Enterprise Information Management (EIM): Implementation Strategies

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January 16th, 2008
Session Objectives

• Upon completion of this session, participants will be able to:

  ➢ Explain the importance of a compliant EIM program

  ➢ Prepare an appropriate scope for initiating an EIM program

  ➢ Identify the appropriate team members & support requirements

  ➢ Outline an implementation strategy “option”
Session Outline

• Background
• Foundation of an EIM
• One-Stop-Shop EIM Solution
• Obstacles to EIM Implementation
• Areas of Common Ground
• Suggested EIM Implementation Strategy
• Next Steps
Background: Information Growth

79,857,143cf of new storage
Laid end-to-end from NYC to LA
Stacked 6 high
20,271 miles
Background: Regulatory Environment

Martha Stewart

Ken Lay

Dennis Kozlowski
Background: Regulatory Environment

<table>
<thead>
<tr>
<th>THAT WAS THEN...</th>
<th>...THIS IS NOW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ivan Boesky</td>
<td>John Rigas</td>
</tr>
<tr>
<td>Wall St. financier</td>
<td>Founder, Adelphia</td>
</tr>
<tr>
<td>Insider trading scandal 1987</td>
<td>Adelphia collapse June 2005*</td>
</tr>
<tr>
<td>3 years (served 22 months)</td>
<td>15 years</td>
</tr>
<tr>
<td>Ilan Reich</td>
<td>Timothy Rigas</td>
</tr>
<tr>
<td>New York lawyer</td>
<td>Ex-Adelphia CFO</td>
</tr>
<tr>
<td>Insider trading scandal 1987</td>
<td>Adelphia collapse June 2005</td>
</tr>
<tr>
<td>1 year, 1 day</td>
<td>20 years</td>
</tr>
<tr>
<td>Michael Milken</td>
<td>Jamie Olis</td>
</tr>
<tr>
<td>“The Junk Bond King”</td>
<td>Ex-V.P., finance</td>
</tr>
<tr>
<td>Drexel Burnham collapse 1990</td>
<td>Dynegy scandal 2004</td>
</tr>
<tr>
<td>10 years (served 22 months)</td>
<td>24 years, 4 months</td>
</tr>
<tr>
<td>Charles Keating</td>
<td>Andrew Fastow</td>
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<tr>
<td>Banker</td>
<td>Ex-CFO</td>
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<tr>
<td>Lincoln S&amp;L collapse 1993</td>
<td>Enron collapse 2004*</td>
</tr>
<tr>
<td>12 1/2 years (served 4 1/2 years)</td>
<td>10 years</td>
</tr>
<tr>
<td>Bernard Ebbers</td>
<td>Dennis Kozlowski</td>
</tr>
<tr>
<td>Ex-CEO, WorldCom</td>
<td>Ex-CEO, Tyco</td>
</tr>
<tr>
<td>WorldCom collapse July 2005</td>
<td>September 2005</td>
</tr>
<tr>
<td>25 years</td>
<td>8-1/3 years to 25 years</td>
</tr>
<tr>
<td>Mark Swartz</td>
<td>September 2005</td>
</tr>
<tr>
<td>Ex-CFO, Tyco</td>
<td>8-1/3 years to 25 years</td>
</tr>
</tbody>
</table>

* Dates are years of sentencing

* Dates reflect sentencing for all but Fastow, who negotiated a plea deal
Background: Physical & Digital Records

“Inside” Your Enterprise

“Outside” Your Enterprise
Background: EIM Trends

Exponential Information Growth

Changing Regulatory Environment

- Sarbanes-Oxley
- HIPAA
- SEC Rule 17
- Gramm-Leach-Bliley
- Rule 26 of Civil Procedure
- FACTA
- Patriot Act

IT & Records Management Teams

Physical & Digital Record Convergence
Background: Moving Towards Compliance

Legislation Life Cycle

Initial Compliance → Readiness Assessment → Ongoing Monitoring & Testing → Ongoing Documentation Updates & Remediation → Process Improvement

