

Fellows Forum Provides Snapshot of E-Records Management in Organizations

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While attendees of the 2012 Fellow of ARMA International (FAI) Forum held September 23 at the 2012 ARMA International Conference & Expo in Chicago revealed that organizations are still struggling with many aspects of electronic records management, the audience polling indicated one particularly positive shift.

The percentage of legal, IT, and risk/compliance representatives among the standing-room-only crowd of 200+ people that attended the forum is an indication that these key disciplines are increasingly coming together with records and information management (RIM) to address the management of records and information assets.

Together, these three disciplines constituted nearly 30% of all attendees – up from just over 10% of attendees at the 2011 FAI Forum. Of these, 12% were legal (up from 7.4%), 10% were IT (up from 2.9%), and 7% were risk/compliance (up from 0%). RIM attendees made up 68% of the total (down from 77.9%).

While this result is encouraging, attendee polling also revealed that there was just a slight increase in executive leadership's understanding of the importance of information governance – from 52.2% in 2011 to 54% in 2012 – which the panelists found disappointing.

The forum, which was facilitated by April Dmytrenko, CRM, FAI, and



Wendy Shade, FAI, produced many insights into the present state of managing electronic records in the attendees' organizations. For this article, several panelists summarized the perspectives they presented on various aspects of the theme, "Pushing Unconventional Change: Redefining RM Practices," and the conclusions they drew from the interactive discussions among panelists and attendees and the audience polls that followed. Each of the summaries begins with a redefining statement in italics.

Few Practice Defensible E-Record Disposition

Susan Cisco, Ph.D., CRM, FAI

Organizations have invested in technology to manage structured, semi-structured, and unstructured information; in retention schedules to establish retention periods for records; and in information lifecycles to determine retention for everything else. However, the actual disposition (deletion) of electronic records is still elusive for most organizations.

In fact, 81% of the attendees responded that their organizations are not systemically deleting electronic records according to their records retention schedule (unless records need to be preserved for legal holds). Just 15% said their organization is doing so, and 4% did not know.

The central business problem in the disposition of electronic records is that managing the entire information lifecycle in multiple applications and repositories is complex. Organizations may not know who owns the information, how it is used, or its value. To mitigate the unknowns, more than half of the participants expect to apply to electronic records a pre-approval process with required signoffs by stakeholders currently used for disposing of boxed physical records stored off-site.

Though in the minority, there are strong voices among RM professionals who think applying the paper disposition process to electronic records will not work due to their large volumes and disparate repositories. According

to Gimmel Group's Brian Tuemmler, it takes one employee more than five years to apply retention and activate a pre-approval process to dispose of records in one shared drive. This suggests that a pre-approval disposition process may be impractical and unrealistic due to the sheer volume of electronic records.

Conclusion

Lack of appropriate technology is no longer a major barrier to defensible electronic record disposition. The biggest obstacles are associated with people and process, including determining:

- Best practices for applying retention to duplicates and to valuable informational material that may be useful for three or more years
- Whether notification/pre-approval is necessary for defensible disposition
- Best practice for initiating the event "triggers" that start the retention clock for event-based retention periods
- How to get people to make the behavioral changes required for defensible electronic record disposition

Digital Data Preservation Plans Are Rare

Fred Diers, CRM, FAI

Compliant and sustainable retention programs must incorporate authenticated preservation and disposition of object database management systems' (ODBMS) data with effective controls in place.

ODBMS or enterprise resource planning (ERP) systems for managing financial and human resource data, such as SAP, Epicor, Infor, and Oracle, have proliferated during the past 20 years. These systems retain data elements or objects enabling unlimited variation of report generation. They are often associated with *data analytics*, the science of examining raw data with the purpose of drawing conclusions about that information and creating business intelligence.

ARMA International Company of Fellows, Fellows Forum

The ARMA International Company of Fellows, with 47 members throughout the world, was established in 1990 to honor association members who have distinguished themselves through their outstanding achievements and contributions in records and information management and their noteworthy accomplishments at all levels of the association.

Each year, a panel comprising several Fellows of ARMA International (FAIs) presents a Fellows Forum on a topic meant to challenge conventional thinking. Created in 2008 by April Dmytrenko, CRM, FAI, the current FAI chair, and Wendy Shade, FAI, the forum opens with each panelist providing a brief perspective on an aspect of that year's topic, followed by audience polling and an animated and passionate exchange of opinions among panelists and attendees.

An organization can set retention requirements on the reports created, such as invoices, ledgers, reconciliation reports, purchase orders, budgets, payroll, personnel summary reports, and many others. The problem for records managers and IT is that even when the report created by the system is disposed, the data element in the ERP system used to create the report is still available and can be used to recreate the report.

