WHITE PAPER

Quantifying the Costs and Benefits of Archiving Your Email and Other Electronic Content

An Osterman Research White Paper

Published October 2011

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Executive Summary

There are a variety of reasons that any organization should archive its relevant business records and other electronic content, including:

- Virtually all organizations have legal and statutory obligations to preserve content that they may need for legal proceedings or for purposes of satisfying regulatory obligations to retain data.

- Users often misplace or delete emails, files and other content that they would later like to retrieve. Giving users self-service access to this data – without having to ask IT to retrieve it for them – is beneficial to users and IT alike.

- An archiving system can reduce storage requirements for email, application and file servers.

- Archiving preserves corporate memory and corporate heritage.

- Archiving facilitates the migration from one email system to another.

- Archiving helps decision makers to monitor employee behavior for purposes of determining policy compliance and with regulatory compliance, as is the case for financial services firms. It can also be useful for analyzing business processes and information flows.

- In the case of archiving Web pages or entire Web sites, the problem of "link rot" – the changing or removal of Web content over time – means that simply recording URLs will not suffice to maintain an adequate archive of this content.

While archiving is often viewed as a cost of doing business, in reality it can reduce the cost of doing business – dramatically in some cases.

KEY TAKEAWAYS

There are four key points that this white paper attempts to make:

- All organizations should archive electronic content for purposes of legal, regulatory, storage management and user productivity considerations.

- All content types should be retained, including files, instant messages, social media posts, Web sites/Web pages, and any other electronic content that may prove useful for legal, regulatory or other purposes.

- Archiving is not a cost of doing business, but instead should be viewed as a means of reducing the costs associated with managing a variety of business processes. Based on our calculations, an archiving system could save an organization of 500 users more than $900,000 over a three-year period.

- The use of archiving mitigates an organization's risk in addition to reducing its cost of operations.

ABOUT THIS WHITE PAPER

This white paper was sponsored by ArcMail, a leading vendor of archiving solutions. Information on the company is provided at the end of this white paper.

Why You Need to Archive Content

WHAT DO WE MEAN BY "ARCHIVING"?

There is some disagreement as to what constitutes an "archive" of information. Osterman Research views an archiving capability – either one that is based on-premise or offered as a cloud-based service – as one that possesses four important features:

- It indexes all relevant content, such as incoming, outgoing and internally sent emails; content on file servers; social media posts; corporate Web site content; instant messages or any other content that is useful to retain for long periods. It is important to note, however, that most organizations today do not have a requirement to store all communication types.

- This content is transferred to a storage system where it will be held long-term and protected from modification. Many archiving systems also provide an audit trail capability indicating who has accessed archived content and when they did so.

- It provides robust search tools so that the archive can be searched when an organization needs to find and extract relevant content, such as during e-discovery, early case assessment, or when users must search for missing or deleted files.

- It can output content to an appropriate format, such as PDF or .PST files, or to an e-discovery system.

- Many archiving systems also permit the review and annotation of content. While not *archiving* per se, this is a critical element for many archiving applications in order to maintain compliance with regulations, as in the financial services industry.

THE DIFFERENCE BETWEEN TRUE ARCHIVING AND BACKUPS

It is important to note that there is a significant difference between a backup and an archive, although our research has found that some decision makers believe the terms are more or less interchangeable. While both backing up and archiving are important best practices, there are significant differences between the two as shown in the following table.

Differences Between Backups and Archive

	Backups	Archives
Basic purpose	Preserve a snapshot of data at a given point in time	Preserve a complete record of all relevant information
Reasons for performing	To restore servers or other platforms after a crash, malware or other loss of data	To satisfy e-discovery requests, regulatory audits, early case assessments, or restoration of missing content
Retention period	Normally 30-90 days	Many years, but indefinitely in some cases or as defined in your records retention policy
Type of content stored	Raw, unindexed content	Indexed content
Ability to modify content	Easy	Difficult
Cost to extract data	High	Low
Completeness of content capture	Captures most data, but not data created and deleted between backups	Retains a record of all content
Reliability of accessing stored content over long periods	Reasonable	High
Ability to satisfy legal and regulatory obligations	Low to reasonable	High

THE KEY DRIVERS FOR ARCHIVING

There are six primary benefits that any organization can realize from archiving their email, files, Web pages and other electronic content:

- **The ability to respond to legal requests for data**
  Businesses of any size are subject to being involved in a legal action for anything from the firing of an employee to marketing a product that does not work as intended. When an organization is sued – and often before a legal action actually commences – it will need access to documents, emails, Web pages and other content that will either prove its lack of culpability or that will demonstrate it so clearly as to motivate a quick settlement. Organizations will also need to place a legal hold on documents to prevent important content from being deleted. Performing these activities without an archiving system – something that many organizations have tried – will convince decision makers about the efficiency and costs savings of an archiving system to manage these activities.

