LIS 9203 – Records Management

Case Study: ABC Industries

Submitted by:

Mark Borden and Benjamin Peddle (mailbox # 215)

Submitted to:

Prof. C. Bart-Riedstra

Date:

April 3rd, 2014

Table of Contents:

Introduction:

Mr. Smith, executive members of the board,

Thank you for having us today. We join you on this occasion to push for the implementation of a records management program for ABC Industries. While we understand that the general consensus points to the creation of this new department as a waste of money, especially in the face of budget cutbacks and economic troubles, but we hope after this presentation you will begin to understand how helpful records management can be for you, both financially and legally.

While it may seem to some as though we are a relatively useless intermediary between the employees and your board, and some employees may see us as overlords trying to trip them up and find fault, we believe that in creating and maintaining a properly implemented records management program, we as a department can help to eliminate the bureaucratic clutter and aid in not just the organization of usable records but also to create and administer a retention and disposal schedule in accordance with the legal department so as to ensure the proper destruction of records on a timely basis, so that in the case of a records audit or lawsuit, your organization will be adequately covered. This may be one of the strongest cases for why a records management department is necessary: while a lawsuit may never happen, nor an audit, we will essentially be acting as a type of insurance to make sure the company is safe.

Of course, this will not be our only function. As a records management department we would do just that: manage records. In reviewing your current situation regarding information and resources, it seems as though there is a problem with not just keeping the information organized physically but even intellectually. Without placing any blame, or offering unjust

criticism, there is a lot of work to do with records management when employees in charge of specific information cannot even tell you where these resources are to be found. We aim to change that not just by working in a more hands-on position and guiding the creation, usage, and final disposition of each individual record, but also by employing the "continuum lifecycle" model and working with the archival department in order to create a more accessible and long-term metadata standard that can be used and thus create a more efficient retrieval system both during the life of the record as well as the archiving of it. By operating in this fashion, we hope to create a system that is not just centralized within our department, but also one that can be operated by others who may require the information contained within the records after a brief period of training.

By utilizing a records management program in a proper fashion, then you are essentially creating a more efficiently run company. With the information provided in this presentation, we hope to explain the need for keeping track of records and maintaining a proper organizational system that is accessible by all employees. While it would be cheaper to choose not to create a new department and hire records managers to handle this for you, and mandate that the current employees must be responsible for their own records, you will be slowing down the efficiency and output of the organization by placing a larger burden upon them. However, if you choose to spend the money to create this department, then your employees would able to focus more on their specific tasks as dictated by their department and less on the peripheral information and responsibilities of the records created. A records manager, or even a team could handle, document, organize, and finally dispose of the records however necessary, with almost nothing required from the workforce at large.

Mr. Smith, esteemed members of the executive board, we thank you once again for your time and hope that our presentation was informative – even in the event that you decide not to hire us as employees of ABC Industries. It is our sincerest wish that we have helped to illuminate the importance of proper records management practices that should be kept in mind, even without an official records management department. The following report will however serve as a brief introduction as to the basic benefits that can be found within the records management program we are pushing for, as well as a sample financial statement as to the proposed department.

Supply Budget: (Part 3.1)

The following section provides an introductory sample of the relatively small budget that is needed to create a records management department. A more in-depth breakdown and discussion of materials will be provided following this table.

Equipment Name*	Amount	Cost	Size (Cubic Feet)
Banker's Boxes	500	$3,475.00	500.0 c.f.**
Storage Rack (60 X 42 X 15)	20	$ 13,440.00	2011.6 c.f
16 mm Microfilm Storage Boxes	50	$22.50	1.0 c.f
Microform storage cabinets	1	$1135.00	10.0 c.f
Alos 22 Motorized 16mm Roll Film Reader	1	$975.00	2.5 c.f
Small Office Storage Server	1	$1250	.25 c.f
Canon i-SENSYS Printer	1	$350	.50 c.f
Computer Terminal	1	$1000	12 c.f.
Temperature/ Humidity Data Logger and Printer	2	$1379	0.05 c.f.
Total	XX	$23,026	2037.9 c.f.

*All equipment names are hyperlinked to their product pages with price information

**Our paper records, in banker's boxes, total 1500 c.f. The storage racks are advertised as holding eighty boxes per unit. Purchasing twenty shelving racks will meet our immediately records storage needs of approximately 1500 c.f., with some wiggle room, but more will need to be purchased in the near future.

