



## I D C   M A R K E T   S P O T L I G H T

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# Managing the Data Archive: Are IT and Lines of Business at Odds with Legal and Compliance?

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Sponsored by Iron Mountain

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Data archiving is critical for businesses. Most businesses maintain at least six data archives and are storing many forms of information for future use, including files, mail, security logs, and even voicemail. Whether electronic documents and files are stored onsite, remotely, or through a cloud service, active data archives offer protection from unwanted compliance and litigation events, while tape backups can play a critical role in disaster recovery. While archiving has historically been performed to avoid adverse events, a recent IDC data archiving study sponsored by Iron Mountain shows that mining archive data can also add significant business value across a range of areas, from improving customer service to enhancing revenue opportunities. However, the study also found that breakdowns between IT departments, lines of business (LOBs), and legal and compliance departments are preventing companies from reaping the full value of their archives.

Legal and compliance departments are heavy users of data archives, which allow them to maintain regulatory compliance, respond to audit requests, access data for eDiscovery and early case assessment, and substantiate legal positions. Despite the importance of data archives for legal and compliance, our research found a large disconnect between legal and compliance departments and both IT and senior management in lines of business with regard to the overall state of archiving. Legal and compliance are critical of their companies' archiving strategies and are dissatisfied with IT's management of the archives, giving IT low marks on a range of archiving metrics. In contrast, both IT and LOB give IT high marks for its management of data archives.

How can different departments have such dramatically different impressions of the archiving process? IDC believes one reason is simply the way each department uses data archives. Legal and compliance use archives to mitigate risk, while LOB uses archives for business analysis and driving monetary upside. While legal and compliance feel the need to control access to information, LOB has an incentive to share information broadly. With IT departments primarily focused on enabling the business, it's no surprise legal and compliance are being left out on a limb.

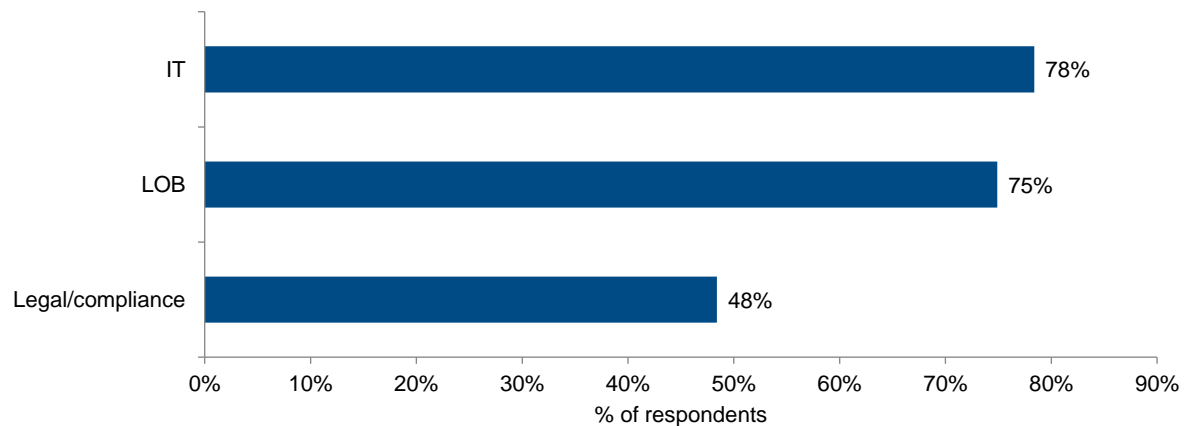
This Market Spotlight is based on a recent global study, conducted by IDC and sponsored by Iron Mountain, of 1,011 members of senior and executive management involved in data archiving from organizations of more than 500 employees across a broad range of industries.

## Legal and Compliance Much Less Satisfied with State of Archiving

Though legal and compliance rely heavily on archived data to do their job, they are less satisfied than LOB and IT with their ability to access archived information. Only 48% of legal and compliance executives are satisfied compared with 75% for LOB and 78% for IT (see Figure 1). Time-sensitive regulatory requests and legal needs for data are likely adding to the frustration.

