



BusinessConnect and SolutionsConnect

It's time to make bold moves.

INFORMATION ECONOMICS

Understanding and getting value
from your unstructured data economically

Making sense of the other 80%

Abstract

- Significant customer insights and costs are hidden in large volumes of unstructured and semi-structured content. But what is the economics of leveraging the 80% of an organisation's information that is unstructured?
- Whether you're dealing with social media, instant messages, documents, emails, conversations, video, images, engineering drawings, call logs, complex contracts, insurance or loan related information, this session will identify the major challenges to getting the best bang for the buck from investments in cloud, big data, and analytics and also demonstrate how to gain valuable insight into previously inaccessible information in your existing systems of record and the information stored in systems of enablement.
- Systems of enablement are defined as File Shares, email, and SharePoint like collaborative systems that support the business completing ad-hoc work outside the existing legacy systems of record.
- Highlighting real customer case studies from different industries, we'll explore how your organisation can access and manage this information and use it to obtain new insights and achieve better economic outcomes.

Bio – Dalibor Ivkovic

- Dalibor leads IBM Australia's Enterprise Content Management consulting practice.
- Has worked extensively in Banking, Insurance, Energy, Transport, Health Sciences, Oil and Gas, Mining and Government sectors.
- Combines training in Economics with over 20 years IT experience.
- Practical knowledge of implementing numerous enterprise class applications. Includes transactional banking systems, business to business data exchange, case management, Client Relationship Management and Electronic Document and Records Management.





BusinessConnect and SolutionsConnect

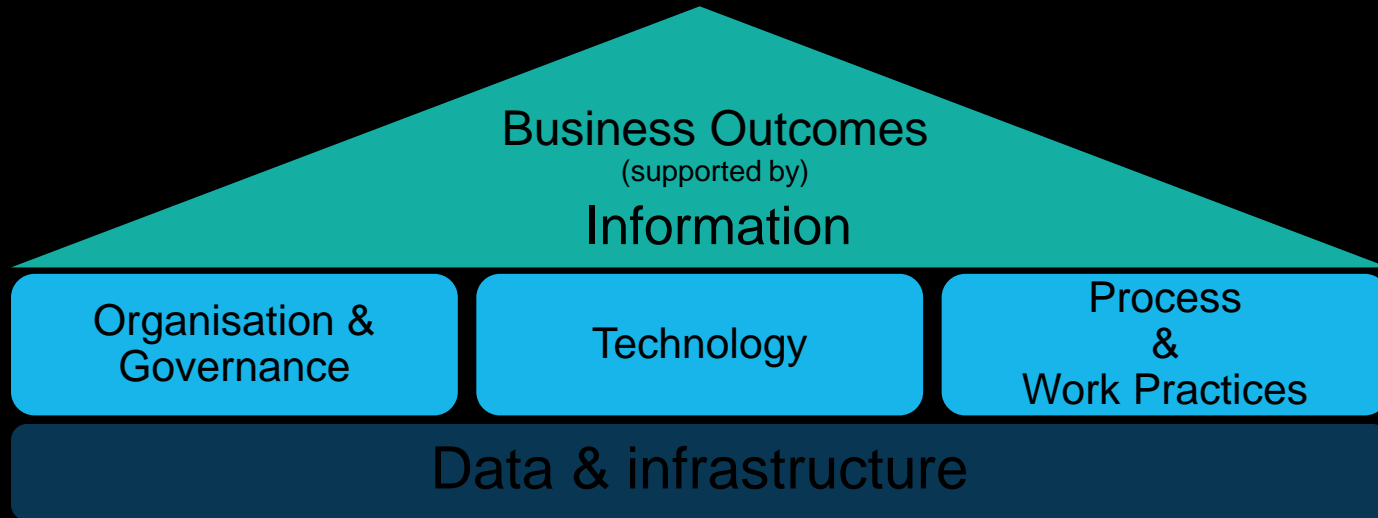
It's time to make bold moves.

