

Reduce operating costs by limiting off-site storage use

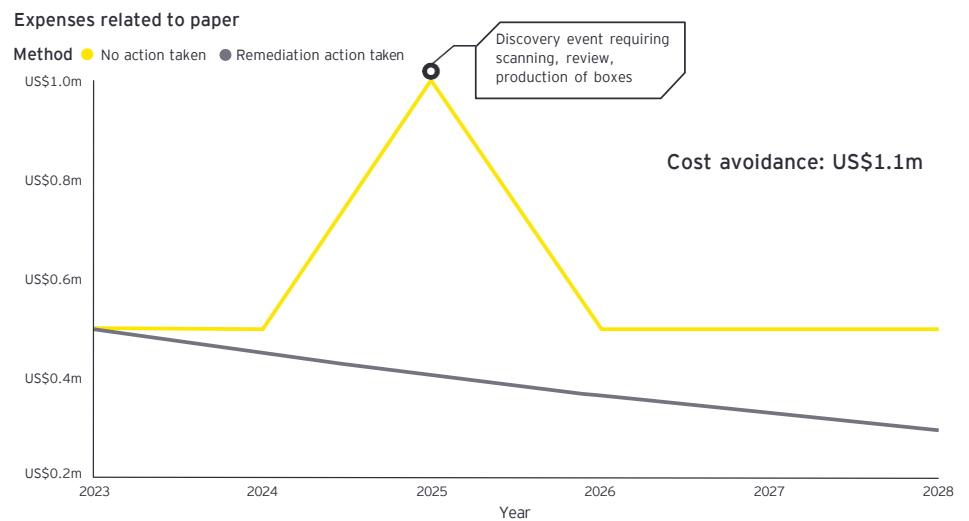
Forensic & Integrity Services

May 2023



Despite digital transformations, companies are still spending hundreds of thousands of dollars to store paper documents with limited to no value or purpose.

These documents and records, often being stored in perpetuity and not all necessary, will continue to generate organizational expenses until they are addressed. Fortunately, companies may already have much of the information they need to eliminate many of these boxes and begin realizing cost savings immediately. Then, with some effort and through the use of analytics, they can address this issue once and for all.



Cost benefits of paper cleanup

The average cost for storing physical records with a third-party storage vendor is \$5 to \$15 per box, per month, and many companies retain hundreds of thousands of boxes. While paper records may be out of sight and out of mind, paper records storage costs may be getting out of hand. Over-retention of large volumes of paper has become the norm in many organizations, but reduction of paper stored off-site can save large organizations millions in storage costs and reduce risks associated with discovery orders and regulatory inquiries. Digitizing the small portion of that paper that has future utility adds business value by reducing the burden to store and access the document later in the event of litigation.

However, disposing over-retained paper and digitizing paper with future value can be difficult.

Why you may be storing paper unnecessarily

Insufficient metadata, varied retention requirements, cross-functional stakeholders, a complex web of legal holds, and a lack of clear ownership and authority make dispositioning a daunting task. Organizations may have an excess of legacy paper stored off-site for many reasons:

- ▶ Employees from across the enterprise can transfer boxes without centralized monitoring or governance.
- ▶ Insufficient indexing of box contents (e.g., content types, dates, retention schedule category, department) makes disposition decisions difficult.
- ▶ Physical records storage vendors use pricing strategies designed to keep boxes on the shelf; for instance, the cost to destroy a box will likely exceed the cost to store it for an additional year, making it easy to choose to “kick the can down the road.”
- ▶ Employees have an insufficient combination of records management and data analytics skills to rapidly carve up data and compare it to retention requirements to identify paper eligible for disposal.
- ▶ A legal team may not feel comfortable getting rid of paper without a demonstrably rigorous assessment, classification and disposition process.

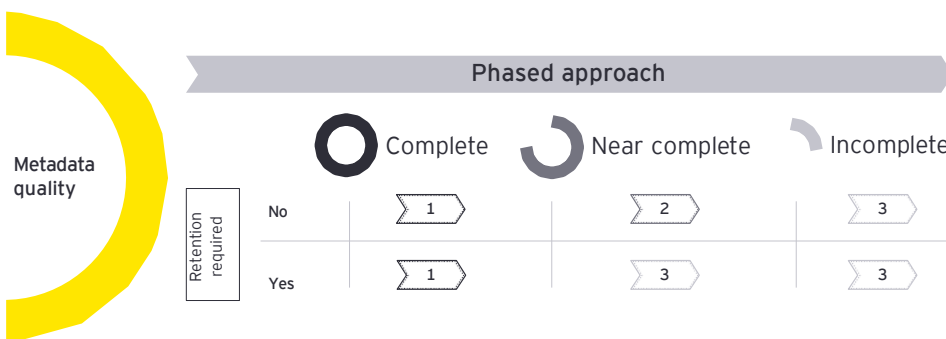
Case study

- ▶ A client engaged Ernst & Young LLP (EY US) to support legacy paper triage for its inventory of boxes. Using our paper remediation methodology, EY US professionals assessed the boxes for:
 - ▶ Their eligibility for disposition according to the organization’s records retention schedule
 - ▶ Their status regarding active legal preservation instructions (also referred to as a legal hold)
- ▶ The EY US team developed a risk-based approach, identifying “degrees of ease” for content identification and metadata quality. The team used a data analytics process to create and improve metadata by grouping available box metadata and creating a taxonomy to infer information about the boxes.

