INNOVEST SME
Accelerating Small Business

Managing Company Records and Archiving

Rick Chisholm and Tala Chisholm

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30/192A Kingsgrove Rd
Kingsgrove, NSW 2208
Australia

Phone: +61 2 8007 2907
E-mail: admin@innovestsme.com.au
Website: www.innovestsme.com.au

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High expectations are the key to everything.

Sam Walton

PREFACE

Every organization is responsible for maintaining records. The ability to create, organize, and maintain records and archives is essential to success. Correct records keeping will not only offer liability protection; it will also increase efficiency and productivity. To put it simply, maintaining records and archives will improve the bottom line.

Data beats emotions.

Sean Rad

CHAPTER ONE

UNDERSTANDING RECORDS

Records are in every organization. From purchasing reciepts to tax documents to communications, they need to be identitied and managed properly. The method of records management that a company uses should be tailored to fit the needs of the organization. There are, however, some basic concepts in most records management systems.

WHAT IS RECORDS MANAGEMENT?

Records management systems will create uniformity and understanding. Regardless of how the records management system is organized, the management will affect the way that data is collected, stored and accessed.

Aspects of Records Management

- Establish a company filing system that is uniform
- Determine the storage of physical, confidential records
- Develop programs for consistent management of records
- Create archives and resource libraries

Over the course of this instruction, you will develop a better understanding of these aspects and how they connect in records management.

DEFINING RECORDS

All records are documents, but not all documents are records. A document can be a contract, email, business negotiation, etc. If it relates to the legal obligations, evidence, or business transactions, the document becomes part of the legal record. When identifying a record, it is necessary to consider the purpose of the document.

- Is it personal, or business?
- Does it relate to a transaction?
- Does it reflect any company action or activity?
- Does it have legal implications?

Once a document has been identified as a record, it must be carefully maintained for future use.

ARCHIVES VS. RECORDS

Records can become part of archives. Archives are records that are no longer current but are preserved past average records. Records are kept for varying lengths of time, depending on what they are. Once documents pass the necessary time for storage, they are disposed, or they are placed in archives. Archives typically have a historical, political, or legal reasons. They have value for the long-term. For example, documents that provide legal protections might be archived along with the founding documents of an organization. When choosing to dispose of documents in records or keeping them, remember that only a few of the documents will be archived. Archives may be stored on site, although some institutions will keep them offsite. Larger organizations with multiple locations are more likely to use offsite archives.

LIFE CYCLE

There are differing definitions for document life cycles, which have become even more complicated with the introduction of electronic records. In this text, there is a blend of the classic cycle and the life history.

The Life of Records:

1. Documents are created or received. Records are identified.
2. Identified documents are captured for record-keeping. The captured files follow the necessary business practices and are current.
3. Record management occurs. The records are stored, used, or maintained. The records may be current or not current. Records that are no longer considered current may become current again in events such as audits.
4. Records are assessed and action taken. The records are identified as in use, necessary to maintain, necessary to dispose of, or necessary to archive.

PRACTICAL ILLUSTRATION

Duncan and Mario opened a small business together. Mario was in charge of the paperwork, while Duncan was in charge of the driving the sales. After six years, the company was audited by the IRS because of questionable deductions. The business partners decided to prepare, and Mario pulled out the tax returns. Duncan asked for the receipts, and Mario told him that he threw out the first year's receipts because he heard that no one looks past five years.

*Failing to prepare is,
generally speaking,
preparing very well to do
the wrong thing.*

John F. Kennedy

CHAPTER TWO

MANAGEMENT OF RECORDS

Managing records is an ongoing process that affects everyone in an organization. Establishing a records program with appropriate standards will help ensure that records are easily maintained. Additionally, a familiarity with different managing systems will help you choose the best methods to integrate into your organization.

WHAT IS AND IS NOT A RECORD?

In the last chapter, we briefly defined records, but it is important to define what records are and what they are not to develop a records management system. Records can come in any format, including:

- Physical documents
- Emails
- Instant messages
- Text
- Voice messages

Any relevant communication about the organization and its business is a record regardless of the form that it takes. There are obvious records such as reports, minutes, memos, policies, financial documents, forms, and correspondence. Some documents, however, are not genuine records and do not have to be maintained. Documents that are not records include:

- Drafts
- Duplications of documents
- Documents not related to business purposes
- Data that is current and subject to change (e.g. ERP)

By removing documents that are not truly records, management will become easier to everyone involved.

