RIM and ROI

How to "Sell" your Information Governance Needs to Management

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What Does the C-Suite Care About?

- Profitability

- Reputation

- Strategic Planning/Strategic Issues

- High Stakes Litigation

- "Bling" issues – Big Data, Dark Data, E-discovery

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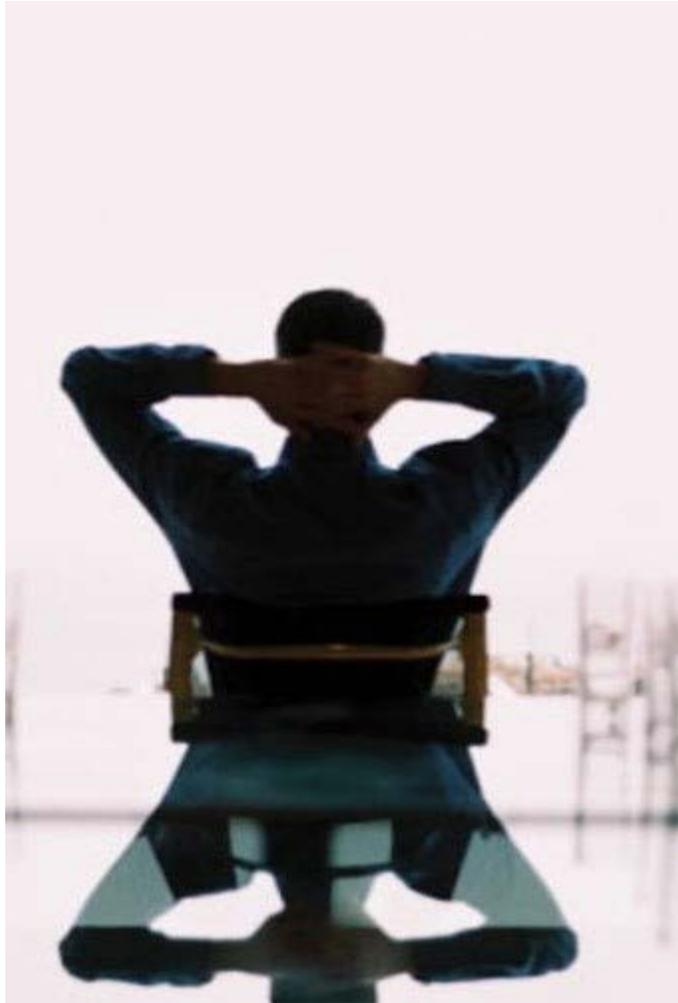
What Does the C-Suite NOT Care About?

- Process efficiency details

- Small-scale cost savings

- Making life a little easier for employees

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Some Large-Scale Facts

- 40%-50% of the documents produced in a lawsuit are expired – their retention period has run and they could legally have been destroyed

- 40%-50% of the information on the typical IT system is not needed for any business purpose

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Some Large-Scale Facts

- Litigation Costs

- 75%-80% of an organization's litigation budget is spent on discovery/document production

- The average number of documents produced in a commercial lawsuit is 2,000,000

- Average fully-loaded cost of production per document ranges from $7 to $15

- The average number of documents actually used in a lawsuit is 1,000 to 2,000

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Some Large-Scale Facts

- We used to talk about gigabytes of data, now the conversation is how many hundreds of terabytes, or how many petabytes

- Discovery at this magnitude:

- Per terabyte, before human review

- $.5 to $1 Million to find

- $.5 to $1 million to process

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Some Large-Scale Facts

- Data Growth

- IT spend as a percentage of revenue – – 9.7% annual growth

- Storage cost as a percentage of IT spend – 8% to 9%

- Unstructured data as a percentage of all data – 56%

- Annual growth rates of unstructured data – 40% -- 60%, compounded

- Yearly reduction in storage and infrastructure cost – 10%

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The Issue of Reputational Risk

- Embarrassing data breaches
- Unnecessary breaches of unneeded data
- Litigation issues
- Spoliation
- Sanctions
- Regulatory investigations and issues

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What Does All This Mean?

- Exponentially growing data growth will:

- Bloat your IT budget

- Explode your litigation budget

- Pose significant reputational risk

Storage is Cheap, BUT:

- Data lives on drives
- Drives live on servers
- Servers live in controlled environments
- Servers and environments are expensive:
  - Energy costs – power, cooling
  - Infrastructure – land, buildings, equipment, telecommunications connections
  - Personnel
- The drives are the things that are getting cheaper - everything else gets more expensive
- Out of control data grow swamps the improvements in storage density that drive down storage costs alone

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Key Metrics for the C-Suite

Total IT spend

- Uncontrolled, it will grow nearly 10% per year
  - 40%-50% of data under management is unneeded for any purpose

Total litigation spend

- 75%-80% is the cost of document production
  - Fully loaded cost of production is $7 - $10 per document
  - 99.9% of produced documents are not used

Bottom Line

- Small, incremental improvements yield enormous savings over time
  - Slowing of data growth
  - Reduction of litigation costs
  - Reduction of exposure
- Remember, if it's not there, it can't be breached or compromised, it can't be produced in a lawsuit or regulatory matter
  - Ultimately, huge cost savings

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Some Things to Remember

- Avoided cost = profit – both go directly to the bottom line

- For a large organization, the total litigation budget may be billions, not millions of dollars

- Good basic RIM-IG offers the opportunity to put very large money back on the table for any organization

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