



## CHAPTER 5

# HOW WILL FUTURE TRENDS IN INFORMATION MANAGEMENT AFFECT MY BUSINESS?

THE BALANCE BETWEEN EXTRACTING  
VALUE FROM YOUR INFORMATION  
AND MANAGING YOUR RISK

# WHY YOU NEED THE INFORMATION ECONOMICS EBOOK

This five-part eBook will help you gain a full understanding of the role information plays in your organization. It examines every aspect of Information Economics.

1. What is Return on Information?
2. How do I gain access to my information to extract maximum value?
3. What is the cost of ignoring information risk?
4. How can I design a program that works for our people and our business?
5. How will future trends in information management affect my business?



The Information Value Index



Taking responsibility for information management



Barriers to Return on Information



Attitude and culture



Resources



Technology



Learning from the information elite



## YOU WILL LEARN

How to value from your information and avoid the pitfalls of business leaders who believe they're doing enough but aren't changing the culture of their organizations

A photograph of a hotel reception desk. In the foreground, a woman in a white jacket and a man in a white shirt are standing with their backs to the camera, looking towards the reception counter. Behind the counter, a smiling male staff member and a female staff member are visible. The counter has a sign that says "RECEPTION". The background shows a modern hotel interior with white columns and a curved ceiling. Overlaid on the photograph are white line-art outlines of several people, including the woman and man in the foreground and the staff members behind the counter.

SEE INFORMATION  
**DIFFERENTLY**

# INFORMATION ECONOMICS

THE INTERSECTION OF VALUE, RISK AND COST

Information Economics is managing and leveraging information created and received by an organization with a view to the bottom line. Every business needs an enterprise-wide information strategy that aims to reduce risk, ensure compliance, lower costs, and now with the emergence of big data, prepare for analytics. Information Economics provides a comprehensive and collaborative strategy to help organizations optimize information value and limit risk at every stage from the initial creation of records and information across their active life, right through to secure destruction.

# CHAPTER 5:

## GAINING A COMPETITIVE ADVANTAGE

In the previous chapters of this eBook, we looked at minimizing the cost of records management, extracting maximum value from information, avoiding disasters and mitigating risks and developing information policies that are right for your people and processes.

Data can be used for more than just traditional legal, compliance and regulatory purposes; there are huge gains businesses can make by extracting value from data. The top 15% of 1,011 global companies surveyed by IDC for the 2015 whitepaper, *Mining for Insight: Rediscovering the Data Archive*, generated more than USD 10 million in added revenue as a direct result of mining their data archive and extracting value from it in the past year.

THE TOP 15% OF  
GLOBAL COMPANIES  
SURVEYED  
GENERATED  
MORE THAN  
**\$10M**

In this final chapter we consider the barriers to achieving a return on information and the best practices of the Information Elite: those who are getting their information management right and gaining a competitive advantage.

