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# The Impact Of Convergence On Content Management, Archiving, And Retention Policies

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## EXECUTIVE SUMMARY

Enterprises need consistent content management approaches to contend with the explosive volume and diversity of content. The rapid rise of email, documents, rich media, images, and other unstructured content types entails significant total cost of ownership burdens and makes accessing information difficult for both employees and business processes. This content surge has coincided with increasingly complex compliance and eDiscovery requirements that complicate content-related risk mitigation. Historically, organizations attempted to address these issues by focusing on a single application or content type — such as email archiving — leaving today's organizations with highly fragmented environments. The challenges posed by this situation directly affect enterprise balance sheets, capture executive attention, and provide information and knowledge management (I&KM) professionals with an opportunity to lead with new approaches to retention management.

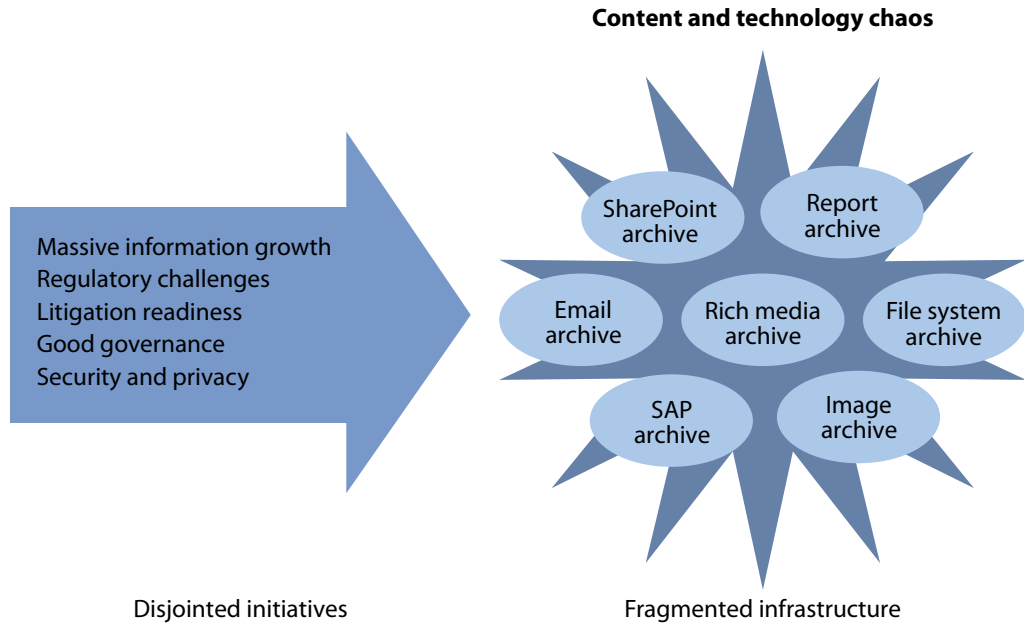### CONTENT AND TECHNOLOGY CHAOS DRIVE INCREASED RETENTION RISK

Today's broken archiving and retention management approaches, often built as separate, isolated, and incomplete initiatives, can't keep up with current digital asset growth and the mandates that enterprises must follow to manage content proliferation. Recent regulatory requirements and the revisions of the Federal Rules of Civil Procedure (FRCP) have shifted historical focus from managing and retaining paper assets to retaining a broad array of electronically stored information (ESI).[1]

Yet unbelievably, 40% of organizations still do not include electronic records in their retention schedules.[2] In addition, the number of standalone deployments continues to increase. Email archiving, for example, is becoming much more prevalent, while enterprise content volumes and diversity continue to expand sharply. I&KM pros face unprecedented challenges and risks in addressing this technology fragmentation. Few I&KM pros react with holistic approaches. Instead, companies:

- **Take the "knee jerk" reaction to address specific symptoms.** Simply adding additional point solutions to solve a specific problem causes content and technology chaos for many I&KM pros as the number of disconnected systems increases (see Figure 1). As a result, enterprises have low confidence that they can deliver accurate, accessible, and trustworthy ESI.[3] This low confidence also comes with a cost, which is reflected in a recent surge of legal penalties. Since the revisions to the FRCP took effect, courts have issued multiple eDiscovery-related opinions, resulting in millions of dollars in sanctions and court-mandated expenses. Additionally, many enterprises have settled out of court to avoid these significant litigation costs.