My suggestion for electronic records is to house a storage server on our off-site storage for the time being. This should be considered a short-term, 3-5 year, solution as regular backups are needed to assure file integrity. The server I have selected does automatically back-up files which is a nice feature. Committing an ERM program, which is estimated to have an upfront cost of $8000-$16,000[1], is not advisable at this time and therefore I believe that continuing to inventory, organize and weed out records past our approved retention periods is our primary concern at this time. In the meantime we can continue to monitor and research our electronic record management, which may or may not include digitization depending on what we collectively decide, while we continue to move forward.

Floor Plan: (Part 3.2)

For space we should expect for a 40% annual growth:

Year	Space Requirement
Initial	2037.9 c.f.
1	2853 c.f.
2	3994.3 c.f.
3	5592 c.f.
4	7828.8 c.f.
5	10,959.5 c.f.
6	15,343 c.f.
7	21,480 c.f.

I was able to find a commercial warehouse space advertised for rent in London[2], encompassing approximately 1,000 feet, with 40 foot high ceilings, for $950 monthly. This properties space equates to roughly 31,622 which would be more than suitable for our storage
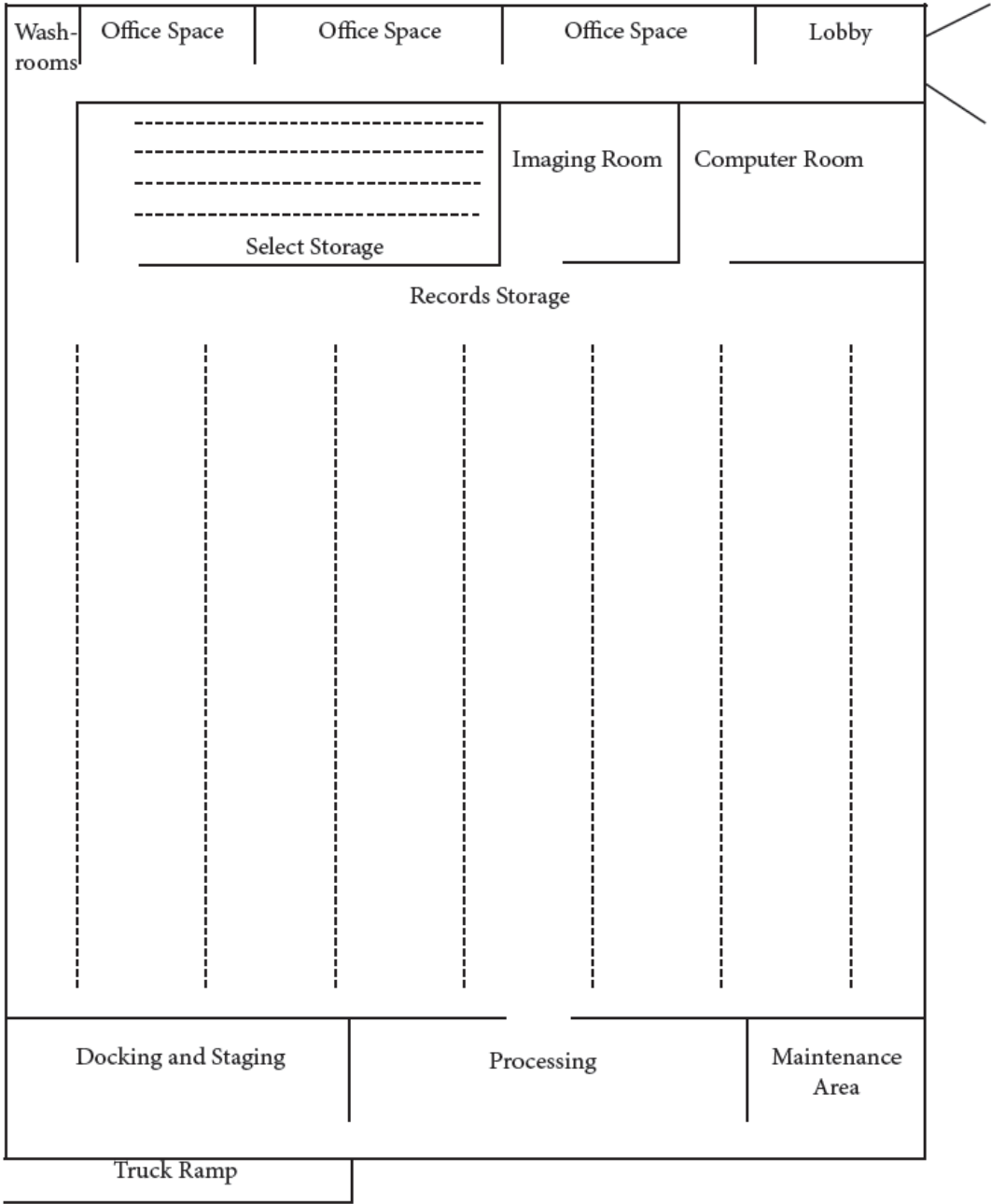
---

