—beyond all data already in existence.

According to the InformationWeek’s State of Enterprise Storage Survey, the amount of data organizations are actively managing continues to expand at around 20 percent a year, alongside countless IT professionals who struggle to deal with growth rates exceeding 50 percent. At these levels, most data centers will double storage capacity every two to three yearsⁱⁱⁱ.

With this type of exponential growth, three things become clear: knowing what information exists within your organization is a must, harnessing it as an asset is nearly impossible without technology, and keeping all information forever is a risk-laden practice for a wide range of reasons. As many organizations know, the business value of information comes from having ready access to it—not the mere act of storing it. If information cannot be found, is not reliable, is not the definitive word on a business matter, or is incomplete, its value is questionable at best.

A survey conducted by The Council for Information Auto-Classification found that most organizations acknowledge that the growth of information volume has become a major issue for them to deal with. Of the organizations surveyed, 73 percent reported they are already having difficulty finding information that is needed for business^{iv}. If Big Data holds promise to improving business performance, then the ability to find, analyze, and understand valuable data must improve.

71% of responding organizations have no idea what information they have in their stored data

58% of organizations are keeping information indefinitely

79% indicated that too much time and effort is spent manually searching for and disposing of information

58% still rely on employees to decide how to apply corporate information-related policies (i.e., retention, privacy, security)

50% Nearly half of the organizations indicated that they are forced to recreate information because they cannot find it

74% of the organizations said valuable information is being lost (i.e., disposed, misplaced or cannot be found) due to the lack of proper technology solutions

73% of respondents said their organization missed business opportunities because they cannot efficiently access information

Source: “The Information Explosion: How Organizations Are Dealing With It,” a recent survey conducted by the Council for Information Auto-Classification

IG is More Than Compliance



In some simple way, you can look at IG as a form of improved asset management.

The impact of IG on the enterprise is far reaching, affecting compliance, information security, privacy controls, content analytics, records management, and litigation discovery obligations in various ways. While IG touches all of these areas, it also involves maintaining ready access to your customer data, predicting and projecting business needs and demands, and mining data to answer business questions—all objectives that lead to better information management.

Beyond helping you adhere to compliance obligations, IG provides a set of organizational controls that protect, advance, control, manage, limit access to, and dispose of information. In some simple way, you can look at IG as a form of improved asset management. If you manage your information assets more efficiently and aligned with people, processes, and technology, your organization can navigate in ways that are faster, better, cheaper, and legally compliant.

Address new information management laws with IG

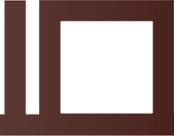


There is increasing regulatory pressure, enforcement, and public scrutiny on all your information management activities. Sanctions and fines, new regulations, and court decisions have converged to mandate heightened controls, transparency, and accountability from government regulators, industry and standards groups, and the public. When combined with growing volumes of data, the ability to enable information privacy, security, trade secret protections, records requirements, and compliance obligations can turn into a complex, high-risk business issue that only executive management can truly fix. However, because executives have traditionally viewed records and information management as a low-importance “cost center” activity, IG helps elevate the problem to the C-levels of managements.

Here are a few of the many activities that IG may touch in your organization:

- Privacy
- Storage reclamation
- Knowledge mining
- Contract Management
- Defensible disposition or clean-up
- Records management
- Litigation preparedness and electronic discovery
- Information security
- Document management
- Data mining
- Identity management
- Business Intelligence
- Data Protection

How to approach IG?



You can address differing information management challenges in a consistent, coordinated, and centralized manner using the least amount of technology to accomplish more of your objectives, with a lower impact on your IT budget.

There are numerous information related issues that come up regularly for most businesses, impacting employees and business units across the enterprise. In fact, it is likely that each business unit and its respective employees experience similar issues as their colleagues across their organization. Imagine that for every issue, whether related to email, searching, storage, back up, or information security was solved by each business independently with unique purchases of technologies and software to address the very same issues. This not uncommon approach creates a

more complex, less coordinated, and less connected environment that is not only more challenging to operate, but more costly to implement and manage.

Unlike a siloed approach that divides and conquers by business unit, department, or information type, IG is a top-down, holistic approach that views the organization holistically. With this approach, you can address differing information management challenges in a consistent, coordinated, and centralized manner using the least amount of technology to accomplish more of your objectives, with a lower impact on your IT budget.

Why is IG Good for business?