- **The ability to comply with regulatory obligations to retain data**
  The same goes for regulatory compliance: organizations need to preserve a wide range of business records in order to remain compliant with the literally thousands of requirements that they are obligated to satisfy. Moreover, decision makers need to forget the notion of "regulated" and "unregulated" organizations – there are only heavily and less heavily regulated ones. It is important to note that the emergence of social media will be an increasingly important driver of archiving demand for both legal and regulatory reasons.

- **Giving users self-service access to their archived content**
  In many organizations, employees who misplace or delete emails and other content are often unable to motivate IT to retrieve the content for them. However, with a good

archiving system in place, any employee can access their own archive and recover content they have lost, accidentally deleted or didn't even know they had, all without bothering IT.

- **Freeing up storage on email, application and file servers**
  One of the fundamental problems with email servers, for example, is the plethora of huge mailboxes that sap server performance and that make backups and restores a painful and slow experience for IT staff. An archiving system that automatically migrates older content from servers of various types into an archive can improve server performance and can dramatically shorten backup and restore times.

- **Preserving corporate memory**
  Every organization pays employees to create content – appropriate members of the entire organization should have access to it for as long as it is useful. There is an enormous amount of intellectual property in organizations' old content and every one of their employees should have access to the parts of it they need to do their job more efficiently.

- **The ability to migrate to new email and other systems much more easily**
  One of the under-advertised benefits of an archiving system is its ability to help companies migrate to new messaging systems. For example, if an organization decides that it wants to migrate from one messaging platform to another, the first thing it should do is to migrate all of its existing content to an archiving system that will support both the new and the old systems. Once it has done that, the organization can move to the new messaging system and then bring the old content back from the archive as needed. This approach makes the migration process dramatically simpler, much less painful and much less likely to result in lost data.

WHAT MUST YOU ARCHIVE?

"What" must be archived is both easy and difficult to answer: easy in the sense that any relevant information should be retained, but difficult to answer in that exactly what content and the length of the time it should be retained is open to significant interpretation by courts, regulators and internal decision makers. That said, the decision of what to archive is easier in some industries. For example, the Financial Industry Regulatory Authority (FINRA), in Regulatory Notice 11-39[i], recently revisited its contention that the *content* of electronic communication – regardless of the media or device used – determines whether or not a message is a "business record" and needs to be retained.

There are a wide variety of content types that should be retained:

- **Email**
  Email messages and their attachments are the normal starting point for an archiving strategy since a large proportion of corporate content, including business records, is stored in email. In the majority of e-discovery requests, for example, email is among the content types that must be searched.

- **Instant messages**
  Instant messaging conversations should also be retained in an archiving system. Some regulatory requirements, such as those enforced by FINRA, have required retention of these conversations for many years.

- **Web site content**
  While less commonly retained, Web pages and entire Web sites should be retained in order for an organization to demonstrate the presence or absence of certain content posted to a Web site, claims or offers made on certain dates, etc.

- **Social media content**
  Most organizations do not retain social media content, but will increasingly need to do so because of the actionable content that social media sites contain. This includes "public" social media tools like Twitter and Facebook, as well as "private" tools like Salesforce Chatter or IBM Sametime. It also includes blogs and RSS feeds, content from which needs to be retained if it contains business records or other relevant content.

- **Files and databases**
  Word processing documents, spreadsheets, presentations, CRM databases, logs and other content increasingly need to be retained for long periods because they contain what the Federal Rules of Civil Procedure (FRCP) and statutes in other jurisdictions calls "Electronically Stored Information", or ESI.

