

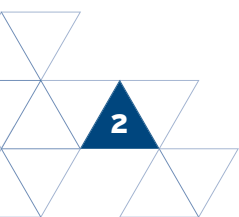


E-BOOK

DRIVING MAXIMUM BUSINESS VALUE FROM RECORDS AND INFORMATION MANAGEMENT

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ACCELERATE ACHIEVEMENT OF YOUR RIM GOALS

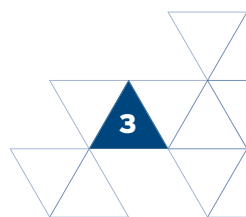
Records and Information Management (RIM) is no longer just about compliance. The wind of change is sweeping across the industry and strategic leaders like you are thoughtfully considering how to evolve your RIM program into a broader, deeper, and more collaborative Information Governance (IG) structure. This is a daunting endeavor that can easily lend itself to chaos - but it doesn't have to be. You can make it manageable by simplifying complexity and prioritizing your biggest opportunities to deliver business value.

To accelerate achievement of your IG goals, it is prudent to first evaluate your current state and gain a solid understanding of where you are in relation to where you aspire to be. Knowing the gaps between today and tomorrow will help you smartly prioritize your investments to maximize business value.

And just 35% train employees every one to two years while 26% never train! These are gaping holes. But taking a practical approach can be easier than you might think. With inventory in multiple formats everywhere and employees spread out across the map, it is no surprise that many RIM leaders struggle to identify, analyze, and develop a multi-year roadmap that addresses program gaps and quantifies value delivered. Business leaders that fail to see the intrinsic value in their program miss out on significant opportunities to improve profits by lowering their total cost of ownership while increasing consistency and defensibility.

This e-book shares the lessons from RIM leaders who have proven to be effective at demonstrating, delivering, and articulating business value. They felt this was the time and they had no time to wait. And neither do you.

You may be surprised to hear that 87% of organizations claim to have a mature RIM program, yet only 8% use metrics to “inspect what they expect.”





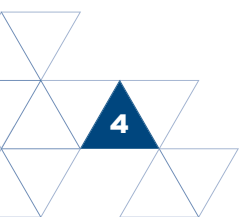
CHAPTER 1: MARKET DRIVERS

There are a range of mega-trends coming together, the confluence of which is not only creating this new era in records and information management, but also providing an unparalleled opportunity for RIM professionals to demonstrate and deliver enhanced business value to their organizations. These trends include the proliferation of electronic records, the rise of social media, and the dramatic increase in worker mobility. However, while these big shifts revolve around electronic records, the reality is that organizations must recognize that they have to apply best practices to all of their records, physical and electronic. In fact, for many organizations, getting physical records under control and properly managed is an absolutely critical first step in moving toward a best-practices approach, with the recognition that the lessons learned in managing physical records can and must be applied to the management of electronic records as well.

Paper records, indeed, are not going away. In an AIIM survey, **66% of respondents said paper was not decreasing and, in fact, 42% said it was increasing.**²

Delivering value in managing physical records can be a critical factor in gaining senior management support and buy-in for moving toward a best-practices approach. By eliminating unnecessary inventory of paper records and applying consistent policy to these records, RIM professionals can save their organizations significant dollars while also reducing the risks of noncompliance and massive discovery and litigation costs.

It will be clear from the examples cited throughout this e-book that the continuing need to manage physical records is one of the most important opportunities for RIM professionals to drive maximum business value from records and information management. In addition, however, there are other major trends taking place that provide valuable context to the management of physical records and define a growing belief among RIM leaders, including Iron Mountain, that a going-forward best-practices approach should include the unification of physical and electronic records and information management. What are some of these trends, and how are they impacting RIM across enterprises of all sizes?



MORE STRINGENT COMPLIANCE REQUIREMENTS

Sarbanes-Oxley set the stage for a new level of scrutiny for companies, and since then, compliance requirements have become even more stringent – and the penalties for compliance failures have become more onerous. Because of the dramatic increase in electronic records, data privacy has become a major concern everywhere, and certain industries, such as financial services, are under increased scrutiny for a wide range of reasons. Thus we are seeing tougher compliance requirements across the board, manifested in legislation such as HIPAA in healthcare, Dodd-Frank in financial services, and dozens of other mandates across various industries. As data privacy concerns have grown, so have regulatory penalties, with fines reaching as high as \$2.75 million for noncompliance of document retention policies.

MASSIVE DISCOVERY COSTS

Litigation is a major risk for companies and one that has been exacerbated in recent years by demands to produce documents of all kinds for discovery. The cost of not knowing where your records are located can be dramatic.

- » One leading telecommunications company several years ago had to pay \$9.2 million in attorneys' fees for negligent failure to comply with discovery
- » A federal agency spent more than \$6 million just to respond to a third-party subpoena because its counsel did not understand the agency's systems or know the location of its records
- » A large financial services company paid more than \$16 billion in litigation costs over a three-year period

Think about how the fees can mount if you can't locate records: You are basically paying attorneys their hourly rate just to sift through records looking for perhaps one document or email or a specific set of documents. If you can't help them easily find what they are looking for, the meter just keeps running and running.

