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### Learning Objectives

Through this session, you will be able to:

- Recognize the importance of a business case for IG
- Understand simple measurement resources and techniques
- Practice the four components of a Total Cost of Ownership approach to monetizing information
- Prioritize initiatives using Information Economics

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### Desired Outcomes for IG

- Resources and budget align to information importance
- More effort dedicated to results instead of convincing
- People are engaged and culture continually reinforced
- Innovation and synergy among disparate stakeholders

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### Measurement: The Solution Exists

- What is missing from Information Governance?
- Measuring the “Five I’s of Big Uncertainty”
- Calibrating a new measurement device – You
- “The Rule of Five”




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### How Big is the Haystack?

**VOLUME**

**TOTAL COST OF OWNERSHIP**

**Avg. 30K-50K objects per employee**

**Avg. 7%-15% of annual revenue or operating budget**

**Must be considered for every system**

Security  
Legal and retention  
Business needs  
Interoperability

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### Information Economics TCO Approach

#### Volume

<b>Paper 8%</b>	Device page counts, lease and service agreements, consumables
<b>Email 25%</b>	Server volume growth, .pst file scans, sampling
<b>Local and Network 33%</b>	File analysis, server and cloud storage
<b>Applications 21%</b>	User counts, servers, native metadata
<b>Structured Systems 13%</b>	User counts, servers, metadata, licenses

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### Information Economics TCO Approach

#### Asset Cost 20-35%

- Paper
- Email
- Local and Network
- Applications
- Structured Systems

- Invoices
- P-Card sampling
- Fixed resource cost (support personnel)
- M&S agreements
- Cloud subscriptions
- Consumables
- Real estate
- Migration
- Shipping costs
- Scanning
- Specialized equipment (microform readers)
- Offsite storage
- Application development

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### Information Economics TCO Approach

#### Process Cost 50-80%

- Paper
- Email
- Local and Network
- Applications
- Structured Systems

- Time and motion studies
- Representative process mapping
- Resource costs to create, use, transmit, store, recall and translate information
- Process examples for both Records and Non-records
- Process examples using different systems, departments
- Everything must be measurable**

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### Information Economics TCO Approach

#### Risk Cost 10-30%

- Paper
- Email
- Local and Network
- Applications
- Structured Systems

- Litigation spend
- Regulatory fines
- Cyber insurance
- Threat detection and monitoring
- Opportunity cost
- Obsolescence
- Reputation / publicity
- Customer experience
- Training cost
- Customer acquisition cost
- Internal risk resource cost
- Consumer protection
- Insurance premiums
- IMPEX / cost of change

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## TCO Example ~40 Million objects

Total Cost of Ownership				
System	Asset	Process	Risk	Total
Paper	\$440,028.06	\$2,530,542.90	\$186,702.39	\$3,157,273.34
Email	\$265,174.47	\$2,050,426.83	\$429,563.12	\$2,745,164.42
Shared Drive	\$292,773.44	\$3,524,688.93	\$193,714.11	\$4,011,176.48
SharePoint	\$440,763.71	\$900,012.87	\$64,571.36	\$1,405,347.94
Custom Application	\$210,060.10	\$120,361.33	\$175,110.99	\$505,532.42
Content Management	\$723,472.52	\$1,181,861.02	\$102,245.01	\$2,007,578.55
Structured Data	\$832,815.00	\$1,256,941.13	\$48,165.01	\$2,137,921.14
<b>Total</b>	<b>\$3,205,087.29</b>	<b>\$11,564,835.01</b>	<b>\$1,200,071.99</b>	<b>\$15,969,994.29</b>

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## Determining ROI

- Impact volume, asset, process, risk metrics
- TCO of solution or process change
- Calculate net benefit
- Ease of implementation (time)
- Payback period



**Prioritize quick projects and reinvest savings**

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**Thank You!**

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