- **Other content**
  There are a variety of other content sources that need to considered as archivable, including SMS/text messages and other content on smartphones, tablet computers, employees' home computers and any other source that contains information that might be deemed by a court, regulator, legal counsel or corporate decision maker as relevant for long term retention.

WEB SITE ARCHIVING

Although the vast majority of organizations do not archive content from Web sites, there are a number of reasons to do so, including:

- **Regulatory compliance**
  Some requirements, such as FINRA Rule 2210, requires broker-dealers and others to advertise their services accurately, requires these registered representatives and others to demonstrate the veracity of claims made on a Web site, in a Facebook post, a tweet, etc.

- **Legal compliance**
  FRCP Rule 26 requires that expert witnesses whose testimony is introduced during legal proceedings offer "the witnesses' qualifications, including a list of all publications authored in the previous 10 years." Because a growing proportion of many such experts' publications consist of blog posts and other Web-based content, it is important for this content to be available to all parties during a legal proceeding.

- **Legal holds**
  When a hold on data is required, it is imperative that an organization immediately be able to begin preserving all relevant data. For example, if a dispute arises because of a claim made on a page of a company's web site, that content must be preserved for as long as a court, regulator or other authorized entity may deem necessary.

- **Early case assessments**
  In addition to the e-discovery and legal hold benefits, a Web archiving system allows an

organization to perform either formal or informal early case assessment activities. For example, if a customer makes a claim against a company based on a statement made on the company's web site, senior managers can search the archive for information that will help them determine the potential liability they face.

- **Knowledge management**
  There is an enormous amount of useful content that is posted to a company's own Web site or other sites. This includes identifying and extracting information about companies' products, their public financial information, their participation in trade shows and a wealth of other types of content. Applications for this information include competitive analysis, determination of compliance with various statutes, performing analytics to determine at what time of year certain events take place, and so on.

- **Heritage management**
  Web archiving can be very useful for maintaining a corporate record of what has been posted to a Web site, how long this content was maintained or when it was replaced. For example, a company may want a record of its Web site for historical purposes, or it may need an archive in order to re-use some of its content at a later date. Maintaining an accurate archive of Web content can significantly reduce the costs associated with recreating this content.

"LINK ROT" MUST ALSO BE CONSIDERED

It is also important to consider that even though some content management systems are designed to preserve URLs, "link rot" – the changing of Web addresses or the deletion of content on referenced Web pages – means that the accessibility of this content will decrease over time. Moreover, a Web archiving system that stores information in standardized formats instead of relying on technologies that may not be supported in the future can result in backwards compatibility as technology evolves, making archived Web content accessible and forensically viable for very long periods. One study of link rot found that 8.3% of Web pages were no longer available after 12 months, and that 27.9% were unavailable after 36 months[ii].

The bottom line here is that business records must be retained for long periods regardless of the content store that houses them; the platform that created, sent or stored them; or their location.

Examining the Cost Benefits of Archiving

This section provides some example use cases for archiving and the cost savings that archiving can provide. It is not intended to be an exhaustive collection of all potential use cases, but instead should serve as a starting point for decision makers in evaluating their own use cases for archiving technology.

E-DISCOVERY EXERCISE OR REGULATORY AUDIT

- **Without archiving**
  Just about every organization of any size will need to undertake an e-discovery exercise at some point, either directly as a litigant in a legal action or in support of another organization that is directly involved in a lawsuit. Further, heavily regulated organizations like broker-

dealers will periodically need to respond to regulatory requests for information. These types of requests, which today are a key component of most legal or regulatory actions because of the large and growing proportion of business records stored electronically, have become a fact of life for most organizations.

Let's assume that a 500-seat organization must respond to an e-discovery or regulatory audit request and all of its relevant electronic content is stored on 500 backup tapes. Further, let's assume that IT will spend 30 minutes loading each tape into a recovery server and copying the data to a central repository for processing by legal staff. Another 24 hours of IT staff time will be required to address issues like corrupted .PST files, tapes that cannot be read, etc. Let's also assume that legal staff will require 320 person-hours to search through this repository for relevant content (the equivalent of one person working full time for eight weeks). This figure can vary widely based on the type of data through which legal must search, but this figure is based on a real-world example.
Using the assumptions above, an organization will spend 250 person-hours of IT staff time at a total cost of $10,538 (250 hours x $38.46/hour) to recover the data from the backup tapes. Further, the cost of legal staff will be $64,000 (320 hours x $200 per hour), yielding a total labor cost of $74,538 to respond to a single e-discovery request or regulatory audit.