INFORMATION ECONOMICS

Understanding and getting value
from your unstructured data

Making sense of the other 80%

Business outcomes need to be based on sound information economics



Information Economics = Managing (Value : Cost : Risk)

INFORMATION ECONOMICS

UNDERSTANDING AND OPTIMISING INFORMATION VALUE AND COSTS



BUSINESS

- Information volume doubles every 18-24 months in most organizations
- 90% of the world's information was created in the last 2 years¹



IT

- \$4M to store 1PB and app cost materially adds to run rate
- Data storage consumes growing share of IT budget thus impacting transformation budgets

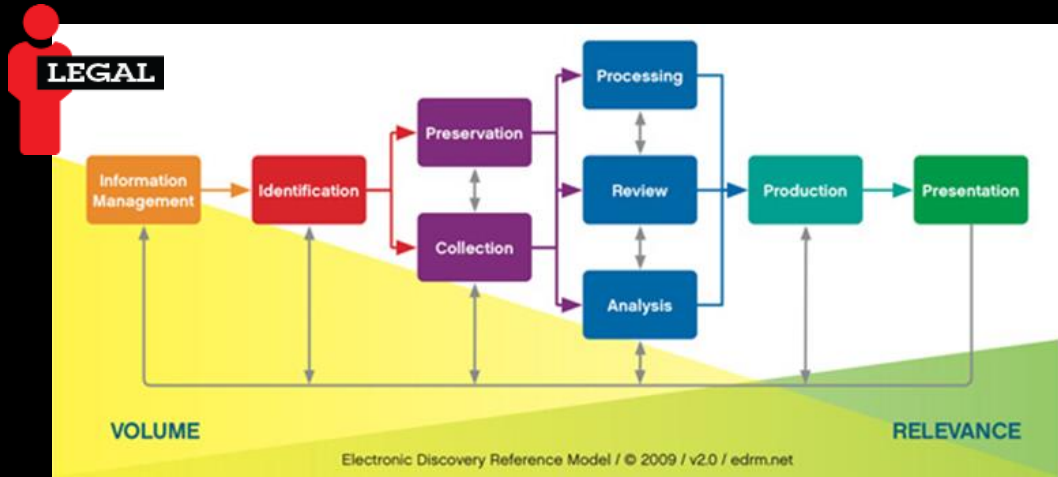


LEGAL

- It costs \$18,000 to do e-discovery on 1 gigabyte³
- e-discovery consumes as much as half of the litigation budget

How do we use new technologies and best practices to get more value?

Information economics is well documented in legal eDiscovery



- \$18,000 the cost of e-discovery on 1 gigabyte³
- Consumes as much as half of the litigation budget

Does not identify business value, duty or risk beyond the context of a legal case

Information Economics in the enterprise

Systems of Record

(structured)

- Enterprise Apps
- ERP
- Financials
- CRM

Systems of Engagement

(unstructured)

- eMail
- Collaborative
- Social
- Big Data
- Analytics

Systems of Record

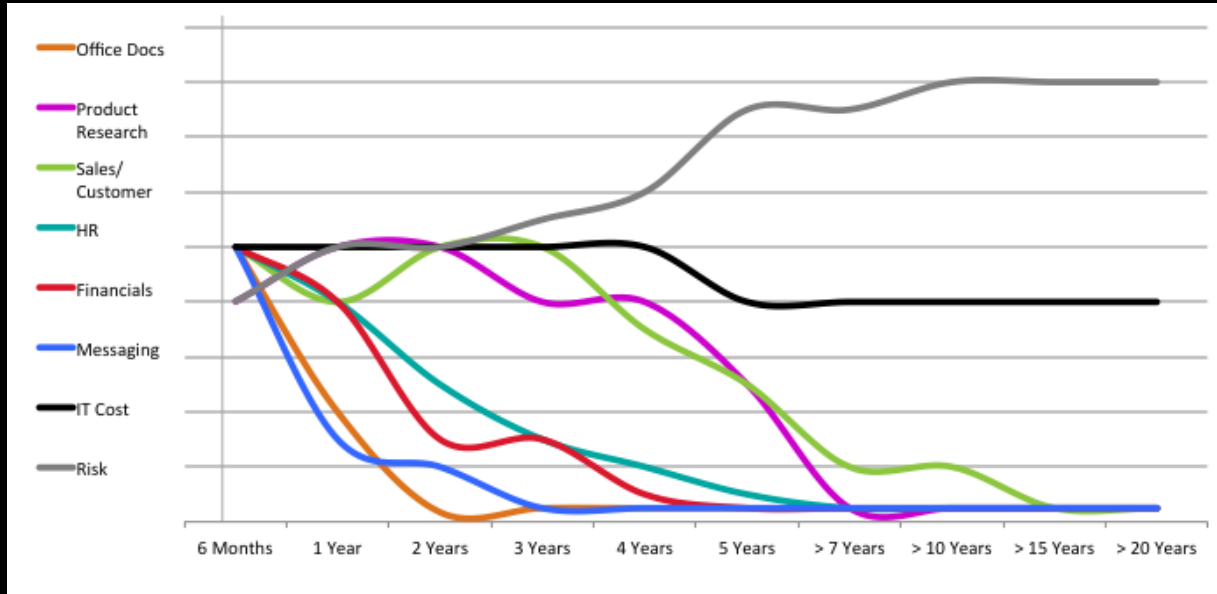
(unstructured)