The EY US team helped the client avoid

\$12m

in fees over a five-year period.



As part of the process, EY US professionals evaluated metadata quality, addressed boxes with insufficient or no metadata, identified possible triage routines and defined a cost avoidance approach for each phase. Ultimately, the EY US team helped the client avoid \$12 million in fees over the next five years.

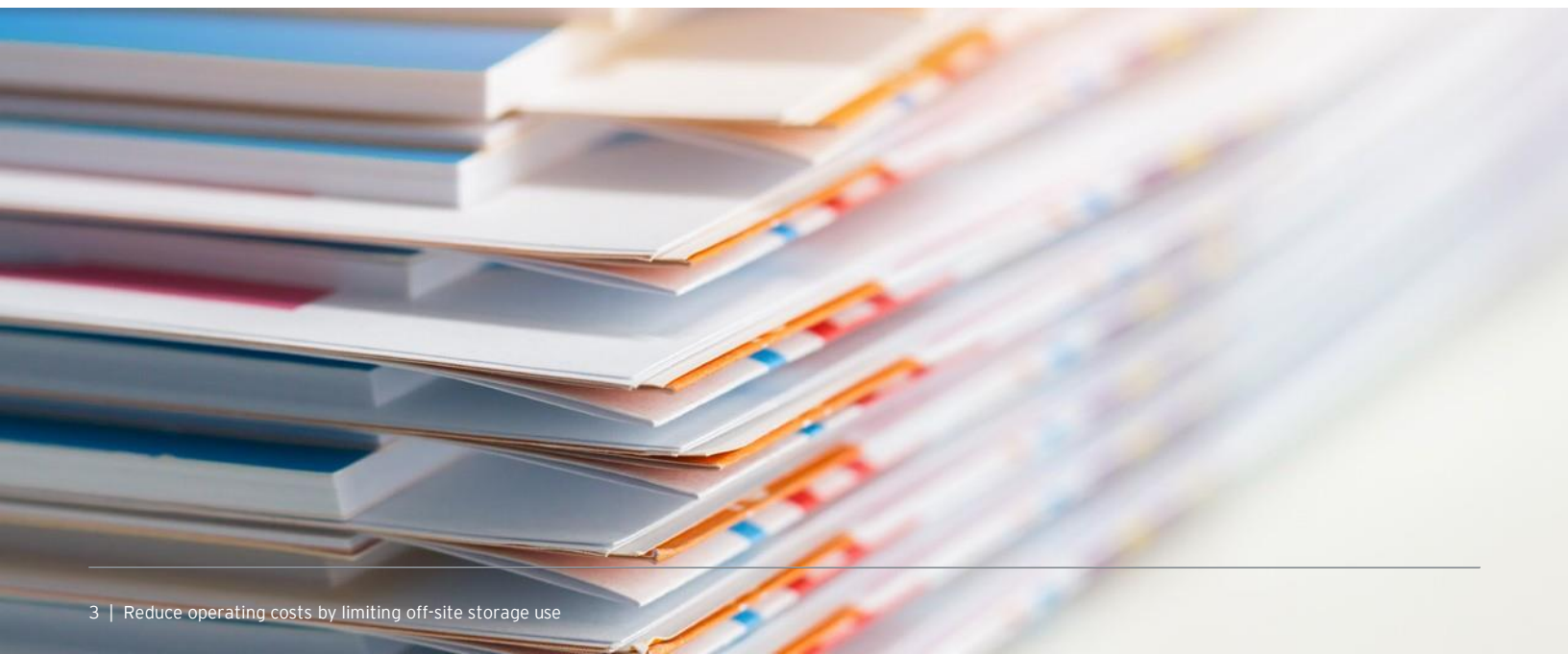
Reduce paper faster and smarter

Consider the following when conducting a paper records remediation or dispositioning project:

- 0 Find out who owns your company's relationship with third-party storage vendors.
- 0 Determine your annual spend for paper records storage.
- 0 Develop your business case for conducting a paper records cleanup.
- 0 Obtain an inventory of boxes stored with the vendor.
- 0 Determine whether you can use metadata to identify a box's contents and retention period, as set forth by your company's records retention schedule.
- 0 Use data analytics techniques, such as fuzzy matching and criteria-based categorizations.
- 0 Engage business units as part of the data collection and disposition approval process.
- 0 Build a process to digitize and dispose paper files.
- 0 Modernize your approach to document archival records by ending print-to-file processes and reduce paper production to help prevent this issue in the future, which will help you meet environmental, social and corporate governance (ESG) goals.

Summary

Companies can address physical records storage issues by enlisting experienced professionals to build a framework that leverages data analytics and records management principles to digitize necessary files and plan for paper disposal. This process enhancement can reduce costs and potential risks, and help organizations meet ESG goals.



Ernst & Young LLP contacts



Caroline Higgins
Senior Manager
Forensic & Integrity Services
caroline.higgins@ey.com
+1 212 773 9924



Eric Derk
Managing Director
Forensic & Integrity Services
eric.derk@ey.com
+1 215 841 0235



Matt McCartney
Senior Manager
Forensic & Integrity Services
matt.mccartney@ey.com
+1 737 289 2295

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US SCORE no. 19397-231US
CSG no. 2301-4169443

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