- **Focus narrowly on regional regulatory demands.** Frequently the need to adhere to a specific regional, national, or local regulatory requirement will drive adoption of a particular technology deployment. For example, an enterprise may acquire a specific compliance solution to meet the needs of SEC Rule 17a-4 or the Health Insurance Portability and Accountability Act (HIPAA) without factoring in the broader international regulatory framework. This more limited perspective can contribute to propagating isolated deployments and enterprise infrastructure fragmentation.

- **Think that eDiscovery technology provides the answer.** The Electronic Discovery Reference Model (EDRM) outlines several steps within the eDiscovery process — such as collection, processing and preparation, review, and production — and no single vendor currently provides a complete technology solution.[4] Yet many enterprises lack an appropriate records and retention management and archiving platform, as well as process support, to proactively manage information to support eDiscovery needs. As a result, they frequently take a reactive posture, paying a high price to manage an inefficient and time-consuming process that is fraught with risk.[5]

- **Focus on the specific operational objectives of one group or role.** All too often, a particular group, such as IT or legal, will drive enterprise technology acquisitions to address a specific compliance or archiving need with limited coordination or context from other stakeholders. For IT infrastructure and operations (I&O) professionals, capturing administrative and total cost of ownership (TCO) benefits remain primary drivers. For example, a large enterprise facing challenges with an SAP instance recently calculated that it had achieved more than a 7 terabyte reduction in tier-one storage over the previous year, and that it had improved backup processes by 30% through implementing an SAP archiving solution. While isolated, IT-driven initiatives can lead to real business value, they also add to infrastructure and retention management complexity.

- **Attempt single-repository science projects.** A holistic approach to compliance and archiving — with consistent policies for retention, security, and life-cycle management — provides compelling advantages, but the concept of a single repository is not realistic. Legacy systems will remain important, corporate mergers will happen, internal and external users will demand increased application flexibility, new content sources will emerge throughout your organization, and the use of software-as-a-service (SaaS) will limit repository consolidation.[6]

- **Struggle to cope with vendor consolidation implications.** During the past year, the archiving, records and retention management, content management, and eDiscovery markets have consolidated significantly (see Figure 2). At the same time, large enterprise content management (ECM) vendors such as EMC, IBM, Open Text, and Oracle increasingly focus their attention on integrating their related portfolios into unified retention and archiving platforms. This recent market consolidation limits the number of applications available from "pure play" providers and brings into question the long-term viability of smaller independent vendors.

**Figure 1** Fragmentation Leads To Chaos

**Content and technology chaos**

Massive information growth
Regulatory challenges
Litigation readiness
Good governance
Security and privacy

SharePoint archive

Report archive

Email archive

Rich media archive

File system archive

SAP archive

Image archive

Disjointed initiatives                    Fragmented infrastructure

**Figure 2** Aggressive Consolidation Of Content, Retention, And Archiving Solutions

**Selected 2007 acquisitions:  eDiscovery, records management, and archiving vendors**

| Purchasing firm | Acquired firm | Relevant highlights |
| --- | --- | --- |
| Anacomp | CaseLogistix | eDiscovery |
| Allen Systems Group | Mobius Management Systems | Archiving |
| Autonomy | Meridio | Records management |
| Autonomy | Zantaz | Archiving and eDiscovery |
| Deloitte | Barrasso Consulting | eDiscovery |
| Google | Postini | Messaging and archiving |
| IBM | Princeton Softech | Archiving |
| Iron Mountain | Accutrac Software | Records management |
| Iron Mountain | RMS Services | Records management |
| Iron Mountain | Stratify | eDiscovery |
| Iron Mountain | Xepa Digital | eDiscovery |
| Merrill | Lextranet | eDiscovery |
| Private Investors | Syngence | Search |
| Seagate Technology | MetaLINCS | eDiscovery |

**Selected 2008 acquisitions (Q1 to Q3):  eDiscovery, records management, and archiving vendors**

| Purchasing firm | Acquired firm | Relevant highlights |
| --- | --- | --- |
| Dell | MessageOne | Messaging and archiving |
| Edmond Scientific | Access Litigation | eDiscovery |
| Epiq Systems | Pinpoint Global | eDiscovery |
| FTI Consulting | Attenex | eDiscovery |
| FTI Consulting | Strategic Discovery | eDiscovery |
| FTI Consulting | TSC Brasil | eDiscovery |
| Interwoven | Discovery Mining | eDiscovery |
| Hewlett-Packard | Tower Software | Records management |