- Imaging
- Document Mgmt
- Report Mgmt
- Records Management

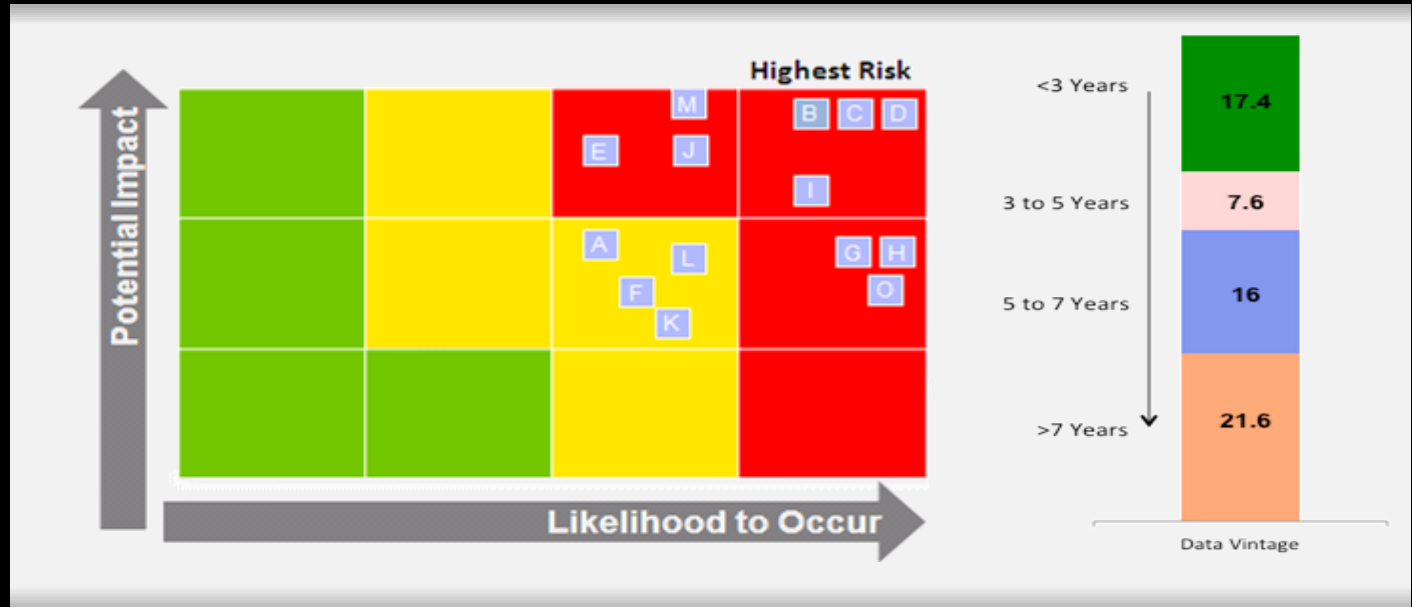
CONTENT

Making sense of the ~ 80% that is unstructured that lives everywhere and is growing faster than any other data

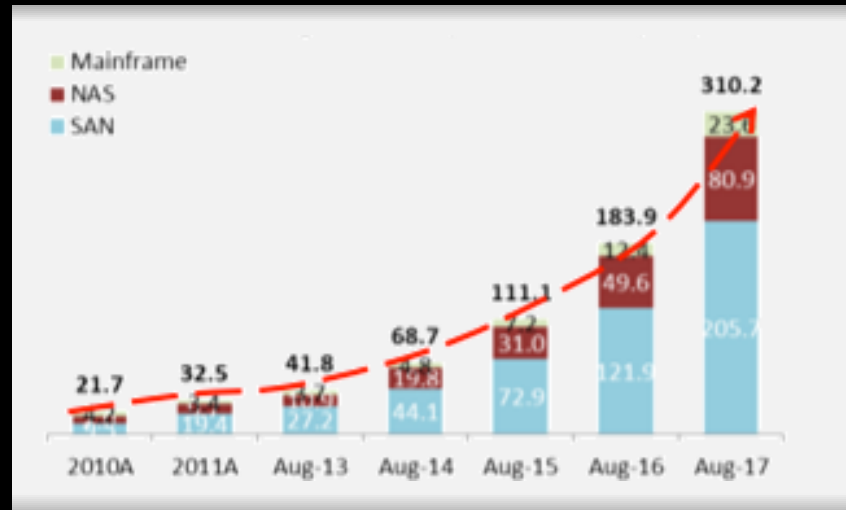
Information value declines over time, but cost and risk do not



