

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%



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

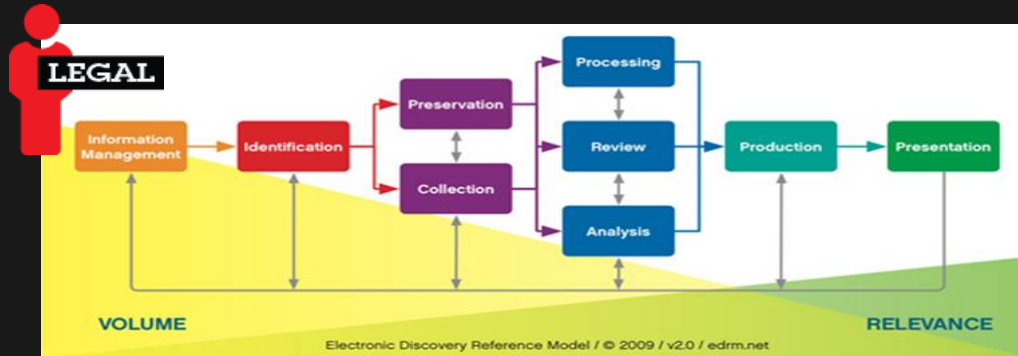


LEGAL

- 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

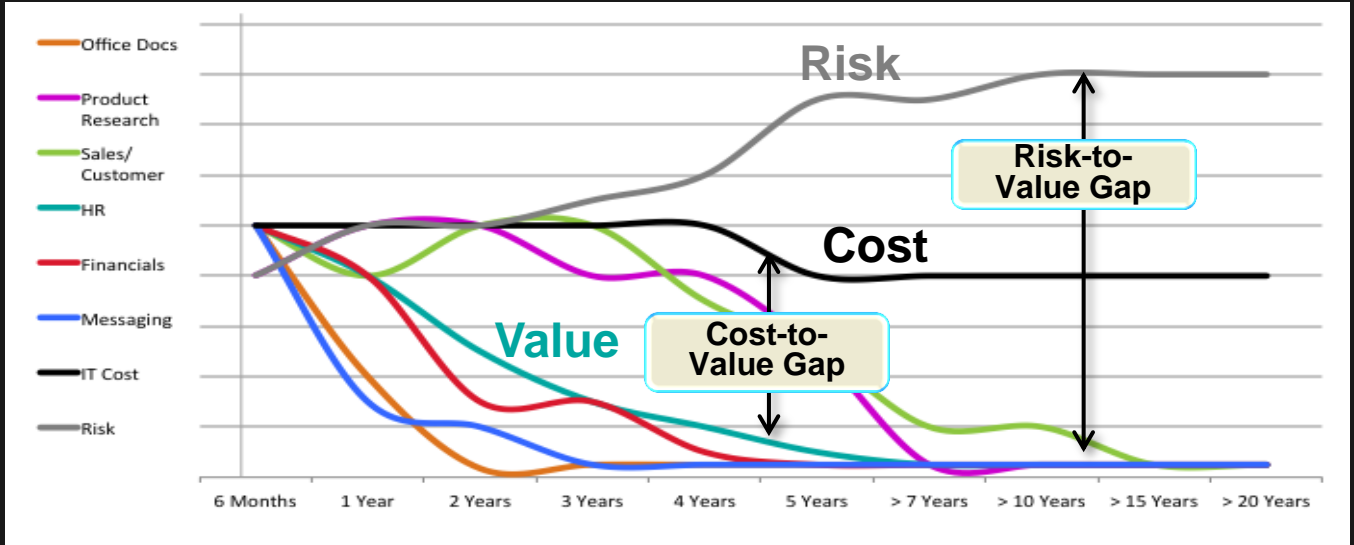
(unstructured)

