

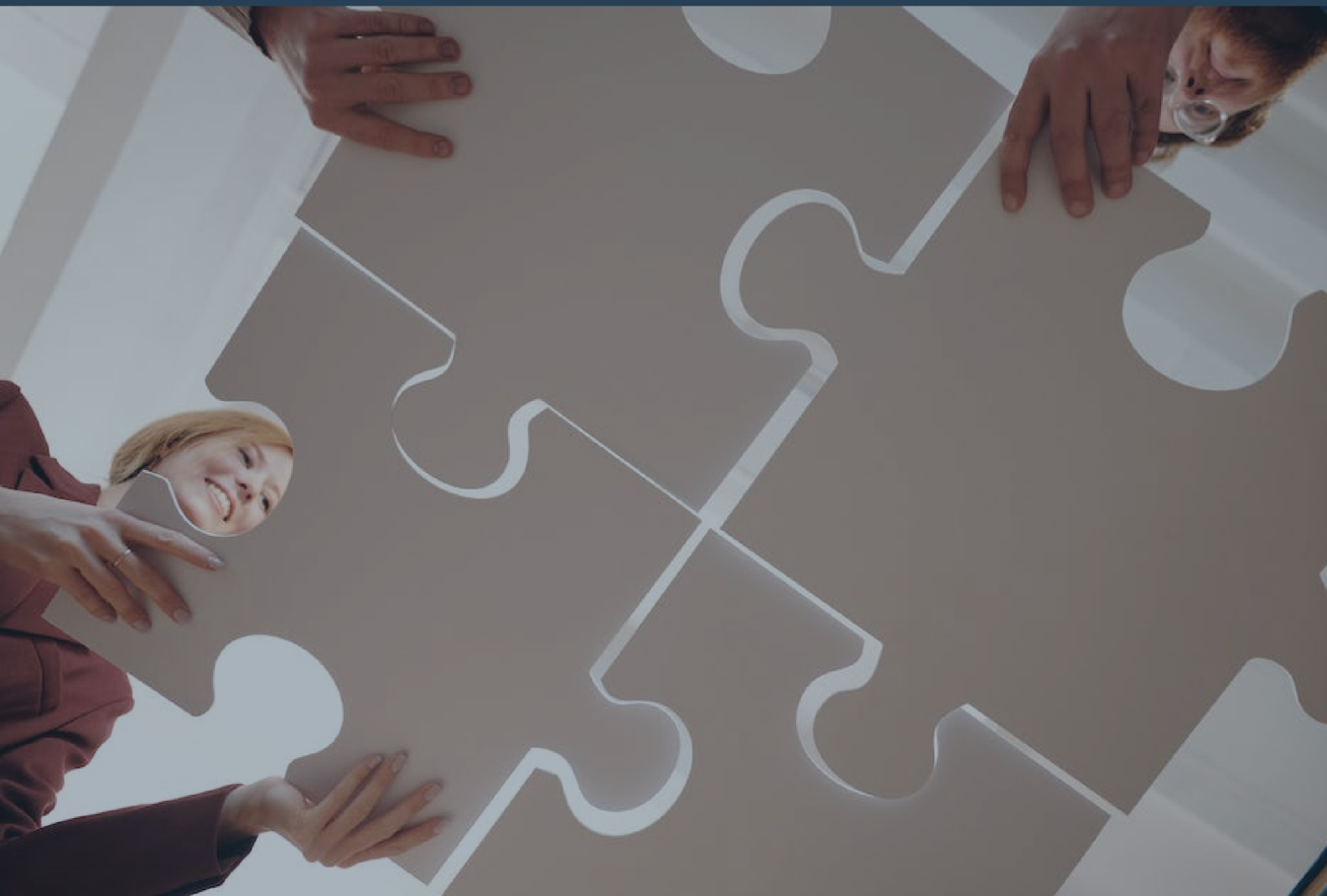
dryvIQ

# BEST PRACTICES

to Significantly Reduce Data Risk,  
Costs, and Time for

# Mergers & Acquisitions

*part 2*



## TABLE OF CONTENTS

Introduction to Part 2	3
<b>PRACTICE 1:</b> Reduce Time for Due Diligence	part 1
<b>PRACTICE 2:</b> Find All Sensitive Data Across Environments	part 1
<b>PRACTICE 3:</b> Automate Sensitive Data Management	4
<b>PRACTICE 4:</b> Streamline Data Migration	5
<b>PRACTICE 5:</b> Identify and Remove ROT	part 3
<b>PRACTICE 6:</b> Easily Handle Data Regulatory Compliance	part 3
Conclusion + Part 3	6

## INTRODUCTION

# Why Data Risk is Such a Costly Problem During Mergers & Acquisitions

Welcome to part 2 of Best Practices to Significantly Reduce Data Risk, Costs, and Time for Mergers & Acquisitions.