RECORD PROGRAMS

Record programs or record management programs will vary between organizations. The program is an official plan regarding how records must be maintained and who is responsible for their maintenance. The program typically provides the following:

- Standards for recordkeeping
- Developing and implementing systems
- Explain how employees manage records

All records programs need to create specific policies concerning:

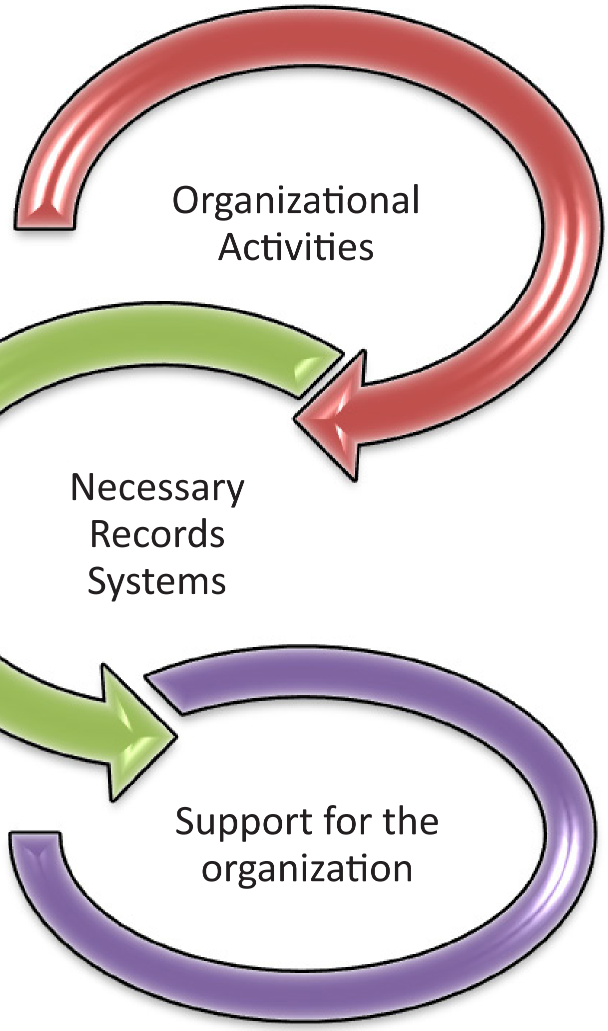
1. Classification and inventory
2. Retention

3. Conversion and storage
4. Recovery and disaster prevention
5. Disposal or archive

MANAGEMENT OF SYSTEMS

Systems management is the part of the record program that identifies and governs the procedures, tools, and other assets that are necessary for the program to be successful. These include necessary items for the systems of physical storage such as paper, printers, files, boxes, etc. Electronic records need computers, software, outside storage. There are also apps available that will act as systems. Regardless of method, the system develops procedures to capture, maintain, and dispose of records based on the activities of the organization.

Typically, a single system is not efficient; and subsystems are used to enhance security and provide access to employees at different levels. The activities of the organization will determine how the management system should be organized. Additionally, companies need to make sure that the necessary support is available. Systems management requires the training of employees, clear directions, and monitoring of processes.



DEVELOPING STANDARDS

There are various national and international organizations that develop standards for the management of records and archives, such as ARMA International. These standards cover aspects of both physical and technological record keeping. These standards are subject to change, so it is a good idea to consult relevant organizations regularly.

Most organizations address similar standards. Including:

- Quality control and assurance
- Legal obligations
- Maintenance
- Security
- Capturing and retrieval
- Proper file conversion

PRACTICAL ILLUSTRATION

Terrance and Kenna were tasked with developing systems management for the record program. They began by creating the standards for the systems. Terrance decided to work from his own observations while Kenna based hers on the standards of a professional organization. When they met to share their ideas, they noticed specific gaps. Kenna was not comfortable deviating from the outlined standards, but Terrance insisted that they did not all apply to their organization. They could not move on until they developed unified standards.

Always design a thing by considering it in its next larger context.

Eliel Saarinen

CHAPTER THREE

CONTEXT I

Functional records management requires understanding the context of records within the work of the company. This includes a basic understanding of the corporate environment as well as internal and external influences on records and the organization. By collecting records and analyzing information, changes can be made to the records management program that will support organizational needs.

TECHNIQUES FOR ANALYZING RECORDS

When making an analysis for records management, there are several different techniques available. These techniques work together for the best results and include:

1. Functional analysis – Determine the role of the department and how it operates down to the sub functions.
2. Structural analysis – Identify the relevant records to the department and its functions.
3. Survey – Examine records for completeness and accuracy.
4. Environmental analysis – How do the records influence the organization and culture as a whole? Consider legal and financial implications.

COLLECTING INFORMATION

When collecting information about how records are currently managed, it is important to cast a wide net that includes internal and external information. We have already addressed some of the sources of external information.

External Information Examples:

- Laws
- Standards of Practice
- Publications

Internal Information Examples:

- Business Plans
- Reports
- Policies and Procedures
- Current Records Management System
- History of the Organization

The examples above are not extensive and can be unique to organizations. This information combined with interviews and questionnaires will identify necessary information in records management.

Interviews have three components:

1. The introduction

2. The interview
3. Follow-up

Questionnaires are easier to organize than interviews. An effective questionnaire should include the following:

1. Open-ended questions
2. Consider the taker's knowledge level
3. Use clear and concise language
4. Have a reasonable progression

ORGANIZATIONAL NEEDS

When assessing the needs of any organization or program a simple SWOT analysis is effective. The SWOT analysis can be done at different levels to help determine what steps need to be taken.

Strengths are the advantages that the program possesses, and **weaknesses** are what could be improved or stopped. **Opportunities** are external trends or changes, such as technological or legal shifts. **Threats** are obstacles faced, such as the outdated technology or actions of competitors.

