

Tight squeeze for paper records

Effective management of an organization's records can save space, save time, save money and even save legal problems



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Bill Gates, in his book *Business @ The Speed of Thought* (Warner Books, 1999), describes how Microsoft created a paperless office by reducing the amount of paper forms from more than 1,000 to a company-wide total of 60 forms. All other forms were converted to electronic formats and made available on Microsoft's intranet. All data entered into the electronic forms was stored and managed electronically.

Microsoft's savings reportedly amounted to at least US\$40-million in the first 12 months of use. And the project costs? US\$300,000 for hardware, US\$8-million in development costs and ongoing support costs of approximately US\$765,000 per year.

As Gates points out, Microsoft's costs were significantly higher than those that would be incurred today because its custom-designed solution pre-dated the increased functionality now available in commercial software.

However, if your company cannot afford to implement such an ambitious project at even a reduced cost, various other strategies can be employed to reduce and better manage the amount of

paper records retained by your organization. Those strategies include developing and implementing retention schedules to guide employees on when to dispose of records, procuring space-efficient filing equipment and converting paper records to space-efficient storage media such as optical disk and microforms.

Records retention schedules

Records retention schedules identify the amount of time that records should be kept (the retention period) and how they should be disposed of (e.g., by shredding). The retention period for each group or series of records is usually divided into two phases: the amount of time the records should be kept in office areas and, if necessary, the amount of time they should be kept in lower-cost storage (i.e., in an on-site record centre or an off-site commercial facility).

Usually organized by record group or series name, the schedules provide guidance to employees who would otherwise hesitate to dispose of corporate records. For example, a schedule might indicate that accounts payable invoices should be kept in offices for the current and one prior year and then shipped to lower-cost storage for an additional five prior years.

At the end of that period, the invoices would be shredded. By identifying the work unit responsible for retaining the official or corporate record, records retention schedules can also assist employees to decide which duplicates of official records they should keep and for how long.

Records retention schedules are usu-

ally developed by an organization's in-house records manager or by external records management consultants. Careful analysis is required to ensure that appropriate retention periods are developed and consideration must be given to the different values that a record group or series may possess. For example, operational uses (e.g., how far back in time the records are referenced to respond to customer inquiries), financial considerations (e.g., whether the records provide information necessary for taxation and/or audit purposes) and legal implications (e.g., the records' potential use as evidence in court cases). Once developed, an organization's financial officer, auditor, legal counsel and senior management should approve the schedules.



This Spacesaver StoreFront filing system combines benefits of open shelf and mobile storage

Upon implementing a retention schedule for the first time, most organizations discover that up to 60 per cent of their existing paper records can be shipped immediately to lower-cost storage or immediately disposed of. Such a reduction can have a significant and favourable impact on space costs.

Although this article addresses strat-

egies for harnessing paper records accumulation, organizations should ideally develop and implement records retention schedules for all of their recorded information — including on electronic media (electronic records). Organizations that do so will free up disk space and increase the efficiency of information retrieval. They will be better able to protect themselves legally by ensuring that paper records and their electronic equivalents (e.g., the word-processing file for a memo retained in hard-copy) are both disposed of at a regularly scheduled time. Compliance with the schedule will prevent organizations from finding themselves confronted in court with electronic copies of documents whose hard-copy equivalents were already destroyed according to the schedule.

Space-efficient filing equipment

In the absence of centralized purchasing standards, most organizations accumulate a variety of filing equipment. A typical office contains a mixture of small two or three-drawer cabinets at workstations and in personal offices and larger freestanding cabinets, often vertical file cabinets or lateral file cabinets with pull-out drawers, in hallways and file rooms.

Vertical file cabinets are deeper than they are wide and employees must pull drawers open to access their contents. That increases the amount of time required to locate files and doubles the size of the cabinet's footprint. Allowing for aisle or drawer pull-out space doubles the space requirement of a letter-size vertical filing cabinet from three to six square feet. Lateral cabinets with pull-out drawers are similarly inefficient in terms of space utilization.

A more efficient solution is lateral shelf or open-shelf files in which folders are placed vertically on fixed or adjustable shelves and arranged in rows with tabs to the outside (end-tab position) for easy reference. A variant is the box modular filing system in which files are stored in plastic boxes hanging from rails. Both types of lateral fil-

ing equipment are space-efficient in terms of footprint size and provide greater file storage density by allowing shelves to be stacked higher than file cabinets. One six-shelf unit measuring 36 inches wide provides as much storage capacity as two four-drawer vertical file cabinets. Labour costs are reduced because retrieval occurs much faster (no drawers to open) and more than one person can access files at the same time at different places along the open shelf. Lateral shelf files can also be customized to hold records in different formats, such as file folders, binders, computer printouts and tapes.

Additional space and cost-savings can be achieved by mounting lateral shelf files on tracking to create a mobile system in which bays of file cabinets are moved manually or by motor.

Conversion to alternative media

To achieve space-savings and other efficiencies, many organizations have converted some or all of those paper records to alternative media such as optical disk or microforms (the generic term for microfilm and its variants such as microfiche, aperture cards and COM, otherwise known as computer output microfilm).

Various reasons drive the conversion of paper records to optical disk (otherwise known as document management systems). It may be the desire to free up physical records storage space. It may be the desire to improve customer service by reducing the amount of time required to locate information in response to inquiries. It may be the desire to implement workflow to allow items to be routed to specific employees for processing. Whatever the reason, most organizations can achieve cost and space reductions over the long term by investing in document management systems.

Prior to the invention of document management systems, many organizations converted paper records to microform formats. Such conversions were primarily motivated by the desire to achieve significant reductions in

records storage space — a 100-foot reel of microfilm occupies only two to three per cent of the space required to store the original paper records. Other motivators were the desire to increase retrieval speed, particularly where computer-assisted-retrieval (or CAR) systems were used, and the desire to provide for long-term information preservation. If filmed and processed according to industry standards, life expectancies of 500 years can be achieved for silver halide or master microfilm. The same cannot be said of optical media. Even under optimum storage conditions and assuming no technological obsolescence, life expectancies of 50 or fewer years are projected for optical disks.

Since the invention of document management systems, many organizations have continued to use microfilm and its variants as a back-up storage media. The optical images are used in daily operations and the microform copies are securely stored as a protection against disaster and to ensure long-term preservation. Many document management systems are capable of scanning a paper document and simultaneously recording both an optical and a microform image.

This article presents three strategies to better manage an organization's paper records. That is not to say that a facility manager must become a records management practitioner. Instead, FMs should work with their organizations' in-house records managers or external records management consultants to achieve the space reductions possible with the development and implementation of records retention schedules. They should work with their organizations' purchasing managers to develop corporate standards for buying space-efficient filing equipment and to gradually replace space-inefficient equipment. And finally, they should work with their organizations' IT managers and records managers/consultants to explore the feasibility of further space reductions by converting some or all of the existing paper records to alternative media.