[1] Practice Fusion. "Creating an IT budget for EMR adoption." http://www.practicefusion.com/pages/whitepaper-creating-an-IT-budget-for-EMR-adoption.html. (Accessed March 24, 2014.)

[2] http://london.kijiji.ca/c-real-estate-commercial-office-space-For-Lease-Commercial-Office-Industrial-500-Clarke-nr-Dundas-W0QQAdIdZ567998670
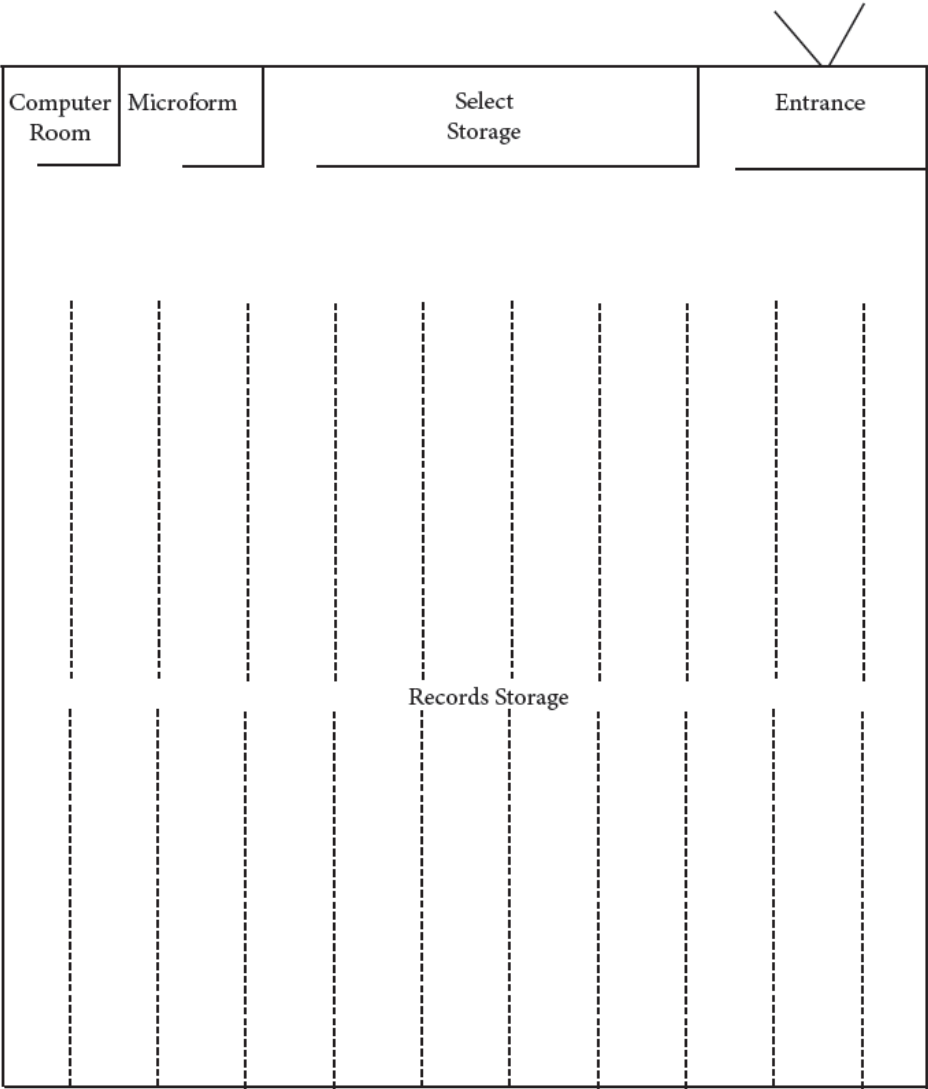
needs at a relatively reasonable rate. Also, being headquartered in London, having a storage facility nearby would help expedite retrieval ad cut down on our transportation costs of having records sent off-site. Another option would be to purchase a space that could be used for record storage which could prove to be a more cost effective solution in the long-run if we proceed with this course of action