SWOT Analysis

Internal	External
Strengths	Opportunities
Weaknesses	Threats

LEGAL DEMANDS

The applicable laws and regulations must be considered in the development and use of records management. The location and scope of an organization will determine what is necessary to comply with legal demands. International organizations will have more demands than most local companies. Consult the regulatory agencies, statutes, laws, and regulations to guide records management. Pay particular attention to the following.

- What records should be created and how
- How long they should be maintained and in what form
- Methods for transferring files to archives
- Which organizations have legal rights to the records
- Confidentiality
- Copyright

Once relevant legal demands are identified, they must be addressed in the records management program to ensure compliance.

PRACTICAL ILLUSTRATION

Vanessa wanted to collect information about the current records management program. She discussed the matter with her partner, Ethan. The company has grown significantly over the past few years. Ethan suggested completing interviews to discover what how effective the current system is. Vanessa objected to the time and money that the action would require. Ethan insisted that the method was effective when they used it before. Vanessa pointed out, however, that they now have twice as many employees as they did before. Ethan agreed to consider other options.

I do not fear truth. I welcome it. But I wish all of my facts to be in their proper context.

Gordon B. Hinckley

CHAPTER FOUR

CONTEXT II

Most records management systems focus on routine processes. It is important, however, to view all processes in their context, including creative process. A knowledge of analysis systems and records surveys will also provide a context necessary to understand best current systems and how they operate in the process of records management.

ROUTINE PROCESS

Every company has regular activities which become processes. Routine processes are the everyday actions that have the have repetitive steps or sub-processes. Examples of routine processes include creating a client or patient files or the sales process. These processes serve to create uniform records at the lower levels of the organization because they are so familiar. By identifying and understanding the different routine processes in an organization, their records will be easier to maintain and catalog in the records management system.

CREATIVE PROCESS

There are books dedicated to creative actions and processes in records management. Most of these books are written specifically for creative fields. In many organizations, however, creative processes are ignored.

In reality, most organizations engage in creative actions. These allow for more inventiveness on the part of individuals because they do not follow everyday actions or steps. Different creative processes may be repeated, but they are not part of the day-to-day operations that routine processes are. It is possible for some processes to be blends of regular and creative steps, but they do not become routine processes. An example of a creative process would be creating visual aids for a presentation.

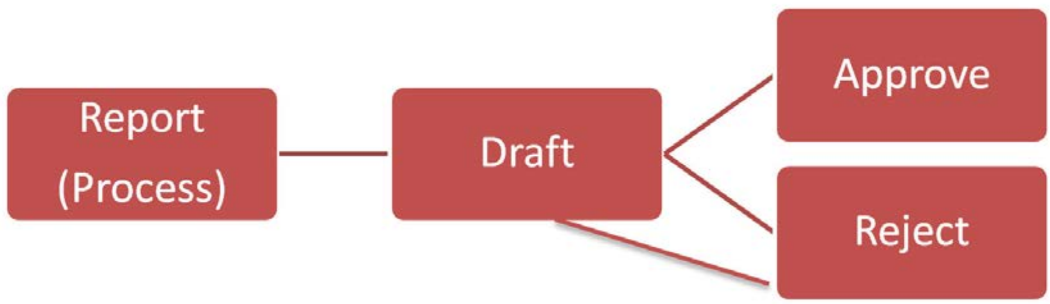
SYSTEM ANALYSIS

Two types of systems analysis, functional and process analysis, are commonly used in records analysis. The functional analysis breaks down an organization's activities and processes from the top to the bottom, dividing them into functions and sub-functions, using the information collected. The analysis is typically done more than once to ensure that each function is accurately represented in a chart.

FUNCTIONAL ANALYSIS

Process analysis is not as broad as functional analysis. It is used to assess routine processes and how they are completed, including the inputs and outputs. The information of the process analysis is represented using flow charts such as data flow diagrams.

Basic Flow Diagram Example



RECORDS SURVEY

Records surveys examine records to discover the relationships between them and the activities and processes of the organizations. Effective surveys limit themselves to specific functions or units. They also examine the control systems as well as the state and storage of the records and those who are responsible for them. The maintenance of the records is compared with the needs of the users to discover necessary changes.

A records survey typically follows basic steps:

- Establish the survey's scope
- Gather records and resources
- Complete background research

- Complete survey process
- Meet with relevant employees
- Examine the records and systems
- Note what is found
- Analyze and make a report of discoveries

The survey should end with suggestions for improvement.

PRACTICAL ILLUSTRATION

John and Mary share responsibility for the Research and Development in an international organization. John wants to streamline the development process and suggested completing a records survey to determine how well information is being communicated in the process of development. Mary suggested that they conduct a survey at each location, but John felt that a single survey would give them a better overview of the company. He insisted on completing the survey at one meeting. The day of the survey, however, led to some confusing results.

A classification is a definition comprising a system of definitions.

KARL WILHEM FRIEDRICH SCHLEGEL


A-Z

CHAPTER FIVE

CLASSIFICATION

Once you have established the context of records, you will need to begin the classification process. By implementing classification, you will be able to build links between the records that assist in the retrieval and the clarification of records. There are different methods of classification, but functionality is a conventional classification method. Once the functions are established, they can be prioritized and assessed.

