

 [Click to Print](#) or Select 'Print' in your browser menu to print this document.

Page printed from: [Legaltech News](#)

With Unstructured Data, Information Governance Hits a Blindspot: Survey

Despite companies' awareness of the importance of IG programs, many lack the insight and control over much of their employee-produced data.

Ricci Dipshan , Legaltech News

April 25, 2016

From Europe's recently passed [General Data Protection Regulation](#) and upcoming [Privacy Shield](#) to concerns over [data-breaches](#), [e-discovery processes](#), and [HIPAA regulations](#), the need for information governance and compliance is as acute as it has ever been.

A recent survey by Acaveo and Osterman Research of 100 enterprises found that companies by and large understand the importance of information governance, with 70 percent citing regulatory risks and 66 percent citing the need to void any data risks as driving their IG adoption. An additional 75 percent cited the cost savings IG can bring to storage costs as well.

But the survey also found that only 50 percent of companies had a formal IG program in place, and many are struggling with governing their unstructured data.

Only slightly over one-third (37 percent) regularly audited how much data their employees or business units produce, while a similar amount (35 percent) had a budget in place to deal with unstructured data challenges.

Furthermore, only 55 percent of respondents noted they perform regular file share cleanup exercises, while 40 percent said they had a "defensible deletion" program.

So why the lapse? It comes down to a simple but vexing challenge — as pressing as compliance needs are, companies cannot

reign in what they cannot see or manage.

“Without being able to answer simple questions like who created owns this data, where it’s located or what it’s about, organizations are hard-pressed to create effective rule-based policies to manage those file shares,” Farid Vij, lead information governance specialist at ZL Technologies, previously told Legaltech News. “This has been a debilitating factor for the data scientist world, who have often run into legal and governance roadblocks when trying to analyze enterprise content.”

The rise of unstructured data is a messy byproduct of [employees’ embrace of shadow IT](#), despite their awareness of its risks for data security and compliance.

Len Padilla, vice president of product strategy at NTT Communications, also noted that “the potential legal ramifications [of shadow IT] are severe. Recent data protection regulations contain penalties based on company revenue which could extend to millions. Simply placing customer data on a service that copies that data to the wrong jurisdiction could be cause for regulatory breach.”

The survey predicts that the proportion of unstructured data stored in-house will increase from 22 percent currently to 25 percent in two years, while cloud storage will make up just under half of an organization’s information repositories in at least five years.

This growth has led experts to advise companies to turn to [comprehensive communications archives](#) in order to quantify and analyze unstructured data, while being “future-ready” and agile enough to handle for any unexpected compliance or security issues. Similarly, some legal tech companies are releasing solutions specifically targeted at helping companies [execute policy-based actions](#) on such data.

And there is even a trend toward managing more complex unstructured data, such as [audio analytics](#), which while often overlooked has proven to be pivotal in litigation like the prosecution of U.S. trader Tom Hayes and Deutsche bank in the LIBOR scandal.