I have included two floor plans for your consideration neither of which is to scale as they are meant as simply rudimentary outlines of what to expect in regards to general layout. The first is an example of what a commercial off-site may look like for comparison sake. The proposed off-site storage facility floor plan, as a contrast to a commercial facility, would be comprised mostly of shelving units. A separate area would be available for "select storage" to be used for items that are particularly vulnerable to degradation, are more likely to need to be retrieved, or have some quality about them that requires special attention. The computer room would house our server and the nearby computer terminal would be used to interface with it for retrieval, or management, of electronic records. The printer that I have requested would, ideally, be set up in a way that allowed for electronic records to be printed as well as the items we have microfilmed. Any location we do choose will have to be modified in a way that will minimize the amount of light entering the records storage area. Other concerns include building security, flooding or leaking, and appropriate automatic fire suppression systems. The following pages provide you with basic illustrations as to the aforementioned planning specifics.

Commerical Off-Site Storage Facility
Floor Plan

Wash-rooms	Office Space	Office Space	Office Space	Lobby

Select Storage

Imaging Room

Computer Room

Records Storage

Docking and Staging	Processing	Maintenance Area

Truck Ramp

Proposed Off-Site Storage Facility
Floor Plan

Computer Room	Microform	Select Storage	Entrance

Records Storage

Retention and Disposal: (Part 4)

One of the most important aspects of records management is a properly implemented retention and disposal schedule. As we have reviewed the records that are available to us, our team has identified a big problem with the records being kept by ABC Industries, which is that there is no formalized system in place that fulfils the functions of proper destruction, which in turn creates a considerable legal issue for the company. By reviewing what records have been made available, we can see that some records that should have been destroyed are still in circulation, while others that may have been considered necessary for archival purposes have been destroyed, with no documentation of what they could have constituted being left behind. As Cisco notes, it is important for "organizations are acknowledging that all recorded information retained by employees is potentially discoverable in a court-ordered legal discovery or regulatory investigation, and retention must be applied to all information formats and all media throughout the information lifecycle."[3]

As records managers, it is our duty to identify what records are necessary for review when it comes to retention and disposal; but that is not to say that everything created necessarily needs to come to us for final decision. Company records encompass such a wide variety of resources that for us to wade through everything would be counterintuitive and would create so much work for our department that we would not be able to properly fulfil our roles within the company. For example, one thing that counts as records are all incoming correspondence and for the purposes of this company in the digital age, that would encompass incoming e-mails – and this is where the employees "common sense" comes into consideration. While it is our

---

[3] Cisco, Susan. "How to Win the Compliance Battle Using 'Big Buckets.'" *Information Management Journal,* Vol. 42, No. 4. 2008. 35.

responsibility within the company to work through records to determine their usefulness, it would help out greatly if the employees responsible for these items to determine themselves what may or may not be important. We as a department want, and need, to be the recipients of all pertinent records, things like "spam" and "junk mail" such as advertisements can be discarded without coming to us. However, any other e-mail collected from associate companies for example should be passed along to us. In many cases, we will determine that these e-mails are not worthy of permanent retention, it is still necessary to peruse the information contained within as a precautionary method. As Saffady asserts, there should be an emphasis upon the "preparation of retention schedules [which is] a defining characteristic of records management work and a fundamental aspect of professional practice."[4]

With this caveat out of the way, our department must state that almost all other records created could be important and thus should be sent to us for review. In many cases, the specific type of record (such as financial reports) must be kept for a predetermined length of time for auditing purposes, which we can do. However, at the end of this time frame, except in certain circumstances, these records will have to be destroyed, with complete documentation of what the record was and the date of destruction for legal purposes. The reports being kept indefinitely at the moment does have some validity, however. Employee accident files are essential to keep for insurance purposes, union purposes (if any union exists among the workers,) as well as workplace health and safety records in the case of reports to head office and governmental offices that deal with these issues. They also would need to be kept in an archival facility to be placed among the personal file of the employee affected, so while the records are properly retained for these purposes, the actual records need to be organized in a more efficient and,

---

[4] Saffady, William. *Managing Electronic Records.* ARMA International: Lenexa, KS. 2009. 114.