**FIGURE 1**

### Overall Satisfaction with Archived Data Lowest for Legal and Compliance

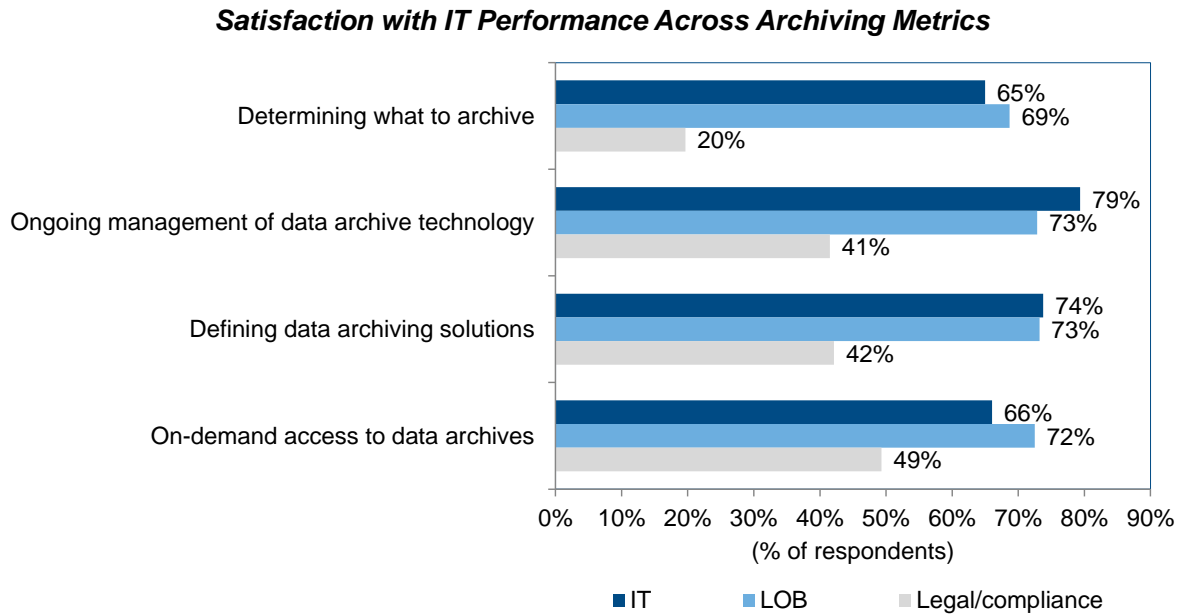


Source: IDC and Iron Mountain's *Archiving Thought Leadership Study*, April 2015

The frustration of legal and compliance goes beyond the ability to access information. They are critical of IT's management of many different aspects of the archiving process. Legal and compliance give IT low marks across a range of archiving activities, from determining what to archive to defining archive solutions. In contrast, LOB is on the same page as IT, with high satisfaction ratings across the board (see Figure 2).