FUNCTIONALITY

Assessing functionality must begin by identifying the primary functions of the organization. A functional analysis will assist in this first step towards classification. Some functions are common to all businesses, such as finance, can be guided by the established examples. Other functions may be specialized according to the activities of the organization. Identifying functionality must begin with the top levels of functions, such as Sales, and will define the scope of each one. The records are then broken down to the intermediate or secondary functions, tertiary or sub-functions, and elementary processes, which are the very basic steps. The series is made up of all of the sub-steps or actions in the sub-functions.

PRIORITIZE

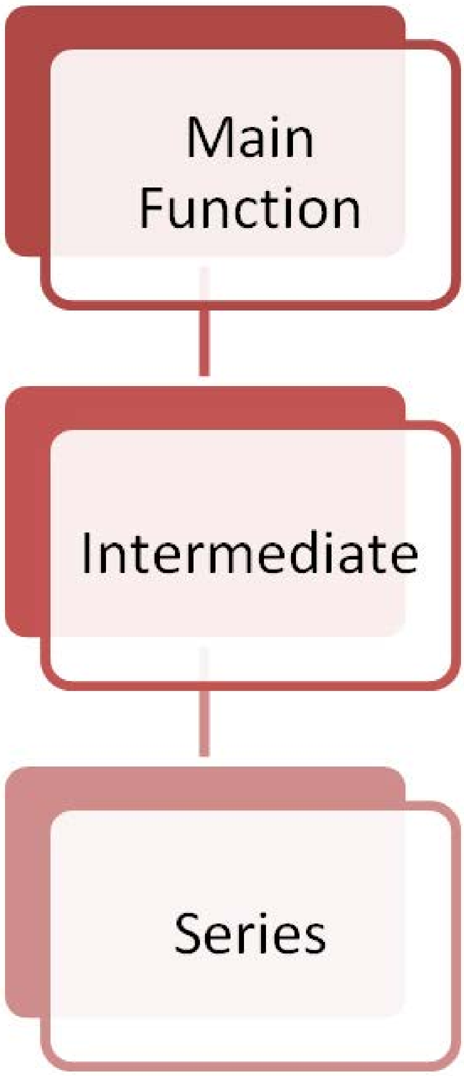
Once the functions are identified, they need to be prioritized according to the current systems, the resources available, and the support available. Begin with the top priority and outline the parts of the function or sub-function along with their relationships to each other. This should break down to the process level where the actions occur. The process analysis is an effective tool in this action. Computer programs are also available that will help identify the components of each of the functions and sub-functions to create a model to guide the record management process.

The functions prioritized must be clearly distinct. Operational and managerial functions must be separate even if they are similar. For example, a budget meeting would be different from a meeting of the board of directors. The task will be complete when every process is identified.

ASSESS AND REVIEW

Once the functions have been discovered and prioritized, an assessment and review are necessary. As you assess the functions create a model to guide the creation of files and in their series. A large number of records require greater detail in the model. Additionally, the model should be assessed to determine if it is reusable. Well-made models are effective for routine or repetitive processes, and they can extend to the elementary levels. Creative processes may need to be classified or shortly after they are completed, and the model will not extend so far.

Model Example:



After assessing the model, review it and label the different components. Create the label titles by using transitive verbs or corresponding nouns.

- Transitive verb + predicate or noun
- Create budget or Budget creation

DEVELOP A TOOL

The model will work as an efficient tool, but creating a diagram with the identifier will serve to accurately create and divide records into files and sub files. These diagrams can be developed using record management software, or they can be created manually.

Title	Level	Identifier	
B2B Sales Prep	Function	100	
	Researching prospects	Sub-function	100.1
	Assess research	Series	100.2
	Develop a team	Series	100.3
	Set goals	Series	100.4

The model and diagram will help create, capture, and maintain records. The model and diagram may demand a shift in the process and affect the final outcome of the system.

PRACTICAL ILLUSTRATION

Lisa and Richard began a small business. At first, it was easy to maintain the few records that the company had. After five years, they had significantly expanded. Lisa had a system based on broad functions. All of the financial records, both sales and purchases, were stored together, for example. No one was able to find anything that Lisa filed away. Even Lisa was not able to find items as time continued. Employees complained to Richard, but he refused to address the issue because the records were Lisa’s responsibility while he worked with people.

The act of putting pen to paper encourages pause for thought, this in turn makes us think more deeply about life, which helps us regain our equilibrium.

Norbet Platt

CHAPTER SIX

PAPER-BASED SYSTEMS

The system of storing and maintaining records will determine how the records are arranged and grouped and how files are built. Paper-based systems are traditional systems that have been used to maintain records before electronic or hybrid records were created.

ARRANGING AND GROUPING

When arranging paper records, the groupings can be taken down to the sublevels, or the sublevels can be arranged together based on ease of management and retrieval. Typical arrangements include subject, chronological, numerical.

When records are arranged by subject, alphabetical groupings are typically used. There are two standard methods for alphabetical arrangements:

- Dictionary-style – There are file folders for each subject, arranged alphabetically.
- Encyclopedic style – Each folder is alphabetized behind the headings, based on subgroups.

Some files are arranged chronologically, based on the date of creation. These can be difficult to retrieve.