- **With archiving**
  Now, let's assume that the organization has an archiving system that can be accessed by legal staff directly. Although archiving systems can vary widely in price based on their feature set, licensing costs and other factors, let's assume a three-year cost of $60 per seat (including acquisition, support and maintenance costs), or $30,000 for the entire organization. We'll further assume that an organization will need to undertake just 10 e-discovery or regulatory audit requests over a three-year period. If we spread the cost of the archiving system over just these requests, that results in a cost per request of $3,000 for the archiving system.

  Using the same assumptions as in the example above, we can eliminate the IT cost, since the legal staff can access the archive directly without any involvement from IT. Further, because the archived information has already been indexed before being archived, searching across the archive will be much simpler and faster. If we conservatively assume that the legal staff time will be halved when using an archive, the legal labor cost will be $32,000 (160 hours x $200 per hour), although in many cases the reduction in time spent by legal will be significantly greater than this.

  Based on these assumptions, the cost of a single e-discovery exercise or regulatory audit will be $35,000 ($32,000 in labor and $3,000 for the archiving system), resulting in a dramatic net savings per request. Based on the rather conservative assumption of 10 e-discovery requests every three years, that results in a total savings of roughly $395,000 over a three-year period.

SETTLING A LEGAL ACTION BEFORE GOING TO TRIAL

- **Without archiving**
  Let's assume a similar situation to the one above – a sort of informal discovery conducted by senior management and external legal counsel as part of an early assessment of a potential legal action. This is the type of exercise that might be conducted if management

suspected that some situation – such as a faulty product that injured a customer or an employee terminated under difficult circumstances – might result in a lawsuit. This action would probably be less extensive than the e-discovery example above and, for purposes of this example, would involve searching only through 100 backup tapes.

In this example, let's assume that 20 such exercises will be conducted over a three-year period, each one at a cost of $14,908 (one-fifth the cost of a full e-discovery exercise). The total labor cost of these early case assessments, therefore, would be $298,152 over a three-year period.

- **With archiving**
  Now, let's assume that an archiving system could be used to conduct these early case assessments. Using the same assumptions as shown above (20% of the effort of a complete e-discovery or regulatory audit exercise), the total cost of legal staff examining content from the archive will be $6,400. Add to this the cost of the archiving system ($30,000) spread out over 20 early case assessments and the total cost per assessment will be $7,900, or a total three-year cost of $158,000. The net savings from the use of an archiving system, then, will be slightly more than $140,000 over three years.

The advantage of having ready access to archived information for these types of early case assessments is that management and legal counsel can be armed with better information with which to make decisions. As noted in an issue of LIMRA Regulatory Review, "Companies may be able to get accurate context quicker — expediting the answer to 'defend or settle and the path to the most logical business resolution, and limiting e-discovery and legal counsel costs[iii].

REDUCING DOWNTIME COSTS

- **Without archiving**
  One of the fundamental problems with storing content "live" on email servers instead of in an archive is that either email storage on servers continues to grow over time, users offload content to personal archives where it is much more difficult to access, or they delete important information that should be preserved for long periods. Further, storing very large amounts of content on email servers can reduce their performance (admittedly, a difficult problem to quantify) and can make server restoration after a crash a much more lengthy process that impacts user productivity (an easy-to-quantify problem).

- **With archiving**
  With regard to the latter problem – restoring email servers after a hard disk crash or some other problem – let's assume that email servers crash only once per year, that each server supports 500 users, and that restoration requires six hours without an archive compared to two hours with an archive. Further, let's assume that the fully burdened salary for email users is $38.46 per hour, and that users are 25% less productive during an email downtime incident, such as a server restoration.