possibly, confidential manner. The records are kept together and no problems in organization or retrieval is apparent, so it is very commendable in this sense, and a more thorough and consistent retention and disposal schedule in accordance with legal regulations would be the only possible recommendation by the records management department. Stephen summates the best course of action regarding a situation such as this is that the "entire data life cycle should be automated through the use of enforceable retention rules"[5] and that this schedule should be responsible for the governing and "migration of data through the storage hierarchy with ultimate deletion of expired data."[6]

Warranty claim files are also important to retain for the purposes of an audit, as it would deal with financial issues, or even for product development. If a product has been documented as being problematic consistently, then development or fixes among the product line will need to be considered, if not even a full product recall if the appliances could prove to be dangerous due to a design flaw. The fact that records may not exist, but the secretary (nor anyone else assumedly) being unsure points to a serious problem among the organization of these records. While certain investigation documents and reports would constitute what should be archived for future product research and development, the individual claims would only need to be kept for as long as determined for the purposes of auditing. Once that time period has passed, and the specific product line in question has been discontinued, then the individual claims can be destroyed, as they would contain personal information about customers which may even include financial information if the replacement was not taken and instead opted for a monetary reimbursement.

---

[5] Stephens, David. *Records Management: Making the Transition from Paper to Electronic.* ARMA International: Lenexa, KS. 2007. 61.
[6] Stephens. 61.

For new product development files, the same problem as before exists – a complete lack of organization or necessary information regarding the collection before 1980. Product development doesn't necessarily need to be archived, except in a historical sense to show the growth of the company, or to document what was created by the company, but outside of that very specific reason, it can be discarded and destroyed once time warrants it. However, the trademark and patent applications would require permanent retention, as this is the best way to ensure the company is safe in the event of an advertising issue or in the event of a patent dispute. Otherwise, once a product line has been discontinued, many of the files can be discarded.

Major equipment maintenance files as provided by the company are, as with the employee accident files, quite obviously well organized as all records can be found dating back to the start of the company in 1959, and therefore similar issues would be affecting the governance of these files. Many of the older files could be documented and destroyed, with only the most recent and pertinent files being retained for the time being. It seems as though as long as we have the necessary files for the current fiscal year, or as long as auditing may occur, whatever other files can be discarded.

However, all retention and disposal schedules should be based upon a team effort, encompassing all departments of the company in order to ensure materials are being treated in the proper way. According to Kahn, "creating a new approach to retention requires input and buy-in from the IT department, the legal department, and business executives, at a minimum. There are numerous interrelated issues that need input from a variety of different perspectives to make sure the new retention plan works for the enterprise overall."[7]

---

[7] Kahn, Randolph A. "The Risk-Cost Retention Model: A New Approach to Records Retention." *Information Management Journal,* Vol. 40, No. 3. 2006. 48.

Vital Records: (Part 5)

As there is currently no vital records protection, migration strategy, disaster plan or contingency planning at ABC Industries, we respectfully suggest that this should be a priority for the records management team moving forward.

What are vital records?

Vital records are those which are essential to document identity and rights[8]. These are records that establish or prove ownership or give credibility to claims that ABC Industries is making. Land ownership deeds or titles, certificate of incorporation, new product development files could potentially be crucial for protecting ABC Industries in light of some unforeseen event. Jones and Keyes write that an organization simply surviving, or preserving, through an immediate emergency is not enough. An organization should strive to maintain their competitive position and financial stability immediately following and continuing long after an emergency[9]. There are many examples of organizations, both public and private, struggling to re-establish operations following Hurricane Katrina because "information was sketchy at best" due to the poor vital records protection plan that was in place[10] at the time of the disaster. It should also be noted that vital records can be either paper, digital, or microform[11]. I would suggest this is an entirely avoidable risk to expose ABC Industries to, and propose we establish an appropriate plan as soon as allowable.

Why have protection plans in place?

---

[8] Dearstyne, Bruce W. 2006. Taking Charge: Disaster fallout reinforces RIM's importance. *Information Management Journal* 40, (4) (Jul): 37-40,42-43,).

[9] Jones, Virginia and Kris E. Keyes. 2008. How to develop an emergency management plan. *Information Management Journal* 42, (2) (Mar): 52-56

[10] Dearstyne, "Taking Charge".

