RICOH
imagine. change.

Information governance: Pragmatism & priorities

Roadmap to success: A solid, actionable framework for information governance that adds value to your organization.

We do business in the age of information. The amount of data, the number of sources, the uses for data, and the routes that it travels have all been growing at an exponential rate. According to an IDC study, 40 zettabytes of information will be generated by the year 2020.[1] That's 40 trillion gigabytes. Most of this is unstructured data, meaning that building an efficient information infrastructure and governance strategy is of vital importance for businesses that want to capture and leverage useful business information.

Not so many years ago, business information was mostly synonymous with paper documents. Pages moved through an organization, got passed around, copied, mailed, filed and so on. Over the years, that paper container of information became more and more digital – scanned, saved and put into a system. The trouble is that those "containers" of information often aren't connected, creating roadblocks that prevent information from flowing freely through the system and to users.

The volume of info assets has exploded — unmeasured and unmanaged — representing the **next frontier** to drive innovation and competitive advantage.

Take a lesson from music

Business information has evolved in very similar ways to that of music and media. Previously, music was stored in a container – an album, cassette tape, CD, etc. To listen to music you had to access the container it was stored in. If you didn't have access to that particular physical container, you couldn't listen to music. Technology advanced and brought sweeping change as the music industry evolved, offering new, flexible ways to access music. It's available on demand; you can stream it; listen to it from any device; move it from one place to another; even create customized playlists based on your use and preferences. It's all about flexibility and choice.

Containers create chaos

Businesses face the same challenge as the music industry did when the tunes were trapped in containers. Electronic content doesn't have the same physical constraints as paper documents. However, in many organizations, information is still trapped in disparate silos and duplicated many times over like so many mix-tapes. Different systems hold the same information, but for different purposes. It's very inefficient, leaves room for errors and incomplete information and opens the door to compliance and security risks.

[1] Source: IDC InfoBrief. "Addressing Information Gridlock." https://www.ricoh-usa.com/-/media/ricoh/common/pdfs/infocenter/whitepapers/addressing-information-gridlock-idc-study-infobrief.pdf

Holistic, transparent, control

In a highly efficient and optimized environment, consuming information is based on choice and flexibility. In an efficient environment, systems are connected, data is available and secured and users are able to consume information from anywhere, anytime on any device.

The importance of managing, securing, sharing and measuring information is the core of Information Governance (IG). IG enables you to extract the value of information to make better decisions and move your business forward. But how to go about the massive task is harder to grasp. The need for business to move at the speed of information has created new ways for defining, processing, collecting, accessing, using, creating, archiving and disposing of information. IG includes processes, roles and policies, standards and metrics, and is not bound to technology alone.

Key focus areas of information governance

- Availability
- Usability
- Integrity
- Security

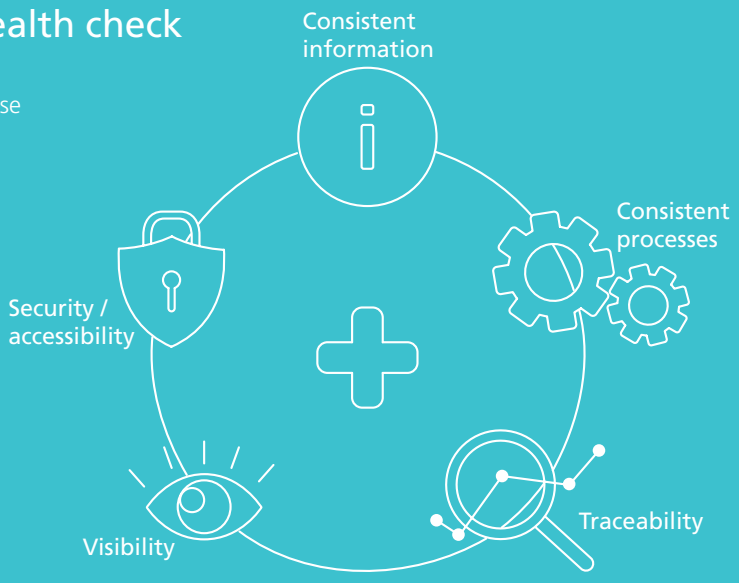
Why information governance?

- Ungoverned information can be risky and can drive up costs.
- Well-governed information overcomes that challenge and uncovers opportunities to drive business value.
- IG encompasses all content regardless of format or repository.

Information governance health check

Take the pulse of your IG efforts by asking these questions of your core business processes:

- How do you manage a single piece of information that is required by multiple departments?
- Do you have documented processes and policies for when, where, and why information should exist?
- Are policies clear and understood at all levels?
- Are there adequate security measures in place, or is the volume and surface area of what needs protecting unsustainable?