- Imaging
- Document Mgmt
- Report Mgmt
- Records Management

CONTENT

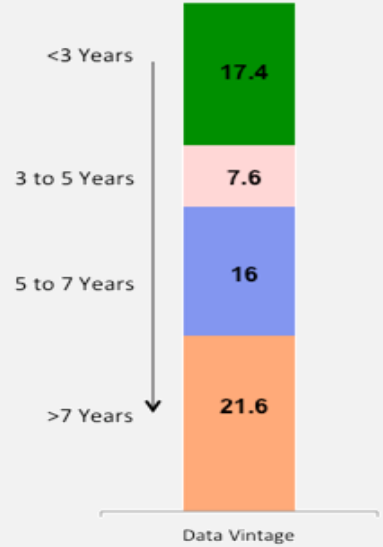
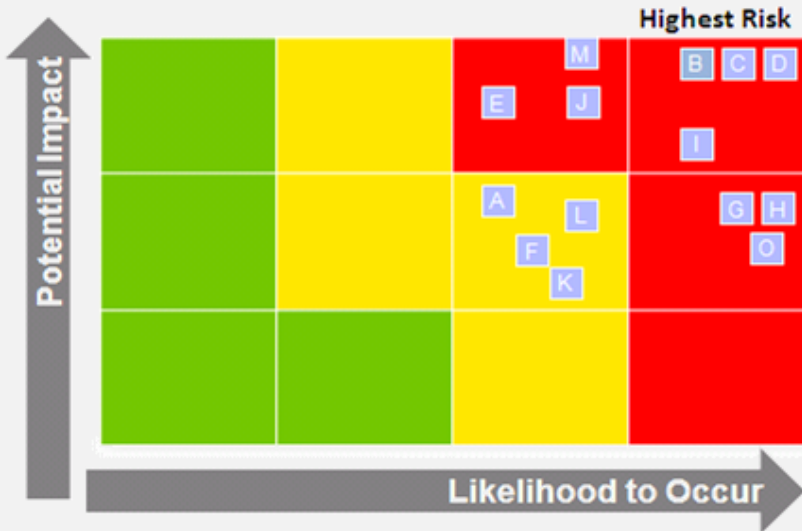
Content lives everywhere and is growing faster than any other data

INFORMATION VALUE DECLINES OVER TIME, BUT COST AND RISK DO NOT

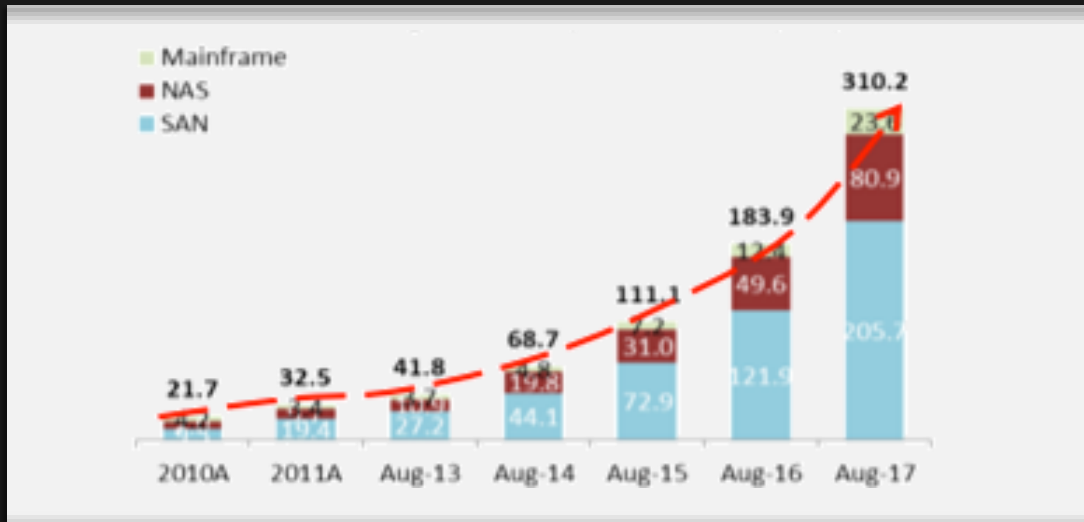


1 Source: Big data: The next frontier for innovation, competition, and productivity McKinsey & Company, 2011 Study
 2 CGOC 2012 Summit Survey