With a solid IG solution in place, you can ensure better access, retrieval, information quality, controls, and protection across your enterprise.

IG presupposes that information is an asset, and manages it accordingly. As a result, with a solid IG solution in place, you can ensure better access, retrieval, information quality, controls, and protection across your enterprise.

becomes central to your ability to increase your competitive advantage and reduce operational costs. This is not only good for business, but it can wreak havoc if it is left unmanaged. Access to valuable information allows you to make better informed decisions in a timely manner. Without it, you could miss an opportunity or risk falling out of compliance.

In an era where information is one of, if not the, most valuable asset an organization has, its value

IG Challenges in real life

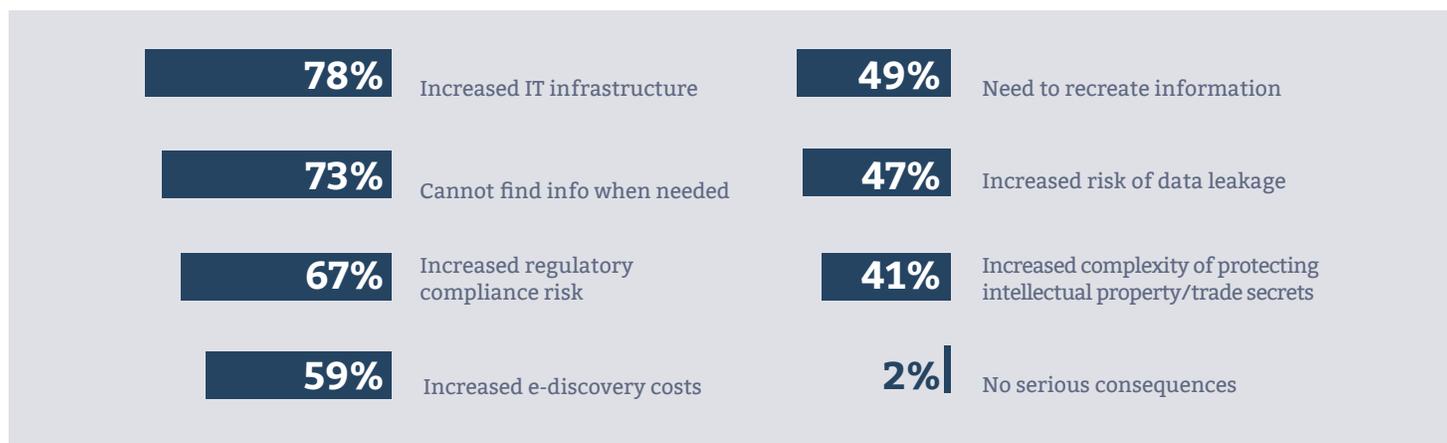


A drug company faces an existential crisis. Its new drug pipeline is drying up and it is out of ideas about how to turn the tide of what seems like near certain decline of its business. If the company could analyze its massive repositories of unstructured content, it might be able to find the next blockbuster drug.

The drug company referenced is a real company. Their business problem includes trying to analyze millions of pieces of information related to past business deals to see if any previously rejected drug compounds may hold potential value today. In an enterprise that leverages solid IG, an information ecosystem exists where information is more accessible and connected to allow businesses to resolve intelligence issues of this kind. The result: good business practices that help you compete and get more from the value from the information you already own. Imagine if you could see across all of your unstructured repositories and connect the information dots within them? Perhaps within that knowledge you would uncover the next blockbuster drug or the answer to solve one of your most pressing business problems.

- On a bleak cold gray day 39 miners walked into a mine in West Virginia. They will never walk out of the mine alive again. Information Governance failures with the government regulator and at the company in part lead to the catastrophe.
- An Iranian government agent commences a pernicious computer attack on an American bank across the globe. The bank's customer facing websites are ground to a halt for over a day preempting all customer activity through the web.
- Across the country a utility pipe explosion takes place decimating a neighborhood and causing a profound loss of life. In a glaring opinion, the regulator blames the event on bad IG practices.

Consequences from Increased Volume of Information



Source: "The Information Explosion: How Organizations Are Dealing With It," a recent survey conducted by the Council for Information Auto-Classification



Could your organization take on IG without technology?