PROLIFERATION OF ELECTRONIC RECORDS

In addition to managing legacy and new paper records, organizations are dealing with an unprecedented explosion of electronic records. According to IDC, the amount of digital data is doubling every two years and the total size of the digital universe will have grown 50-fold during the course of this decade.³ It's not just the sheer mass of volume that is posing challenges to information managers; it is also the changes that are taking place in the types of records being created and how organizations must account for them. More than 90% of new records being created are of the unstructured variety, coming from activities such as social media and email. These records must all be managed and accounted for according to sound and consistent records and information management practices. Yet most organizations are ill-prepared to handle social media. In fact, in an Iron Mountain survey, nearly 50% of business managers said they weren't even aware that they are legally liable for their social media content, and one-third of respondents described their management of social media as "unmanaged and chaotic."⁴

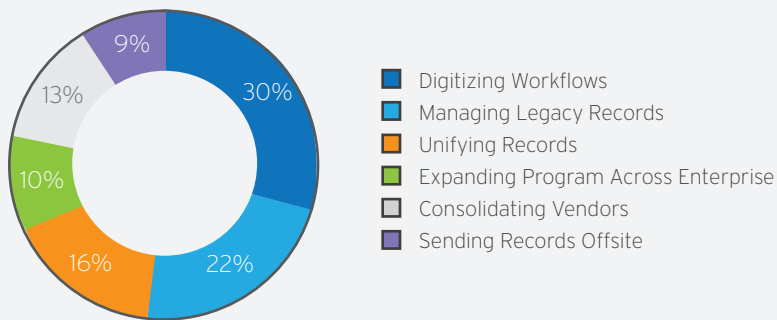
NEXT-GENERATION COMPUTING PLATFORM

This may not have an immediate impact on driving maximum value from RIM today, but it is a factor that RIM and IT professionals should take into consideration in building a best-practices approach to records and information management. Computer technology is in the throes of the type of platform shift that takes place every 25 years or so. This shift is being defined by four main drivers often referred to as SMAC: social, mobility, analytics, and cloud. Why is this important for RIM leaders today? In this new paradigm, consistent meta tagging of data and a focus on the management of data quality will be critical factors to competitive success. When organizations start thinking about using social media information to inform and drive big data analytics, they must start with a foundation that enables consistent quality across all of the data they are collecting.

As RIM professionals move toward a best-practices approach to tagging data and shifting to a platform that

is more dependent upon a digital records and information management solution, it is important to be aware of the major changes that are taking place and to position your organization to do what it can now in terms of policies, procedures, and technologies to set the foundation for next-generation applications and solutions. So what specifically can an organization and those responsible for RIM do to address these market drivers and apply best practices so that they are able to deliver maximum value to the business? In the next six chapters, we will discuss some of the key challenges and opportunities in RIM and how to go about achieving the best approach for your business. This guide to best practices and successful approaches is based primarily upon Iron Mountain's work with market leaders that have tackled some of these challenges and have been successful in capturing, reframing, and consequently communicating the business case and value of RIM within their organizations.

Top Business Drivers for RIM Managers



The insights in the chapters that follow come from research Iron Mountain conducted with nearly 700 RIM leaders from Compliance and Legal, IT, Finance, Procurement, and Facilities who identified six areas where they felt they could get more mileage out of their RIM program. And when you focus on the areas that make sense for your organization, you will be better positioned to secure further investment in your people and your program, and get your organization to pay attention.



In each of these chapters, we will summarize the issues, present the challenges facing most companies, describe the approach a company may typically take, reframe the challenges in a way that enables companies to drive enhanced business value, and then give examples of market-leading companies that have successfully reframed the challenges and reaped the business benefits.

CHAPTER 2: SENDING RECORDS ONSITE TO OFFSITE

SUMMARY

Sending records offsite has been a standard practice for a long time, yet many RIM professionals are unaware of the many ways in which offsite management can deliver business value to their organization. Many think in terms of real estate and the savings they can achieve in using their onsite facilities more productively than for storing paper records. To be sure, moving records offsite can effectively free up valuable real estate and dramatically improve efficiencies. In reality, however, moving records from onsite storage to an offsite facility managed by information management professionals will do much more than simply free up real estate: It will deliver cost savings, improve productivity, and reduce overall risks for the organization.

CHALLENGES

SPACE: Paper is not going away: As noted, 42% of organizations say their volume of paper is increasing, and paper can consume up to 35% of office space. And 78% of RIM leaders say it's really difficult to change the "keep everything" culture.⁵ Using this space to store records rather than for offices or conference rooms is inefficient and costly, particularly when you compare the typical cost of office space with the cost of offsite storage. What's more, the traditional office is undergoing a transformation and companies are focused on reducing the amount of space allocated per employee, while demanding greater productivity.



COSTS: Storing records onsite is extremely costly and wasteful. A typical four-drawer filing cabinet takes up 9 square feet of space and costs \$1,500 a year.⁶ Real estate is only one part of the value proposition in reducing costs. You are not only devoting valuable office space to paper records, but you are paying to maintain that space as well. If you keep the records onsite, new regulations require that you continue to upgrade your facilities and train your employees. This is an ongoing expense you can avoid by moving records offsite.