Continuous Improvement

Achieving Compliance → Realizing Value
EIM Software Suite: Functional Capabilities

- **Security**
  - Access, Control, Manage Activity, Passwords, Authentication, DoD 5015.2 certified

- **Records Indexing and Classification Engine**
  - Multi-level hierarchy, robust classification

- **Physical Records**
  - Unlimited item tracking
  - Barcode generation
  - Request automation
  - Transmittal automation
  - Contents tracking
  - Storage management

- **Electronic Records**
  - Desktop classification
  - Full-text search
  - Email records
  - Imaged records
  - Other digital content

- **Retention Manager**
  - Rules index, legal holds, citations, disposition manager, Vital records

- **Discovery**
  - Tree view search, item and entity browse, filtering tools, global search, advanced Query
The One-Stop-Shop EIM Solution
Obstacles With The One-Stop-Shop EIM Solution

- Exponential Information Growth
  - Volume of information

- Changing Regulatory Environment
  - Volume of rules & regulations

- Convergence of Physical & Digital Records
  - Variety of media formats stored in a variety of locations

- The “Fourth Element”
  - Unique business function or departmental requirements
  - Constantly moving target
Obstacles To EIM Implementation

- Where do I start?
- Varying degrees of executive sponsorship
- No budget
- Organizational resistance to change
- Organizational attitude that compliance is “optional”
- A wish that ONE policy statement, technology or system fits all!
Areas of Common Ground

• The Business
  ➢ Ease & speed of access to required information
  ➢ Access to information on a “Need to Know” basis
  ➢ Stable
  ➢ Compliant

• Supporting the Business
  ➢ Secure
  ➢ Ability to recover from an “event”
  ➢ Ease of management, administration & maintenance
  ➢ Scalable solution
  ➢ Cost effective
  ➢ Repeatable
Common Vision

“Within an Enterprise, provide the ability to securely manage ALL information regardless of the format or location, in a cost effective & compliant manner.”
Sharing The Common Vision

On-Site Storage

Off-Site Storage

EIM Software Suite

Multiple Locations

Multiple Formats
Suggested Implementation Strategy

Based upon successful existing enterprise methods:

- Where are we now?
- Where do we need to be?
- How do we get there?
- How do we measure progress?
- How do we know when we are there?
Step 1: Organize

- Establish ownership
  - Executive sponsor
  - Dedicated EIM program team
  - Steering committee
- Roles & responsibilities
  - Governance level
  - Implementation level
  - Administration level
- Determine program scope
  - Enterprise
  - Business Unit
  - Department
- Terminology
Step 1: What Is A Record?

- Critical
- Regulated
- Administrative
- Casual
Alternatively...
Step 1: Organizational Checkpoint

- What it is?
- Why it is important?
- Ability to describe the benefits for the:
  - Enterprise
  - Business Unit
  - Department
  - User
- Who is doing what & when?
- Terminology
Step 2: Assess Core Foundation

- Search Criteria
- Access
- Retrieval Rates
- Authorization Lists
- Existing policies & procedures
- Risk areas & exposure
- Legal retention requirements
- Cost
- Locations
- Inventory Type
- Inventory Data

Service

Storage

Compliance
Step 2: Assessment Tool Questionnaire

- Design a diagnostic questionnaire

- Foundation of the assessment process

- Repeatable

- Target audience

- TIP! When between ratings, select lesser value
### Step 2: Assessing The Results