[11] Andolsen, Alan. 2008. The pillars of vital records protection. *Information Management Journal* 42, (2) (Mar): 28-32

We have covered why having these plans in place is necessary to mitigate risks following an emergency but this is a topic I will explore more fully to give a better appreciation as to its importance. Although natural disasters and terrorist attacks are real risks, albeit unlikely, there are a number other risks to vital record safety which, may seem more pedestrian, but are no less damaging to ABC Industries continued operations[12]. Fires, broken water mains, blackouts or brownouts, and snowfall restricting access to records are everyday occurrences but ones that could potentially have far reaching consequences if they cause loss of vital records[13]. A scenario could play out where the new product development files are damaged, or even destroyed, by a fire or flood because they were not adequately protected. Consequently ABC Industries' ability to defend itself against any legal and/or financial claims brought against it in regards to patents, or some other form of intellectual property infringement, is extremely diminished.

How will these plans be implemented?

Andolsen[14] argues that staff preparedness and procedural preparedness are two sides to the same coin and are equally important to any protecting planning. ABC Industries staff need to be trained adequately to be prepared to act out in case of an emergency; even if we had a proficient, or even the perfect plan in place, if staff are not capable of implementing it because they are inadequately trained it will not be effective. This also applies to having buy-in from the staff, if they do not believe records management is important, they are almost certainly unlikely to take proactive steps to protect records when facing an emergency. Before developing an official policy or procedure the first thing I would suggest doing is taking inventory of vital

---

[12] Andolsen, The pillars of vital records protection, 29-30.
[13] Andolsen, The pillars of vital records protection, 31.
[14] Andolsen, The pillars of vital records protection, 29-30.

records so we know what we have, and how much of it[15]. From there we need to agree on the best place, in terms of both physical security and location, to store the vital records as it is key to the recovery program to focus on the location where business operations will resume following a disaster[16]. Once we have those decisions made we can focus on developing emergency checklists and action plans to run through with the ABC Industries employees[17]. Running through the plans gives us a chance to evaluate and improve on them based on the feedback we receive.

Migration Strategy

The current trend to preserve digital or electronic records is what is known as "migration". Bantin[18] refers to migration as a way of "refreshing" records. Digital storage mediums have a short life, much shorter than paper, so to assure preservation the contents should be transferred to a new device or drive every few years. Migration can also address the obsolescence of the storage media as it is being copied to a newer format[19]. For example records could be copied off a floppy disk, then onto a CD-ROM, to a DVD and on to the new high density storage format assuring their preservation as the hard drive required to play those mediums typically dies out around the same time as the format. One issue is that some records, depending on the software, may require "emulation to be reader on modern machines[20]. Emulation is the process of virtually running software that mimics the hardware required to access that record[21]. For our purposes I would suggest having a strictly enforced policy for migration in regards to the records deemed necessary and/or vital for ABC Industries to hold on

---

[15] Dearstyne, "Taking Charge", 42-43.

[16] Andolsen, The pillars of vital records protection, 29-30.

[17] Jones and Keyes, "How to develop an emergency management plan", 53-54.

[18] Bantin, Philip. "Electronic Records Management: A Review of the Work of a Decade and a Reflection of Future Directions," In *Encyclopedia of Library and Information Science, 33.*

[19] Bantin, "Electronic Records Management" 33-4.

[20] Bantin, "Electronic Records Management" 16.

[21] Bantin, "Electronic Records Management" 16.

to permanently. Electronic records need to be migrated every several years to help protect against sudden data loss and, as well, their accompanying metadata need be included in that process. Losing the context in which those documents were created could potentially negate their usefulness in the future. If we arrive at the decision that this is too much for us to take on I think the best decision would be to have our electronic records kept at a commercial centre. If our electronic records are to have any chance at permanency we have to develop and follow the migration strategy rigorously.

Disaster plan and Contingency plans

Andolsen[22] writes that the format vital records take on should inform decisions on how they are prepared and stored for disaster preparation. Copies of paper records should be inventoried and reviewed prior to storing them to assure they are legible or of a significant quality to be usable should the original become damaged or destroyed. Electronic records should be stored along with their accompanying hardware and reviewed every several years to assure data integrity. This is where our migration strategy will be helpful for disaster and contingency planning. Jones and Keyes[23] argue for having a solid policy statement, noting the responsibilities and authority for key personal as well as preparing response and recovery checklists for potential disasters. Andolsen[24] focuses more on the physical housing of vital records and uses the tragedy of the terrorist attacks on September 11th, 2001 as an example of how organizations can quickly lose vital records, crucial for their continued operations, in the blink of an eye. He suggests to the reader the importance of having a vital records center which are specifically built to withstand fires, blasts and are built on high ground to prevent water damage occurring from

