

Shadow IT Program



BUILD A DEFENSIBLE, DOCUMENTED PROGRAM TO MANAGE THE RISKS ASSOCIATED WITH THIRD-PARTY COMMUNICATION TOOLS.

Monitor Emerging Risk

Stay abreast of developing systems and how to meet preservation and collection requirements

Improve Defensibility

Ensure policies and processes are current and reflect modern workforce practices and changes in the regulatory landscape

Have a Contingency Plan

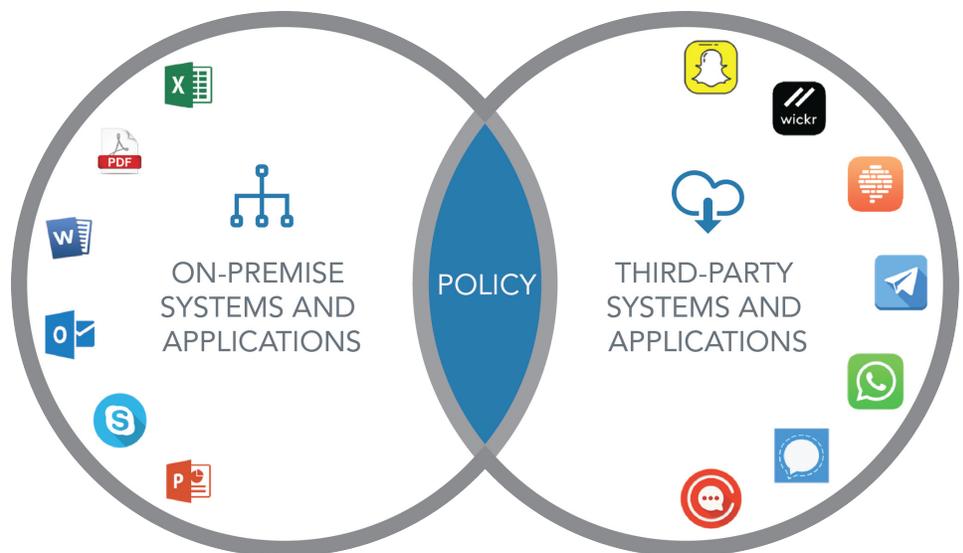
Be prepared to preserve and collect data from any source, even those that are not approved for corporate use

Challenges We Address

Companies are facing increased risk associated with the use of third-party applications for work-related purposes, particularly for communications. Internal business units want the option and flexibility of using these applications, but legal and compliance face challenges to meet business, legal, and regulatory requirements to retain this information, or to preserve or collect this information for litigation and investigation purposes. The ephemeral properties of emerging communication systems, where messages disappear shortly after transmission, render retention, preservation, and collection difficult, and in some cases, impossible. Encryption further complicates preservation and collection, even when using forensic means.

Regulators are increasingly interested in ensuring companies preserve and collect relevant information and often will look not just to the company's policies, which likely prohibit the use of unapproved third-party systems for work-related purposes and storage of documents on such applications, but also other efforts the company takes to ensure compliance with the policy. In addition, the DOJ's recent FCPA corporate enforcement policy requires companies seeking full cooperation credit to properly retain business records, including prohibiting employees from using ephemeral sources.

IT Ecosystem



Many of these applications have limited, if any, retention functionality. Version updates can occur weekly and often without notice to the user. New applications emerge regularly that are appealing to an increasingly mobile and diverse workforce, and the comingling of personal and business data presents privacy and data protection challenges. Put simply, companies are struggling with how best to manage risk in this area.

Benefits We Provide

Lighthouse's Advisory Services team offers a way to overcome these challenges with its Shadow IT Program. This offering helps support you and your team in three phases — risk assessment, program development, and implementation. Below are the details of each of these phases:

Risk Assessment – In this first phase, Lighthouse's Advisory Services experts meet with your team to review what tools are being used, for what purpose, and pursuant to what policies and procedures (including information use, BYOD, records retention, legal hold, and others). Once our teams have a clear understanding of the client's landscape, we assess the risks, document our findings, compare them to leading industry practices, and bring them to the next phase.

Program Development – The second phase is the development of your new Shadow IT Program. Typically, this phase is comprised of the following options, depending on your team's needs:

- Recommend policy and process revisions to include systems that are (or should be) approved for use, including those that reflect the needs of a more modern workforce
- Develop a control framework to monitor compliance with the policy (including for high-risk individuals) and to bring employees into compliance should an infraction occur
- Enhance training around compliance policies and consequences for failures to comply
- Articulate ediscovery and recordkeeping requirements for new systems that the business may consider for future use and an onboarding plan for approved systems, including testing
- Develop processes to preserve and collect from the latest third-party applications, each of which is different and will depend on a variety of factors, including forensic best practices

After your team has evaluated our recommendations, Lighthouse will help you update your policies and procedures to incorporate these recommendations and build out your newly developed Shadow IT Program.

Implementation – In the third and final phase, our team of experts will train your team members around your new Shadow IT Program and work with you to implement these program features internally.

Summary

Lighthouse's Shadow IT Program allows you to build a defensible and well-documented program to manage the risks associated with third-party communication tools and their various, ever-evolving formats.

About Lighthouse

For 25 years, Lighthouse has provided innovative software and services to manage the increasingly complex landscape of enterprise data for compliance and legal teams. Lighthouse leads by developing proprietary technology that integrates with industry-leading third-party software, automating workflows, and creating an easy-to-use, end-to-end platform. Lighthouse also delivers unique proprietary applications and advisory services that are highly valuable for large, complex matters, and a new SaaS platform designed for in-house teams. Whether reacting to incidents like litigation or governmental investigations, or designing programs to proactively minimize the potential for future incidents, Lighthouse partners with multinational industry leaders, top global law firms, and the world's leading software provider as a channel partner.

Connect with us to see how Lighthouse can best support you.

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