

INFORMATION IS...

**YOUR
ADVANTAGE**

Turning Insight Into Action

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Agenda

- ▶ O&G Megatrends and Benchmark Themes
- ▶ Big Takeaway: Organizational Engagement
- ▶ Big Takeaway: Retention & Deletion
- ▶ Discussion and Wrap up



Cohasset Benchmarking Report

SURVEY WHITE PAPER

Cohasset Associates | ARMA International | AIIM

2013 | 2014 INFORMATION GOVERNANCE BENCHMARKING SURVEY FOR THE OIL AND GAS INDUSTRY



A Call for Modernization in the Oil and Gas Industry

Cohasset Associates is pleased to complement its recently published, eighth biennial survey white paper with this study, borne of industry-specific analyses of the broader survey outcomes. The impetus for this industry study was driven by Iron Mountain and its desire to identify drivers and differences associated with industry practices. This

Survey results provide evidence that:

1. Overall, IG programs are more prevalent, better-designed, and inclusive of electronically stored information (ESI). However, many essential implementation elements are *not* being addressed.

Cohasset/ARMA Information Governance Benchmarking Survey for the Oil and Gas Industry

120 Oil & Gas respondents

Information Challenges: External

Relevant Oil & Gas Megatrends

- ▶ Rapid increase and deployment of technology
 - ▶ Unconventional is changing business model
 - ▶ Digital Oilfield and Upstream modeling are leading move to O&G 'Big Data'
- ▶ Rapid expansion of exploration and production
 - ▶ New and re-exploration of field assets
- ▶ Increasing political and regulatory pressure
 - ▶ Including new regulation, i.e. The Pipeline Safety, Regulatory Certainty and Job Creation Act of 2011 H. R. 2845

Broader Relevant Business Trends

- ▶ Mergers & Acquisitions
- ▶ Litigation

A silhouette of a person rappelling down a dark rock face. The person is positioned on the right side of the frame, with their body angled towards the left. They are wearing a helmet and a harness, and a rope is visible extending from their harness down towards the bottom right. The background is a bright blue sky with scattered white clouds. The rock face is dark and textured, with a significant gap between the rock and the climber, emphasizing the challenge of the activity.

Have you experienced
THE GAP?

Benchmark Report findings: A Call for Modernization

1

KEY THEMES

IG programs are more prevalent, better designed, and inclusive of ESI. However, there are elements not addressed.

2

Effective IG is increasingly recognized as an imperative.

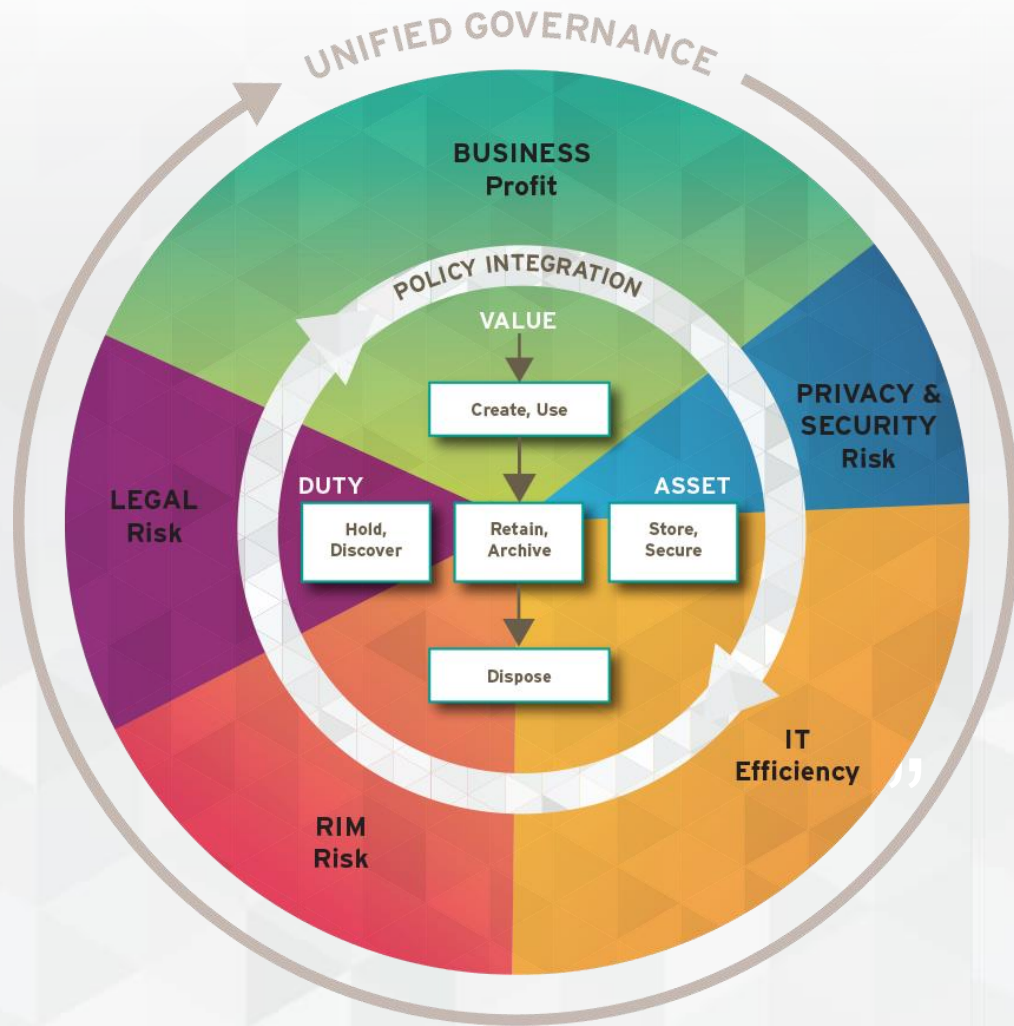
3

IG must modernize its efforts to manage ESI or never “catch up”.