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



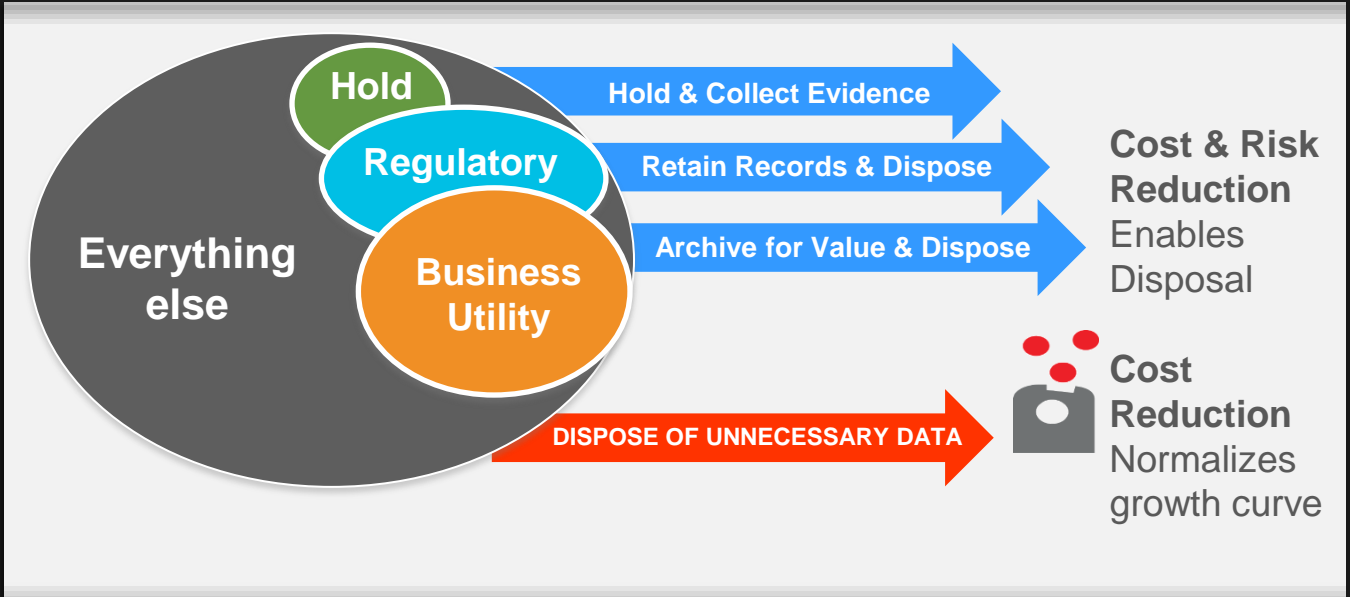
Inability to implement



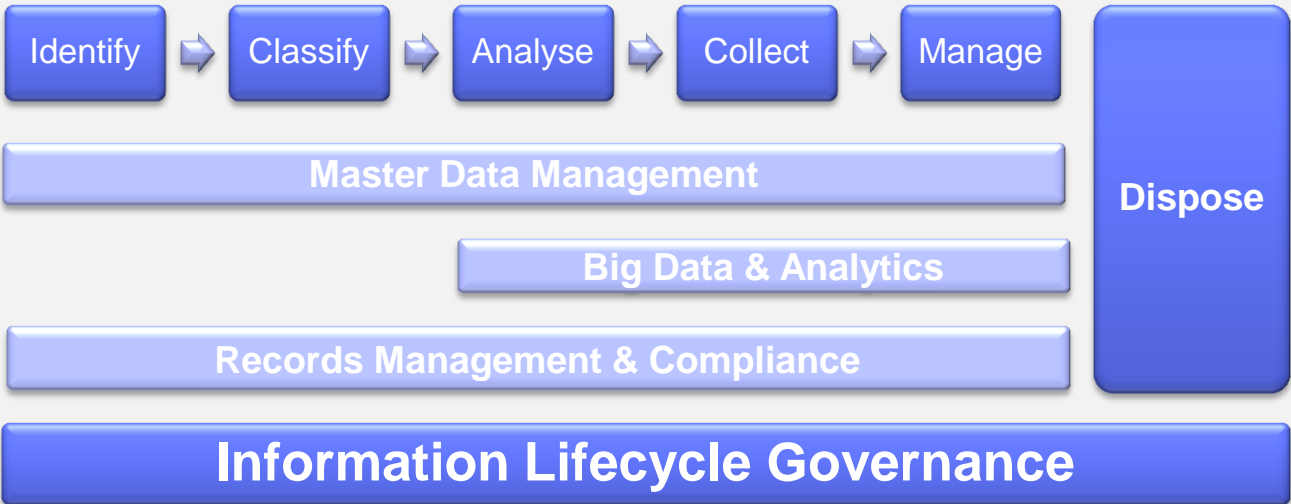
Over supplies
legal, under
supplies business