PRODUCTIVITY: Storing paper onsite is a drain on productivity. The average employee spends 25% of the week filing, copying, indexing, or retrieving documents – and even with all of that time invested, 83% of organizations report that they are unable to locate hardcopy records when needed.⁷

SECURITY/COMPLIANCE RISKS: Records stored onsite are much less likely to be properly tagged than if records and information management is outsourced. Records that are untagged expose the company to significant risks for compliance violations and e-discovery expenses.

Adding to the risk, a study found that 62% of employees who stole business information took it in hardcopy form⁸, and the average cost of an information breach is approximately \$5.4 million.⁹

BUSINESS CONTINUITY AND DISASTER RECOVERY: How well protected are your documents in case of a flood or fire? Do you have redundant copies in a safe place? Are your facilities state-of-the-art in terms of their disaster preparedness? Losing records can cripple a business – or worse. According to one study, 94% of companies went out of business within two years of suffering a catastrophic loss of data.¹⁰

TYPICAL APPROACH: Most companies tend to be focused on real estate savings as the primary driver of business value in moving records and information management to an offsite provider. They may be paying a lot of money to store records and are concerned about the cost of self-storage. They also may be dealing with multiple locations and the challenges of managing records and information management processes consistently across the entire organization.

REFRAMING THE CHALLENGE

In reframing the challenges involved in managing records and exploring the opportunities to derive maximum business value by moving to an offsite provider, organizations should be looking to achieve the following objectives:

- Free up valuable and expensive space currently consumed by paper records.
- Repurpose space for higher-value activities – additional offices, conference rooms, or even an onsite daycare facility or recreation room.
- Access records quickly – at any time, from any location, in any format.
- Ensure the security of records and control access to records.
- Make informed decisions about which information should be kept onsite and which should be kept offsite.
- Make sure records and information management is in compliance with the company's records retention schedule.

CHAPTER 2

DRIVING BUSINESS VALUE

Companies taking a leadership approach in moving records from onsite to offsite management have been able to derive significant business value in reducing costs, increasing control, reducing risks, repurposing real estate, and establishing a more secure environment for their records. In addition, moving to an outsourced supplier for records and information management enables the organization to:

- » Categorize in-house records as official or unofficial
- » Dispose of unofficial records
- » Assess which official records are active and which are inactive
- » Keep most active records onsite
- » Move boxes to the nearest facility

Here's one example of a company taking a leadership approach and how it was able to achieve significant value by reframing the opportunities made available by moving from onsite to offsite records management:

A large professional services firm was maintaining a large in-house records program with more than 20,000 square feet of dedicated real estate across the country. The firm was evaluating its real estate portfolio and looking for an alternative to maintaining onsite space for records. The real estate alone cost the company \$1.5 million a year, but the records manager realized that the true costs of maintaining records onsite were actually much higher. He calculated the five-year costs as follows:

- » \$8 million for real estate, including safety audits and inspections.
- » \$10 million for records program labor, including records managers, coordinators, supervisors, and ongoing training.
- » \$40 million to achieve a 25% increase in the professional staff's access to information.

What at first may have seemed to be a \$7.5 million expense was actually a \$58 million expense. By working with Iron Mountain and moving records offsite, the company was able to free up valuable space, get predictable costs, and gain better access to records while saving money and increasing efficiencies.



CHAPTER 3: MANAGING AND DISPOSING OF LEGACY RECORDS

SUMMARY

Failure to manage legacy paper files properly can be both costly and risky. Many companies typically look at reducing paper as strictly a cost-based decision, i.e., the company can save money by reducing paper records that can be expensive to keep. While this is certainly true and a driver of significant business value, it is really just one of many factors to consider in deciding how to manage legacy paper records, and when and how to dispose of them.

In addition to paper records, many organizations need to defensibly dispose of IT assets such as smartphones, hard drives, and computers that they no longer need because they have records and information stored on them as well. According to a recent survey sponsored by Iron Mountain, 46% of organizations don't have a formal Secure IT Asset Disposition (SITAD) plan or their formal plan isn't widely adopted across their organization."

For every 10,000 boxes of records, an organization could be spending \$300,000 in storage costs over a 10-year period.

CHALLENGES

LEGACY INVENTORY: A majority of companies have legacy inventory of paper. According to Iron Mountain research, more than 70% of companies could reduce their storage costs by 30% – if they knew what to destroy. That means savings could be significant. For every 10,000 boxes of records, an organization could be spending \$300,000 in storage costs over a 10-year period.

WASTEFUL SPENDING: The costs of not knowing what is in the boxes is actually greater than taking the time and expense of going through the boxes to determine what is inside, what need to be saved, and what needs to be destroyed, and then applying appropriate meta tags to each of the boxes. Savings will accrue in reducing the number of boxes that need to be stored and in searching for records. Beyond that, the company will reduce its risk of incurring compliance violations and amassing massive e-discovery fees, which can dramatically impact the bottom line and cause major damage to the company's brand and reputation.