Likelihood and impact of risk are greatest for data kept longest



But their storage doubles on average every 3 years



Poor Information Economics is impacting CIOs, Risk & Legal

Addressing information economics challenges



Can't get value



Over pays for duties



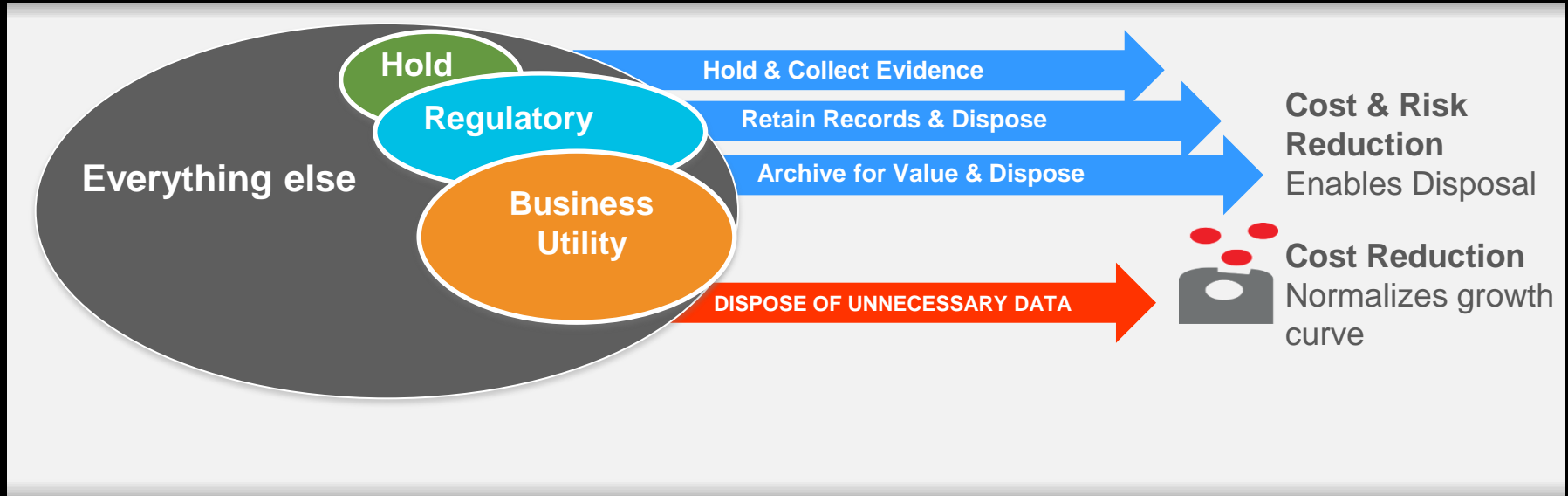
Inability to implement



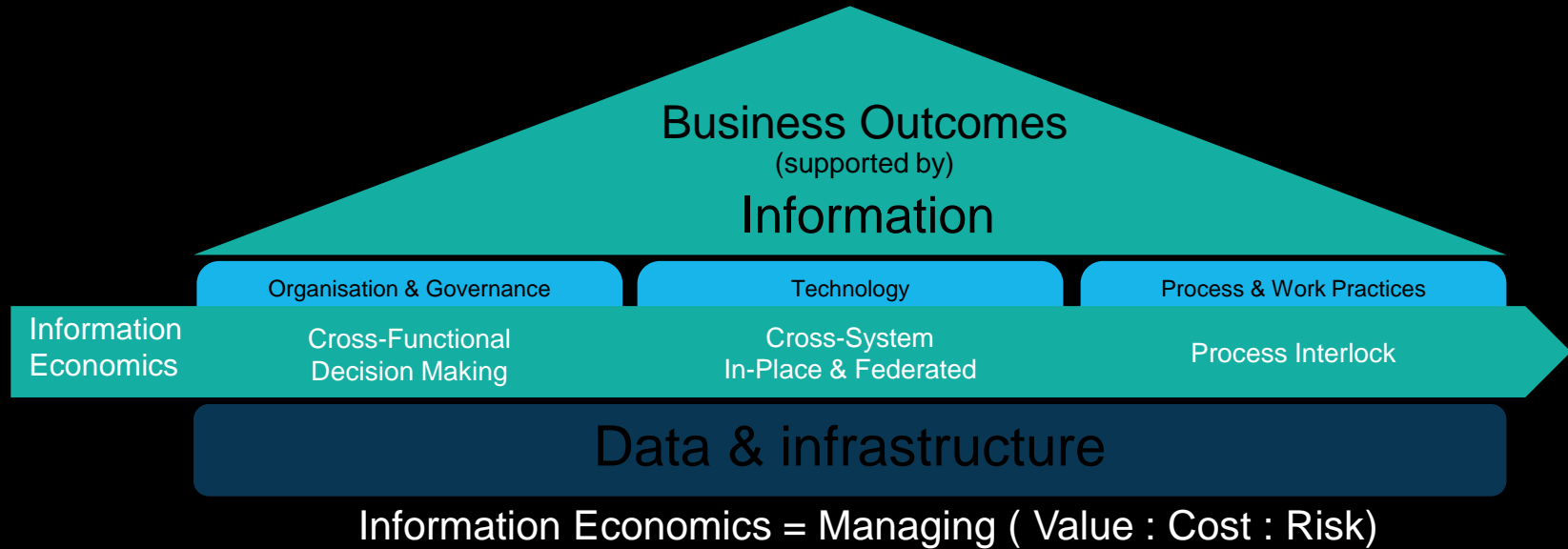
Over supplies legal,
under supplies business

