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"Upping the Ante on Compliance and Improving Your Business Performance"

By Brett MacIntyre, Vice President, Content Management

Roughly 20 years ago, businesses had an easier time knowing what information to keep on hand for compliance purposes. Important documents were typically stored in clearly labeled files and large boxes, and that was that.

Then, two things started happening that changed everything. First, the volume of data companies produce and store exploded, spurred by such technology advances as the Web and e-mail, which double in volume every year. Second, the rules that apply to what companies need to keep and throw out started changing dramatically -- witness the recent Sarbanes-Oxley Act, privacy requirements based on the Health Insurance Portability and Accountability Act (HIPAA), and increased oversight from other agencies.

Business is facing a virtual alphabet soup of compliance requirements, and the stakes are higher than ever for executives charged with meeting new standards. Nobody wants to be on the news for discarding critical information or, just as bad, be unable to find what is needed.

Up until now, records management has been a fairly quiet part of business. The novelty today is that records management applies not just to legal and information technology issues but to management of all the information that flows across the enterprise, along with its relations with customers, suppliers and partners. This information is as vital to meeting compliance needs as it is running the business effectively.

But most businesses aren't there yet. In fact, 80 percent of business information today is typically in unstructured formats like e-mail, graphics, audio and video - - buried deep inside the organization where it cannot be managed. To meet compliance needs, all this buried treasure needs to be scanned and digitized, stored securely and be readily available for internal and external tracking, which even includes producing original documents.

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As daunting as this might be, there is a powerful upside: Companies now have an added incentive to improve business performance as they meet tighter compliance requirements. Up-to-date records management policies and systems can help companies comply with complex regulation, as well as spur productivity, enhance customer service and boost return on technology investment.

For example, Acuity Insurance found that by integrating internal and external business processes, it adjusted much more quickly to global changes in law -- as well as increased its business with independent insurance agents by 35 percent, drove customer satisfaction to 97 percent and cut costs. Credit Lyonnais found that by enhancing transaction processing to be in regulatory compliance, it increased customer satisfaction by 30 percent and reduced administrative costs by 30 percent.

Here's how to get started:

First and foremost, businesses need to put in place up-to-date records management policies and systems that capture all the information companies produce and store -- without exception. That means every e-mail, document and instant message, in whatever format is pertinent -- text, video, audio and graphics.

Second, as information is created, it is stored with records management in a nonerasable format, which can be validated as genuine. In certain cases, the original document must be held, but a digital version must also be available on demand. Records management must not deprive employees of the information they need to do their jobs, which affects their productivity.

Third, you need to be able to enforce retention periods, based on appropriate compliance rules. Security also needs to be airtight so critical data cannot be tampered with or destroyed.

Fourth, you need to make it easy for regulatory authorities to search and retrieve anything they need quickly from the mountain of data. This is where "data" become "information assets," enabling you to capitalize on the raw material stored -- no matter where it is or what form it is in. Such a capability has enormous implications for your ability to run your business, as well as meet compliance standards.

Along with these records management policies, companies need to pay attention to two additional technology issues. Bringing data together across the enterprise is a daunting task, given the complexity and heterogeneity of systems, applications and vendors. That kind of information technology diversity is not going away --- it's getting stronger.

For example, enterprise technology today typically encompasses eight operating systems, none of which work together. Moreover, this doesn't include customer and partner systems and applications, which play an increasingly prominent role in Web-based business processes and transactions.

But this kind of complexity doesn't have to be a fatal roadblock. The way to integrate across and beyond the enterprise is to build on standards-based technology, rather than replacing existing technology assets or putting one's faith in a single proprietary architecture. Standards-based middleware and content management can help companies integrate and automate business processes without starting over again.

Finally, choosing an open, standards-based technology will give you the flexibility to evolve compliance policies and systems as the regulatory environment changes -- which is a certainty. The only certainty in this life is change, and your business needs to move just as quickly.