The economics of information

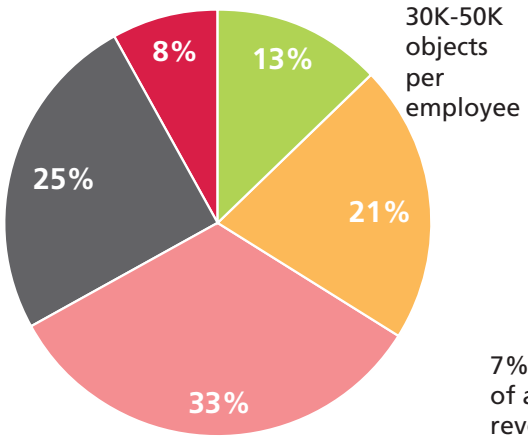
For Ricoh, solid IG is founded on information economics. Our history over the last 80 years has revolved around helping enterprises make smarter decisions on the volume and value of paper and digital assets. This approach quantifies information, making priorities and progress far more clear. For example, based on the results from dozens of our own client engagements, as well as research commissioned by Ricoh through third party industry analysts, the average organization has between 30,0000 and 50,000 pieces of information per employee spread across multiple repositories. Multiply that by the number of employees and you get an idea of the vast volume of information and its impact on the business.

The total cost of ownership (TCO) for this information varies based on its use, and the maturity of the strategy and architecture. But regardless of the size of the client environment or industry, Ricoh experts estimate that the total hard costs, soft costs, and risks directly tied to information consistently range between 7% and 15% of annual revenue.

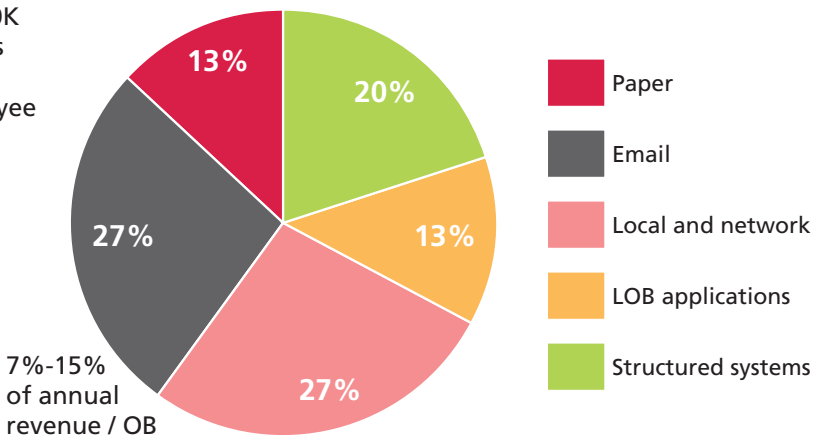
From these findings, it is worth stressing that the majority of cost and information volume reside in systems that currently lack basic functionality for consistent management, security, mobility, legal and regulatory responsiveness.

Too few organizations realize, measure or achieve a rate of return on their information investments. Gartner reports that just under 50% of organizations prepare a formal business case or detailed cost-benefit analysis for their data and analytics investments.[2]

Volume by type of information



Total cost of ownership



[2] Source: Gartner "Value of Data and Analytics Survey. https://www.gartner.com/doc/3645361?srcId=1-3931087981

Factors of information economics

Choose information governance practices that enable you to leverage information for business advantage, as opposed to just maintaining the data.

How do you address the volume of information that you're dealing with? How do you break it down into measurable units – such as number of users, objects and gigabytes? Putting strategic value to your information assets allows you take greater control and delivers a quantitative benchmark to understand your IG priorities.

A common myth is the only cost associated with data is digital storage and resources. However, costs extend far beyond that. The main types of costs associated with information are:

Asset costs

Assets costs are "hard costs" – systems, infrastructure, fixed resources, etc. In client engagements and research conducted with outside firms, we've found these "hard costs" can encompass 20 to 35% of TCO. The good news is that these costs are objective, and just take time to assemble.

Process costs

These can get a little trickier to quantify. As an example, an organization could have 10, 20 or more systems that are needed to create, store, use, edit, and transmit one piece of information throughout its lifecycle. That means one business decision requires dozens of manual interactions from knowledge workers to complete. The more automated and streamlined your processes, the lower the total cost of ownership. For most organizations, this can represent between 50% and 80% of the TCO.

Risk costs

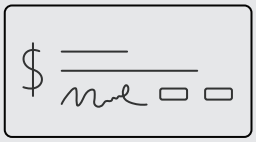
Risk varies widely by organization and industry, but we estimate it usually amounts to 10 % to 30 % of the TCO. It can include litigation, security breaches, compliance, the cost of obsolescence and more. Risk doesn't discriminate by where information is stored or in what format.

Understanding the total cost of ownership for your information enables you to turn the flood of unstructured data into a stream of innovation.

Information's TCO

Although costs can vary widely by the organization and industry, based on our client engagement and research from third parties, Ricoh estimates the costs of information to be:

Assets
Fixed costs, infrastructure, resources

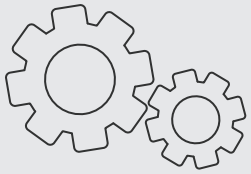


20-30% of TCO

Risks
Security, compliance, litigation, etc.

10-30% of TCO

Processes
Costs of creating and using information



50-80% of TCO

Getting started: A roadmap for success

Understanding your organization's objectives for the management of information in the context of overall business goals is fundamental to producing a strategy that will achieve its long term aims.

