Divestiture Advisory Series

Managing Unstructured Data Risk in Complex Divestitures

Executive Brief for Chief Information Officers

Execution certainty for CIOs navigating regulator-influenced transactions and complex separations. Reducing Regulatory, Insider and IP Risk in Complex Separations

Managing Unstructured Data Risk in Complex Divestitures

A Consultative Abstract for Chief Information Officers

Executive Thesis

In complex divestitures, infrastructure separation is rarely the primary constraint. Unstructured data — dispersed, intermingled, and insufficiently classified — becomes the dominant execution bottleneck.

Without content-level intelligence, organizations over-migrate data, extend TSAs, introduce operational instability, and reduce Board confidence in Day-1 readiness.

Why Unstructured Data Becomes the Bottleneck

Across enterprises, 80–90% of enterprise content resides in file shares, M365, collaboration platforms, cloud storage, backups, and archives — containing intellectual property, HR records, contracts, financial materials, and regulated data.

- Operational consequences observed in divestitures include:
- 20–40% unnecessary data over-migration
- TSA extensions driven by unresolved data entanglement
- Rework at GoCo due to segmentation inaccuracy
- Lack of defensible inventory at Board reporting level

CIO Control Objectives at Close

- To achieve predictable Day-1 execution, the following must be true:
- Complete, defensible inventory of unstructured repositories
- Policy-driven segmentation of Transfer, Retain, and Quarantine datasets
- Migration manifests derived from content classification — not directory assumptions
- Validated removal of cross-entity access paths

Illustrative Value Model (Representative 3PB Environment)

- ~35% volume reduction via minimization (~1PB avoided migration)
- $3K/TB blended migration cost ≈ $3M direct cost avoidance
- 3-month TSA compression (~$1.5M/month) ≈ ~$4.5M impact
- 3–5x ROI within first year

Analytics-Led Separation Model

An effective model follows four structured phases: Discover, Classify, Segment, and Control.

Phase	Purpose	Key Outputs
Discover	Enterprise-wide scan of hybrid repositories	Full inventory, inferred owners, access paths, baseline risk heatmap
Classify	AI-driven identification of IP, confidential, regulated content	Granular sensitivity tags; prioritized review queue
Segment	Tag alignment to GoCo vs. RemainCo policy	Tag-based migration manifest; approved transfer dataset
Control & Prove	Access boundary enforcement and reporting	Residual access fixes; Day-1 Readiness Dashboard; audit-ready evidence package

Strategic CIO Outcome

By managing unstructured data with analytical precision, you can transform the separation of unstructured data required as part of your divestiture from a reactive data scrambling exercise into a controlled execution — delivering measurable cost efficiency, reduced operational volatility, and enhanced Board confidence.

Notes on Scope and Calibration

Quantitative outcomes vary by data volumes, policies, and TSA structures. A rapid assessment to scan your repositories, benchmark risks, and customize the value model—ensuring alignment with your divestiture timeline is highly recommended.