Numerical files have two different styles:

- Serial method – Used when records are given numbers on the day they are created. It is useful for invoices and purchase orders.
- Digit method – The numbers are identifiers, such as patient numbers. This method can be effective for large

Alphanumeric files use alphabetical or numerical codes to replace subjects, but require an index to understand the code. An example is the diagram tool in chapter six.

BUILDING FILES

When individual files are created, the needs of the user must be considered. The individual file requirements must consider the following topics:

- The size of the files
- What items need to remain together
- Methods of grouping the files
- How the files will be retrieved

Different subjects or groupings may be filed together if they are small, while larger files may need continuations. It all depends on the documentation that is necessary. For example, a client file may be labeled by name and contain all the pertinent information about individuals, including purchase history. Other companies may organize a client file in groups.

One popular method of file building is implementing a color coding system to help identify the groups in which different files belong.

ELEMENTARY & INTERMEDIATE

The intermediate levels of information can be represented in the file folder by creating subdivisions in the file folder. Files are limited because of space, so items classified might not have physical subdivisions of their own.

Elementary processes are the basic actions created by processes of the series, such as certifications or signed applications. Elementary processes are not typically designated as part of the routine process; only the most critical elementary actions are included in file modeling. It is important to determine if any elementary actions are governed by external legal factors. If they are part of the routine process, the actions must be clear.

Example:

Signed lease

Verify all signatures are complete

File in appropriate series

File on left side

METADATA

Metadata is usually associated with electronic records but is still relevant to paper records. Its function is to explain the context of different records, such as receipts. An index of files would be an example of metadata as would a classification scheme. There are software systems that serve to store metadata that relates to both paper and electronic records. There are three different methods of metadata methods:

- Description – defines information discovery such as a bibliography
- Structure – explains the format of the information and the file method
- Administrative – outlines how the files are developed and how they are managed

A database of metadata will make it accessible to everyone and should be held at the highest levels of the organization.

PRACTICAL ILLUSTRATION

Simon hired Serena to update the filing system in his small company. When Serena first arrived, she noticed that the files were arranged in different ways by different employees. This arrangement made finding specific documents difficult to retrieve. She began implementing an arrangement and grouping standard for the entire office. She told Simon that the best option would be the digit, but Simon wanted files alphabetized because he did not want to have to look up the meanings of the numbers.

We are in an electronic technology age now and it's about time we put away the old stuff.

MONICA EDWARDS

CHAPTER SEVEN

ELECTRONIC RECORDS

Electronic records lack the restrictions that paper records have. They are not as limited by physical space and can be easily created and accessed. More and more organizations rely on electronic records and implement electronic record management programs. They are easily classified and can contain more metadata than the traditional paper method.

CLASSIFYING

Electronic records need to be classified just like paper records. It is possible to use functional classification methods with electronic records, but there are other methods of classification.

Subject-based classification is based on broad subjects that are broken down to the basic activities. The problem with this context is that it can be difficult to maintain because it does not consider the purpose of the activities being recorded.

Business classification links the files to the context of the company. There are typically three different tiers in the classification methods:

Business – Series or categories

↓

Action – file volumes of individual records

↓

Transactions – individual records

FOLDERS AND DIRECTORIES

Unlike paper records, electronic records allow for the creation of much larger files and directories. Folders are placed within folders so that it is possible for there to be a single folder for a single document in a small subcategory. This action can create a fully functional record. Still, a record that is based on a complete model may be difficult to navigate if the model goes too far.

Directories provide an order to folders and subfolders making them easier to find. This can be easily seen in shared folders that breakdown records throughout the organization. Directories also provide guidance about how new folders should be created.

Example:

Departments:

- Department A
    - Staff folders
    - Client Records
        - New Clients
        - Active Clients
        - Past Clients
- Department B
    - Staff folders
        - Client Records

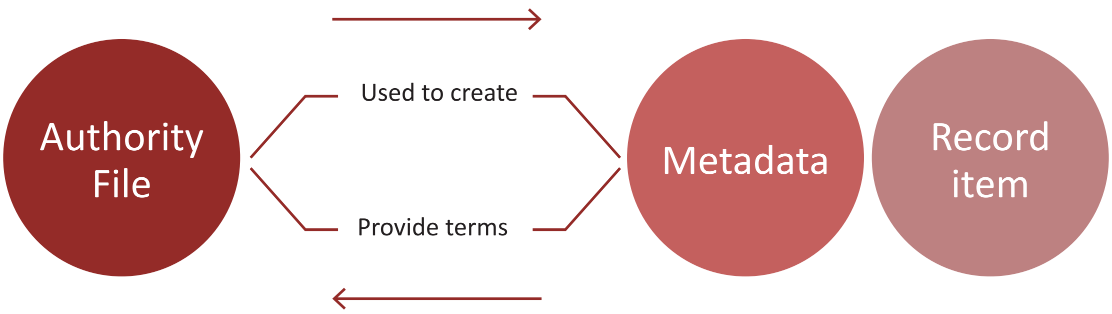
GROUPINGS

The groupings of electronic records do not have to follow subject classification. Different automated systems will help determine the best method for grouping and retrieving different records in the classification system. It is possible to create new records using search options that find all of the pertinent information at one time. For example, you can break down a client's records to specific time periods.

