

Seeking to Master Information Explosion: Enterprises Gain Better Ways to Get and Manage their Information

Transcript of a BriefingsDirect podcast on new strategies and tools for dealing with the burgeoning problem of information overload.

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Dana Gardner: Hi. This is [Dana Gardner](#), principal analyst at [Interarbor Solutions](#), and you're listening to BriefingsDirect.



Today, we present a sponsored podcast discussion on how enterprises can better manage the explosion of information around them. Businesses of all stripes need better means of access, [governance](#), and data lifecycle best practices, given the vast ocean of new information coming from many different directions. By getting a better handle on information explosion, analysts and users gain clarity in understanding what is really going on within the businesses, and, especially these days, across the dynamic market environment.

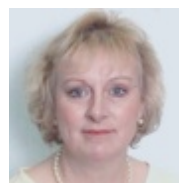
The immediate solution approach requires capturing, storing, managing, finding, and using information better. We've all seen a precipitous drop in the cost of storage and a dramatic rise in the incidents of data from all kinds of devices and across more kinds of business processes, from sensors to social media.

To help us better understand how to best manage and leverage information, even as it's exploding around us, we're joined by [Suzanne Prince](#), worldwide director of information solutions marketing at [Hewlett-Packard \(HP\)](#). Welcome, Suzanne.

Suzanne Prince: Thanks, Dana.

Gardner: As I mentioned, things have changed rather dramatically in the past several years, in terms of the amount of information, the complexity, and the sources of that information. From your perspective, how has the world changed for the worse when it comes to managing information?

Prince: Well, it's certainly a change for the worse. The flood is getting bigger and bigger. You've touched on a couple of things already about the volume and the complexity, and it's not getting any better. It's getting worse by the minute, in terms of new types of information. But, more importantly, we're noticing major shifts going on in the business environment, which are partially driven by the economy, but they were already happening anyway.



We're moving more into the collaboration age, with flatter organizations. And the way information is consumed is changing rapidly. We live in the always-on age, and we all expect and want instant access, instant gratification for whatever we want. It's just compounding the problems.

Gardner: I'm afraid there's a price to be paid if one loses control over this burgeoning level and complexity of information.

Prince: Absolutely. There are these horror stories that we all regularly read in the press that range from compliance and [eDiscovery](#) fines that are massive fines. And, we're also seeing major losses of revenue.



I'll give you an example of an oil company that was hit by [hurricane Katrina](#) in the Gulf of Mexico. Their drilling rigs were hit and damaged severely. They had to rebuild them and they were ready to start pumping, but they had to regenerate the paperwork, because the environmental compliance documentation was actually on paper.

Guess what happened in the storm -- it got lost. It took them two weeks to regenerate that documentation and, in that time, they lost \$200 million worth of revenue. So, there are massive numbers associated with this risk around information.

Gardner: We're talking about not just information that's originating in a digital format, but information that originates in number of different formats across a number of different modalities, from rich media to just plain text. That has to be brought into a manageable digital environment.

Information is life

Prince: Absolutely. You often hear people saying that information is life -- it's the lifeblood of an organization. But, in reality, that analogy breaks down pretty quickly, because it does not run smoothly through veins. It's sitting in little pockets everywhere, whether it's the paper files I just talked about that get lost, on your or my memory sticks, on our laptops, or in the [data center](#).

Gardner: We've heard a lot about data management and data mining. That tends to focus on structured data, but I suppose we need to include other sorts and types of information.

Prince: Yes. The latest analyst tracker reports -- showing what type of storage is being bought and used -- reveal that the growth in unstructured content is double the growth that's going on in the structured world. It makes sense, if you think about it, because for the longest time now, IT has really focused on the structure side of data, stuff that's in databases. But, with the growth of content that was just mentioned -- whether it's videos, [Twitters](#), or whatever -- we're seeing a massive uptick in the problems around content storage.

Gardner: While we're dealing with a hockey stick curve on volume, I suppose that the amount of time that we have to react to markets is shrinking rapidly. We've had an economic storm and folks have had to adjust, perhaps cutting 30-40 percent of their businesses as quickly as possible. So, in order to react to environments that are themselves changing, we can't wait for a batch reply on some look at information from 3-10 weeks ago.

