



YOU CAN'T KEEP ALL YOUR DATA FOREVER



hold, 5% is in a records category, and 25% has current business value. This means that 60% of information in most companies has no business, legal or regulatory value. Companies that are able to dispose of this debris return more profit to shareholders, can use more of their IT budgets for strategic investments, and can avoid excess expense in legal and regulatory response.

To make defensible disposal possible, organizations like the CGOC are bringing together legal, compliance, records, business and IT stakeholders from top global organizations to establish standards and improve supply-and-demand practices and mature lifecycle process. This effort is already helping companies curb storage growth and cut costs, increase e-discovery efficiency, and ensure that regulatory obligations for information are satisfied.

Today, companies must go beyond publishing policy to instrumenting those policies on data itself. Policies that require intensive manual labor from either IT or the business have a low success rate. Maintaining a defensible disposal program at the desired maturity and capacity requires the right technology and tools. Technology should automate legal holds, retention of records, deduplication and proper tiering and disposing of data that no longer have business, legal or regulatory value. Storage virtualization should automate the continuous allocation of capacity freed from routine disposal and legacy data cleanup. There must also be a shared data source catalog across the policy makers in legal, records, the business and compliance and the organization that must execute them.

Capacity planning and monitoring are also critical because resource issues and alloca-

tions can undermine the results – especially in cross-functional projects. As the Information Lifecycle Governance Leader Reference Guide points out, make sure the people on the Executive Committee and Senior Advisory Group are fully aligned with those in operations who will actually carry out the agenda. Once processes are enhanced and defensible disposal is institutionalized, Internal Audit is an important partner in ensuring that “business as usual” reflects policy and savings objectives. Audit criteria should be designed into the program as a core part of the strategy.

CIOs, GCs and CEOs challenged to drive financial performance today often must do so through cost reduction, and risk tolerance is dropping. A defensible disposal program with a joint-stakeholder model across legal, compliance, records, business and IT is one of the few options that help CIOs and other executives lower both cost and risk and support their innovation and revenue agendas.

Source: Deidre Paknad, VP of Information Lifecycle Governance Solutions, IBM Forbes Media, 2012

90% of the data in the world today was created in the last two years, and data volumes are rising faster than storing prices are declining and technology is improving. A data growth rate of 40% can mean that 15 petabytes in 2011 will become 39 petabytes by the end of 2014. Even with a 20% decline in storage unit costs, the per petabyte cost of tier one storage for most large enterprises will likely range between \$1.5 million and \$5 million and will rise to consume close to 20% of the typical IT budget.

Most CIOs and all General Counsels know intuitively that half or more of stored data is debris, and the 2012 Compliance, Governance and oversight Counsel (CGOC) Summit validated this, finding that typically 1% of corporate information is on litigation

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COMPLIANCE CORNER

KEEP APPLICATIONS AND RESUMES CLEAN AND FREE OF NOTES

During the hiring process, never note applicants' race, sex, religion, age or national-origin information on their applications or any other pre-offer documents unless you're required to do so under affirmative action laws. If you *are* required, it is best to use a "tear off" sheet that is kept separate from applicant files.

Even better: Advise hiring managers to refrain from writing anything on applications or resumes. Since you must retain those documents, making notations of any kind – including "secret codes" or private rating systems that identify or categorize recruits – could create a dangerous paper trail that may be tough to explain later.

Example: Suppose you circled an applicant's 1971 college graduation date on his resume. Could that be evidence of age bias? Possibly.

Recent case: After a farming supply company gave applicants written tests, it noted that applicants' race and sex on the test. *The well-meaning goal:* assess whether the test had a negative impact on minority hiring. A group of applicants sued for hiring bias. The company argued that it merely "observed" the race and sex. The court didn't buy it. While the company didn't formally request the data, it still required the information for employment. As a result, the court let the applicant group pursue a class-action suit. (*Modtland vs. Mills Fleet Farm*, No. Civ. 04-3051, D.MN.)

DON'T LOSE SIGHT OF YOUR INTERVIEW OBJECTIVES

It's easy to get off track when interviewing – particularly if you get caught up in small talk. Although you should engage candidates in conversation to determine whether they're a good personality fit, remember that successful interviews must also meet these basic goals.