---

[22] Andolsen, The pillars of vital records protection, 31.
[23] Jones and Keyes, "How to develop an emergency management plan", 53-54.
[24] Andolsen, The pillars of vital records protection 30-31.

floods[25]. I like this approach because it allows us to maintain control over our vital records and would suggest investing in a "secure vital records area" within the ABC Industries headquarters. I believe we would have to work with an outside contractor, or consultant, that has experience building archival facilities. In the event that the building is either damaged or destroyed having a secure vital records centre assures continuous operation of ABC Industries headquarters following reconstruction. We could also look into moving our vital records off-site entirely and shift that risk on to a third party; this carries its own set of risks and we would have to be extremely scrutinizing of the facilities our vital records were being stored in with disaster planning in mind. We could also consider a mixed approach, which would admittedly be costly, of keeping the originals onsite in a secured area and copies elsewhere.

---

[25] Andolsen, The pillars of vital records protection, 30-31.

Conclusion:

Mr. Smith, members of the board,

Our team wishes to express to you our sincerest gratitude for meeting with us today, and allowing us to provide you with the basic necessities on various aspects of records management. These different approaches to the world of records management are important within the business world, with a focus upon your specific situation, and how best to deal with situations that may arise we hoped to create a moving argument as to the topic at hand.

Through our presentation, we hoped to illustrate the importance of creating a working records management program within your company to not just improve the efficiency of ABC Industries and the effectiveness of your employees as outlined in the *Retention and Disposal* section of this report, but also to create greater security, both legally and physically, as in the case of a natural disaster, as shown through the part outlining *Vital Records*. Additional benefits of implementing a program under the control of a records management team and through the co-operation and inclusion of all members of the ABC Industries family could even include financial incentives, as demonstrated in the *Supply Budget* section of this report.

Our team hopes that the presentation of this information has made your reconsider what is being done to handle the large amount of records being created, received, and handled every single day by the various departments, and you will seriously consider what has to be done in order to maintain an organization of records that will work in the most advantageous manner. With these points being illustrated as best as possible, we will leave you to ruminate upon your plans in regards to what we have discussed with you today, and thank you profusely for your time and consideration.

Bibliography:

Andolsen, Alan. "The Pillars of Vital Records Protection." *Information Management Journal*, Vol. 42, No. 2. 2008.

Bantin, Philip. "Electronic Records Management: A Review of the Work of a Decade and a Reflection of Future Directions." *Encyclopedia of Library and Information Science*. New York: Marcel Dekker, 2002.

Cisco, Susan. "How to Win the Compliance Battle Using 'Big Buckets.'" *Information Management Journal,* Vol. 42, No. 4. 2008.

Dearstyne, Bruce W. "Taking Charge: Disaster Fallout Reinforces RIM's Importance." *Information Management Journal*, Vol. 40, No. 4. 2006.

Jones, Virginia and Kris E. Keyes. "How to Develop an Emergency Management Plan". *Information Management Journal*, Vol. 42, No. 2. 2008.

Kahn, Randolph A. "The Risk-Cost Retention Model: A New Approach to Records Retention." *Information Management Journal,* Vol. 40, No. 3. 2006.

Practice Fusion. "Creating an IT budget for EMR adoption." Accessed March 24, 2014. http://www.practicefusion.com/pages/whitepaper-creating-an-IT-budget-for-EMR-adoption.html.

Saffady, William. *Managing Electronic Records.* Lenexa, KS: ARMA International, 2009.

Stephens, David. *Records Management: Making the Transition from Paper to Electronic.* Lenexa, KS: ARMA International, 2007.

<u>Project Breakdown:</u>

Mark Borden was primarily responsible for the following:

    a. Supply budget (Part 3.1)
    b. Floor plans (Part 3.2)
    c. Vital Records (Part 5)

Benjamin Peddle was primarily responsible for the following:

    a. Peripheral work (Cover, table of contents, project breakdown, bibliography)
    b. Introduction
    c. Retention and Disposal (Part 4)
    d. Conclusion

As a group we worked together very closely to make sure the information contained within the report was accurate and worked to present the best possible advice for the hypothetical ABC Industries. All editing and was done together, and comments/constructive criticism was offered routinely as the project was coming together.