**FIGURE 2**

**Legal and Compliance Less Satisfied with IT Performance Across a Range of Archiving Metrics**

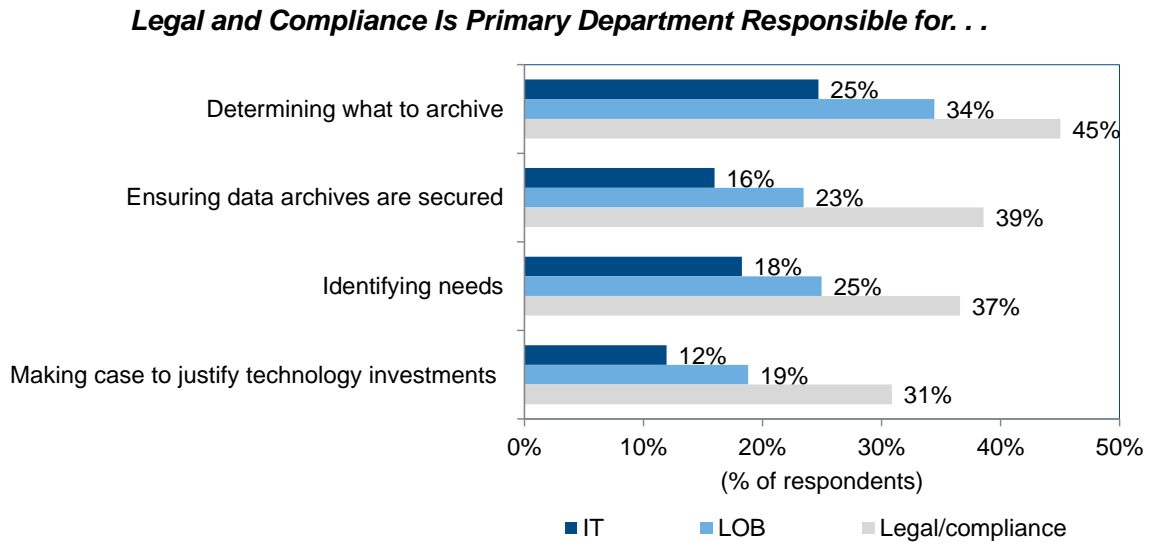


Source: IDC and Iron Mountain's *Archiving Thought Leadership Study*, April 2015

With regard to determining who has primary responsibility for archiving, legal and compliance aren't on the same page with IT. Legal and compliance are much more likely to see themselves as responsible for many aspects of data archiving, from determining what to archive to ensuring data archives are secured (see Figure 3). IT is least likely to see legal and compliance as responsible for archiving, with LOB falling somewhere in between.

**FIGURE 3**

**Legal and Compliance More Likely to See Themselves as Responsible for Many Aspects of Data Archiving**



Source: IDC and Iron Mountain's *Archiving Thought Leadership Study*, April 2015

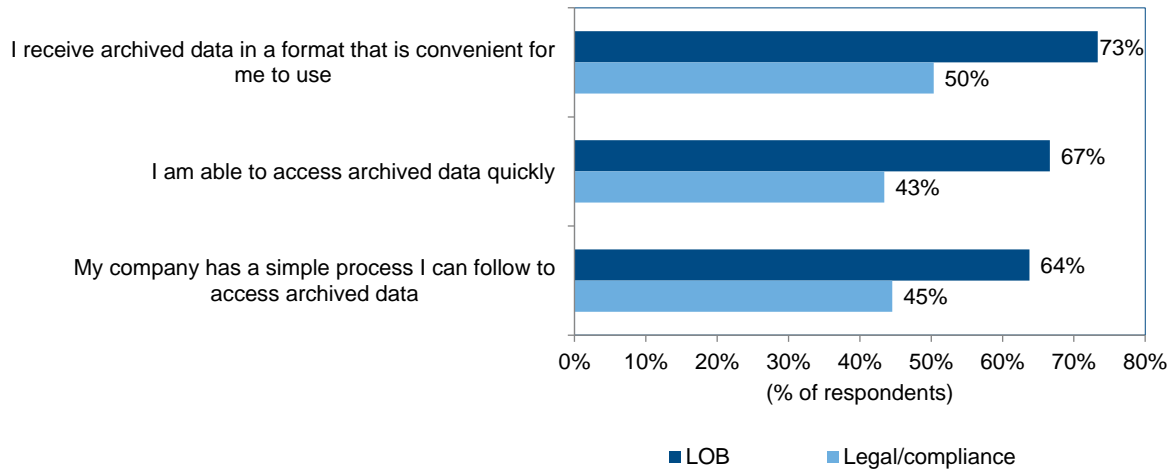
**Legal and Compliance Frustrations Are a Blind Spot for IT and Lines of Business**

In our survey, 75% of IT management respondents believe internal customers (legal and compliance and lines of business) are highly satisfied with IT's management of their companies' electronic archives. This is largely true for lines of business, with 76% of LOB management respondents saying they are satisfied with IT's management of the archives, but it is not true for legal and compliance.

At the center of the disconnect between LOB and legal and compliance is their satisfaction with archive accessibility (see Figure 4). Lines of business find accessing archived data to be convenient, fast, and simple to a greater degree than legal and compliance.