**Business under-served, legal flooded with data, and IT over-pays
for infrastructure service**

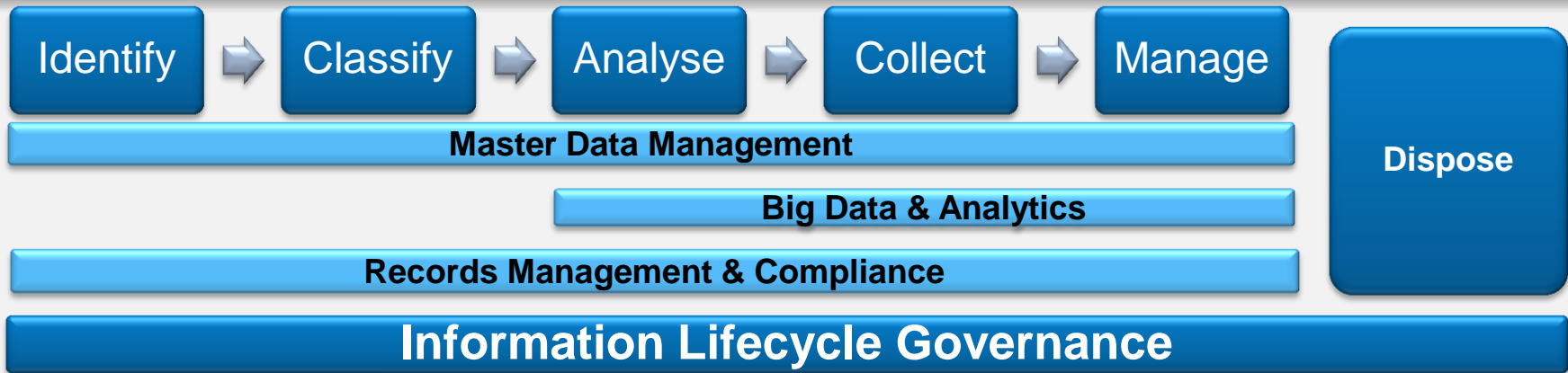
Simple Proposition: Identify & Dispose of Unnecessary Data



Business outcomes need to be based on sound information economics



Identifying & Managing Value, Costs, Duty & Risks



Start the Journey with Early Assessment & Culling



Quick Win Approach

(3-4 weeks)