LITIGATION AND E-DISCOVERY RISKS: If you don't know what is in those boxes, it could signal major trouble. You may have to pay attorneys or employees to go through each box in a futile search for documents. They may find documents that should have been destroyed years ago – exposing the company to even more risk – or they may be unable to find documents that are desperately needed for litigation. Either way, the company is exposed to a potentially huge discovery expense and a possible huge litigation loss or fine. According to one report, an average e-discovery event can cost \$2.5 million.¹²

TYPICAL APPROACH: Iron Mountain research found that approximately 22% of decision-makers see reducing paper as their key priority. Yet, organizations typically don't have the right tools, technologies, processes, and methodologies in place to effectively manage and reduce paper. In fact, 49% of organizations have no automated destruction process in place.¹³ What's more, 80% of companies have formal policies for records and information management, but 63% are unable to apply those policies consistently and, perhaps not coincidentally, 63% also report having experienced a trigger event that cost their company money.¹⁴

REFRAMING THE CHALLENGE

In reframing the challenges involved in managing and disposing of legacy paper records, organizations should be looking to achieve these key goals:

- Lower storage costs and eliminate wasteful spending practices.
- Destroy legacy records defensibly to reduce risk and ensure compliance.
- Benchmark internal programs to methodically identify inconsistencies.
- Reduce the number of records to search for discovery inquiries.
- Develop a strategy and build common processes, language, and training for consistent adoption.
- Properly tag legacy records to minimize employees' time in searching for and re-creating information.
- Reduce the risk of compliance violations and litigation losses.
- Gain transparency into policy adoption across the entire enterprise via dashboards.
- Create a common audit strategy across the enterprise.

CHAPTER 3

DRIVING BUSINESS VALUE

Companies taking a leadership approach to managing and disposing of legacy paper records are looking at business value as much more than saving money by reducing paper. They are experiencing significant value by:

- » Reducing costs in discovery.
- » Reducing risks of compliance violations and litigation losses.
- » Deploying enforceable records retention and destruction policies.
- » Outsourcing records and information management to improve productivity, reduce their number of records, and enable the proper tagging of records.
- » Using analytics to provide defensible tagging, without the need for manual review of each and every record.

Here is an example of how a leading organization has been able to reframe the management of legacy records and drive maximum business value:

A large telecommunications company was dealing with inherited, poorly indexed boxes of records from past acquisitions. The previous companies had not kept up with divisional and departmental changes. Poor indexing caused the telecommunications company to be storing more boxes than necessary because it had no ability to destroy them defensibly. Discovery costs were also much higher than they should have been because the company had difficulty finding what it needed for litigation and audits. To address these problems, the company utilized a proprietary system-based process from Iron Mountain to determine and assign record class codes and calculate destruction dates according to a specified records retention schedule. The company was able to reduce costs and significantly improve the overall health of its records and information management program, eventually using Iron Mountain to house and maintain a huge portion of its physical records.



Multiple vendors increase the costs of records and information management and give your organization far less control over deploying and enforcing enterprise-wide policies and processes.

CHAPTER 4: CONSOLIDATING VENDORS

SUMMARY

Managing multiple vendors is wasteful and puts the organization at risk. Multiple vendors increase the costs of records and information management and give your organization far less control over deploying and enforcing enterprise-wide policies and processes. It also gives you less leverage than if you are using a single vendor. Having multiple vendors is not only costly in dollars, but it will also put an unnecessary strain on worker productivity. You have to go to different places to find your records, utilizing different systems for legal holds and different processes for destruction. This exposes you to major risk: An improper legal-hold application can result in fines as high as \$5 million.

CHALLENGES

TOO MANY VENDORS: Over time, many organizations have stored records across a wide range of vendors, for a multitude of reasons. The use of multiple vendors could be the result of mergers and acquisitions, or because individual branch offices, departments, or business units went their own way.

INCONSISTENT POLICY MANAGEMENT: With too many vendors, retention, destruction, and legal holds can be subject to multiple and inconsistent policies, along with multiple applications and manual processes. Only 9% of companies say they are able to achieve a best-practices level of consistent enterprise-wide policy adoption.¹⁵

UNNECESSARY EXPENSES: With multiple vendors and multiple systems, the organization is failing to maximize economies of scale and likely overspending on discovery costs, personnel, training, and management. Discovery is significantly more complex and time consuming due to multiple repositories, creating exponentially higher program and compliance costs.

HIGHER COMPLIANCE/DISCOVERY RISKS AND COSTS: Destructions and holds are inconsistent, and it is much more difficult to find specific documents for discovery if consistent tagging and policies are not in place. In fact, 22% of organizations still have problems locating records.¹⁶ This can lead to significant e-discovery expenses as well as compliance violations. According to one survey, the cost of noncompliance is three times greater than the cost of compliance.

LITIGATION RISKS: E-discovery costs are not the only major risk in having too many vendors for records and information management. The organization may also be more susceptible to litigation losses, or even the inability to properly defend itself because it can't find records due to inconsistent policy application across multiple vendors. It can be quite expensive, disquieting, and even embarrassing to have to settle a lawsuit rather than post an aggressive defense because of an inability to find records.