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

SIMPLE PROPOSITION: IDENTIFY & DISPOSE OF UNNECESSARY DATA



IDENTIFYING & MANAGING VALUE, COSTS, DUTY & RISKS



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:

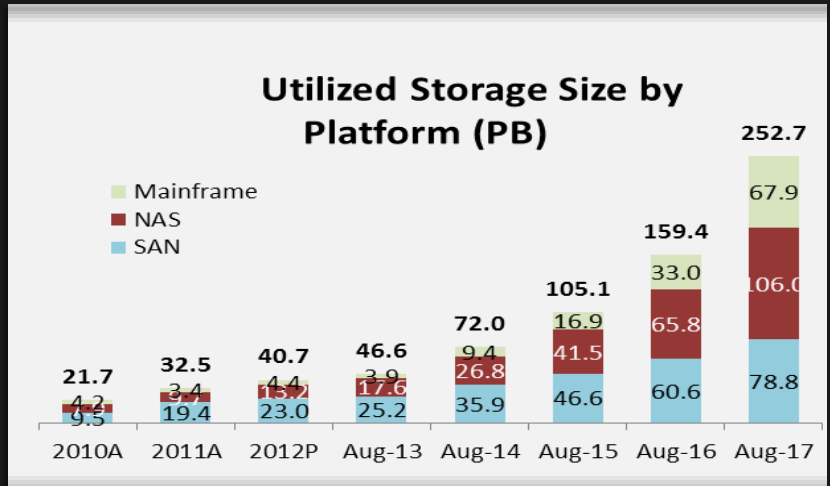
- Ten-fold increase in ability to dispose of unnecessary information
- Reduce litigation and compliance risk with defensible, routine disposal of unnecessary information
- Lower litigation and regulatory compliance risk
- Lower cost with defensible, routine disposal of unnecessary data not needed for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

SAN dominated storage

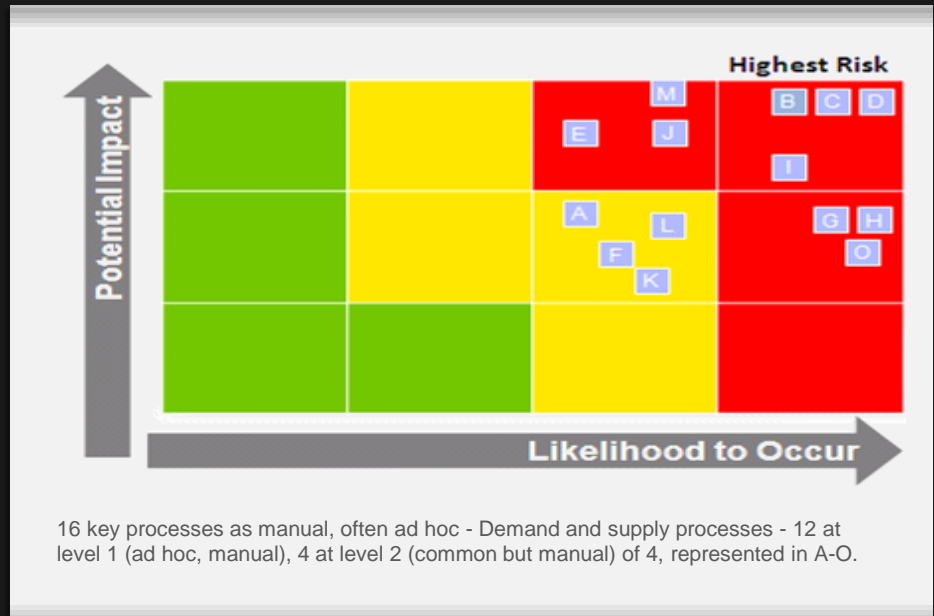
- Roughly doubled every year since 2008
- Grown more than 10X from 2007-2011
- Makes up 60% of storage vs 10% in 2007