Prince: No. That comes back to what I said previously about instant gratification. In reality, it's a necessity. Where do I shed? Where do I cut my costs? Where are the costs that I can cut and still not cut into the meat of my company? More importantly, it's all about where are my best customers? How do I focus my sales energy on my best customers? As we all know, it costs more to get a new customer than it does to retain an old one.

Gardner: Also compounding the complexity nowadays, we're hearing quite a bit about [cloud computing](#). One of the promises of the vision around cloud computing is being able to share certain data to certain applications, certain people, certain processes, but not others. So, we need to start managing how we then allow access to data at a much more granular level.

Prince: The whole category of information governance really comes into play when you start talking about cloud computing, because we've already talked about the fact that we've got disparate sources, pockets of information throughout an organization. That's already there now. Now, you open it up with cloud and you've got even more. There are quality issues, security issues, and [data integration](#) issues, because you most likely want to pull information from your cloud applications or services and integrate that within something like a [customer relationship management \(CRM\)](#) system to be able to pull [business intelligence \(BI\)](#) out.

Gardner: I just spoke with a number of CIOs last week at an HP conference, and their [modus operandi](#) these days is that they need to show a return on whatever new investments they make in a matter of one or two months. They don't have a 12- or 18-month window for return on their activities. What are the business paybacks, when one starts to do [data mining](#), management, cleansing, storing, the whole process? When they do it right, what do they get?

Prince: We've seen very good [returns on investment \(ROIs\)](#) ranging from 230 percent to 350 percent. We've seen major net benefits in the millions. And, in today's world, the most important thing is, to get the cost out and use that cost to invest for growth. There are places you can look, where you can get cost out quite quickly.

I already mentioned one of them, which is around the costs of eDiscovery. It may not be provisioned yet in the IT budget, but may be in your legal department's budget. They are spending millions in responding to court cases. If you put an eDiscovery solution in, you could get that cost back and then reallocate that to other projects. This is one example. [Storage virtualization](#) is another one. Also [outsourcing](#) -- look into what you could outsource and turn capital expenditure into operating expenditure.

Gardner: I suppose too that productivity, when lost, comes with a high penalty. So, getting accurate timely information in the hands of your decision makers perhaps has a rapid ROI as well, but it's not quite as easy to measure.

Right information at the right time

Prince: No, it's not as easy to measure, but here's something quite interesting. We did a survey in February of this year in several countries around the world. It was both for IT and line-of-business decision makers. The top business priority for those people that we talked to, way and above everything else, was having the right information at the right time, when needed. It was above reducing operating costs, and even above reducing IT costs. So what it's telling us is how business managers see this need for information as business critical.

Gardner: I suppose another rationale for making investments, even in a tough budgetary environment, is regulatory compliance. One really doesn't have a choice.

Prince: You don't have a choice. You have to do it. The main thing is how can you do it for least cost and also make sure that you're covering your risk.

Gardner: Well, we've had an opportunity to look at the problem set. What sorts of solutions can organizations begin to anticipate and put into place?

Prince: I touched on a few, when I was talking about some of the areas to look for cost savings. At the infrastructure layer: we've talked about storage. You can definitely optimize your storage -- virtualization, deduplication. You really need to look at deleting what I would call "nuisance information," so that you're not storing things you don't need to. In other words, if I'm emailing you to see if you'd like to come have a cup of coffee, that doesn't need to be stored. So, optimizing storage and optimizing your data center infrastructure.

Also, we talked about the pockets of information everywhere. Another area to look at is [content repository](#) consolidation, or [data mart](#) consolidation. I'm talking about consolidating the content and data stores.

As an example, a pharmaceutical company that we know of has over 39 different content management solutions. In this situation, a) How do we get an enterprise view of what's going on and b) What's the cost? So, at the infrastructure layer, it's definitely around consolidation, standardizing, and automating.

Then, at the governance layer, you need to look at data integration. You need to have a quality plan. You need to have a governance plan that brings together business and IT. This is not just an IT problem, it's a business problem and all parties need to be at the table. You're going to need to have your compliance officers, your legal people, and your records manager involved.

One of the most important things we believe is that IT needs to deliver information as a business-ready service. You need to be able to hide the complexity of all of that plumbing that I was talking about with those 39 different applications. You need to be able to hide that from your end users. They don't care where information came from. They just want what they want in the format that they want it in, which is usually an Office application, because that's what they're most used to. You've got to hide the complexity underneath by delivering that information as a service.