- Based on these assumptions, the total productivity cost savings of having an archiving system in this situation for just one email restoration would be $19,230, based on the following:

Cost without archiving
$28,845 ($38.46 x 500 users x six hours x 25% lower productivity)

Cost with archiving
$9,615 ($38.46 x 500 users x two hours x 25% lower productivity)

PROVIDING END USER ACCESS TO THE ARCHIVE

- **Without archiving**
  Users periodically delete content that they will need at some point. This content might be a word processing document they have taken a considerable amount of time to write, an email with an important communication from a customer, or a financial spreadsheet. For purposes of this example, let's again assume a 500-person organization and each employee needs to recover just one document per month. This results in a total of 6,000 documents that need to be recovered each year (500 employees x one document per month x 12 months). Let's further assume that IT requires an average of 30 minutes to recover each document from a backup tape.

  Assuming that IT even has the bandwidth to recover all of these documents, IT staff members will spend a total of 3,000 hours annually (6,000 documents x 30 minutes per document) recovering this content. The total IT cost of document recovery, therefore, will be $115,385, the equivalent of 1.44 full-time IT staff members.

- **With archiving**
  Now, let's assume that the organization has deployed an archiving system that has been configured to allow individual users to access their own archived content. If we assume that five minutes will be required to recover a document and that the average employee salary is identical to that of IT staff members, then the total cost of employees recovering their own documents will be $19,230 annually (6,000 documents x five minutes of recovery per document). The total annual savings compared to IT recovering the documents will be $96,154. Factor in the cost of the archiving system (average of $10,000 per year) and the cost savings from end-user access to the archive is more than $86,000 per year.

DEMONSTRATING CLAIMS MADE ON A WEB SITE

- **Without archiving**
  There are numerous legal actions brought each year for false claims made on Web sites, such as the Broward County, Florida case of *Green Bullion Financial Services, LLC v. Liberis*[iv]. In this case, the plaintiff sought relief against several defendants in excess of $15,000 per defendant for allegedly false statements made concerning the plaintiff's business practices and other matters.

  In cases like this, a defendant that receives notification of a legal action can quickly take down an offending Web site (this is not meant to imply that this occurred in the case noted above). If the plaintiff does not have a complete, time-stamped and verifiable copy of the offending content, they will have a much lower chance of prevailing in the case than if they have such content stored in a Web archive.

- **With archiving**
  Let's assume that a mid-sized company is a plaintiff in only one action each year in which it

needs to have an accurate and complete archive of defendants' Web sites, and that in each case it seeks $50,000 in damages. Let's further assume that in the absence of a Web archive its chances of prevailing are 25%, but with a complete archive its chances of prevailing are 60%. Using a quantitative business analysis approach, the value of the claims the plaintiff will receive without an archive is $12,500 ($50,000 x 25%), but with an archive the value of its claims will be $30,000 ($50,000 x 60%). This means that over three years, the additional value provided by a Web archive will be $52,500 ($17,500/year x 3). Expressed another way, without an archive an organization will lose $37,500 per year in lost claims, while with an archive it will lose only $20,000.

RESPONDING TO GOVERNMENT PUBLIC RECORDS REQUESTS

While citizens have a right to information under Sunshine laws and Freedom of Information Act (FOIA) statutes, obtaining this information is often expensive. For example, consider the following governments' statement regarding the cost of obtaining public records:

- City of Lansing, MI – "FOIA responses and information are freely available (within set guidelines) but they are not free to obtain; usually, you must pay for the costs of finding, processing, copying and mailing the requested material. The costs of locating and reproducing documents will vary depending on the type and number of documents requested. If the charge is expected to exceed $50.00, the City will notify you by letter before proceeding to fill your request. Charges for time spent on FOIA responses are based on the pay rate of the lowest paid capable FOIA responder.[v]"

- United States Department of Agriculture, Food Safety and Inspection Service – "When making your request, you should specify the fee category in which you feel your request falls and the amount you are willing to pay. If you do not specify the amount that you are willing to pay, FSIS will assume by your making the request, that you are willing to pay up to $25.00.[vi]"

- Virginia Department of Accounts – "You may have to pay for the records that you request from the Department of Accounts. FOIA allows us to charge for the actual costs of responding to FOIA requests. This would include items like staff time spent searching for the requested records, copying costs, or any other costs directly related to supplying the requested records. It cannot include general overhead costs. If we estimate that it will cost more than $200 to respond to your request, we may require you to pay a deposit, not to exceed the amount of the estimate, before proceeding with your request.[vii]"

- **Without archiving**
  In FY2010, the US federal government received 597,415 FOIA requests and released information on 377,411 of them during that year[viii]. If we assume that this volume of FOIA requests was processed without the assistance of email, Web or other archiving technology; that each request took an average of 120 minutes to process; and that processing these requests costs $50 per hour, the total cost of processing the released FOIA requests would be $37.9 million.