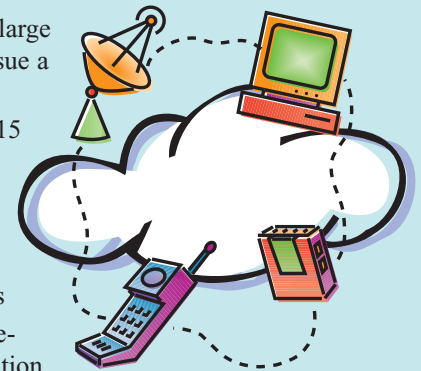
1. Determine whether the candidate has the appropriate skills and motivation to do the job.
2. Provide the candidate an understanding of the organization and his/her place in it.

Focus your conversation on these two points no matter what else you're talking about.

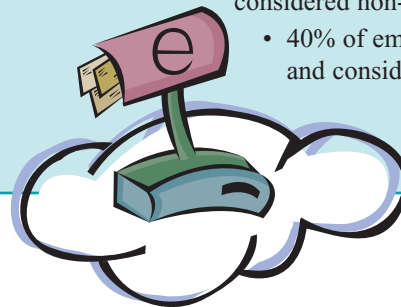
BULLETIN BOARD

At the ARMA (Association of Records Managers and Administrators) International Conference & Expo September 23-25, 2012 in Chicago, the following statistics were shared.

- By 2014 refusing to communicate with customers via social channels will be as harmful as ignoring customers' email or phone calls today
- By 2014 two-thirds of large enterprises plan to pursue a private cloud
- By 2015 there will be 15 billion mobile devices worldwide
- By 2015 60% of information will be through mobile devices
- By 2020 more than one-third of digital information will either live in or pass through the cloud
- 60% of litigation costs are for document review
- 60% of information has no long-term business value and is not touched after creation
- The average data breach of personal information costs employers \$7.2 million per incident
- Cost of Records
 - \$20 to create a document
 - \$120 to find a document
 - \$220 to reproduce a lost document
- Email Statistics



- 34% of emails are in transit and are considered non-records
- 40% of emails are for productivity and considered non-records
- 26% of emails are considered records



FAMOUS QUOTE

"Trust is not a matter of technique, but of character; we are trusted because of our way of being, not because of our polished exteriors or our expertly crafted communications."

— Marsha Sinetar, Author

Is Teamwork Always Good? BEWARE OF THESE PITFALLS

Teamwork and collaboration can help an organization thrive, but they'll fail if managers and employees fall prey to mistaken assumptions that can undermine team efforts. Steer clear of these common teamwork myths:

- **The right tools are all you need.** Software and technology can facilitate communication and other aspects of teamwork, but they aren't magic wands. Before investing in computers and training, identify your needs based on a clear analysis of your goals, processes, and personnel.
- **Collaboration is its own reward.** Don't fall into the trap of thinking that creating a team will instantly transform your workplace and its culture. Teamwork and collaboration succeed only if they apply to specific objectives. Highlight the productive benefits of teamwork so employees understand where it's supposed to lead.
- **Teamwork is instinctive; so is avoiding it.** Many managers fall into one of two camps: they think employees will eagerly embrace collaboration, or they expect them to reject it out of hand. Both possibilities exist, of course, and jumping to conclusions about your workforce's likely reaction can paralyze your efforts. Be ready to confront the obstacles and explain the benefits to your employees.
- **Everyone knows how to collaborate.** All your employees have shared the experience of being picked for a team in grade school or working on a group project in college, but that doesn't automatically translate into working smoothly as a team in the workplace. Be ready to set aside some time for training, and don't neglect your role as an example of positive team behavior.