TYPICAL APPROACH: In most organizations, the challenge of multiple vendors has emerged organically, not strategically. That is, through mergers or acquisitions, or through the emergence of empowered silos within the organization, records management professionals are faced with the task of dealing with a large number of vendors, which is an inhibitor to achieving maximum business value from records and information management. Unfortunately, many organizations view the challenge of consolidation through the wrong prism: Instead of looking at the significant business value consolidation can bring – including cost reductions, reduced risks, and simplified manageability – some companies believe that it is too complex, time consuming, resource intensive, and expensive to consolidate vendors. The leaders in the market, however, have reframed the challenges and recognize that it is actually more expensive, time consuming, and risky to keep the status quo – and that consolidating to a single vendor and single system for records management is far more effective and cost efficient.

REFRAMING THE CHALLENGE

These are some of the ways in which market leaders have been able to reframe the challenge of consolidating vendors so that they can achieve significant business value:

- Save money by achieving better pricing through a single vendor and reducing vendor management costs.
- Improve the consistency of compliance, e-discovery and legal holds, and destruction workflows.
- Reduce the need for multiple records coordinators.
- Significantly speed up recovery times with consistent record classification that eliminates the need to search for records across multiple systems with variable classifications.
- Enable the company to find records more quickly, consistently, and predictably to enhance litigation preparedness.
- Reduce the storage infrastructure for physical and electronic records.
- Strengthen the company's ability to keep up to date with shifting compliance requirements.

CHAPTER 4

DRIVING BUSINESS VALUE

The process of consolidating vendors brings significant business value to the organization, which can far exceed the challenges involved in undertaking a consolidation effort. Besides being able to achieve major cost reductions through consolidation, the organization will be able to reduce the risks of huge expenditures for compliance and discovery. There was a time when the cost of risk was considered a “soft” cost by CFOs, but that is no longer the case, particularly with e-discovery costs continuing to skyrocket. The business value of consolidating vendors includes:

- » Significant cost savings
- » Reduced risk of compliance violations
- » Reduced risk of litigation losses
- » Potential dramatic savings in e-discovery fees
- » More consistent management of records for legal holds, retention, and destruction workflows
- » Improved productivity within the RIM organization

Here's an example of how a leading organization has been able to reframe the consolidation of vendors to drive maximum business value:

A large financial services firm had physical records distributed across multiple vendors and applications, with inconsistent policies, extra staff expense, and soaring e-discovery costs.

While cost was a concern, compliance risk was the primary driver of change. Although management knew that consolidation would enable consistent policy to be applied in a single system of record, the organization had more than 23 vendors and the management team didn't know where to begin. Iron Mountain was able to provide a complete solution, including a detailed move process map, timelines, record assessments, and vendor termination letters. The firm was able to reduce costs, streamline its management program, and improve the defensibility of records and information management across the entire enterprise.



CHAPTER 5: EXPANDING A PROGRAM FROM ONE DEPARTMENT OR DIVISION ACROSS THE COMPANY

SUMMARY

Most companies recognize the importance of applying consistent records and information management policies and procedures across the entire enterprise, but most are still struggling to achieve it.

87% of organizations claim to have a mature RIM program, yet only 8% measure their program performance. And to make matters worse, 93% of RIM leaders report that employees are not engaged in RIM.¹⁷

Inconsistent policy management is costly in terms of both dollars and risk. This approach exposes the company to fines for lack of compliance and the potential for massive litigation losses or expenses. In fact, legal teams will often tell you that having no policy is better than inconsistent policy application – and having no policy is not an acceptable alternative.

CHALLENGES

STOP THE BLEEDING: One of the biggest challenges facing all organizations today is the massive proliferation of electronic data. 60% of surveyed organizations indicate eligible electronically stored information (ESI) is not regularly deleted and over 75% are planning process improvements for the deletion of ESI.¹⁸ But before you can defensibly dispose of information you no longer need, you need to know what it is. If your organization suffers from inconsistent classification and policy application, you are likely experiencing a snowball effect as new records get filed according to the same inefficient processes. This will become a nightmare if you don't get it under control. Iron Mountain's research shows that only 35% of companies today can classify and index user-created electronic records at the time of their creation or later in their lifecycle.¹⁹ It is important to move quickly to address classification of incoming records – then you can address legacy records.

INCREASED COSTS AND RISKS: When policies are not universally implemented and adopted, discovery and litigation events are complex, time consuming, exceptionally expensive, and distracting. As noted, 63% of companies have experienced a trigger event that cost their company money.

REDUCING THE NUMBER OF SILOS: One of the biggest challenges in delivering business value from RIM is the unfortunate reality that for many organizations, records and information management is not homogenous and is spread out across many different silos. Identifying silos is the first step toward eliminating them. Silos come in many shapes and forms. They could be individual departments that have records onsite or in separate facilities, branch offices defined by geography, or separate business units. Or silos can be defined by specific computer applications or platforms, such as those in social media. It's critical where

you store your information—regardless of the format and whereabouts of your information or the technology you use—so you can achieve more sophisticated information lifecycle management.