- **With archiving**
  If we now assume that an archiving system could cut the processing time on FOIA request to 10 minutes, this would result in a total cost of $3.1 million. While a savings of $34.8

million may not seem significant to a government with a multi-trillion annual budget, consider that the data in the example above are only those FOIA requests for the US federal government. There are an enormous number of such requests at the federal, state, provincial, county, department, borough and similar levels within governments worldwide.

WHAT CAN A MID-SIZED ORGANIZATION EXPECT TO REALIZE?

The examples of cost savings with an archiving system discussed above are summarized in the following table.

Three-Year Savings From the Use of an Archiving System for Various Tasks in an Organization of 500 Users

Task	Without Archiving	With Archiving	Savings per Incident or Year	Total Incidents Over Three Years	Total Savings
Conducting one e-discovery exercise or going through a regulatory audit	$74,538	$35,000	**$39,538**	**10**	**$395,380**
Settling a legal action before going to trial	$14,908	$7,900	**$7,008**	**20**	**$140,152**
Reducing downtime costs	$28,845	$9,615	**$19,230**	**3**	**$57,690**
End-user self service to older content for a period of one year	$115,385	$29,230	**$86,155**	**Ongoing**	**$258,465**
Demonstrating claims made on a Web site	$37,500	$20,000	**$17,500**	**3**	**$52,500**
				TOTAL	**$904,187**

SOME SAVINGS ARE DIFFICULT TO QUANTIFY, BUT CAN BE ENORMOUS

There are other cost savings that an archiving system can provide that can be difficult to quantify, but that can provide significant benefits to any organization. These include the ability to eliminate data leaks, the ability to conduct ad hoc assessments for fine-tuning email use or retention policies, the ability to continually improve efficiency or effectiveness, or improving employee morale by empowering employees to search through their own content instead of waiting for IT to respond to employee requests. While these types of benefits from archiving may not be easy to quantify, they are nonetheless critical and should be taken into consideration as part of the overall archiving decision-making process.

What Else Can the Right Archiving Capability Do?

In addition to the many benefits of archiving as discussed above, the right archiving capability can provide two additional capabilities that will become increasingly important in many organizations:

- **Monitoring**
  An archiving system can be used to monitor incoming content that employees may find offensive and that could result in a company becoming liable for a sexual harassment

lawsuit or other action, or it can monitor for sensitive or confidential information that should not be sent to employees. An archiving system can also be used to monitor Web site claims and blog posts for legality and compliance with corporate policies. Moreover, in heavily regulated firms, such as in the financial services industry, email review procedures, proof of email review for problematic language, and evaluation of policy regarding supervision are all critical capabilities.

- **Analytics**
  Another important benefit of an archiving system is that it can be used to analyze information flows within an organization, such as understanding the email, instant messaging and social media interactions between employees, customers, business partners and others; or understanding how information flows change over time. Using an archiving system for analytics can yield a wealth of data on customer and business partner relationships and can be useful in helping employees to communicate more effectively, among other benefits.

Moving to the Next Step in Content Archiving

UNDERSTAND YOUR DRIVERS TO ARCHIVE CONTENT

Nearly one in five decision makers believes that deleting all email content is the least risky option for their organization, while more than twice as many believe that preserving all email is the least risky option, as discussed in a recently published Osterman Research report on the archiving market[ix]. However, nearly two in five decision makers is simply not sure which is the least risky approach.

This reveals the erroneous perception by many decision makers that deleting all content reduces or eliminates risk during litigation or regulatory audits. While deleting content *might* be less risky if a sympathetic judge or regulator who is ignorant of archiving technologies can be found to manage a case, deleting content is rarely without risk. For example, any organization can be found guilty of spoliation of evidence if it has not preserved important email, files or other evidence – a situation that we believe will be more common in the future as courts and regulators become more aware of the relative ease and low cost with which content can be archived. This applies to all electronic content, including email, social media content, Web pages and Web sites, instant messages, files and any other relevant content.

