IRON MOUNTAIN®

AUTOMATION, DIGITAL TRANSFORMATION, AND INFORMATION LIFECYCLE MANAGEMENT

Digital transformation efforts have a higher likelihood of success when an effective information lifecycle management (ILM) program is in place. Given evermore challenging competition and the drive for innovation, digital transformation is a vital, common initiative or set of initiatives in most companies. Recent proprietary research conducted by Frost & Sullivan defines digital transformation as "the changes associated with the application of digital technology in business operations. Effective digital transformation promises to enable innovation and creativity, affecting both internal business processes and relationships with suppliers, partners, and customers." Hence, for both digital transformation and ILM, automation may be the objective and/or an enabler.

The survey of over 340 financial services clients ranked the top priorities for digital transformation efforts. The highest, at 32%, was automation and efficiency. The next most important objectives were driving better business outcomes through data insights and AI (25%), managing data chaos (23%) and rethinking manual processes for managing information (20%).

The study also shows that the top return on investment (ROI) areas for digital transformation comes from optimizing the management of data storage 72% of respondents said. The value of ILM then makes perfect sense given the impact on understanding and managing data.

For the many financial service projects that focus on automating a business process, ILM tools are readily available to reduce the scope and challenges of those efforts. There are ILM tools for governance, classification, rules management, metadata management, discovery and more that provide guidance and controls for mitigating challenges such as unknown (dark) data, undocumented policies and procedures, need for a decision-making process, indefensible rules and inconsistent application of any guidance.

Today's focus on digital transformation and automation is due in part to the volume of information around the globe, which is doubling every two years according to IDC. Excessive volume growth and retention of valueless information have a negative impact on automation efforts – wasting time and resources while managing data and information that is not needed. Companies spend too much time administering data integrity efforts, tuning networks and applications, and purchasing storage simply to cope with excessive volumes.

72%

FINANCIAL SERVICES CLIENTS RANKED **OPTIMIZING DATA STORAGE** AS THE TOP ROI DRIVER.

Financial firms are major producers of both structured and unstructured data growth. What do we know about all of that data? First of all, 30–40% of corporate data has passed its useful life and as a result is only a liability. Duplication is a part of that volume. A unit of storage may appear to be low cost, however, the overall volume of storage and the resources to manage all of that information – year after year – is costly. Large financial firms are spending hundreds of millions of dollars on storage – and some of that information has no value to any business aspect. Forbes reported in a study from 2019 that up to 90% of a company's data is dark data, meaning it cannot be easily found, accessed or analyzed.

All of this volume impacts our ability to find the information we need to do our jobs. More than the cost of storage is the cost of an individual's valuable time searching for authentic and reliable information or even the right information source. All of this creates a concerning amount of risk at a time of increasing security awareness. Common knowledge in cybersecurity is that the only sure way to avoid a breach of data is to not have the data – this applies to all of the unneeded data that companies retain.

UP TO

90%

OF A COMPANY'S DATA IS DARK DATA, MEANING IT CANNOT BE EASILY FOUND, ACCESSED OR ANALYZED.

There are many other challenges based on realized technology innovations; for example, data lakes. But how do you manage retention in a data lake? There is also a concern that eliminating pointers to data in the cloud will satisfy disposition requirements. Computing power in development today may be able to discover those items we would like to classify as eliminated or destroyed. The security paradigm of confidentiality, integrity and availability too frequently becomes less stable upon implementing new automation.

Fortunately, ILM tools can mitigate many of the issues raised above and support the benefits we seek in our digital transformation efforts. These tools include, metadata management, data flow mapping to identify personally identifiable information (PII), content classification, remediation of redundant, obsolete and trivial data (ROT), discovery tools (as opposed to eDiscovery or data loss prevention (DLP) tools). While artificial intelligence capabilities like machine learning and robotic process automation are part of the tool kit, they are certainly used in a broader context than just ILM.

Discovery, classification, retention, backup processes, data loss prevention and many other tools can be connected in an overall information governance program that enables management over the lifecycle. Then, digital transformation efforts can focus on the data, sources and flows that are required for business enablement.

Finally, financial services organizations need to consider legal and regulatory requirements in digital transformation, not just business requirements. Retention requirements are found in tens of thousands of regulations globally. Those obligations applicable to your business must be understood, connected to a retention schedule, and applied to information. This enables us to eliminate the 30-50% of data and information that has no value and is only a liability.

While planning a digital transformation effort it's also important to consider the impact of regulations while engaging in automation. Automation must consider data immutability, chain of custody, cross-border data flows, jurisdictional requirements, and privacy and data protection. Not considering these factors, which are part of any information governance program and ILM process, will negatively impact any automation effort, potentially with dire consequences.

UNDERSTANDING THE LEGAL AND REGULATORY REQUIREMENTS APPLICABLE TO YOUR BUSINESS ENABLES US TO ELIMINATE THE 30–50% OF DATA AND INFORMATION THAT HAS NO VALUE AND IS ONLY A LIABILITY.

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