TYPICAL APPROACH: Coordinating RIM across branch offices and departments is quite difficult. The process can be exacerbated by organizational and cultural challenges. Often, successfully implementing policies across the organization will require the support of not only senior management, but also various departments and business leaders involved in some way – RIM professionals, IT executives, compliance officers, finance officers, and line-of-business executives. Too often, companies are unable to overcome these barriers without strong leadership and a clearly stated need – which may come in the form of a significant trigger event.

REFRAMING THE CHALLENGE

As you think through evolving your RIM program into a broader, deeper, and more collaborative Information Governance (IG) structure within your organization, you'll likely need to play a large role in ensuring there is guidance and oversight by a cross-functional, senior-level Information Governance Council that meets on a routine basis to make sure your organization is in concert for what you plan to do with information and how to make decisions about it. The key is in recognizing and communicating that everyone in the organization has a vested stake in the consistent application of RIM policies and solutions across the organization. A single e-discovery event could cost well more than the cost of a full enterprise-wide RIM solution. Beyond that, having a single policy across the organization will help to eliminate silos, foster integration and consistency, enable increased collaboration, and set the foundation for a more efficient, forward-looking approach to managing data for next-generation business initiatives. Instead of looking at the obstacles to expanding your RIM program across departments, you should be looking at the opportunities. Here are some ways to reframe the challenges and turn them into opportunities:

- Develop an overarching information governance strategy for both electronic and physical records.
- Benchmark your internal programs to systematically identify gaps and inconsistencies.
- Deploy a clear plan of action that methodically addresses the program, platform, and people.
- Support consistent adoption of policies across the organization with a strategy to build common processes, language, and staff training.
- Gain transparency and enable policy adoption across the entire enterprise through technology, standard reporting, and establishment of a common audit strategy.
- Set up proper controls on your physical records inventory, with ways to prevent and remediate inventory issues and prove compliance through inventory audit.

CHAPTER 5

DRIVING BUSINESS VALUE

By taking an approach adopted by market leaders, you will be able to understand where your organization is vulnerable and address all of the gaps and risks in your existing program. You will also be able to work with stakeholders across the organization to break down some of the cultural barriers that add risk to your organization. Here's an example of a company that was able to address the challenges of inconsistent management with a solution that helped to drive down costs, improve efficiencies, and simplify discovery:

A large manufacturing company had a fragmented records management program that lacked baseline controls, with records in multiple locations, managed by different systems. Records classification was sporadic, and metadata quality was inconsistent. As a result, destruction dates were lacking. The legal group was under pressure to be more responsive to litigation and discovery requirements and to rein in ballooning discovery costs. Lack of metadata and the disjointed systems created inefficiencies, lowering defensibility and increasing risk.

Working with Iron Mountain, the company was able to enforce new policies and apply consistent meta tagging to its physical records. Iron Mountain was able to use its Data Integrity Services to apply a consistent retention schedule to older boxes of paper records, while cleaning up remaining exceptions with an Iron Mountain "metadata SWAT team."



CHAPTER 6: UNIFYING PHYSICAL AND ELECTRONIC RECORDS

SUMMARY

Taking a unified approach to records and information management enables organizations to apply consistent policy management and enforcement to all records across the company, no matter where they are located, what format they are in, or where they have been created. Policy enforcement, as noted, is a particular challenge for many organizations and one that is easier to overcome when all records are approached under a single set of policies, procedures, and management oversight.

CHALLENGES

DIGITAL RECORDS GROWTH: One of the biggest challenges in unifying records management is getting a handle on the growth of electronic records. If these records are not being tagged properly, they are just multiplying and continuing to create headaches, particularly if there is a compliance or e-discovery request.

GETTING A HANDLE ON SOCIAL MEDIA: As part of the growth of electronic records in general, there is the specific growth of social media and the changes that it is causing in records management. As noted earlier, just a couple of years ago, 50% of business managers said they were unaware their company was even legally liable for social media content. They are.

WHO'S IN CHARGE?: This is another area where management and cultural issues come into play. The IT department is in charge of storing electronic records, but it's not necessarily in charge of compliance or policy management.

MANAGING LEGACY RECORDS: While 74% of RIM leaders say their lifecycle controls are efficient for business records, 64% want a more systematic method for records destruction.²⁰ A unified approach can be a tool in helping to address the management and disposal of unnecessary paper records. With a unified approach, the organization is forced to get a better handle on inventory and do a benchmark of what it has and where it is located, regardless of location or format. It will also help to determine which paper records to digitize and which to keep saving in paper.

TYPICAL APPROACH: The unification of physical and electronic records will likely be relevant to all companies someday, but now, it is mostly critical to companies that have vast amounts of information and are in the process of transitioning from physical to electronic records management. While the concept of unified records is not a new one, the pressure to achieve unification is intensifying. Many companies are creating voluminous amounts of records and, if they are not being properly classified and indexed now, they will have to be classified and indexed at some point in the future, which could be a time-consuming and unnecessary expense.