It is also important to consider that while legal and regulatory obligations are today the primary drivers for retaining electronic content, there are other motivators, as well, including a need to preserve content for data mining purposes, a need to preserve corporate heritage, the benefits of allowing users to recover their own content, improving application performance, etc. Bottom line: every organization has many specific obligations and business drivers to archive content.

EXAMINE THE SPECIFIC COST SAVINGS IN YOUR ORGANIZATION

It is also vital that decision makers understand their current business processes and activities, and how archiving might provide some level of hard and soft cost benefits. Specifically, decision makers need to know:

- The number of e-discovery requests they must satisfy each year. This includes not only formal requests for discoverable content, but also informal requests that might be part of senior management's investigation into a legal matter before an action has commenced. For example, Osterman Research has found that 72% of mid-sized and large organizations have been ordered to produce employee email as part of a legal action, while 48% have used archived content for pre-discovery purposes[x].

- The number of regulatory audits and similar actions they must satisfy each year. Osterman Research has found that just over one-half of organizations have had to produce employee email in response to a regulatory request[xi].

- The amount of time that users spend looking for old content they have produced and filed away, misplaced or lost; as well as the amount of time they spend recreating missing content.

- The frequency of blog posts by company employees, contractors and others.

- The frequency of Web site changes.

- The approximate number of posts to social media Web sites.

- The amount of downtime in application servers and the amount of time that IT spends addressing these downtime incidents.

Next, decision makers need to examine the current methods used in each of these processes and the potential cost savings that archiving could provide. For example, if an organization must respond to an average of five e-discovery requests per year and spends 200 person-hours on the average such request extracting content from backup tapes, it should estimate the cost savings that an archiving system could provide. The examples provided earlier in this document, combined with other examples from peers or archiving vendors, can help decision makers to build a business case for archiving that can demonstrate the return-on-investment and payback periods for various types of archiving systems.

UNDERSTAND YOUR OPTIONS FOR ARCHIVING

Finally, decision makers need to evaluate the various delivery models for archiving capabilities:

- Software deployed on on-premise servers
- On-premise, self-contained appliances
- Cloud-based services

Moreover, the choice of an archiving delivery model is not an either-or decision: an organization can opt for multiple delivery models based on the size of the organization, its geographic distribution, the types of content that are to be archived, senior management's comfort level with where data is stored, and other factors.

Summary

There are four key issues for decision makers to consider in the context of electronic content archiving:

- Every organization – regardless of size, industry or geography – should archive electronic content for legal, regulatory, storage management and user productivity purposes.
- Instead of viewing archiving as a cost of doing business, it should be regarded as a means of reducing the cost of managing retention obligations and satisfying business processes.
- While many organizations begin the archiving process with the retention of email, all relevant content types should be retained, including files, instant messages, social media posts, Web sites/Web pages, and any other electronic content that may prove useful for legal, regulatory or other purposes, particularly for FINRA-regulated organizations.
- Finally, the use of archiving mitigates an organization's risk in addition to reducing its cost of operations.

Sponsor of This Report

ArcMail is a leading provider of simple, secure and cost-effective email archiving and management solutions. Honored with the Network Products Guide Product Innovation Award, ArcMail was founded to help companies and public sector organizations implement effective email archiving programs, boost email server performance and satisfy regulatory requirements. With the rapid growth of email usage, the Shreveport, LA-based company addresses a need for simple, secure email archiving that is affordable for small businesses yet robust enough to handle the demands of enterprise companies and government entities.

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ArcMail's solution, the Defender, was developed to provide cost-effective email archiving hardware that improves the user experience, reduces the load on IT resources and safely secures the business information contained in emails, all in an easy-to-use appliance. We believe the Defender is the best email archiving solution for organizations with anywhere from 5 to 5,000+ mailboxes across a broad section of industries. Companies and organizations such as: Behr Paints, State of New York Metropolitan Transportation Authority, St. Louis Public Schools and the Canadian Parliament have all turned to ArcMail for efficient email storage. ArcMail has also been listed by leading business analyst companies who report on email archiving appliance vendors.

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[iii] http://www.limra.com/newsletters/LRR/LRR_Newsletter_2010-6c.pdf
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