**Rating 1 to 5**

<table>
<thead>
<tr>
<th></th>
<th>Undetermined</th>
<th>Emerging</th>
<th>Variable</th>
<th>Formalized</th>
<th>Ideal</th>
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</thead>
<tbody>
<tr>
<td>Policies are not</td>
<td>If policy exists, it is implemented on an individual-basis</td>
<td>Existing policies implemented by multiple business units</td>
<td>Policies are designed but inconsistently applied</td>
<td>Policies are designed and implemented across the enterprise</td>
<td></td>
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<tr>
<td>designed or</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>implemented</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A program does</td>
<td>A program does not exist</td>
<td>Program in infancy</td>
<td>Program exists but inconsistently applied</td>
<td>Program is designed and implemented across the enterprise</td>
<td></td>
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<tr>
<td>not exist</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Record types and</td>
<td>Addresses limited record types and select media</td>
<td>Addresses limited record types and select media</td>
<td>Addresses most, if not all record types and media</td>
<td>Addresses all records and media, including electronic</td>
<td></td>
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<tr>
<td>media are not</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>identified</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No training</td>
<td>Training is done on an individual-basis</td>
<td>Inconsistent and limited training</td>
<td>Occasional training by business units</td>
<td>Formal training consistently provided across the enterprise</td>
<td></td>
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<tr>
<td>offered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No compliance</td>
<td>Compliance monitoring is done on an individual-basis</td>
<td>Business units may provide limited compliance monitoring</td>
<td>Records management department provides compliance monitoring for all business units</td>
<td>Compliance monitoring is implemented across the enterprise</td>
<td></td>
</tr>
<tr>
<td>monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
Step 2: Assess EIM Suite

- Assess technology for:
  - Management
  - Measurement
  - Enforcement

- Assess functional & technical requirements:
  - Record classification
  - Search capability
  - Record retention
  - Reporting capability
  - Administration & security
  - Application integration
  - Document tracking
Step 2: Assess EIM Suite

<table>
<thead>
<tr>
<th>Record Classification</th>
<th>Searching Capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-level hierarchy</td>
<td>Advanced query / QBE search tools</td>
</tr>
<tr>
<td>Robust Indexing</td>
<td>Item browse &amp; filtering tools</td>
</tr>
<tr>
<td>Unlimited item types</td>
<td>Conflicts Searching (Legal)</td>
</tr>
<tr>
<td>Structured &amp; unstructured data</td>
<td>Windows like hierarchy for ease of use</td>
</tr>
<tr>
<td>Desktop classification of electronic records, images &amp; email</td>
<td></td>
</tr>
</tbody>
</table>
### Record Retention vs Reporting Capability

<table>
<thead>
<tr>
<th>Record Retention</th>
<th>Reporting Capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apply retention automatically based upon classification</td>
<td>On demand instant reports</td>
</tr>
<tr>
<td>Manage &amp; process disposition projects for all record types</td>
<td>Crystal Reports support</td>
</tr>
<tr>
<td>Legal holds records management</td>
<td>Excel, XML &amp; HTML export</td>
</tr>
<tr>
<td>Citation tracking</td>
<td>Report library</td>
</tr>
<tr>
<td>Retention Management</td>
<td>Custom reports</td>
</tr>
</tbody>
</table>
## Administration & Security

<table>
<thead>
<tr>
<th></th>
<th>Application Integration</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Dept of Defense (DoD) 5015.2 Certified</td>
<td>Data feed support</td>
</tr>
<tr>
<td>NT authentication &amp; advanced password control</td>
<td>Integration with vendor systems</td>
</tr>
<tr>
<td>Ethical Walls (Legal)</td>
<td>Integration with leading DM &amp; ECM systems</td>
</tr>
<tr>
<td>Sub-functional access rights control</td>
<td>Microsoft Office integration</td>
</tr>
<tr>
<td>Group, location, user, location &amp; report security control</td>
<td>Adobe Acrobat integration</td>
</tr>
<tr>
<td>Self configurable application</td>
<td></td>
</tr>
<tr>
<td>Property page modifications</td>
<td></td>
</tr>
<tr>
<td>Bulk edit functionality</td>
<td></td>
</tr>
</tbody>
</table>
## Step 2: Assess EIM Suite

<table>
<thead>
<tr>
<th>Tracking</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Track electronic records</td>
<td>Track documents, folders &amp; boxes</td>
</tr>
<tr>
<td>Imaging workflow support</td>
<td>Audit trails</td>
</tr>
<tr>
<td>RFID wireless support</td>
<td>Transmittal automation</td>
</tr>
<tr>
<td>Barcode reader support, both stationary &amp; wireless</td>
<td>Barcode generation</td>
</tr>
<tr>
<td>Custom labels / color label automation</td>
<td>Multi-vendor offsite box tracking</td>
</tr>
<tr>
<td>Record request automation</td>
<td>Tracking contents within containers</td>
</tr>
<tr>
<td>File room storage management</td>
<td>Onsite Active Records</td>
</tr>
</tbody>
</table>
Step 2: Assessment Checkpoint