An information roadmap is a good first step. It provides a broad assessment of what you're dealing with. Once information is quantified, you have a more tangible, actionable plan. Understanding how you currently tackle information management and what gaps exist to meet a desired end state will provide a focused plan for improvement. Prioritizing the plan based upon the cost analysis as described, and in parallel with business imperatives, will help define the "must have" objectives.

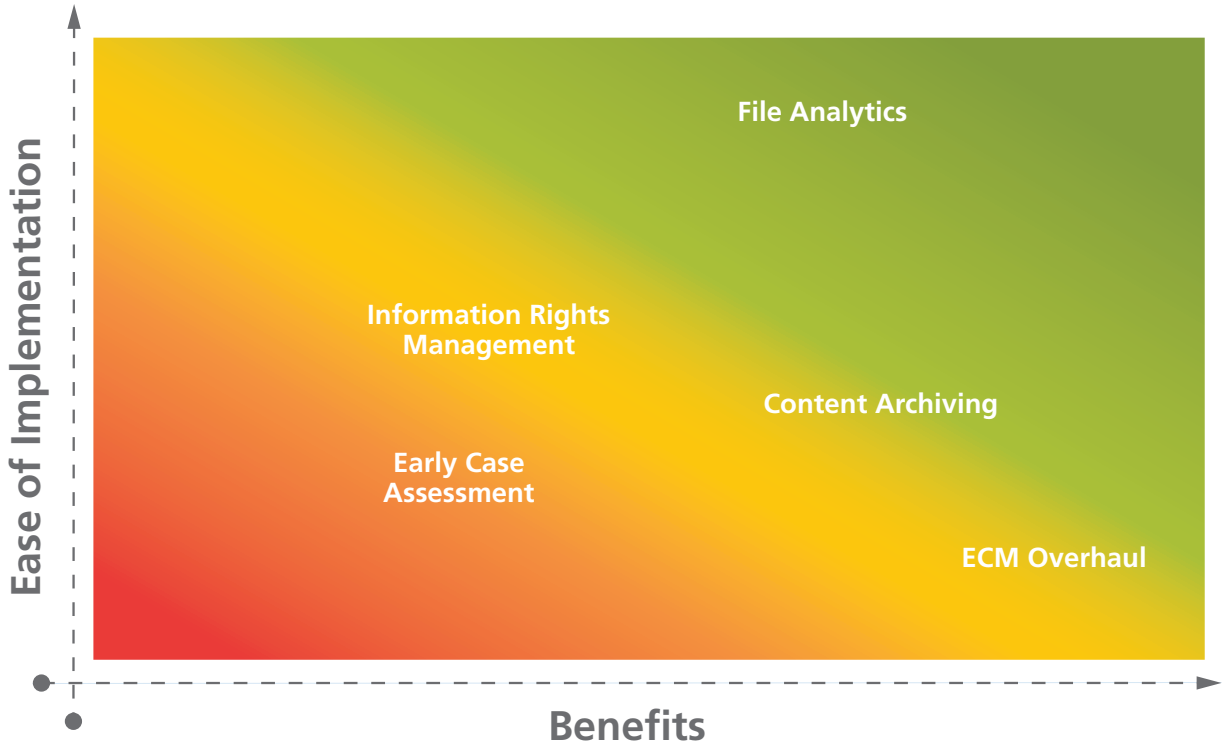
Instead of addressing one priority at a time, which can be an overwhelming and unrealistic task, link them together into a roadmap. Start with quick wins, which may not be as beneficial but are easier to implement. When you prioritize those initiatives first, you can use the savings generated to roll into future investments in high-dollar, high-benefit projects in a continuous, self-funding model.

File analytics is a good first step in your roadmap, because it helps you put some context around information. In other words, file analytics helps you "know what you don't know" by bringing together many different sources of information into one view and providing some quantitative context around it.

Archiving is another source of low-hanging fruit. Your organization likely has information that has business value but doesn't impact day-to-day business. Moving that information off of primary storage into an archive solution or to the cloud takes it out of network, but still makes it easily accessible.

Next you are ready to move to larger initiatives such as **Enterprise content management**. Bringing information together in an analytical view helps you determine if you need a complete overhaul, if existing systems can be combined or migrated, and what the best scale is for a cloud or on-premise solution.

An effective strategy should provide flexibility for your organization to adapt to new demands for IG; **Change management** will be critical to the process. Make choices about how you want to operate and what priorities you should address by taking into account business, competitive, regulatory and compliance drivers.



Bringing it all together

We've seen clients achieve their goals consistently by **engaging** those people in different business units most impacted by a potential change early on, then casting a wide net over data to **understand** it, visualizing and **comparing** it in a meaningful way, and then diving down into specific process gaps with the proper **modeling** tools to predict and govern outcomes. The end result is knowledge and understanding of risk, a plan to manage critical areas and gain more clarity around information-driven processes across key business areas.

Information governance empowers your employees to effectively **collaborate** while managing **risk** and **cost** holistically.

Learn more about how you can secure & manage access to information.

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