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

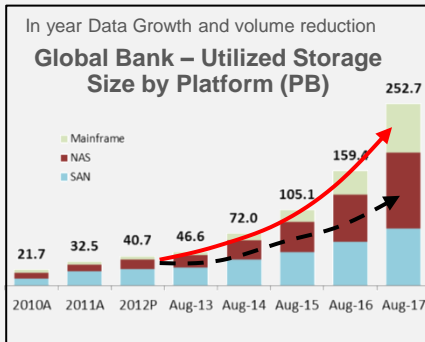


FINANCIAL SERVICES CASE STUDY – POWER OF THE BUSINESS CASE

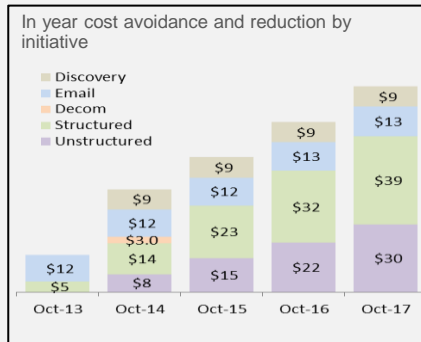
Total “Green” ILG Cost Reduction in 5 Year Business Plan

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

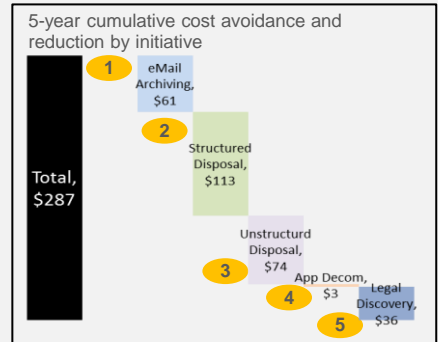
...avoid data growth of 53PB over 5-years