Electronic records have the benefit of allowing greater change. Navigating records that do not rely on subject groupings does require an accessible index of terms used. One example would be the index from an earlier chapter.

METADATA

Metadata is directly collected in electronic records. The context of metadata can be used to develop a classification method for records. When using metadata for classification, an authority file such as an index is needed. In this method, the item is connected or tagged to the process or subject metadata and the authority file identifies the search terms that will help find the relevant records based on the metadata terms. While it is not a traditional method of classification, metadata classification is growing in popularity. There are different systems available that help tag and catalog metadata.



There are approved standards for the use of metadata. The standards may involve terminology as well as abbreviations used. The Library of Congress is one source of standards. It is necessary to discover which standards apply to individual organizations.

PRACTICAL ILLUSTRATION

Sam and Dean were tasked with the job of simplifying the retrieval of electronic records. At the time, a directory was used to find documents and files, but it was large and time-consuming to review. They decided to use metadata as the new classification method. Sam began working on tags and terminology. Dean looked up the relevant standards and soon discovered that some of Sam's work was not in compliance. They needed to rework what was already done.

A businessman is a hybrid of a dancer and a calculator.

PAUL VALERY

CHAPTER EIGHT

HYBRID SYSTEMS

Even as more and more companies attempt to go paper-free, it is not always possible to remove paper files from the records. This tie is how hybrid systems become necessary. Hybrid systems carry their own complications and limitations, but awareness of the potential pitfalls will help prevent problems before they begin and allow you to design the most efficient system to manage and maintain records effectively.

ROUTINE PROCESSES

Routine processes are based on repetitive activities and exist in both paper and electronic format. For example, an application process might include a paper application and along with electronic communications. In a paper-based system, the email would be printed and kept with the application. In an electronic records system, the paper application would be scanned and saved with the email. In the hybrid system, this process would require the development of chosen guidelines based on office needs. For example, in an organization where various employees need to access the information, they might require the application be scanned. Regardless of which method is chosen, try to keep all of the process steps documents in a single location.

It is important to cross-reference material whenever possible. When the original, paper application is saved, for example, a note should be made that it is available in the paper record. The same is true of any relevant metadata available. Different programs and applications assist in the management of routine processes in hybrid systems.

CREATIVE PROCESSES

Creative steps lead to creative processes. Creative processes are common in artistic fields, but they can also be special projects such as architecture design or developing new programs or software, and they will have their own unique set of actions.

Using creative processes in hybrid systems can be complicated. Physical documentation may be easier to manage in some instances, such as printed media. When both systems are used, the best option is to choose subject schemes and groupings to avoid confusion. When electronic records are implemented, try to keep the subfolders to a minimum. Regardless of whether the records our routine or creative, choose an official record method. For example, if most of the documents will be housed in a paper system, the paper record is the official record.

DESIGN

When electronic records are the standard of an office, there is no need to keep paper file cabinets. Although rare, a paper-based system will require file cabinets, but there is no reason to keep any record management software systems on the computers. In hybrid systems, you will need the resources for both.

There are different items required:

- File cabinets
- File folders
- Paper
- Printers
- Labels
- Computers
- Shared drive
- Software for electronic management
- Database

The list above is just an overview. Once the equipment is in place, clear rules outlining storage and access must be made.

Paper records should be stored in a chosen location or locations, and access designated:

1. Open access
2. Records can be accessed but not removed
3. Records can be removed by a designated employee
4. Records are looked at under supervision

Access to electronic records can be limited or expanded based on the system and needs of the user. For example, it can be limited by the department.

LIMITATIONS

Hybrid record systems can be problematic. There is the risk of multiple copies of documents being saved even when clear guidelines are in place. Excess paperwork can cause confusion, particularly when the records are being purged or archived. Additionally, there is the risk of some documents not being filed at all do to miscommunications.

Besides the possible confusion of hybrid records, they also take up valuable space in the office, especially when multiple copies of documents may be lying around. Even with clear policies in place, there is still the need for extensive education for employees to use hybrid systems correctly.

PRACTICAL ILLUSTRATION

Luke and Misty were conducting a survey on the current records management program. The company began with paper-based records but slowly began to integrate more electronic records. The survey results showed that the number of record errors had increased over the past year as the electronic records grew. Luke led some interviews while Misty created and analyzed surveys. They discovered that there was confusion about the correct way to record files and how to maintain them. No one even knew which one was the official record. They decided that it was necessary to rework the policies and train employees.

Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat.

