

CASE STUDY

Divesting Assets Also Means Divesting Information

● **INDUSTRY**
ENERGY

● **COUNTRY**
USA



IS YOUR ORGANIZATION READY?

During the spin-off of their midstream and downstream operations, the world's fifth largest integrated oil company faced a very real challenge – how to determine which records to keep, which to share, and which to transfer to the new organization? Each of the companies would be expected to operate independently from the date of the spin-off, changing dynamics literally overnight.

Different from closing a line of business or canceling operations, divestitures and spin-offs involve transferring records and supporting documentation to the new owners of the original company's previously held operations and assets. In cases such as this, much of the workforce – friends and colleagues – also transfers to start the new company.

SERVICES DELIVERED:

- Advisory Services
- Change Readiness Assessment
- Communication Strategy
- Content Analysis
- Content Classification
- Design Facilitation
- Training Strategy and Curriculum

ISSUE

As part of a spin-off of operations, how to determine which records to keep, which to share, and which to transfer to the new operation

Identifying which records should be duplicated, transferred, or destroyed is not easy and takes time and effort from all content owners – current and future. Each company has to consider storage costs, duplication costs, potential investigations or audits, anticipated litigation, knowledge management, working environments, information security, and working relationships and friendships when deciding whether to share nothing, share everything, or something in between.

Since business records document the plans, processes, and outcomes about how a company conducts business – keys to that company's competitive advantage – sharing them with outside parties can be risky and should be limited to only what's necessary.

HOW DO YOU DECIDE WHAT'S NECESSARY? AND WHO IS RESPONSIBLE FOR DECIDING?

To identify ownership, each of the 100 organizations within the company reviewed their content – physical and electronic, structured and unstructured, controlled and uncontrolled. This review extended beyond company systems. In fact, it required each employee to:

- Determine what, if any, of their emails, working documents, and records should be duplicated or transferred to the new, divested company
- Identify the recipient of the records – a challenge when their counterpart was unnamed or not yet hired in the new company

There were so many different possible scenarios, depending on whether employees were staying or going and whether or not the records were co-mingled (pertaining to both companies). In some cases, such as a department shared drive, one resource reviewed the content and classified it to the future owner. In other cases, such as email, each employee classified their own content. Overall, every employee in the company needed to understand how to separate and classify content. To be successful, it was critical for them to understand their responsibilities, how to do it, and why it was important.

SOLUTION

- ☑ Records management guidance and change management support for records transfer
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PREPARING RECORDS AND CONTENT FOR THE SPLIT

Because content classification is a joint effort between the old owner, the new owner, and records management advisors, this client engaged Access Sciences to coordinate records repositioning efforts. Our approach and deliverables considered business operation needs, information security concerns, and knowledge management requirements to reduce overall risk and maximize cost savings and resource efficiency.

In order to provide both companies with separate, stable operating environments, including physical and electronic, structured and unstructured, controlled and uncontrolled content, our team:

- Assessed the company's readiness across 1,020 units in 101 organizations to identify potential roadblocks and how best to support the company in this transition
- Defined the roles and responsibilities required for successfully repositioning information and records

- Enabled employees to make content decisions across all repositories with consistent decision-making criteria reflected in job aids and toolkits for classifying and reorganizing or disposing of content
- Served as advisors for processing restricted content and special cases, such as intellectual property
- Ensured consistent messaging and employee engagement by consolidating communications on one information portal, conducting regular information sharing sessions with the records management network, and coordinating records management activities across multiple IT projects

BENEFIT

☑ Segregated operating environments with clearly identified content

It was critical to prepare all records in advance of the divestiture as post-split sharing would not be possible. Each organization was responsible for attesting to their repositioning efforts.

POST-SPLIT, BOTH COMPANIES HAVE THE INFORMATION NEEDED TO OPERATE INDEPENDENTLY

Our project team was able to successfully prepare all employees for the records repositioning activities to support post-split operating environments for both companies.

By evaluating and classifying content and transferring content to the new owner, our client:

- Reduced the need for post-split information sharing
- Limited duplication costs
- Reduced storage costs
- Prepared content owners for their repositioning attestation
- Ensured defensible content disposition

As a result of our change management activities we also increased records management awareness throughout both companies and established better records management practices for go-forward operations.