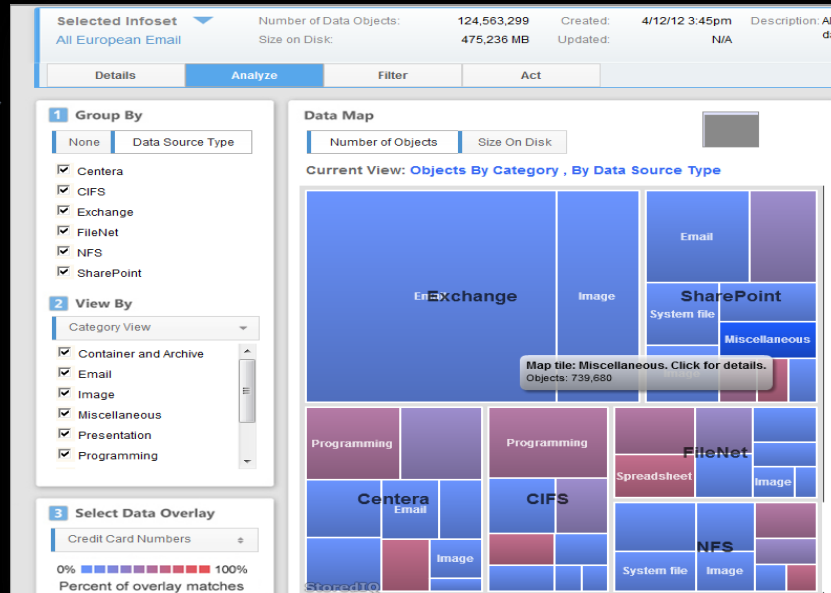
Identify & delete ROT

- Redundant
- Obsolete
- Trivial

15-25% of data

Privacy

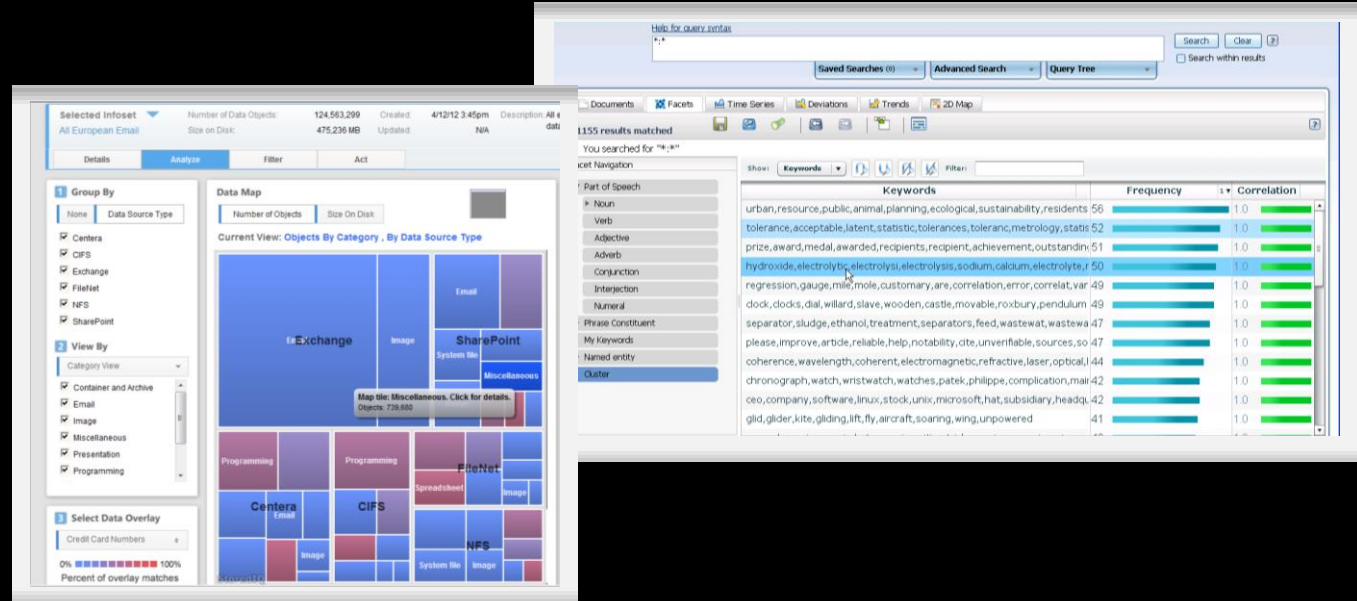
Compliance



Instrumentation for Identification & Assessment

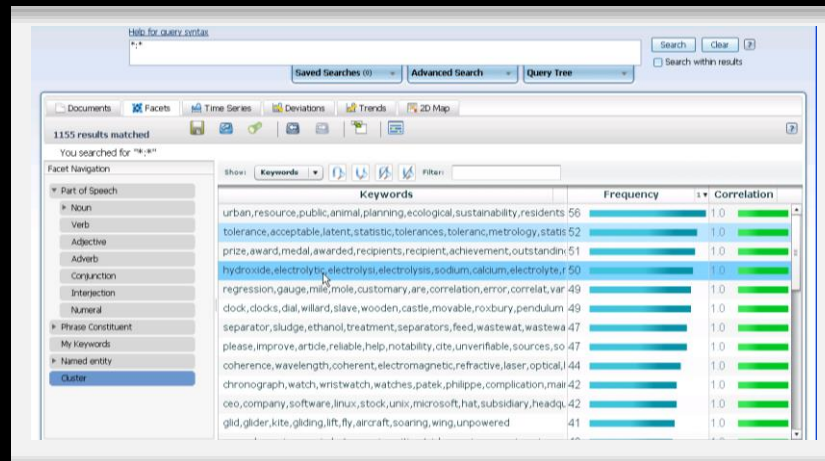
Crawl and identify information types and key data in unstructured documents while “Managing in Place”