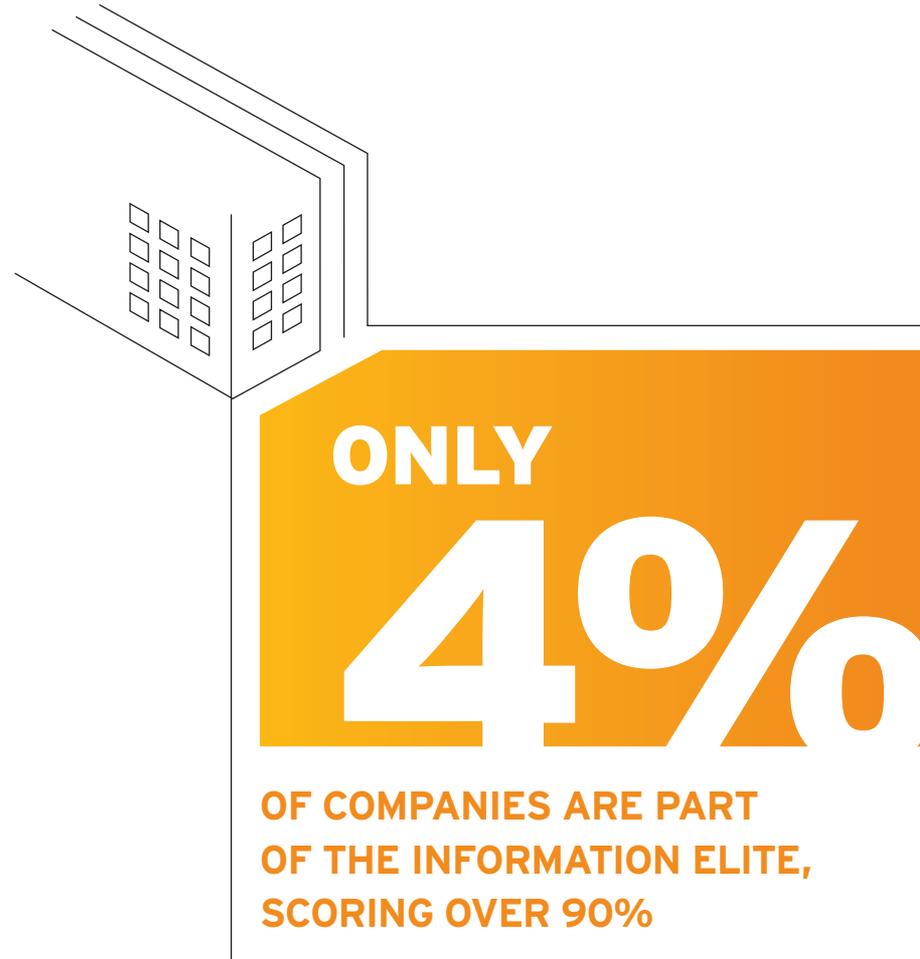
## THE INFORMATION VALUE INDEX



As organizations turn increasingly to using information as a business asset, PwC and Iron Mountain have created the first Information Value Index. The Index looks primarily at information exploitation and investigates the level of awareness and priority businesses currently assign to deriving value from their information.

The Information Value Index was calculated from 1,800 global responses to 36 survey questions aligned to core organizational and technical capabilities. Questions delved into governance and culture as well as the skills and tools available within each organization to realise the full potential from their information. The findings place an index value against an organization depending on how information savvy it is.

Only 4% of respondents can be considered part of the information elite - scoring over 90% on the index. A further 20% are just behind them. Most businesses still have a need for a clearly defined information management strategy in order to gain competitive advantage.



## TAKING RESPONSIBILITY FOR INFORMATION MANAGEMENT



The quest for an information advantage now influences business strategy. Failure to embrace the changes and put information management strategy plans into action is no longer an option, with 83%\* of organizations seeing return on information as a priority. Failure to sit up and take notice risk obscurity in the long-term.

But whose job is information management? If extracting value from information is a business priority, the C-Suite should be involved. But the latest research from Iron Mountain and PwC suggests this isn't the case in most organizations. 41% of companies said that IT takes the lead when extracting value from data, and just one in three businesses (36%) embrace the drive to manage information across the whole organization. Furthermore, many senior managers believe that their organizations are more competent at value extraction than they actually are.

In fact, 71% of senior business leaders are confident they have a strong track record, but 52% think their competitors are doing it better. Approaching half (43%) of all businesses in the study have no plans in place to build competence in

**41%** 

**OF COMPANIES SAID IT TAKES THE LEAD WHEN EXTRACTING VALUE FROM DATA**

value extraction because they hold a misplaced belief that it's already happening. Organizations aren't using resources to best effect to extract value from information; they simply don't have the relevant talent and data analysts, and many are still heavily reliant on Microsoft Excel to manipulate data.

Cost reduction and revenue increases are clear areas for potential gains. The primary uses for harnessing data and extracting value are cited in the IDC research, *Mining for Insights: Rediscovering the Data Archive*, 66% of companies are reducing their IT operational costs associated with locating and retrieving data, and 68% of companies use archives to improve customer service while 63% use them to enhance revenue opportunities.