- **Storage**
  - Current situation
  - Desired situation

- **Service**
  - Current situation
  - Desired situation

- **Compliance**
  - Current situation
  - Desired situation

- **Technology**
  - Requirements specification
  - Alternatives identified
Step 3: Develop

- Consolidation Plan
  - Record, data & information repositories
  - Create records classification scheme
  - Identify & define record types
  - Identify recordkeeping requirements
  - Assign retention periods based on:
    1. Legal requirements
    2. Risk considerations
    3. Operational needs
  - Develop a comprehensive records retention schedule that provides consistent rules across the enterprise
Step 3: Development Checkpoint

• Deliver consistent policies, procedures & that:

  ➢ Are compliant with specific regulations

  ➢ Demonstrate good faith efforts

  ➢ Provide management accountability

  ➢ Facilitate employee adoption
Step 4: Implement

- Launch as a formal program
- Design & roll-out training by audience
- Phased approach
  - First implement comprehensive “base” program
  - Then implement best opportunities for “win”
- Tailor umbrella company policy & procedures for each application
  - Prioritize by risk & business value
- Securely destroy ALL eligible inventory
- Consolidate inventory
- Apply retention schedule to existing records
Step 4: Implementation Checkpoint

• Communication is KEY!
  ➢ Newsletter, Intranet, Open House

• Presenting Solutions
  ➢ Prioritize solution aligned with your audiences key issues
  ➢ Tie features & benefits to the audiences needs
  ➢ Use your audiences language, so avoid jargon, abbreviations & acronyms
  ➢ Summarize how your audience will benefit

• Seek employee feedback
  ➢ What is it?
  ➢ Why is it important to me?
  ➢ What are the benefits of doing it?
Step 5: Manage

- Manage security, access & integrity of data
- Enforce classification & destruction review via reports & safeguards
- Maintain training, communications & certification programs
- Update retention schedule, policies & procedures
- Plan & budget for program maintenance, enforcement, audit & enhancement
- Ensure appropriate business unit oversight
Step 5: Management Checkpoint

- Distributions in progress
- Authorized user lists updated
- Inventory repositories consolidated
- EIM practices & procedures regularly updated and are taught at new hire / orientation
- End user departments report improved SLA’s
- Are we cost effective when responding to regulatory, litigation & operational requirements?
Step 6: Audit

- Incorporate into the internal audit function

- Review all key components annually
  - Recommend improvements
  - Decide on corrective actions

- Benchmark against audit metrics

- Benchmark against industry “Best Practices”

- Risk Management/Cost Management
Step 6: Audit Checkpoint

- Timeliness of destructions?
- Retention Schedule accuracy?
- Record classification accuracy & completeness?
- User, department & business unit compliance?
- Destruction “Hold” administration?
- Training & communications delivery?
Next Steps: Some Do’s & Don’ts

- **DO** incorporate the EIM into existing processes for STORAGE, SERVICE & COMPLIANCE and **NOT** replace them
- **DO** adopt a practical EIM implementation strategy based on “Best Practices”
- **DO** leverage technology as component of an EIM program
- **DON’T** bite off too much
- **DON’T** over-engineer or over-complicate
- **DON’T** think that technology alone can solve the EIM challenges that your Enterprise faces
Next Steps: The EIM Trends Will Continue…

Exponential Information Growth

- Sarbanes-Oxley
- HIPAA
- SEC Rule 17

Changing Regulatory Environment

- Facta
- Patriotic Act
- Patriotic Act
- Rule 26 of Civil Procedure

Physical & Digital Record Convergence

IT & Records Management Teams

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“I am working on providing the Enterprise with the ability to securely manage ALL information, regardless of it’s format or location in a cost effective & compliant manner.”