Once upon a time, businesses managed information without investing in new technology. Increasingly though, it is simply short-sighted to not utilize good technology that makes your organization a better business. Perhaps the better question to ask is: can I manage information better with the technology we have already invested in? Today, managing information in general is no easy task, but doing so without the benefit of powerful technology to augment the process is incredibly tough. In other words, well thought out investments in your enterprise could transform it in positive ways. Gaining insight from your information could change the way important business decisions are made.

While information management used to require significant involvement from every employee, now technology needs to do the heavy lifting—given the vast amount of information to manage and multiple rules to address extemporaneously—for IG to work. For each piece of information, there are several policy requirements that may impact the analysis, from records management, to privacy, to information security, and more.

The fact is that because the volumes most organizations are working with are so large, technology is often essential to determining where information lives, what it means to a business problem, and whether it is relevant to a lawsuit or solving a client's problem.

Seven IG Realities



- 1. Information is growing** at unmanageable rates.
- 2. There are more laws** today dictating how to properly manage information.
- 3. Employees** aren't very good at managing information for their organization.
- 4. Litigation response costs** have increased sharply and show little sign of abating.
- 5. Over-retaining information** increases legal risk and undermines business efficiency.
- 6. More company information** is in the hands of third parties than ever before.
- 7. Organizations** are being to understand that they can't keep all information forever.

Five IG actions to begin this year



Although IG is not a project, it is a process that encompasses many activities, requires a team from various parts of the organization, and takes resources and effort before you see benefits. That said, there

are ways to make sure the effort has maximum value from the beginning. Here are a few things that can be done right away with minimal budget to get your IG efforts underway.

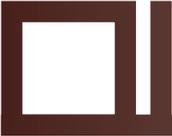
- 1. Start an Information Governance Committee** (if one doesn't exist) to bring needed players to the table.
- 2. Evaluate the good, bad, and ugly** of your information management activities and develop a three-year Strategic Roadmap to fix them.
- 3. Simplify existing policies and procedures** for today's business realities and technology.
- 4. Develop a plan** to defensibly dispose of existing structured and unstructured data storage environments with outdated/unneeded content.
- 5. Develop a subcommittee** within the Governance Committee to centralize the requirements gathering and technology acquisition to better manage IT resources.

Tactical wins with low hanging fruit



Solving pressing issues with quick victories is imperative for the momentum, interest, and success of the IG efforts

When developing the IG Strategic RoadMap to enforce information governance across the organization, you will need to prioritize your activities. While you cannot eat the elephant at one sitting, it is imperative for momentum, interest, and success of the IG efforts that you accomplish quick victories that solve pressing issues. Perhaps there are unmanaged home drives or discovery efforts that have gotten out of control and need immediate attention. Or perhaps cleaning up the sharedrive before migrating it to Sharepoint is a smart move. Or maybe fixing email once and for all is the biggest need. The top priority, if addressed, should provide immediate and obvious benefits to the company. The best activities to tackle are those with quantifiable and apparent benefits to IT, the business, and C-level executives alike.



Build a conservative business case for IG

One common mistake many companies make when seeking to justify their IG program and related activities is to throw everything including the kitchen sink to build an attractive cost-benefit analysis for the efforts. The problem with this approach is that there are real—but nonetheless all sorts of unquantifiable risks, costs, and benefits—that tend to be ineffective at convincing top management team that IG is a worthy investment. For this reason, it is important to be realistic about project savings that cannot be easily verified or supported.

For example, instead of assuming that buying a new eDiscovery platform will make discovery substantially cheaper, only outline verifiable savings and don't advance conjecture. Further, when we undertake Defensible Disposition projects on behalf of clients we limit the business case to only the hard storage savings that will be realized after considering the internal and external costs of undertaking the project. It is much easier to calculate such savings and more convincing for IT executives to buy into the project.

What is defensible disposition and how will it promote IG?



An important realization for any organization is that employees are not typically great at managing information, which can lead to volumes of unneeded and duplicate information. Further, their time is better spent on core business activities. For this reason, you will need to explore how and what technologies and policies will need to be implemented and enforced to address the terabytes and petabytes of data that is amassing within the enterprise due to poor information management practices.

A sound solution to data sprawl is to defensibly dispose of content that no longer has a business or legal value to the organization. In the old days of traditional records management, it was clear that courts and regulators alike understood that 'official' business records would eventually be destroyed during the ordinary course of business. It was also considered good business practice to destroy unneeded content provided that this occurred in line with legal requirements and business needs, and was applied in a consistent manner. However,

the good business practice of "cleaning house" of old information has given way to a keep everything mentality, either driven by risk-averse lawyers or uncertainty about how to deal with so much information. To operate efficiently, IG requires that business information is managed—not merely stored. For this reason, it is essential to attack mountains of information that may not be needed, and to do it sooner rather than later.