<sup>5</sup> Beyond good intentions - The need to move from intention to action to manage information risk in the mid-market - A PwC report in conjunction with Iron Mountain

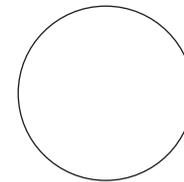
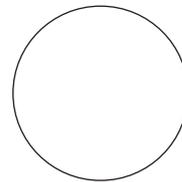
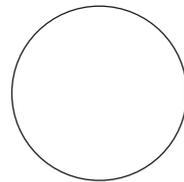
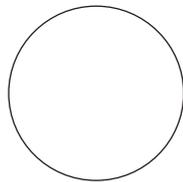
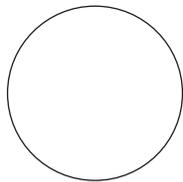
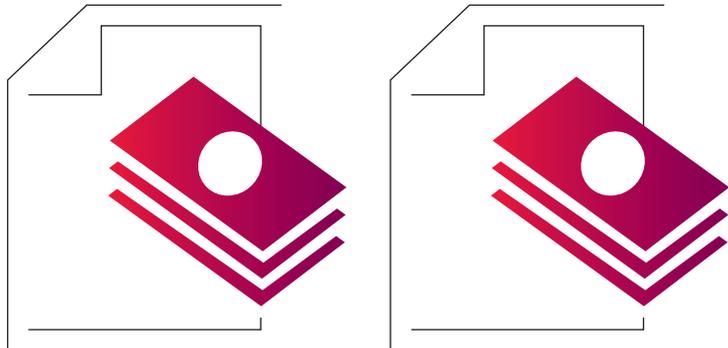
ONLY  
**36%**

**OF BUSINESSES ARE COMMITTED  
TO A COMPANY-WIDE INFORMATION  
MANAGEMENT POLICY**

## BARRIERS TO RETURN ON INFORMATION



Only 38% of organizations are currently undertaking the business analytics critical to driving additional revenue through better understanding markets and improving products, service delivery and customer service. Many still place importance on managing information for data protection, compliance and legal reasons. However, significantly more value could be extracted from information archives. 5% of companies believe up to 10 times more value could be extracted and a further 22% believe they could extract between five and ten times more value. So what is holding them back?



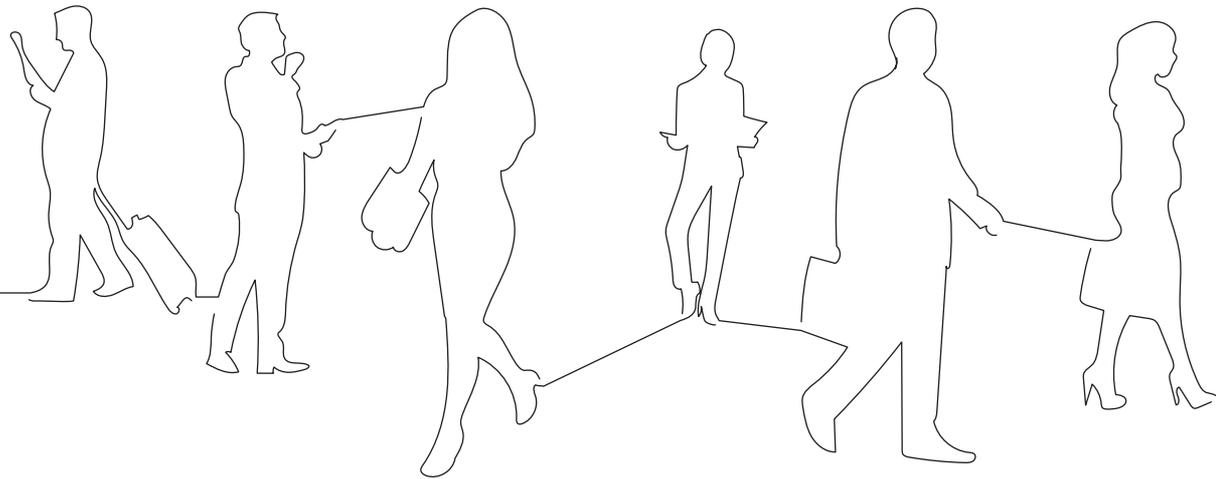
## ATTITUDE AND CULTURE



Attitude and organizational culture play an important part in delivering a fit-for-purpose information management culture. The misguided majority (76%) are constrained by regulations. 36% are uninformed and ill-equipped and have little or no understanding of the value that their data holds and the business advantages it can provide. And just 36% businesses say the drive to manage information for an advantage is extended throughout the business. In short, the culture doesn't exist to maximize information's value.

# 76%

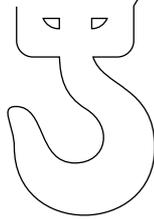
**THE MISGUIDED MAJORITY ARE  
CONSTRAINED BY REGULATIONS**



## RESOURCES



Many organization don't use their resources to extract value from information. One in five businesses are either not employing or not deploying tools to gain an information advantage. A quarter of the organizations surveyed do not employ data analysts, and those that do often don't task them with extracting value from information. 21% of companies do not employ people skilled in information governance, and 22% do not have data architecture skills. When they do have these skills, value extraction is often not a priority.