REFRAMING THE CHALLENGE

Like the unification of physical records, unified records and information management is largely focused on improving the way policies are applied to electronic records. Many organizations have found that the task is made easier by using the skills and knowledge they have learned from unifying physical records and applying them to the unification of electronic records. Iron Mountain advises organizations to take a measured approach that starts from a solid foundation and a single, consistent system of record. In reframing the challenges of unifying records and information management, organizations can look at the following opportunities:

- Apply retention, policies, and holds consistently across all records from a unified system.
- Classify records of all types upon creation – for efficiency, consistency, and defensibility.
- Enable users to quickly and efficiently find the records they need.
- Save on e-discovery costs with an integrated platform and consistently classified records.
- Adopt best practices for records of all types.

CHAPTER 6

DRIVING BUSINESS VALUE

Unifying electronic and physical records can bring significant business value to the organization, including:

REDUCED RISK: With all records subject to the same policy management and enforcement, the business will be adept at finding and accessing records when needed for either e-discovery or regulatory requirements. The potential costs of e-discovery will go down significantly, and the costs of finding documents, accessing them, and producing them in a timely manner will also be significantly reduced.

MORE CONSISTENCY: By establishing a single policy to consistently address electronic and paper records, the organization can achieve economies of scale in training employees and in making any adjustments or other changes in its policies. These can be rolled out at the same time across the entire organization. In the event of a disaster, the organization will be much better equipped to find and recover important documents, regardless of their format.

SUPPORT FOR NEW PLATFORMS: Organizations are going to have to gain control of management for social media records in order to remain compliant and be prepared for e-discovery inquiries. Yet many organizations are behind in this endeavor. According to Iron Mountain's research, 40% of companies are

still unable to apply retention to electronic document objects, such as Microsoft Word and Excel files. More than 50% cannot apply retention to database records, and 65% are unable to classify and index user-created electronic records at the time of their creation.²¹

Here is an example of how a market-leading company has been able to accrue significant business value through the unification of physical and electronic records:

A large software developer recognized that it needed to assess its physical records to reduce some of its assets. In addition, the company's electronic documents were stored in a variety of locations and were increasingly difficult to find. The company was looking for a unified system for all records to streamline the process of making business decisions. In addition, explosive data growth was impacting user productivity. Finally, the company needed a unified solution to optimize business processes for discovery and management, while ensuring global policy adoption for compliance. Working with Iron Mountain, the company is streamlining its RIM program for consistency, efficiency, and cost savings with defensible policy adoption, management, and reporting.



CHAPTER 7: DIGITIZING YOUR WORKFLOW

SUMMARY

With the dramatic growth rates organizations are experiencing in electronic records, there is an inevitable transition that will take place where RIM will move toward digital-based management and technology solutions. In an Iron Mountain survey, 30% of respondents said their top priority is to digitize their workflows and make records integral to the process. But 33% of organizations do not have appropriate controls for imaging, e.g., lack of quality assurance checks, indexing terms.²²

As part of these initiatives, they are seeking to have RIM principles integrated into their entire workflow.

Knowledge workers spend an average of 8.8 hours a week searching for information, at an annual cost of approximately \$14,000 per worker.

CHALLENGES

STRIKING THE RIGHT BALANCE: Many companies think that in order to “go digital,” they need to scan everything. However, they quickly realize that the cost to scan everything often outweighs the potential productivity gains.

CHANGE ISN'T EASY: Employees are going to continue to rely upon paper because change is difficult. Some employees will resist moving to a more automated approach because they are comfortable with paper, while others may have concerns that automation may drastically change or eliminate their jobs.

SLOWING DOWN WORKFLOWS: In many cases, paper-intensive manual processes are keeping companies from moving toward increased automation, which is critical in responding to customer needs, reducing costs, addressing compliance and e-discovery requirements, and increasing productivity. The savings that can be reaped from imaging and data capture designed to increase automation are striking. Two-thirds of those adopting paper-free processes report a payback within 18 months. And 50% see payback in a single 12-month budgeting period.²³

LOST PRODUCTIVITY: An IDC survey shows that knowledge workers spend an average of 8.8 hours a week searching for information, at an annual cost of approximately \$14,000 per worker. In addition, an organization employing 1,000 knowledge workers loses nearly \$6 million a year in time wasted when employees reformat information as they move between applications.²⁴

TYPICAL APPROACH: If you look at real-world examples, you can see where organizations can achieve significant business value by incorporating records management as a strategic part of operations. For instance, Iron Mountain found that originators of mortgages scanned in their documents to get them into the workflow, then went back and indexed them and then finally classified them. This process resulted in unnecessary duplication of effort and diminished productivity. If records management principles had been incorporated into the workflow processes upfront, several steps could have been avoided and the records would have been consistently classified, indexed, and stored.

REFRAMING THE CHALLENGE

Digitizing the workflow is an opportunity to dramatically improve productivity, reduce costs, and enable the organization to respond more quickly and efficiently to e-discovery and compliance requests. So, the challenge can be reframed as follows:

- Quickly locate and access documents online without the high costs of scanning everything.
- Eliminate delays and inefficiencies associated with retrieving and working with physical files by increasing workflow automation.
- Convert documents from physical to digital in order to optimize business applications and automate manual processes in areas such as HR, accounts payable and work orders.
- Accurately index and classify documents for improved productivity and much less costly response to e-discovery requests.