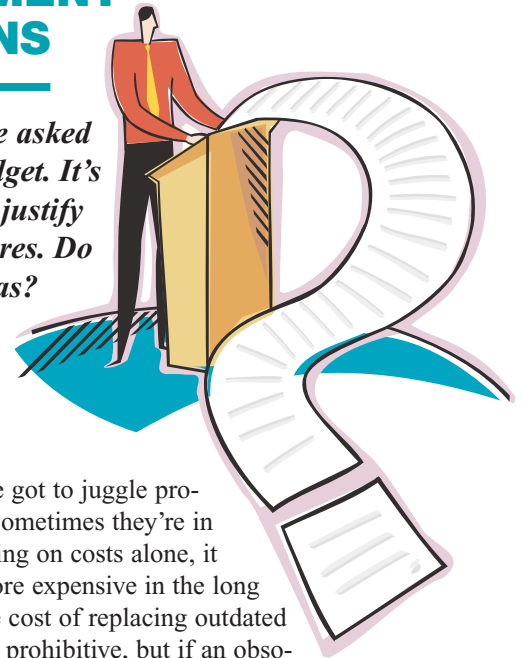
SHARON HYDER, CMC, CRM ANSWERS YOUR MANAGEMENT QUESTIONS

Every year we are asked to "trim" our budget. It's getting harder to justify capital expenditures. Do you have any ideas?

HOW TO SPUR PRODUCTIVITY AND CONTROL EXPENSES

As a manager, you've got to juggle productivity and costs. Sometimes they're in conflict. When focusing on costs alone, it can sometimes be more expensive in the long run. For example, the cost of replacing outdated equipment may seem prohibitive, but if an obsolete computer that still runs is actually slowing an employee down, the loss in terms of productivity can be greater than the expense of purchasing a new system. Adopt a "get-it-done" philosophy instead of a "control costs" viewpoint, and your productivity will stay strong.

Also, when employees see that you are committed to helping them do their best work, it will motivate them to live up to your expectations.



TRENDS...

- **Level 2 (In Development):** This level describes an environment where there is a developing recognition that recordkeeping has an impact on the organization, and that the organization may benefit from a more defined information governance program. However, in Level 2, the organization is still vulnerable to legal or regulatory scrutiny since practices are ill-defined and still largely ad hoc in nature.
- **Level 3 (Essential):** This level describes the essential or minimum requirements that must be addressed in order to meet the organization's legal and regulatory requirements. Level 3 is characterized by defined policies and procedures, and more specific decisions taken to improve recordkeeping. However, organizations that identify primarily with Level 3 descriptions may still be missing significant opportunities for streamlining business and controlling costs.
- **Level 4 (Proactive):** This level describes an organization that is initiating information governance program improvements

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throughout its business operations. Information governance issues and considerations are integrated into business decisions on a routine basis, and the organization easily meets its legal and regulatory requirements. Organizations that identify primarily with these descriptions should begin to consider the business benefits of information availability in transforming their organizations globally.

- **Level 5 (Transformational):** This level describes an organization that has integrated information governance into its overall corporate infrastructure and business processes to such an extent that compliance with the program requirements is routine. These organizations have recognized that effective information governance plays a critical role in cost containment, competitive advantage, and client service.

A review of an organization's recordkeeping practices should be conducted every 5-7 years to determine its recordkeeping health.

Excessive discovery costs, regulatory sanctions, and poor business decisions are risks that can be managed by effective records management processes. Contact Sharon Hyder at Hyder & Associates to establish a compliant records program.



TRENDS... **“THE PRINCIPLES”**

ARMA International introduced *Generally Accepted Recordkeeping Principles* a few years ago. It is now the benchmark for evaluating an organization's records management program. It is only through the information an organization records in the normal course of business that it can know: (1) what it has done, and (2) effectively plan what it will do in the future. As a key resource in the operation of any organization, records must be created, organized, secured, maintained, and used in a way that effectively supports the activity of that organization, including:

- Facilitating and sustaining day-to-day operations
- Supporting predictive activities such as budgeting and planning
- Assisting in answering questions about past decisions and activities
- Demonstrating and documenting compliance with applicable laws, regulations, and standards

Generally Accepted Recordkeeping Principles (The Principles) can guide:

- CEOs in determining how to protect their organizations in the use of information assets
- Legislators in crafting legislation meant to hold organizations accountable, and
- Records management professionals in designing comprehensive and effective records management programs.

ARMA International has identified five key levels of recordkeeping principles to assist organizations in developing records systems that are compliant. For each principle, the maturity model associates various characteristics that are typical for each of the five levels in the model.

- **Level 1 (Sub-Standard):** This level describes an environment where recordkeeping concerns are either not addressed at all, or are addressed in a very ad hoc manner. Organizations that identify primarily with these descriptions should be concerned that their programs will not meet legal or regulatory scrutiny.

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**Contact Hyder & Associates To Solve
Your Records Management Problems**



**HYDER & ASSOCIATES
MANAGEMENT REPORT**

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