## TECHNOLOGY



In the age of Big Data, technology helps to deliver fast and accurate analysis. The aim is to put information to work quickly. Only then can a competitive advantage be realized. The majority of organizations are deploying skills and tools that fail to deliver maximum value. Excel is still heavily relied on to provide analytics, with fewer choosing innovative software tools such as SAP, Tableau and Hadoop. Without these types of tools, organizations find themselves consistently on the back foot when it comes to data analysis and value extraction.

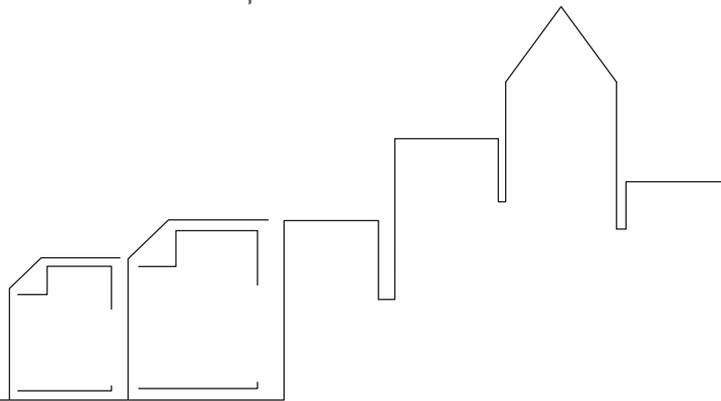
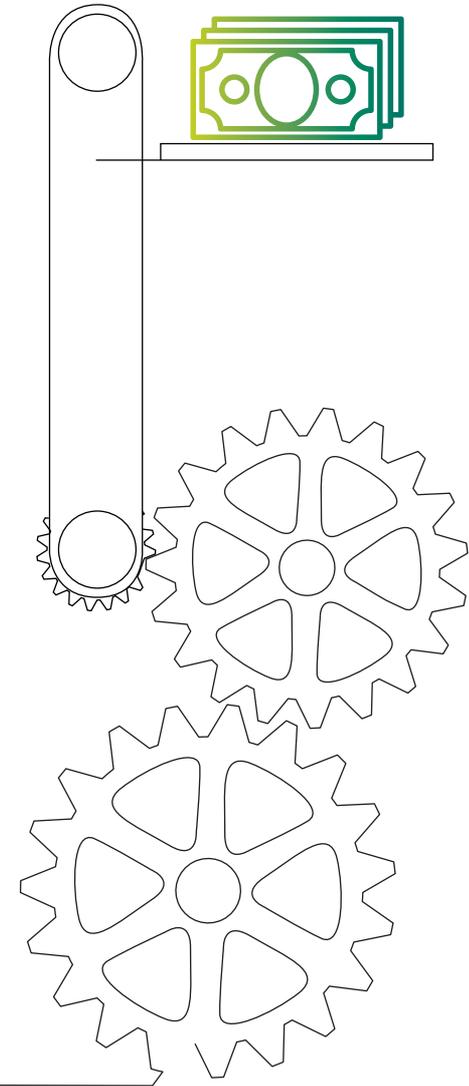
**OF COMPANIES DO NOT HAVE  
DATA ARCHITECTURE SKILLS**

## LEARNING FROM THE INFORMATION ELITE



The Information Elite enjoy many advantages: improved productivity, increased revenue opportunities, greater customer retention and more sales to existing customers. This is thanks to better and faster decision making based on accurate data. What can these businesses teach us about the best practices?