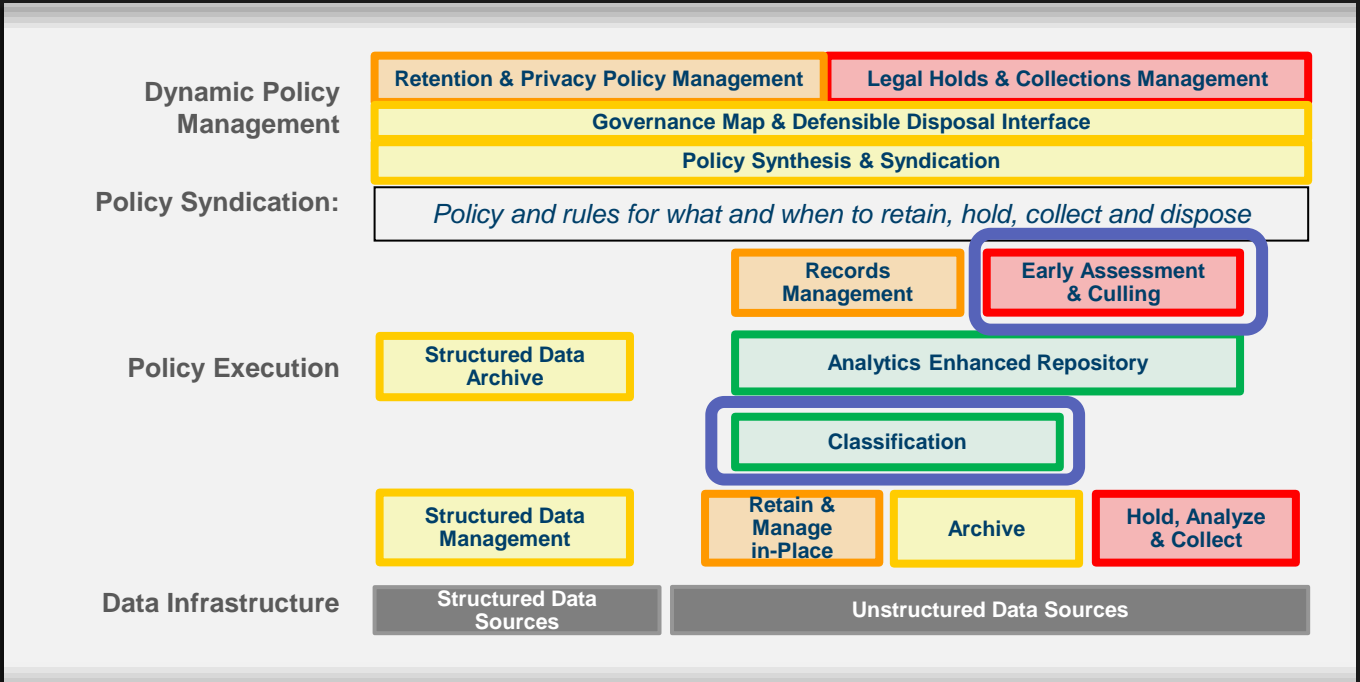
...5 initiatives can avoid and reduce costs up to \$91MM in a year



