



# Corporate Law Department Information Governance Survey

## SURVEY RESULTS

## BACKGROUND + PARTICIPANTS

### ABOUT THE SURVEY

HBR Consulting (HBR) is recognized as a leader in topical surveys designed to identify evolving trends and inform industry leaders. Data gathered from these surveys is used to form industry-specific benchmarks, support best practices and provide insights to clients.

In fall 2016, corporate law department leaders gathered at HBR's annual roundtable series to discuss the findings of the [2016 HBR Law Department Survey](#). This year's roundtable series was held in four major cities and included 33 attendees, over 50 percent of whom were from Fortune 500 organizations.

Each year, HBR conducts a topical survey during the roundtable series. As privacy and security concerns become increasingly important and prevalent to law department leaders, HBR elected to focus on Information Governance (IG) for this year's onsite survey.

### QUESTIONS

The survey included key questions on a variety of IG-related topics, including:

- IG drivers
- Retention schedules
- Email management
- Governance of cloud vendors
- Digital workspace (i.e., Microsoft Office 365)
- Privacy and security

The survey was designed to identify key IG opportunities and challenges for law department leaders to address within their own organizations' IG initiatives, as well as identify valuable questions for consideration in HBR's annual Law Department Survey.

## FINDINGS

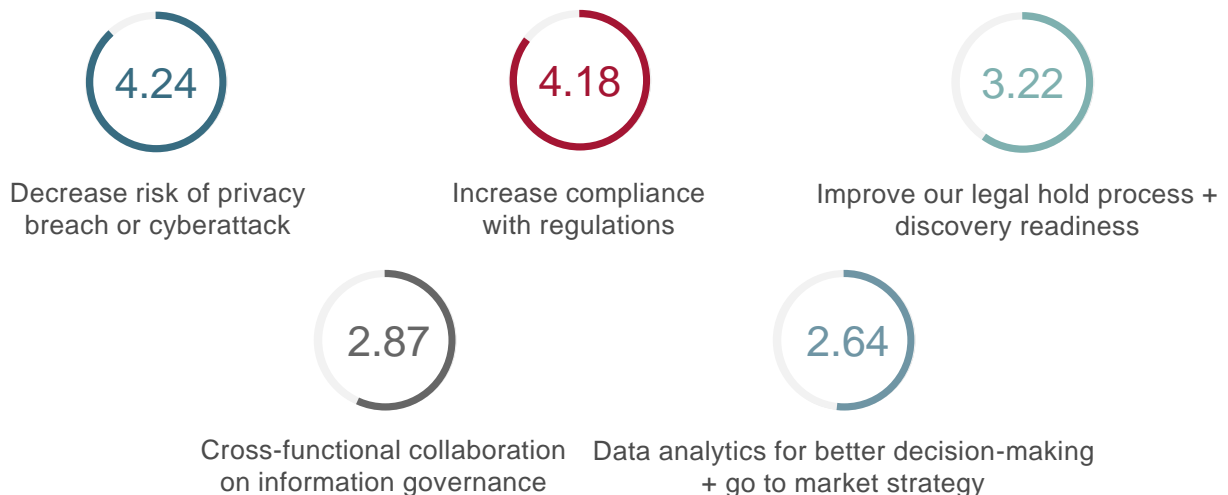
**IG involvement is expanding.** Although law department leaders continue to focus their attention on issues related to internal law department management and efficiencies, an increasing number are also engaged in their organizations’ enterprise-wide information governance efforts. In a show of hands, about half of roundtable participants indicated that they are involved in their organization’s cross-functional teams for information governance.

**Policy comprehension and adherence continue to be a challenge.** It is not surprising that the two primary drivers for pursuing enhanced information governance were identified as:

1. Decreased risk of privacy breach or cyberattack
2. Increased compliance with regulators

Both are viewed as “must haves” for every organization, with privacy breach risk reduction slightly edging out regulatory compliance. This aligns with HBR’s experience – that the fear and risk of privacy breach, and related loss of reputation and market share, are the key drivers behind an organization’s efforts for enhanced information governance, specifically defensible disposition. In addition, most respondents felt that their privacy and security policies were up to date and being followed by their IT and security teams.

### What information governance drivers are important to your organization as a whole? <sup>1</sup>



However, the results show that while privacy and security is a priority, it is also primarily viewed as an IT issue. Only 40 percent of the respondents stated that the policies were used by most employees, and 23 percent also felt that their policies were difficult to understand and follow.

<sup>1</sup> Each rating is a weighted average of responses ranging from “0 – Unimportant” to “5 – Strongly Important.”

## FINDINGS (CONT.)

**An opportunity exists to simplify retention schedules.** A records retention schedule defines the retention and disposition requirements based on regulatory, legal and operational requirements. It is foundational to IG since it directs an organization’s disposition and preservation actions. It is HBR’s experience that most organizations’ retention schedules are overly complex, potentially resulting in a lack of compliance. This is supported by the responses to the IG survey questions highlighted below:

**Is your retention schedule easy to use and understand?**

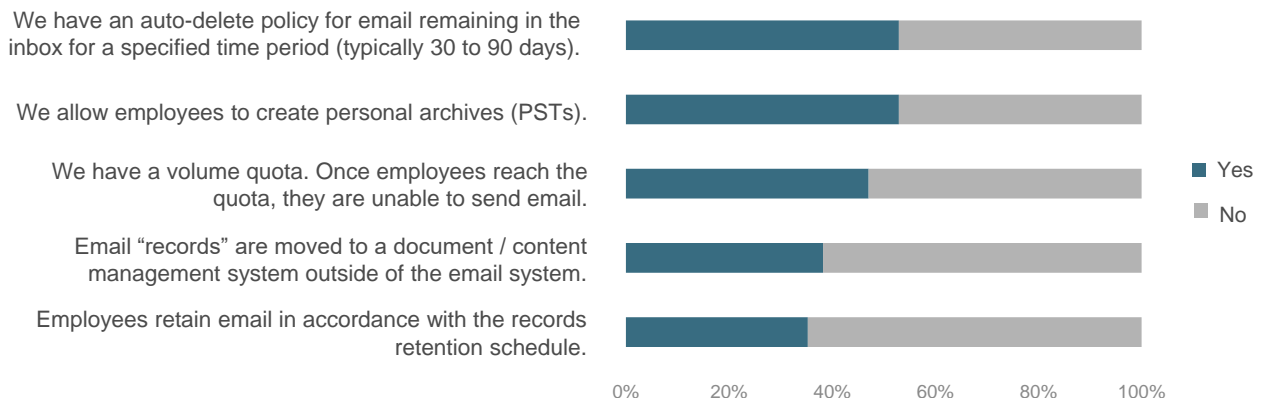
For those organizations that routinely apply their schedules, less than half of respondents felt their retention schedules were user-friendly.

**Is your retention schedule routinely applied to both hard copy and electronic records?**

Fewer than half of the respondents felt their retention schedules were actually being applied in either the hardcopy or electronic recordkeeping environments.

HBR works with organizations in a variety of industries and the majority are in the process of updating very outdated retention schedules that were developed years ago when the majority of records were in hardcopy format. Today, with more than 90 percent of corporate information in digital format, retention schedules often require consolidation and simplification to be readily applicable to electronic information.

**Email management remains ambiguous for most organizations.** Although email systems have been in place for over 20 years, the effective management of email remains elusive for many organizations. Rather than managing email by the value of its content, most organizations continue to manage it by arbitrary time periods, applying an auto-delete policy to email aged over a specific time period such as 30 or 60 days. Other organizations impose a size limitation, disallowing employees to send or receive email once the maximum volume is reached. Both of these options incentivize employees to move email outside of their mailboxes if they want to keep the information for extended periods.

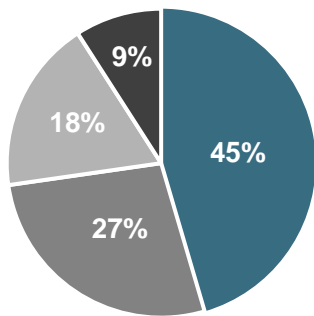


## FINDINGS (CONT.)

While the survey shows that over 35 percent of participant organizations have policies that require employees to manage email according to the retention schedule by moving email to appropriate systems of record, over half of the respondents' companies still allow the use of personal archives (PSTs), which provide employees a simple way of avoiding the same time or size-based limits on their mailboxes. In HBR's work with clients, we have seen a trend towards discontinuing the ability to personally archive email messages since this can thwart e-Discovery efforts to identify and preserve responsive information.

**The cloud brings both opportunity and uncertainty.** As cloud-based services continue to grow in popularity and more and more of an organization's data finds its way into the cloud, it was no surprise to see that close to 75 percent of survey participants' organizations will have transitioned to Office 365 within the next 12-24 months. The move to the cloud has been an escalating trend for several years, as organizations see it as not only attractive from a cost perspective, but feel it more completely supports their employee mobility and collaboration needs.

### Does your organization have a process in place for ensuring its cloud vendors are disposing of your data in compliance with your retention policy?



- Not on our radar
- Yes, we have a comprehensive process in place
- We have an informal process with select vendors
- No, but this is a priority for us in the next 12-24 months.

What is sobering, however, is that over 45 percent of respondents stated that they do not have a process for ensuring that their cloud-based data is being managed in accordance with their governance policies.

## TAKEAWAYS

As the digital workspace evolves to support and improve operational efficiency, collaboration and employee mobility, the ever-growing volume of data and its preservation, disposition and controlled management becomes critical. Risk mitigation, cost control and regulatory compliance are of course key drivers, but enhanced information governance can also positively impact an organization's competitive advantage and, ultimately, the bottom line.

The establishment of an information governance program that clearly defines an organization's specific regulatory, operational and technical requirements for the management of its information assets is often seen as a daunting task. However, a well-designed IG strategy and framework set against a reasonable timeline, supported and deployed by the various interested disciplines within the organization (legal, records management, IT security, privacy, etc.) allows an organization to make significant progress in advancing its IG goals and objectives.

An organization should start by ensuring its information governance policy is up-to-date taking into consideration retention and disposition regulations, privacy requirements, intellectual property concerns and legal hold preservation needs that impact its business, both domestic and global. Then, the identification of those areas of greatest risk can help the organization prioritize its efforts to apply these governance requirements to its information in a reasonable, phased approach. A formal framework, with defined initiatives, milestones, roles and responsibilities can be used to measure progress, as well as identify synergies and competing priorities.

HBR's Information Governance team offers a comprehensive approach to the design, development and implementation of enterprise-wide information governance programs. HBR's independent approach takes into consideration governance and regulatory requirements, enabling technologies and business process optimization. With an outstanding reputation for developing innovative and sustainable solutions, HBR partners with clients to help them achieve their compliance and governance objectives through its strategic vision, in-depth knowledge of information governance and a total commitment to excellence.

Connect with HBR to learn more about the survey or outcomes  
from our annual law department survey roundtables.

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