**FIGURE 4**

**Lines of Business Find Data Archives More Accessible than Legal and Compliance**

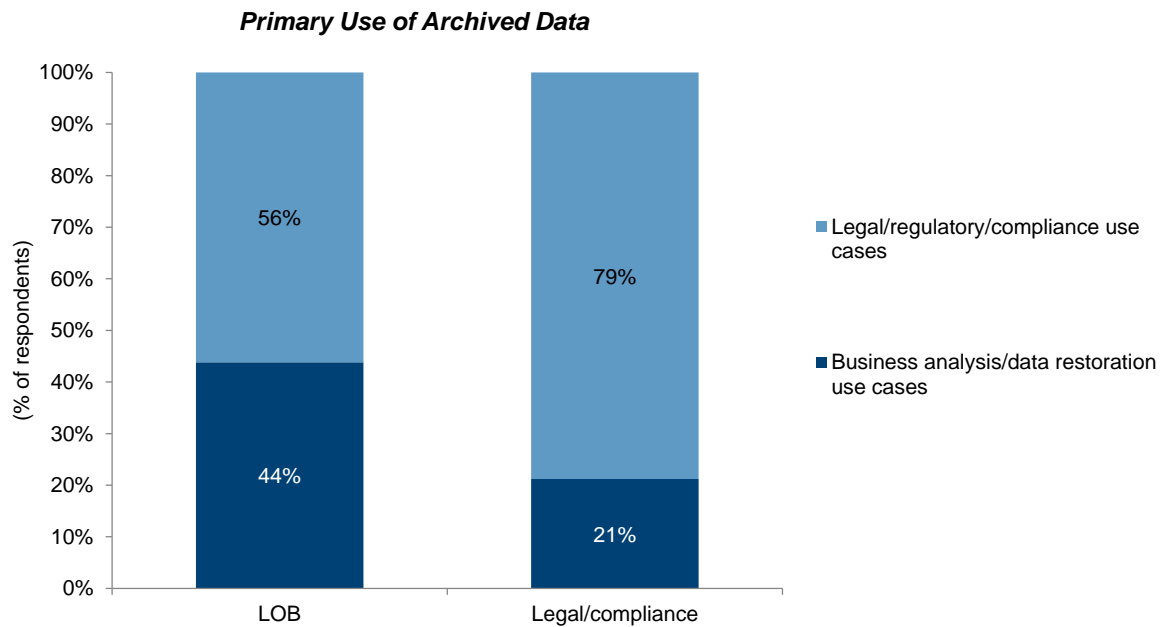


Source: IDC and Iron Mountain's *Archiving Thought Leadership Study*, April 2015

IDC believes that while the difference in satisfaction is due in part to the tendency of legal and compliance management to be risk averse and more critical of processes in general, it is also likely driven by the different uses of archived data between the two audiences. Legal and compliance use archived data primarily for regulatory and legal purposes, while LOB is using archived data for business analysis and data restoration (see Figure 5). In other words, legal and compliance are using archived data to minimize risk and thus have an incentive to guard access to it, while LOB works to monetize archived data and therefore is incented to share it as widely as possible.

**FIGURE 5**

**Lines of Business More Likely to Use Archived Data for Business Use Cases**



Source: IDC and Iron Mountain's *Archiving Thought Leadership Study*, April 2015

**IDC Guidance**

Given the importance of electronic archives to regulatory audits, eDiscovery, early case assessment, and other legal use cases, the frustrations of legal and compliance departments with regard to archiving are a real problem for organizations. IT and LOB are much more satisfied with archiving, and as they are blind to the dissatisfaction of legal and compliance, the problem is likely to persist without intervention.

IDC believes the underlying reason for this disconnect stems from a fundamental difference in roles and objectives: Legal and compliance focus on risk mitigation and limiting access to information in the archives, while LOB wants to broadly disseminate information, including data from the archives. By sharing information throughout the organization and with customers, suppliers, and partners, LOB is looking to monetize the data and drive better business results.

For its part, IT is very focused on servicing the needs of the business and as such is in greater alignment with LOB than with legal and compliance. IT is evolving into a service organization, working closely with LOB to enable core business operations. With this focus, legal needs and requests may be seen as secondary to the core mission of IT instead of its top priority.

To effectively manage risk while driving results, businesses and IT organizations cannot focus solely on LOB needs. To succeed, businesses need to put in place tools, procedures, and governance that will satisfy both sets of internal constituents. IDC recommends that companies hire a chief data officer who will work to drive greater accountability for archiving issues and set up cross-functional committees that include representatives from IT, LOB, and legal and compliance to improve the overall archiving process, including management and ease of access.

For a more in-depth analysis of the challenges and opportunities in data archiving, along with additional guidance, see [\*Mining for Insight: Rediscovering the Data Archive\*](#), a detailed IDC white paper sponsored by Iron Mountain.

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