If your organization is overrun with outdated information but you don't know where to start, it is critical to understand how technology, methodology, and process can help you defensibly dispose of information to achieve a thinner information footprint. While there is no single path that is right for every organization, it is important that IT, records, legal, and compliance teams take an informed approach that involves looking at their information landscape, corporate culture, risk tolerance, and litigation profile. A defensible disposition framework is an ecosystem of technology, policies, procedures, and management

controls all designed to ensure information, not only records, are created, evaluated against simplified retention rules, managed appropriately, and disposed of at the end of their lifecycle.

From the case of *Victor Stanley, Inc. v. Creative Pipe Inc.*: “Through four years of discovery, during which Defendant... had actual knowledge of his duty to preserve relevant information, Defendants delayed their electronically stored information (“ESI”) production; deleted, destroyed, and otherwise failed to preserve evidence; and repeatedly misrepresented the completeness of their discovery production to

opposing counsel and the Court. Substantial amounts of the lost evidence cannot be reconstructed. After making repeated efforts throughout discovery to try to effect preservation of ESI evidence and obtain relevant ESI evidence to support its claims, Plaintiff has identified eight discrete preservation failures, as well as other deletions that did not permanently destroy evidence, in a byzantine series of events.”

As the outcome, the Court required the defendant to pay a total of \$1,049,850.04 in attorney’s fees and costs to the plaintiff for its IG failure.

Conclusion



On January 18, 2013, the Wall Street Journal reported that “a former superintendent at the ...coal mine that exploded in 2010 killing 29 miners, was sentenced in federal court Thursday to 21 months in prison...”^v Perhaps the Federal Mine Safety regulator’s own failure to track safety violations contributed to the disaster. Clearly the company’s safety failures and records falsification and destruction resulted in many people dying, careers ending, and even employees being convicted in the worst mining disaster in decades. As a result of the event, one of the major mining companies was forced to sell its business to

a competitor. There are no do-overs in real life but if there were I am sure lots of people involved with that incident would do it differently.

Maybe your information management issues aren’t life or death. But they certainly are more important than ever before and have a greater impact on the continued the success of your business. In the end, if information is truly an asset for your business, then being a good corporate citizen requires IG for better asset management. Information flows and it’s your responsibility to control where and how it flows?

About Kahn Consulting, Inc.



Kahn Consulting, Inc. (KCI) is a consulting firm specializing in the legal, compliance, and policy issues of information technology, defensible disposition, records management and information governance. Kahn Consulting advises companies, and governmental agencies around the globe on a wide variety of information related issues to address today's ever-changing business, regulatory and

technological environments. Kahn is at the forefront of a rapidly evolving industry providing practical and real world solutions to address information sprawl, litigation response and e-discovery preparedness, doing business with social networking technologies, and complying with many laws and regulations that impact information.

Visit us at www.KahnConsultingInc.com

About HP Autonomy



HP Autonomy is a global leader in software that processes human information, or unstructured data, including social media, email, video, audio, text and web pages, and so on. Our powerful management and analytic tools for structured information, together with the ability to extract meaning in real time from all forms of information, regardless of format, creates a powerful tool for companies seeking to get the most out of their data. HP Autonomy's product portfolio helps power

companies through enterprise search analytics, business process management and OEM operations. We also offer information governance solutions in areas such as eDiscovery, content management and compliance, as well as marketing solutions that help companies grow revenue, such as web content management, online marketing optimization and rich media management.

Please visit www.Autonomy.com to find out more.

©2013 Kahn Consulting, Inc.
Highland Park, IL 60035
P: 847.266.0722
F: 847.266.0734
info@KahnConsultingInc.com



Sponsored By



- i. ARMA International. ARMA International Maturity Model for Information Governance.
- ii. The Diverse & Exploding Digital Universe: An Updated Forecast of Worldwide Information Growth Through 2011 white paper by IDC.
- iii. State of Enterprise Storage Survey, a recent survey conducted by InformationWeek (2012).
- iv. "The Information Explosion: How Organizations Are Dealing With It," a recent survey conducted by the Council for Information Auto-Classification.
- v. Wall Street Journal Article, January 18, 2013.