4

Legal holds present major concerns due to over-preservation.

Making the Transition to Information Governance



Information Governance is the **multi-disciplinary enterprise accountability framework** that ensures the appropriate behavior in the valuation of information and the definition of the roles, policies, processes, and metrics required to manage the information lifecycle, including defensible disposition.

RIM is a member of the IG Council, not the sole owner of the program

Source: Information Governance Reference Model
/ © 2012 / v3.0 / edrm.net

IG Council Members' Points of View

Everyone comes to the table with a different motivation!



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Big Takeaway: Organizational Engagement



of O&G RIM organizations report to Legal
26% report to IT
Significantly higher than other industries

- ▶ **O&G:**
 - ▶ **8%** More likely to report that IT is actively engaged & supports RIM/IG
 - ▶ **15%** More likely to have ESI RIM metrics/improvements in place
 - ▶ **7-15%** More likely to have automated processes for deleting ESI
 - ▶ **7-10%** More likely to be planning improvements in deletion of eligible ESI

TAKE ACTION: Actively engage with IT – ‘get a voice at the IT table.’ An alliance with IT enables responsible info Management throughout lifecycle.

Big Takeaway: Organizational Engagement



Retention Schedules are in place – **98%** updated those within the past 3 years



High levels of engagement from Legal (89%), Compliance (83%), Risk Management (74%), Internal Audit (81%), RIM Steering Committee (77%), RIM network (86%)

HOWEVER:

- ▶ Only **62%** Have mature X-functional RIM governance in place or improvements in process
- ▶ Only **60%** Have Executive Management support
- ▶ Only **53%** Have a mature & comprehensive strategy or improvements in process to guide future RIM direction

TAKE ACTION: Identify & focus on potential ‘Dial Movers’ – get the most ‘bang for the buck’ for your time and efforts!

Potential Dial Movers

1

Establish a X-functional RIM Governance Structure.

X-functional engagement will increase providing direction & oversight, sponsorship for resources, funding and leadership to engender organizational buy-in.

2

Establish and implement a strategy to garner Executive Management support.

Executive Management has the most influence/ability to drive the behavior of others throughout the organization.

3

Articulate a strategy to guide future RIM direction.

IG requires a strategy that aligns with the organization's priorities & goals. Focus on achieving significant business value and/or risk reduction.

4

For legacy records with significant business value – Protect. Access. Retain.

In Upstream O&G, continuing technological evolution is a competitive game changer and some legacy records now can deliver big business value.

Executive sponsorship: Who is the Best Choice?

Consider these factors:

- ▶ Reporting structure
- ▶ Budgeting potential
- ▶ Passion for the management of information as a critical business function

Benchmark survey identifies potential candidates as:
Administrative Services/Facilities, Compliance/Regulatory Affairs, and Legal and Information Technology.

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Big Takeaway: Retention & Deletion



Report over-retention resulting from how legal holds are written or applied

- Only **42%** use automated tools to locate and preserve info for legal hold process
- Only **65%** effectively reinstate normal retention and deletion at closure of legal matter



Organizations would benefit from fewer event-based retention periods

- ▶ governance in place or improvements in process
- ▶ Only **60%** Have Executive Management support
- ▶ Only **53%** Have a mature & comprehensive strategy or improvements in process to guide future RIM direction

TAKE ACTION: Identify & focus on potential 'Dial Movers' – get the most 'bang for the buck' for your time and efforts!

Potential Dial Movers

1

Identify and address information for deletion.

Use fully or partially automated methods to delete information eligible for deletion when retention period expires. X-functional engagement.

2

Engage X-functional partners.

IT and X-functional RIM Steering Committee can help with direction, sponsorship, resources and organizational buy-in. If you don't have such a steering committee consider this initiative as a driver.

3

If necessary, take a phased approach.

Start with one and then moved to the next: index/classify legacy records with business value, use tools to identify & defensibly destroy redundant, obsolete and transitory information, classify and destroy remaining content

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Your Role As Change Agent

Creating policy is
NOT ENOUGH

Change the conversation!

Speak about information as **an asset**
rather than just **a liability**.

- ▶ Shift from fear to value
- ▶ Use analytics
- ▶ Advocate smart risk



Opportunities as IG Council Members View Them

IG TEAM MEMBERS



► TAKE ACTION:

Engage each stakeholder via their specific motivation (no one size fits all)

Support your conversation with [survey] data to add validity

Include a financial value component, i.e.: additional expense if change doesn't occur due to wasteful spending, potential future risk expense, lost business opportunities, etc.

Iron Mountain's Practical Guide to IG

Developed by RIM Professionals for RIM Professionals



- ▶ **Educate** your customers about IG versus RIM.
- ▶ **Encourage** their use of the Guide for internal education and discussions.
- ▶ **Share** with IT, Compliance, Legal, Business Units, etc. to begin a conversation about better governance of information.
- ▶ **Educate** senior leadership.
- ▶ **Begin** a discussion about information as an asset, not just a liability.

www.ironmountain.com/thoughtleadership.com

- ▶ Practical Guide to Information Governance
- ▶ RIM Best Practices Manual
- ▶ Cohasset/ARMA Benchmark report and Oil & Gas versions
- ▶ Eight Dial Movers: Strengthening Information Governance in the Oil & Gas Industry Whitepaper
- ▶ Event-Based Retention Whitepaper

INFORMATION IS...
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PROVEN PRACTICES.
NEW THINKING.
ALL IN ONE RESOURCE.

DISCOVER MORE NOW

Discussion

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