SUN TZU

CHAPTER NINE

APPRAISALS & SYSTEMS

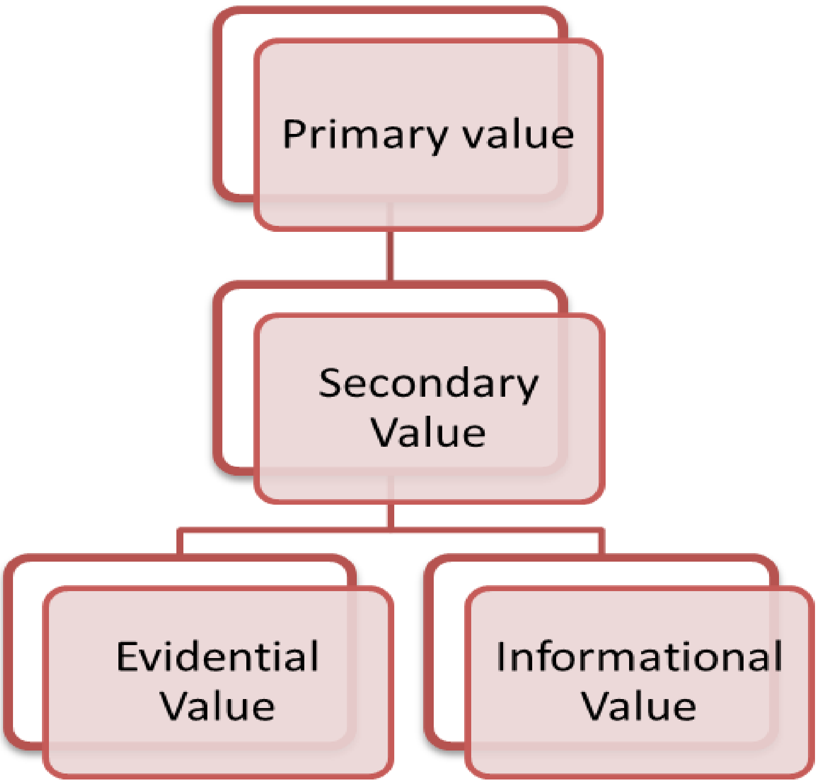
Appraisals are necessary for every records management system. It is through appraising and evaluating records that you will know which ones to maintain and how. Appraisals help develop and improve the management systems, including archiving and disposal. There are different methods of appraisal, but most of them are tied to the information about its financial, legal, and administrative functions within the organization. The historical value of records is also considered before final decisions are made.

TAXONOMY OF VALUES

The traditional method of appraisal is the taxonomy of values. Developed by Schellenberg after World War II, the model identifies primary and secondary values. There are subdivisions of secondary values.

Primary = value to the organization itself (monetary, legal, and administration)

Secondary = value outside the organization (divided into evidence and information)



MACRO APPRAISAL

Macro appraisals are newer and created in Canada for government use. The appraisal places value on the function, structure, and content of the documents and works well with a functional analysis. This top – down approach requires an understanding of the company. Consider the following questions when appraising records:

- Who created the records? For what reason and how?
- What was their original function?
- Do they assist specific functions?
- What is necessary to document?

There are variations of macro-appraisal methods and other appraisal methods as well. Each records manager needs to decide which appraisal method will be used.

STRATEGY & CRITERIA

The strategy for assessing records for disposal must consider the needs of the internal and external user in relation to the business, accountability, and cultural of the company. The records act as evidence, provide relevant information, or act as historical artifacts.

In reviewing for internal systems, it is important to:

- Determine if the records still have relevance, provide information
- Decide if the records are still pertinent to legal and audit regulations or challenges
- Establish whether there is a cultural benefit such as the historic artifacts

In reviewing for external systems, it is important to consider

- Explain which agencies require access to the records
- Which laws and regulations apply to the organization
- Consider if some records can be useful artifacts, such as trend exploration

Before destroying records, it is necessary to weigh the risks of keeping documents with the risk of damaging them. For example, keeping records past their time could risk confidentiality, but not keeping them long enough could result in the loss of essential information.

DOCUMENT & REVIEW DECISIONS

Once you have established strategy and criteria, it is necessary to create a retention schedule. The schedule is divided by the different class of records so that it can be universal throughout the organization. The schedule can be basic or in depth. It can cover basic records and retention, or explain what should happen to records over the course of time.

Example A:

Records	Time
Class A	7 years

Example B:

Records	Time	Action	Time	Action
Class A	5 years	Move offsite	3 years	Destroy

Schedules need to be reviewed and updated regularly. Laws, standards, regulations, and organizational needs will change, and the retention schedule needs to remain up-to-date. Most experts recommend completing the review every year. Additionally, the reason for the time placed on the retention schedule should be documented where it will be accessible. This may or may not be in the official retention schedule.

PRACTICAL ILLUSTRATION

Rob asked Jon about some financial records because he was not sure how long to keep them. They worked for an international company, and he did not want to dispose of something too soon or keep them too long. Jon told him to look up the information in international standards. When Rob saw the standards he was concerned because he knew other people in the company were not following them. He brought his concerns to Jon who gave him the job of communicating guideline to other employees.

It's not about ideas.
It's about making
ideas happen.

SCOTT BELSKY

CHAPTER TEN

RECORD MAINTENANCE

Regardless of the types of records or details of the records program, it is important to make sure that they are maintained properly. It is better to prevent a disaster than address it afterward. Be aware of any risks and make sure that everyone understands the proper procedures for storing and handling important documents and records. Proper records maintenance will also address archives and the correct records conversion.

PAPER

Paper records can be stored in centralized or decentralized locations. In many organizations, centralization of paper records is not logical or functional. We have touched on the needs of paper records earlier. Whether stored in a centralized location or not, it is important to be aware of the processes around them as well as the risks involved. For example, what is the process for sending records to archives? How are boxes labeled? What is the process for document destruction; do you use an outside company?