In Part 1, we covered why data sampling won't save organizations the time they think it will, and where sensitive data may be hiding. If you missed it, you can find it below:

### [Part 1](#)

In Part 2, we'll discuss allocating resources appropriately, as well as how to streamline any data migrations that may come about during the M&A process.



# #3

## Automate Sensitive Data Management

There are not enough IT resources in any company to manually manage the classification, access rights, and appropriate storage of sensitive data discovered during M&A. Intelligent solutions can be used to properly handle sensitive data once it is found in unstructured data. **Regulatory risk skyrockets** if appropriate actions are not taken to protect this sensitive data.

AI-driven unstructured data management platforms can automatically classify documents or extract Personal Identifiable Information (PII). These systems can typically be configured to remove things like names, ages, addresses, birth dates, phone numbers, and social security numbers. Alternatively, labels can be added to documents based on those factors.

Any data found with PII can also automatically be routed toward appropriately protected storage. Access rights can also be automatically changed as appropriate for the sensitivity level of the data according to document classification or the type of sensitive data discovered.

This is a critical way to reduce the risk for the acquiring company, but it's also key for divestitures. Automatically identifying and classifying the data that needs to migrate with the divested business unit will reduce the time to close and the manual effort required during the diligence phase. It will also reduce the risk of data breach and regulatory non-compliance before, during, and after this transaction.

### **Good Due Diligence Saved Verizon \$350 Million**

When Yahoo! was acquired by Verizon, an undisclosed prior data breach was discovered during its due diligence process. This reduced the Yahoo! purchase price by \$350 million. But Yahoo! also was fined \$35 million by the U.S. Securities and Exchange Commission and forced to pay \$80 million to disgruntled shareholders. A costly acquisition mistake on all sides.

# #4

## Streamline Data Migration

The quicker and more seamless an integration can happen, the faster the time to value. Reducing the time to complete any data migration, the time to onboard new users, and the time to ramp up productivity can be integral to improving ROI on a deal. But this must happen without increasing risk exposure. Bain and Company research shows that failure to execute an integration effectively can lead to 2-3 times higher ongoing IT costs and 4-5 times higher IT complexity.

Using appropriate tools and technologies to assist with this integration process is critical. The same unstructured data discovery and classification tools used in the due diligence process can help to identify what resides in existing systems and use this information to drive intelligent migrations and integrations. Deploying these systems early in the process to the IT teams for all organizations involved will drive stronger collaboration, increase visibility, and deliver faster and more robust system integration post-deal.

It is essential that the solution chosen can securely orchestrate large-scale file migration and consolidation initiatives across all major on-premises or cloud-based content repositories. More importantly, the solution should automatically integrate the newly acquired data into the appropriate environment without impacting users or existing business workflows. To do this, the solution must preserve file metadata, permissions, sharing profiles, document versions, timestamps, and other attributes during the transition.

Automating the migration process in a way that intelligently manages sensitive data provides the opportunity to complete the M&A process much faster. And a faster migration means users can resume their focus on the core business and ensure they maximize the deal's value.

Failure to execute an integration effectively can lead to **2-3 times higher ongoing IT costs** and 4-5 times higher IT complexity.

### Forbes Consolidated 15TB of Data in 10 Days

When Forbes needed to consolidate the data on multiple storage platforms, they thought it would be easy. The Director of Business Systems at Forbes said, "The biggest drivers for our migration were speed and ensuring that our file structures stayed the same so our employees did not have any issues." Forbes turned to DryvIQ to help them confidently migrate 15TB of data in just 10 days.

[Read More](#)



## Want more best practices?

Using intelligent automation to orchestrate the discovery, classification, management, and migration of unstructured data during M&A reduces data risk and the time to complete the acquisition. Together, both significantly reduce the overall cost of resources and expenses to execute the M&A process.

**See the rest of our recommended best practices to reduce unstructured data costs and risks during mergers and acquisition by reading part 3.**

[\*\*Part 3\*\*](#)

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### Identify, organize, and safeguard your enterprise content

Define your own rules and witness the power of DryvIQ's Enterprise Data Management platform for yourself. Gain and maintain a full understanding of your enterprise content, including where it's stored and who has access to it, as well as how to extract value from your data.

**Learn how our highly scalable, accurate, and performant solutions can empower, enable and safeguard your business today.**

[\*\*Contact Us\*\*](#)