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



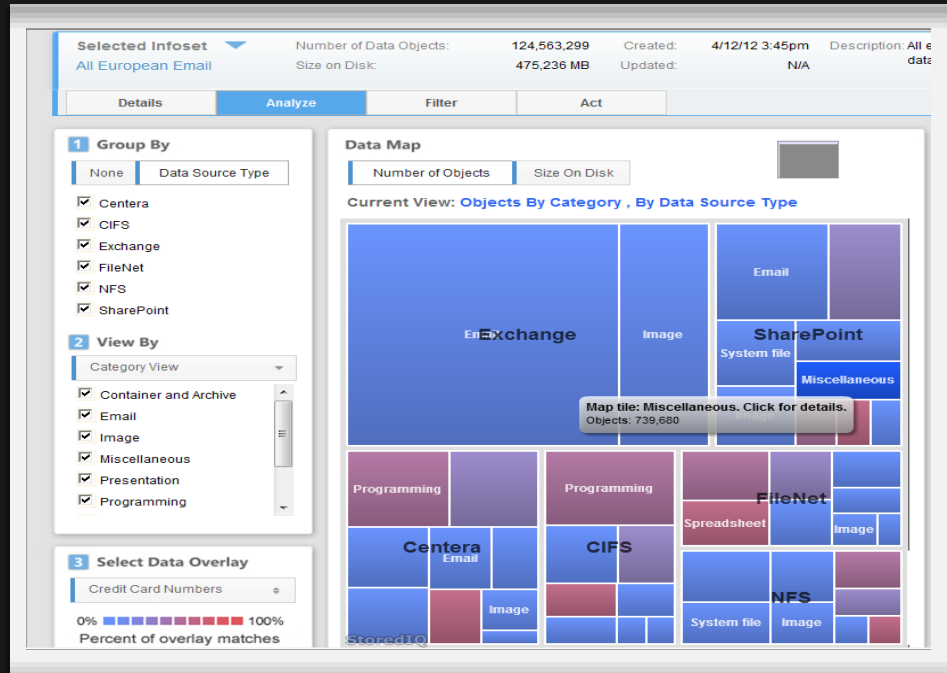
SOLUTION VISION TO IMPROVE INFORMATION ECONOMICS



INSTRUMENTATION FOR IDENTIFICATION & ASSESSMENT

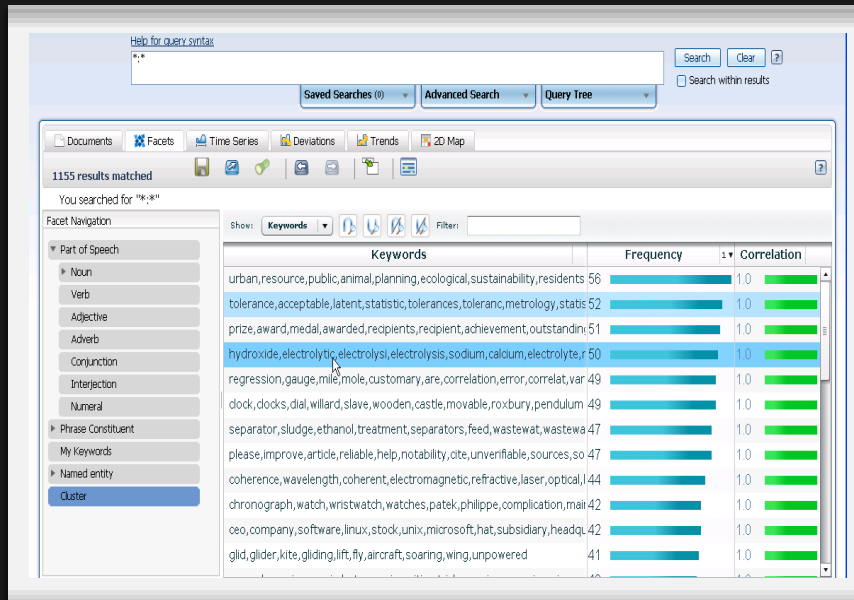
Crawl and identify information types and key data in unstructured documents while “Managing in Place”

- 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



START THE JOURNEY WITH EARLY ASSESSMENT & CULLING

Identify



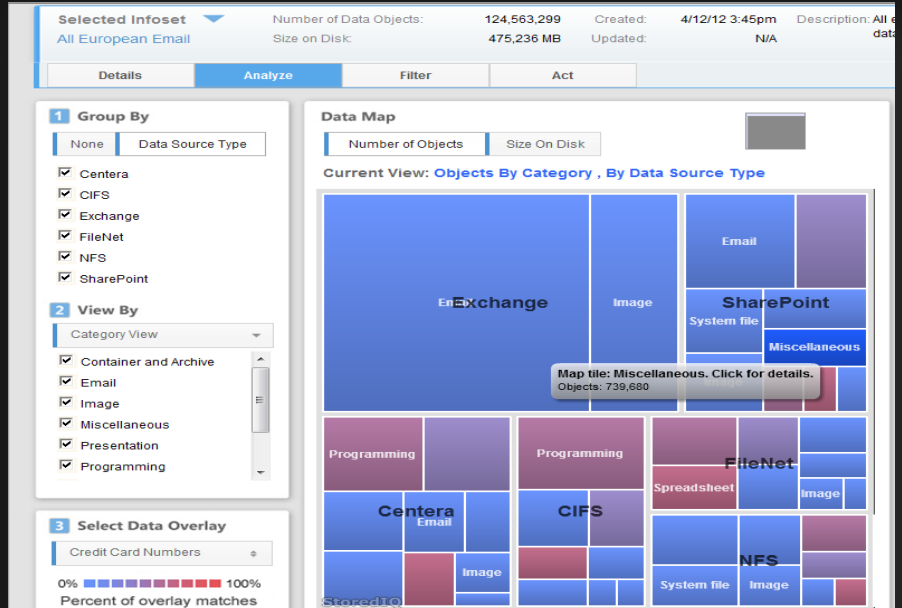
Classify



Quick Win Approach

(3-4 weeks)

- Identify & delete ROT
 - Redundant
 - Obsolete
 - Trivial
- 15-25% of data
- Privacy
- Compliance



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
 - Founders of the CGOC
 - EDRM Advisory Board Membership
 - IGRM Co-Leadership and working group members
 - Watson, Big Data and Analytics Innovation



INFORMATION ECONOMICS

Understanding and getting value from your unstructured data



Thank You

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