CHAPTER 7

DRIVING BUSINESS VALUE

In addition to cost and productivity improvements engendered by incorporating records and information management into digitized workflows, organizations will be able to accrue other benefits as well, including:

MANAGE GROWTH: A greater ability to absorb and strategically manage the dramatic growth of electronic records. This is a defining factor in RIM, and digitizing workflows will establish consistent policies and tagging of electronic records, in all formats and in all locations. Digital transformation is inevitable, and organizations must transition with it or risk being left behind.

MANAGE SOCIAL MEDIA: Managing unstructured data such as social media – emails, text, instant messages, Facebook® posts, tweets, and the like – is one of the most important challenges in this new era of records management. As noted, 65% of companies are unable to classify and index user-created electronic records at their time of creation. By digitizing workflows, organizations will be able to address that problem with an elegant solution that fits into next generation business initiatives.

ENHANCE COLLABORATIONS: By reducing duplication of effort and speeding workflows, organizations will be able to modernize many of their workflow functions, and create processes and systems whereby they can enhance collaboration across groups and applications.

SET THE FOUNDATION FOR NEXT-GENERATION BUSINESS INITIATIVES: Digitizing workflows and managing the quality and integrity of data are becoming increasingly important factors in business initiatives that are centered on the new computing platform of cloud services, mobility, social media, and big data. Building the right processes now and deploying the right tools and technologies will not only drive immediate business value, but it will continue to drive value for many years to come.

Here is an example of how digitizing workflows enhanced business value at an industry-leading company:

For a large airline, managing employee records was a challenge because a merger had resulted in a hybrid document environment. Consistent access to data was required to keep planes flying safely. For example, engineering plane drawings are vital records and their loss could result in millions of dollars for a single plane. Also, the HR department needed access to employee records for job transfers and investigations. Working with Iron Mountain, the airline was able to scan, index, and consolidate HR records. In addition, it was able to convert vital records to digital format and store critical engineering records offsite at a secure location.

CHAPTER 8: WORKING WITH IRON MOUNTAIN

In this e-book, we have outlined and discussed six key ways in which organizations can evolve toward an approach to RIM that market leaders have deployed to deliver maximum value to the business. They are:

1. Send records onsite to offsite
2. Manage and dispose of legacy paper records
3. Consolidate vendors
4. Expand a program from one department or division across the company
5. Unify physical and electronic records
6. Digitize your workflow

Iron Mountain is here to partner with you on every step of this journey. We have more than 60 years of experience assisting more than 156,000 organizations with storing, protecting, and managing their information. We provide world-class facilities for the storage of records, proven methodologies for all aspects of records and information management, and state-of-the-art technologies that will help your organization move quickly and efficiently toward better practices in records and information management.

Iron Mountain has expertise and experience in dealing with compliance issues across all industries and in helping organizations manage physical and electronic records. Our methodologies include benchmarking your existing state, developing a roadmap for moving forward, auditing the integrity of your data, deploying the right technology solution for your organization, collaborating as a general contractor, and maintaining ongoing dialogue and guidance at a senior level at all times – before, during, and after the process.

CONCLUSION

Breathing life into information governance at your organization is no easy feat. It's difficult to set up a program that is as much collaborative as it is dynamic and as painless as possible for employees to follow. And increasingly organizations are focused on not only managing information risk, reducing costs, and improving efficiencies but also extracting value from information.

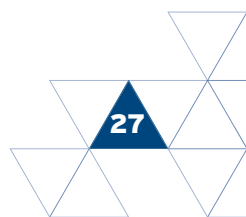
In order to begin tackling the larger goal of making IG happen at your organization, the first step is taking a strategic approach to RIM. By prioritizing areas where you can add business value today through your RIM program, you'll lay a solid foundation to achieve your IG goals of the future. In order to move in that direction, however, the business value of a sound records and information management approach must be clearly articulated and aptly described. Management support is critical, and finding the right partner is a necessary and important step in the right direction. With Iron Mountain as a trusted partner, you have the best opportunity to not just articulate a vision for delivering business value through RIM, but actually deliver on that vision and turn the promise of sound information governance into a successful reality. Now is the time to get started.

ABOUT THE RESEARCH

- » Research conducted by Iron Mountain Dec. '12-Jan. '13
- » Target audience: Decision-makers around records management
- » Goal: Identify top opportunities for value within RIM
- » 56,000 Total Customers Responding
- » 1,410 Involved With Records Management
- » 691 RIM Decision-makers

ENDNOTES

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ABOUT IRON MOUNTAIN

Iron Mountain Incorporated (NYSE: IRM) provides information management services that help organizations lower the costs, risks, and inefficiencies of managing their physical and digital data. Founded in 1951, Iron Mountain manages billions of information assets, including backup and archival data, electronic records, document imaging, business records, secure shredding, and more, for organizations around the world. Visit the company website at www.ironmountain.com for more information.

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