Gardner: It sounds like an integration problem as well, given that we're not going to take all these different types of information and data and put them into a single repository. It sounds as if we're going to leave it where it is natively, but extract some values and some indexing and gain the ability to access it rather rapidly.

Prince: Yes, because business users, when they want things, want them quickly or they do it themselves. We all do it. Each one of us does it. "Oh, let's get some spreadsheet going" or whatever. We will never be in a place where we have everything in one bucket. So, it's always going to be federated. It's always going to be a data integration issue. As I said, we really need to shield the end users from all of that and give them an easy-to-use interface at the top end.

Gardner: Are there any standards that have jumped out in recent years that seem more valuable in solving this problem than others?

No single standard

Prince: No, not really. There are a lot of people who keep taking runs at it. There are the groups looking at it. There are industry groups like [ARMA](#) looking at the records management. [AIIM](#) is looking at the information content management. But, there is not any one particular standard that's coming out above the others. I would recommend, because of the complexity underneath and the fact that you will always have a heterogeneous environment, open standards are important, so that you can do more of a [plug-and-play](#) game.

Gardner: It seems that what we were doing with information in some ways is mimicking what we have done with applications around integration and consolidation. Are there means that we have already employed in IT that can be now reused or applied to this information explosion in terms of infrastructure, service orientation, enterprise service buses, or policy engines? How does this information chore align with some of the other IT activity?

Prince: It sort of lines up. You touched on something there about the applications. What you said is exactly true. People are now looking at information as the issue. Before they would look at the applications as the issue. Now, there's the realization that, when we talk about IT, there is an "I" there that says "Information." In reality, the work product of IT is information. It's not

applications. Applications are what move it around, but, at the end of the day, information is what is produced for the business by IT.

Gardner: Years ago, when we had one mainframe that had several applications, all drawing on the same data, it wasn't the same issue it is today, where the data is essentially divorced from the application.

Prince: Yes, and you mentioned it before. It's going to get even more so with cloud. It's going to get even more divorced.

Gardner: From HP's perspective, what do you have to bring to the table from a methods, product, process, and people perspective? I'm getting the impression that this has to be done in totality. How do you get started? What do you do?

Prince: There are two questions there. From an HP perspective, as you said, we bring the total package from our expertise and experience, which is vital in all of this. One of the main things is that you need people have done it before. They know the tricks and have got maturity models and best practices in their back pockets and they bring those out.

We've definitely got the expertise and the flexible sourcing, so that we can help reduce the total cost of ownership and move expenditure around. We've got that side of the fence and we've obviously got the adaptive infrastructure. We already talked about the data warehouse consolidation. We've got services around governance. So, we've got the whole stack. But, you also asked where to start, and the answer is wherever the customer needs to start.

Gardner: It's that big of a problem?

Increasing law suits

Prince: Yes, it is that big, and it's going to depend. If I'm a manufacturing company I might be getting a lot of law suits, because the number of law suits have gone sky high since people are trying to get money out of enterprises any way they can. So, look for where your cost is, get that cost out, and then, as I said before, use that to fund innovation, which is where growth comes from. It's all about how you transform your company by using information.

Gardner: So, you identify the tactical cost centers, and that gives you the business rationale and opportunity to invest perhaps at a strategic level along the way, employing governance as well?

Prince: It's like any other large project. You need to get senior executive commitment and sponsorship -- and I mean real commitment. I mean that they are involved. It's also the old adage of "how do you eat an elephant?" You eat an elephant in small chunks. In other words, you have a strategic plan and you know where you are going, but you tackle it in tactical projects that

return business benefits. And then, IT needs to be very visible in communicating the benefits they are making in each of those steps, so that it reinforces the re-investment cycle.

Gardner: Something you mentioned earlier that caught my attention was the new options around sourcing. Whether it's on-premises, modernized data center, on-premises cloud-like or [grid-like](#) or [utility](#) types of resource pools, moving towards [colocation](#), outsourcing and even a third-party cloud provider, how does that spectrum of sourcing come into play on a solutions level for information explosion?

