

AICPA CITP Credential Examination Series

Topic: Information Lifecycle Management

Presenters: Lauren Kovar and David Kovar

Lauren: Hello, and welcome to the AICPA CITP Credential Examination series. This podcast will assist you in preparing for the examination specific to the topic of Information Lifecycle Management. My name is Lauren Kovar, I am a tax management consultant and the head of the Client Advisory and Strategy Practice at Thomson Reuters. Our key speaker today is David Kovar. He is an accomplished tax technology and strategy management consultant, with 19 years of experience. He's currently a managing director at VP Tax.

We are pleased for this opportunity to share insight in the surrounding areas of Information Lifecycle Management. Specifically, we will cover four points today, initially the definition of Information Lifecycle Management or ILM. The phases associated with ILM, the necessity of performing ILM well in your organization, and some trends around implementation and structure of ILM. With that, I'll turn it over to David, to talk more about each of these points.

David: Let's start with the definition of Information Lifecycle Management. The Information Lifecycle includes the entire cycle of data or document creation through use, to archiving and then to disposal. Information Lifecycle Management is the management of this entire cycle. Let's talk about the major phases of ILM, there are five of these. The first is creation, the second is the active use of the data or the documents. What this means is the initial use of it as well as the reuse of it.

In this second phase, typically information is stored in some type of an active storage area. The third phase is the less active usage phase. You can think of this as occasional use or occasional reuse, and typically this information is stored in a different repository, a retention or a historical storage repository. The fourth phase is the archive phase. In this phase, the information is archived and not used very often. The fifth phase is the disposal phase. This is the phase where information is disposed, for a number of different reasons.

One of them could be due to legal risk. Another could be due to the fact that they're not that useful as they're work papers or drafts. The third is that there's no need to hold them due to the document retention policy. For example, a lot of organizations delete documents after seven years, unless they're tagged as needing to be kept for legal or open audits. It's important that Information Lifecycle Management is done well for a number of reasons.

One, findability of the information, two, process efficiency, three, quality and four, managing risk. In fact, according to The Delphi Group, knowledge workers spend approximately 30% of their time looking for information. Doing Information Lifecycle Management well has the benefit of helping to make people work more efficiently.

Lauren: In addition to that, properly coding and classifying information is critical to being able to find it at a later date. To the point of the statistic that David just shared, if 30% of time is spent looking for information there's actually no correlation to whether

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or not that it's been found. It's imperative then to take the upfront time to design a codification or taxonomy specific to managing the data around your content. Another terminology that may be used for that would be metadata or information about information.

When designing your Information Lifecycle Management processes, it's also important to know that all of your content that's managed under that umbrella, must be properly tagged and classified in order to find it later. Regardless of what phase your content development and management is in, all of the coding and ability to identify or assign attributes to that content is going to be critical for you to be able to find that information later. If you can't find it, it doesn't make any sense that you're saving it.

David: Let's finish by talking about some of the trends in Information Lifecycle Management. The first, as Lauren pointed out, is the idea of formally tagging documents and data with other metadata and essentially enriching the information around that. The second is using formal systems that allow you to hold that metadata. And allow you to better find the information by having different abilities to sort the data.

Lauren: In addition some those systems are also allowing for a more structured approach to the Information Lifecycle Management process. We talked about the phases of that process as well as retention and disposal and some of the needs around that. Many organizations are finding ways so they can automate aspects of their Information Lifecycle Management process by using systems that allow them to properly tag and classify documents, with timing and other attributes that will call them up for potential review and automation in the destruction or disposal phase relevant to their organization.

By this automation, they're really better focused on the risks that the Information Lifecycle Management process as it comes in to avoid such as the legal risk or risk around documentation that should no longer be available within the system, and has not been destroyed from a human or manual standpoint.

This does allow the organization to gather more control and governance around their content as many organizations have found with the onset of technology that they're falling behind in this as opposed to getting ahead.

David: The last trend is around the storage, for a long time people have had the active storage areas, the historical storage areas and the archival storage areas. What's new is the use of these meta-tags to actually allow information to automatically be moved from one repository like the active repository into the historical one, and then into the archival and in many cases to be disposed off automatically according to rules.

This is great for most organizations because it means that their Information Lifecycle Management document policies are actually being adhered to. This makes people within the organizations happy and it also makes the legal department in the organizations happy.

Lauren: Thank you very much, David, for covering this topic of Information Lifecycle Management. Again we discussed the definition of ILM, the common phases, the necessity of performing ILM well, as well some current trends in ILM: the technology.

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On behalf of the AICPA Information Management and Technology Assurance Division, we would like to thank you for tuning in for this CITP exam series podcast on Information Lifecycle Management.

This is one in a series of podcasts that the AICPA's IMTA Division is pleased to offer around the variety of topics of importance for the CITP exam. Be sure to check out other podcasts in the series on topics that include Data Analysis & Reporting Infrastructures, COSO Framework, Data Backup & Recovery, Service Organization Controls, Internal Audit, PCI Compliance and HIPAA Compliance. Thank you for listening.

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