47099                                                             Source: Forrester Research, Inc.

## CONVERGENCE PROVIDES THE OPPORTUNITY TO CURB CHAOS AND MITIGATE RISK

As silos proliferate, the resulting chaos leads to high TCO burdens, compliance challenges, and content access and leverage frustrations. Technology rationalization often affects IT roles by easing overall IT expenses and overhead. But content, archiving, and retention convergence addresses the fragmentation of technology and disjointed operational objectives within the enterprise. This convergence provides an opportunity for I&KM pros to sell their retention management strategy to others and leverage these lessons learned:

- **Focusing on retention management can lead to operational convergence.** I&KM pros can use technology convergence as an opportunity to increase their alignment with internal IT, legal, and business teams, and to lead the shift from fragmented applications to more holistic retention and archiving approaches. I&KM pros working with these different teams on broad retention policies now have stronger arguments against separate silos of technology to support the retention, security, and life-cycle management of content.

- **Working with ECM infrastructures and ecosystems helps avoid technology silo chaos.** Niche and smaller technology firms, while often nimble and requiring less costly application-specific deployments, contribute to silo chaos. I&KM pros can minimize this risk by pushing for portfolio strategies for retention and archiving, emphasizing consolidation with preferred ECM infrastructure vendors like EMC, Hewlett-Packard, IBM, Open Text, and Oracle where possible.[7] Given the long-term nature of records and archives, I&KM leaders should cautiously monitor engagements with point providers (like Quest Software for email archiving). We expect ECM infrastructure vendors to drive further marketplace consolidation over the next 18 months.

- **Embracing cross-repository technologies versus repository consolidation reflects reality.** It's important to factor cross-repository capabilities into your retention and archiving strategies, such as federated records management (FRM), information rights management (IRM), and enterprisewide search. While recent announcements of interoperability standards may eventually help, proceed with caution with FRM deployments. According to one ECM project leader at a large North American insurer, "We've run into too many issues, and can't guarantee that once we integrate we can show that the federated content is actually locked down."[8] Consider effective cross-repository search vital — beyond being an important element to support eDiscovery needs.[9]

R E C O M M E N D A T I O N S

## FOCUS ON STRATEGIC SIMPLIFICATION FOR RETENTION AND ARCHIVING

Every enterprise has different compliance and archiving needs, and no single vendor can meet all of these requirements, especially when factoring in complex demands around eDiscovery. Enterprises can work to curb silo proliferation and rationalize existing archive environments. To do so, I&KM leaders should:

• **Determine vendor retention and archiving portfolio capabilities and modularity.** The revisions to the FRCP identify all types of electronic information, not just documents and emails, as subject to discovery. Define retention strategies and assess vendors' strengths in delivering retention management and archiving functionality for a wide range of content types and applications. Include email, files, SharePoint, SAP, reports, and other types of ESI as well as physical records that matter most to your enterprise needs. Double-check actual integration capabilities through references to avoid confusion with vendor vision. Ensure that you can apply the vendor's retention management capabilities consistently across your key applications and content types.

• **Define minimally invasive retention policies.** To ensure adoption, define minimally invasive — and, ideally, transparent — retention management policies that reflect the way users work. For example, pursue automation where feasible and update email retention policies to prescribe where people can store the types of email they work with: customer correspondences, manager and employee communications, and even personal information.

• **Coordinate with key stakeholders to drive internal convergence.** Developing an effective compliance and archiving strategy requires I&KM pros to collaborate closely with their colleagues in different business groups, IT, and legal. At a high level, I&KM pros should establish clear alignment of roles and responsibilities with the cross-functional team, create an inventory of the organization's information assets, prioritize areas of highest risk and concern, simplify and standardize retention policies, and tackle the effort in "digestible" pieces.[10]

• **Don't allow perfection to be the enemy of good.** Avoid boiling the ocean by crafting comprehensive records management and archiving programs that cut across enterprisewide content with detailed retention policies. Mitigating risk as quickly as possible is important, and don't strive for perfection when good enough will suffice. An incremental approach focusing on a key pain point (like message archiving or customer correspondences) works well, as long as it is developed in the context of a broader approach to retention management and archiving.

• **Factor in international implications.** Coverage on eDiscovery, major sanctions and fines for noncompliance, and industry focus on such requirements as DoD 5015.2 certification, FRCP, and Sarbanes-Oxley may make it appear that compliance requirements solely apply to the United States. In fact, I&KM pros have to deal with worldwide compliance and governance

regulations and must now navigate managing content against numerous country, regional, and local regulatory requirements. For example, various privacy regulations and the recently published Model Requirements Specification for the Management of Electronic Records (MoReq2) will affect enterprises located in Europe or transacting business in that region.