Prince: Again, it goes back to the strategies that we were talking about. There needs to be an underpinning strategy, and people need to look at the business values of information. There is some information that you will never want outsourced. You will always want it close at hand -- the CEO's numbers that he is monitoring the business with. They're under lock and key in his office. It's core business value information. There are others that you can move out. So, it's going to involve the spectrum of looking at the business value, the security, and the data integration needs, assessing all of that, and then making your decisions.

Gardner: Are there some examples we can look to and get a track record, an approach, and learned some lessons along the way? After we have a sense of what people have done, what kind of success rates do they tend to enjoy?

Prince: Because it's such a broad topic, it's hard to hone in on any one thing, but I will give you an example of document processing outsourcing. It's just an example. With the acquisition of EDS, we offer a service where we will automate the mailroom. So, when the mail comes into the mailroom, it gets digitized and then sent to the appropriate application or user. If it's a customer complaint, it will go to the complaints department. If it's a sales request, it will get sent to the call center.

That's a totally outsourced environment. What all of our customers are seeing is a) reduction in cost, and b) an increase in efficiency, because that paper comes in and, once digitized, moves around as a digital item.

Gardner: We perhaps wouldn't name names, but have you encountered situations where certain companies, in fact, found themselves at a significant deficit competitively as result of not doing the right thing around information.

Lack of information

Prince: Well, I can give you one. Actually, it's in the public domain. So, I can name names. [New Century](#). They were the first sub-prime mortgage company to go under in the US, and it's publicly documented.

The bankruptcy examiner has actually written in his report that one of the major reasons they went crash was because of the lack of information at the management level. In fact, they were running their business for the longest time on Excel spreadsheets, which were not being transmitted to management. So, they were not aware of the risks that they were actually exposed to.

Gardner: We've certainly seen quite clear indicators that risk wasn't always being measured properly across a number of different industries over the past several years. I suppose we would have to attribute that not only to a process, but to simply not knowing what's going on within their systems.

Prince: Yes. I'll give you another public domain example of something from a completely different angle -- a European police database. They have just admitted -- in fact, I think it went public in February -- that they had 83 percent errors in their database. As a result of that, over a million people either lost their jobs or were fired because they were wrongly categorized as being criminals.

You have absolutely catastrophic events, if you don't look after your quality and if you don't have governance programs in place.

Gardner: I want to hear more about how we get started in terms of approaching a problem, but I also understand that we should have some hope that new technologies, approaches, and processes are coming out. Has there been anything at the labs level or the R&D level, where investments are being made that offer some new opportunities in terms of some of the problems and solution tension that we have been discussing?

Prince: In [HP Labs](#), we have eight major focus areas, and I would categorize six of them as being focused on information -- the next set of technology challenges. It ranges all the way from content transformation, which is the complete convergence of the physical and digital information, to having intelligent information infrastructure. So, it's the whole gamut. But, six out of eight of our key projects are all based on information, information processing, and information management.

I'll give you example of one that's in beta at the moment. It's [Taxonom](#), which is an information-as-a-service (IaaS) taxonomy builder. One thing that is really important, especially in the content world, is the classification of the content. If you don't classify, you can't find it. We are in beta at the moment, but you are going to see a lot of more energy around these types of solution.

Gardner: So the majority of R&D money's, at least at HP, is now being focused on this information explosion problem set.

Prince: Yes, yes, absolutely.

Gardner: Interesting. Well, some folks may be interested in getting some more detailed information. They perhaps have some easily identified pain points and they want to drill down on that tactical level, consider some of the other strategic approaches, and look to some of those benefits and risk reduction. Where can they go to get started?

Prince: The first one to call is your HP account representative. So, talk to them and start exploring how we can help you solve the issues in your company. If you want to just generally browse, go to hp.com. I'd also strongly recommend a sub page -- hp.com/go/imhub.

Gardner: Very good. Well, we were discussing this burgeoning problem around information explosion, along with some of the risks and penalties that unfortunately many folks suffer and some of the paybacks for those who start to get a handle on this problem.

We've also looked at some examples of winners and, unfortunately, losers and we have found some early ways to start in on this solutions road map. I want to thank our guest today. We have been talking with Suzanne Prince, worldwide director of information solutions marketing at HP. Thank you, Suzanne.

Prince: Thanks, Dana. It was a pleasure.

Gardner: This is Dana Gardner, principal analyst at Interarbor Solutions. You have been listening to BriefingsDirect. Thanks and come back next time.

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