Once one all elements of the paper record system are identified, the next step is to complete a risk analysis.

RISK ANALYSIS:

1. Determine the scope and context – legal requirements, environment, business, regulations
2. Discover risks – natural, technical, or human-made risks
3. Analyze the risks
4. Establish priorities
5. Make changes
6. Monitor and review

The danger and probability of each risk is examined and scored. The scoring can be as extensive as you want:

- low, moderate, and high
- minimal, minor, moderate, significant, and severe

Each level is given a number 1-3 or 1-5 for example.

Risk	Danger	Probability
Flooding	2	2
Improper handling	3	3

Multiply the two answers; the risks with the highest numbers are the greatest threats that need to be addressed first.

ELECTRONIC

Electronic records have very similar issues, and decisions as paper records do. Even with centralized storage, there are other places where people can keep records: computer hard drives, flash drives, storage servers. Unauthorized storage should not be encouraged. Other questions about electronic files include when to transfer them offline, if a software application will be used and which one will it be? Will specialists be used to convert files into a different format, and will they be delivered using devices?

Just like with paper records, performing a risk analysis will help improve maintenance before any issues arise.

CREATE ARCHIVES

Records that are stored for an indefinite period will need to be transferred to archives. Guidelines for archives are available, such as in the National Archive. There are different methods of archiving records, which include: in-house archives, records management units, and external archives services. Regardless of the location, those responsible must have both technical understanding as well as record and archives expertise.

Storages Items that have specific archival guidelines include:

- Files
- Covers
- Boxes

- Shelving
- Cabinets
- CD-R, flash drives
- Rackings
- Specialized Storage

The environment and security of the archive must be precise. Humidity can damage records, and inadequate security can place the organization in jeopardy. Careful research must be done before any archive creation.

CONVERSION

Converting files to digital images has the benefit of saving space. Conversion also makes the files easier to access, and limits damage common in paper files. The issue with conversion is that it is officially a copy of the original. Legally, this can cause problems, but documentation will alleviate some of the hassles.

Clear policies need to be made before converting records regarding which records will be converted and when. Additionally, the method of conversion should be clear as well as what will be done with the original documents, and how the conversion is recorded. Once files are converted, their storage must be carefully maintained. Electronics are sensitive to heat, light, and dust. Additionally, they become outdated. File migration, which moves information from one software to another can help keep the files accessible.

PRACTICAL ILLUSTRATION

Caitlyn sent out a memo demanding that all paper files be saved in an electronic format to avoid their loss due to the risk of hazardous weather. Jamie, who worked in records received the memo but was confused by the implications. Some employees began destroying the original records after they converted them to electronic formats. Additionally, there was no clear method for the conversion or directions about their storage. Jamie decided to address the problems with Caitlyn before the situation caused more problems in the future.

Networking is an essential part of building wealth.

Armstrong Williams

CLOSING THOUGHTS

- **Henry Ford**: Whether you think you can, or think you can't — you're right."
- **Walt Disney**: The way to get started is to quit talking and begin doing."
- **Steve Jobs**: Design is not just what it looks like and feels like. Design is how it works."
- **Anthony Volodkin**: Be undeniably good. No marketing effort or social media buzzword can be a substitute for that.

Rick Chisholm made history when he single-handedly changed the professional Audio Visual industry by breaking all the rules and capitalised over 50% market share in Australia with very little capital, no partners, mergers or lenders and set up the first franchise operation of its kind in the world in the late 1990's and early 2000's.

As a 7x founder of companies and 30x businesses such as Innovest, AI Machine, Lightsounds, LSW, Light Emotion with revenue in excess of $300 million and having employed more than 1,000 staff over the last 35 years. Rick is known as the Start-Up and SME Guru and is Author of a number of books including Business Success for Life. Unlike many mentors, he actually walks the talk and has a number of businesses under management in such areas as Automation, Events management, Importing, Distribution, Retailing and E-commerce.

His BIG passion is Business Education empowering Businesses Owners through knowledge and skills. Whilst Rick has experienced great success, he has also endured many failures. Rick has faced and overcome the exact same challenges you are facing now.

Tala Chisholm is an SME specialist who has owned and managed several small to medium sized businesses in the last 20 years, several of which were eventually sold. She has extensive experience in the fields of retail, franchising, licensing, dealerships, education, importing, distribution and consulting.

Her expertise lies in building and implementing customised cross-platform database and software solutions for businesses, automation, IT, web marketing, advertising, graphic design, business administration, process refinement and implementation. Her business experience ranges from bricks-and-mortar Giftware retailing to highly technical fields such as Security, CCTV, Entertainment Lighting and Audio sales, hire and installations as well as e-commerce.

Throughout her career she also trained and mentored Franchise business owners as well as internal division managers. Some areas of training included retail operations, management practices, business strategy, accounting, cash-flow, marketing, customer service and IT. She has also headed up the drafting of Operating Compliance Manuals for Franchise operations and implementation of all the elements involved.

Phone: +61 2 8007 2907
E-mail: admin@innovestsme.com.au
Website: www.innovestsme.com.au