- Redundant, Obsolete & Trivial
- 15-25% of data
- Privacy
- Compliance



Automated Classification of Unstructured Information

Artificial intelligence based classification to perform fine grained analytics, scoring & similarity analysis



Novartis AG Increase Disposition Capability Ten-fold

10 X

Disposition Capability

6 Weeks

Transformed
Retention Maturity
Level from 1 to 4



Business Problem:

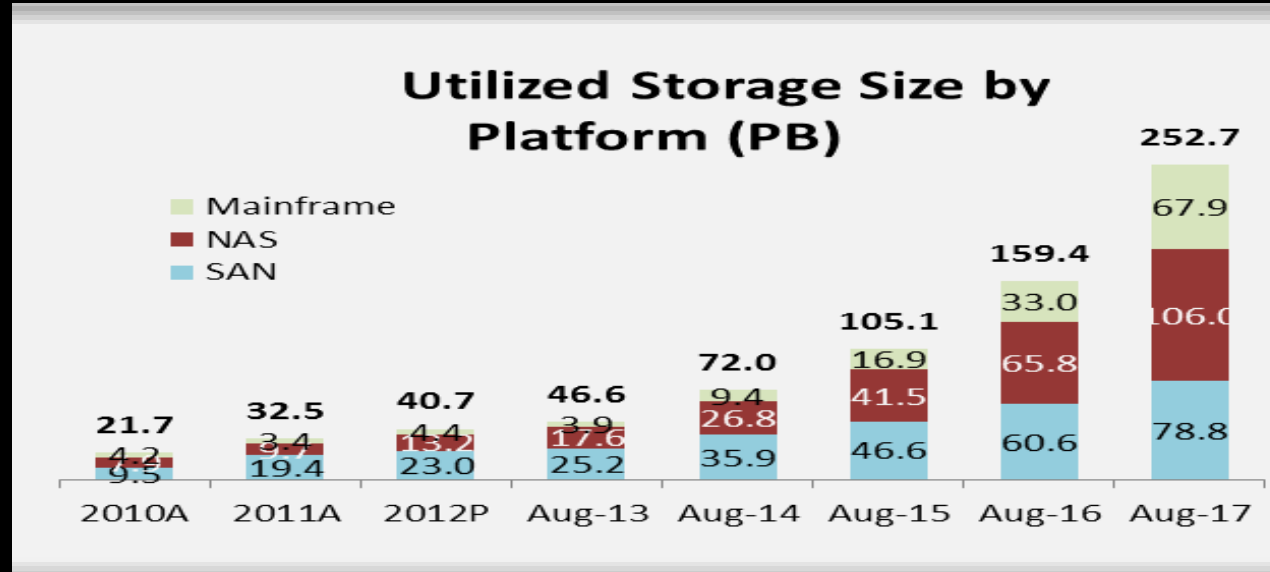
- Required an efficient, defensible approach to retain information of business value or for regulatory requirement
- Preserve information needed for litigation
- Discard unnecessary information

Solution Benefits:

- Ten-fold increase in ability to dispose of unnecessary information
- Reduce litigation and compliance risk with defensible, routine disposal of unnecessary information
- Lower litigation and regulatory compliance risk
- Lower cost with defensible, routine disposal of unnecessary data not needed for legal or business reasons

Financial Services Case Study - Cost

FIRM utilized storage requirements were growing more than 6X from 40PB to 250PB in 5 years