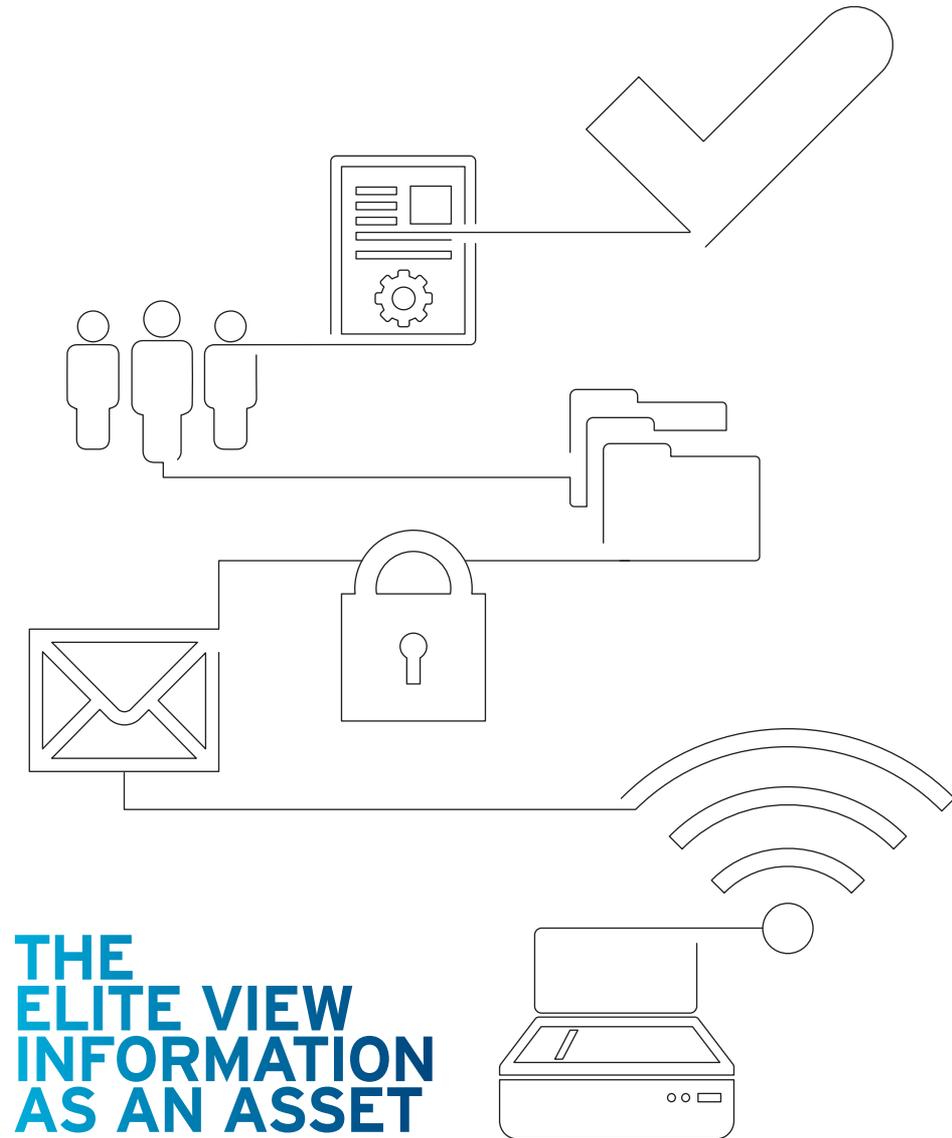
To start, most have senior board level executives who have a strong focus and understanding of the benefits that information management - especially value extraction and exploitation - can bring to the business. Internal information governance bodies play a part in bringing together internal lines of business with IT so that everyone has a responsibility for information management across the organization and it becomes an intrinsic part of the culture.



The Information Elite view information as an asset which, when put to best use, provides a competitive advantage and generates larger revenues for the business. Those who need access to relevant information have it, but it remains secure, and strict protocols are followed to mitigate data risks. Information management is not simply a legal or compliance issue or a chance to mitigate risk, but drives profits for the business if it's used to support decision-making across the organization.

Without exception, organizations in the Information Elite have data analysts who understand the business strategy and have the skills to optimize the value of information for the greater good. These individuals also find smarter ways to connect their analysts to the front line so that they can predict outcomes. Finally, organizations in the Information Elite have access to the latest technological tools for data analysis (Qlikview, Hadoop and SAP) in order to provide information quickly and accurately upon which to base business decisions and strategy.

Only organizations that understand information risk and how business governance, technology and data analytics can enable competitive advantage, can join the Information Elite.





# UNIFY INFORMATION MANAGEMENT



DOWNLOAD OUR QUICK GUIDE TO GAINING  
THE INFORMATION ADVANTAGE 'GETTING  
IT RIGHT FROM THE START - THE BASICS  
OF EXTRACTING VALUE FROM INFORMATION'

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