

dryvIQ

BEST PRACTICES

to Significantly Reduce Data Risk,
Costs, and Time for

Mergers & Acquisitions

part 3



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INTRODUCTION

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

Welcome to part 3 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 showed you how to distribute resources appropriately, as well as how to streamline any data migrations that may come about during the M&A process.

[Part 2](#)



#5

Identify and Remove ROT

In large organizations with many repositories, there are often stores of data that are kept around because the contents are unknown and unclassified – the junk drawer of the business. This information stays in the repository because the manual effort to understand and organize it is too high relative to its perceived value to the business. However, with data privacy regulations continuing to develop, **companies need to aggressively “clean house” to reduce risk.** Acquiring an organization’s junk drawer of data can exacerbate risk and increase costs, as it could be full of sensitive information.

It is critical to identify the age and value of this information so that unnecessary costs can be avoided in storing redundant, obsolete, or trivial (ROT) data. Automated solutions can perform this identification and follow the configured rules for moving the data to cheaper cold storage or deleting it permanently.

The business value of discovering and removing data ROT within unstructured data stores is reducing risk and storage costs. M&A integration provides an opportunity for cloud storage organization and consolidation, not just expansion.

As data storage platforms continue to evolve, organizations will need flexible solutions to migrate enterprise content. But all too often organizations simply end up shifting old problems to new platforms during the transition. Learn about a smarter way to migrate your data.

[Watch Video](#)

Eliminating ROT from 3PB of Content Lowered Storage Costs

When Indiana University migrated to a new productivity solution, they knew that migration was an opportunity to “clean house” to save money. Dan Calarco, chair of the migration team noted, “A data migration shouldn’t be done lightly. It’s like moving houses; you’re going to discover some junk and bad practices. So start thinking about it as if you were to physically move. And hire a good mover.”

[Read More](#)

#6

Easily Handle Data Regulatory Compliance

For industries under heavy scrutiny for data protection and privacy compliance, **M&A activity can be a significant threat to regulatory compliance.** Data regulators want to know if the new entity is aware of all of its sensitive data and that they are putting plans in place to protect it. And if a breach does occur, the regulators will look to the acquiring company for evidence to prove compliance.

It is critical to have a data management solution that can easily manage and prove regulatory compliance. For companies that do business in California, the CCPA regulates the use of private data and institutes a provision for a private right of action. A single non-compliance ruling for a single California consumer is a fine of \$7,500. And for companies that do business with residents of the European Union, minor violations of the GDPR can cost companies 2% of annual revenue, and major incidents can result in a fee of 4% of annual revenue.

When moving from due diligence to system consolidation, the risk profiles change — but the need to understand those risks does not. For example, during due diligence, risk mitigation comes from ensuring review completeness in as short a time as possible. In contrast, post-integration risk mitigation happens with effective system integration, with data completeness and accuracy. However, across both these areas, the M&A team has two critical requirements concerning regulatory risk management: 1) The ability to quickly visualize and interrogate the data, documents, and potential risk metrics at any point, and 2) A system to automatically alert them to potential areas of interest or concern.

Unstructured data management and analysis tools provide a comprehensive way to address these needs. Standard dashboards offer organizations a consistent view of documents, data, and risk across the whole project. As a result, the newly amalgamated business can focus on rapid and effective integration, access to shared, consolidated technology platforms, and a carefully managed risk profile.

CONCLUSION

6 Actions to Significantly Reduce Data Risk and M&A Time and Cost

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.

6 Actions for Secure and Successful M&A

Action	Lowers Data Risk	Lowers Time/Cost
Automate due diligence discovery	✓	✓
Find sensitive data within unstructured data across all environments	✓	
Automate the classification, access rights, and appropriate storage of sensitive data	✓	✓
Automate the orchestration of data migration		✓
Identify and remove ROT data	✓	
Manage and prove data protection regulatory compliance	✓	✓

There is one similarity across all six actions to reduce data risk, time, and cost of M&A — a single, automated solution can achieve them all.

With DryvIQ's automated data discovery, analysis and integration, organizations can reduce risk, maximize value, and streamline mergers, acquisitions, and divestitures on all sides of the deal.



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**](#)

Why Enterprises Need Data Risk Management in an Era of Explosive Data Growth

Need more tips on managing your data risk? From corporate secrets to the PII of customers and employees, risk resides deep within unstructured files stored in many places throughout every enterprise.

Gain a deeper understanding of unstructured data risk, and what this new era of data management means for IT teams and the business.

[**Read More**](#)