Financial Services Case Study – Risk

“Demand Management” processes had not matured to reflect increasing volumes

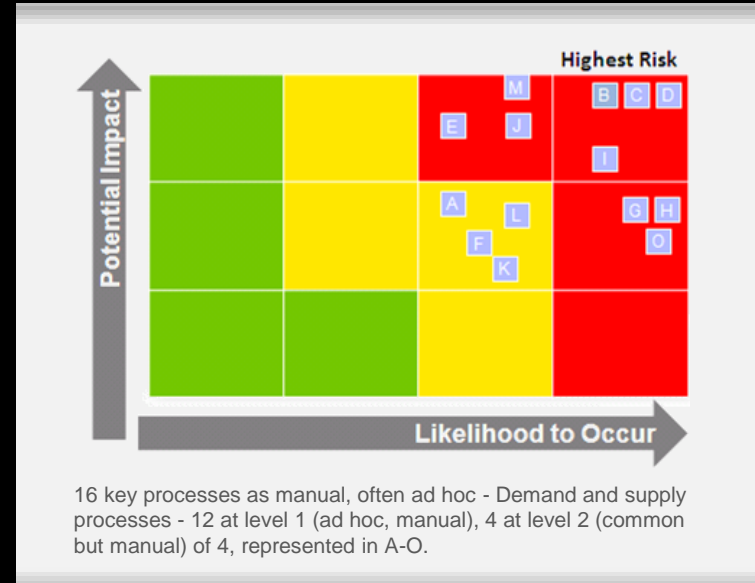
Difficulty disposing of unnecessary data

Complexity in applying legal holds

Challenge to ensure record keeping compliance

Inefficiencies in data management

Inability to align IT with information value

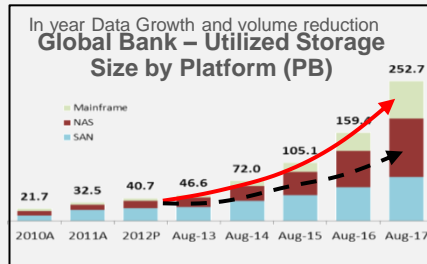


Financial Services Case Study – Power of the Business Case

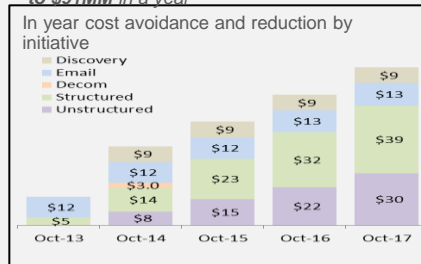
Total “Green” ILG Cost Reduction in 5 Year Business Plan

By archiving data of value, and disposing of data without value to the organization

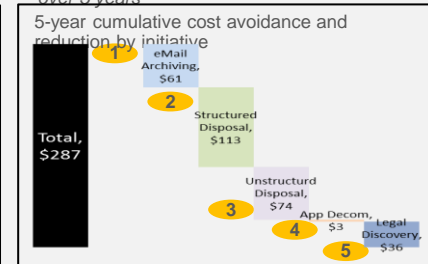
...avoid data growth of 53PB over 5-years



...5 initiatives can avoid and reduce costs up to \$91MM in a year



...and avoid and reduce spend of \$287MM over 5 years



IBM Experience

- **Defined the Defensible Disposal market** which is now championed by several vendors and analysts in the industry.
- **Provides strategy, expertise, and technology** to operationalize Defensible Disposal projects preferred by major clients in Banking, Insurance, Financial Markets, Oil & Gas, Life Sciences.
- **Experts** to assist in Defensible Disposal initiatives:
 - Experts with insight into information stakeholders' functions including IT, Legal, Records Information Management, Privacy, Security, and the Business.
 - Open Industry Leadership, Contribution, and Insight
 - EDRM Advisory Board Membership
 - IGRM Co-Leadership and working group members
 - Watson, Big Data and Analytics Innovation
 - Founders of the CGOC



www.cgoc.org

WEBCAST 
Putting Information to Work: Key Insights from CGOC Summit 2014
June 5th | 1pm ET

- [Join over 2000 legal, records and IT practitioners](#) from companies such as Bank of America, ExxonMobil, GE, Kaiser Permanente, Liberty Mutual, Novartis, Procter & Gamble and Toyota.
- The CGOC is a practitioner community focused on the intersection and challenges of ediscovery, retention, information governance and management.
- Its mission is to provide executives the opportunity to benchmark and exchange case studies; its practice groups focus on discreet areas in preservation, retention, and information governance to deliver work products that help our members best approach the challenges in maintaining best-in-class programs.
- Quarterly newsletters and monthly in-person and web-based meetings keep you informed and provide you the opportunity to engage with your peers.

Featured Resources



Disposing of Digital Debris, Information Governance Strategy and Practice in Action (EDRM/CGOC White Paper, 2014)



Information Lifecycle Governance Requirements Kit (CGOC Publication, 2014)



Information Lifecycle Governance Leader Reference Guide - Second Edition (CGOC Publication, 2014)



Maximizing the Value of Information Technology (Report prepared by CFO Research with AlixPartners)

[More »](#)

Information Economics



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Thank You

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