- **Understand that eDiscovery intersects with compliance and archiving.** eDiscovery costs and potential penalties create an imperative to do what we should have been doing all along — defining and enforcing policy, managing information, and deleting it when it has no further value. A retention management and archiving platform can proactively ease eDiscovery burdens. I&KM pros need to consider multiple technologies and partners of platform providers to support the eDiscovery process.

## ENDNOTES

[1] Most enterprises have experience with archiving and records management — two technologies that can serve as the backbone for any strategic retention management initiative. Enterprises may have deployed archiving products primarily to reduce storage and operational costs for a given high-volume application. Others may have deployed records management to address segment-specific regulatory or governance requirements, such as the Sarbanes-Oxley Act, SEC Rule 17a-4, and the Health Insurance Portability and Accountability Act (HIPAA). On December 1, 2006, amendments to the FRCP took effect, requiring US organizations to address issues regarding electronically stored evidence at the outset of litigation.

[2] According to the 2007 Cohasset ARMA AIIM Electronic Records Management Survey, 40% of respondents reported that their organizations have comprehensive records retention schedules, which include electronic records. Source: Cohasset Associates (http://www.cohasset.com/pdf/survey2007.pdf).

[3] A May 2007 AIIM survey, "Email Mismanagement Puts U.S. Organizations at Financial Risk," found that only 49% of survey respondents were "very" or "quite" confident that they could demonstrate that they could deliver accurate, accessible, and trustworthy ESI. Source: "Email Mismanagement Puts U.S. Organizations at Financial Risk," AIIM press release, May 14, 2008 (http://www.aiim.org/ResourceCenter/ AIIMNews/PressReleases/Article.aspx?ID=34715).

[4] eDiscovery solutions providers offer a diverse mix of technology and services to help organizations respond to discovery requests. But the solutions landscape is complex, fast-changing, and filled with vendors of dramatically varying capabilities. To make the right decisions, you must understand each vendor's specific solution approach while making legal domain expertise and vendor viability top requirements in your vendor selection. For more information on vendors in the eDiscovery market, see the July 5, 2007, "The eDiscovery Vendor Landscape" report.

[5] A rising awareness of the perils of eDiscovery has legal teams and executives clamoring to ensure that they and their organizations will not be the next to hit the headlines and pay huge fines for being unable to stop the systematic destruction of content. Records managers, legal counsel, and IT managers must work with line-of-business owners to develop retention policies that not only spell out the life cycle of content but also contain guidelines for legal hold, stemming destruction when necessary. To better understand

the intersection of eDiscovery processes and appropriate applications, see the July 10, 2007, "Warning: Combine Process Methodology And Technology To Execute Litigation Holds" report.

⁶ For additional insight into ECM trends and suggested strategies, see the October 4, 2007, "The Top Five Technology Trends That Affect Your Enterprise Content Management Strategy" report.

⁷ I&KM pros with long-term archiving needs face additional challenges in terms of file formats, application support, and storage media and devices. Although there are no firmly established best practices, adoption of Adobe PDF/A and XML standards is building as an alternative to PDF and TIFF formats — but be wary of proprietary formats. These can frustrate long-term access needs, limit future vendor selection choices, and can lead to spending valuable time and resources on converting and transferring ESI from one software application to another to support eDiscovery. See the April 11, 2008, "Hewlett-Packard Enters The ECM Race" report and see the March 14, 2007, "The Forrester Wave™: Records Management, Q1 2007" report.

⁸ On September 10, 2008, EMC, IBM, and Microsoft jointly introduced the Content Management Interoperability Services (CMIS) specification, noting that they were submitting this specification to the Organization for the Advancement of Structured Information Standards (OASIS). Source: "EMC, IBM and Microsoft Jointly Create First Web Services Interface Specification for Greater Interoperability of Enterprise Content Management Systems," EMC press release, September 10, 2008 (http://www.emc.com/about/news/press/2008/091008-smr-content-management-interoperability-services.htm).

⁹ For in-depth analysis of the search market, see the May 28, 2008, "The Forrester Wave™: Enterprise Search, Q2 2008" report.

¹⁰ For more information on retention management best practices and the impact on eDiscovery, see the December 27, 2007, "Accelerate Your Retention Management Strategy" report.