When asked whether their organization had a digital preservation plan to preserve both the data elements and the electronic records created from them for specified retention periods, the alarming result was that only 21% indicated they did. Sixty-two percent said they did not, and 17% said they didn't know.

Due to implementation costs, lack of long-range strategies, and organizational ignorance, both public and private organizations can be entering the "digital dark ages" when it comes to ensuring access to critical information into the future.

Conclusion

Too often, information professionals debating this issue become embroiled in the details: archivists argue

whether the data elements are a record or non-record; IT professionals debate the value of disposing of the data elements as a means of ensuring compliance; and records professionals argue that the data elements are not records. None of these arguments addresses the overarching issue, which is the effective management of ODBMS tools to meet risk and compliance issues related to the access, duplication, and spoliation of data elements within these systems.

Regulation Is in Sight for Cloud Computing

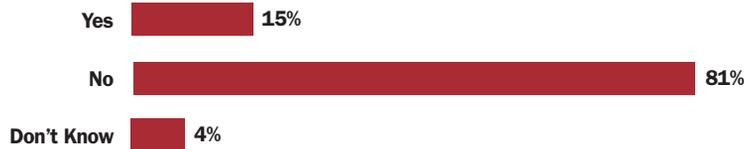
John Isaza, Esq., FAI

Cloud computing vendors will soon become as ubiquitous and comprehensive as utility companies. A whole new set of Federal Energy Regulatory Commission (FERC)-like regulations will result for the cloud computing industry.

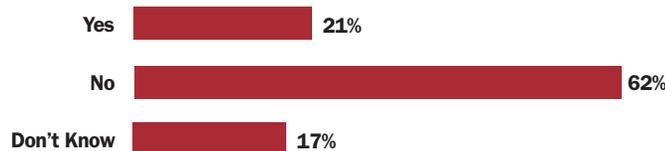
There are many parallels between the evolution of the cloud computing and electrical utility industries. When electricity began to reach people's homes in the late 18th century, homes had to have their own generators to claim it. Soon, enterprising providers created power grids that provided access to a much more scalable, reliable,

Snapshot of E-Records Management in Organizations – September 2012

My organization is systemically deleting electronic records, following the records retention schedule, unless records need to be preserved for legal holds.



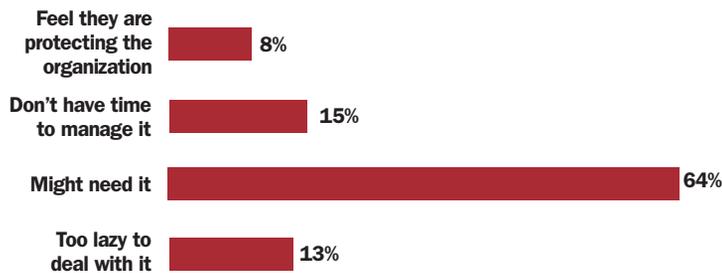
Does your organization have a digital preservation plan to preserve both object oriented data and electronic records for specified retention periods?



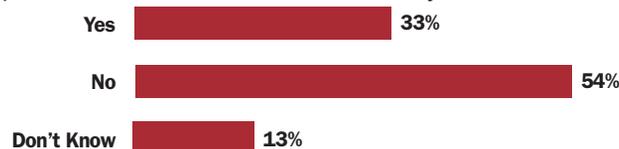
Do you know the exact location where your data resides in the cloud?



Why do you think people hoard outdated electronic information?



Does your organization employ a strategy in place for retiring outdated or superseded electronic records and data systems?



Source: Fellows of ARMA International Forum Attendee Poll, September 23, 2012, Chicago

and less intrusive source of electricity. Today, people don't really know or care how or from where they get electricity, but utility companies are subject to compliance requirements and controls like FERC.

Similarly, in the last few years, the cloud has become like those power grids created by the utility companies. The service is now offered from a central location to serve many people at once, while at the same time offering alternatives that are more scalable and reliable and take up less space inside the home or office. Organizations and individuals can "turn on" the cloud in the same way they can simply turn on their lights.

And, just as people don't really know how or from where they get electricity, the FAI Forum poll revealed that 83% of attendee respondents said they do not know the exact location where their data resides in the cloud. Additional polling also indicated they do not know if they have custody or control of their data stored in the cloud.

Conclusion

Knowing where data resides in the cloud and whether that data is in the custody or control of the organization is critical for e-discovery and compliance. This is likely to lead to governmental intervention similar to what has occurred in the electric utility industry. Regulation will become necessary not only to guarantee protection of the consumer's wallet in using the services, but also to protect the consumer's data, ensure access to it when needed, and control it for retention, disposition, and, of course, for litigation.

Must Hit 'Delete' on Information Hoarding

Dave McDermott, CRM, FAI

Whatever the reason behind hoarding, if organizations are unsuccessful in promoting legally compliant electronic disposition by employees, they will have to take on disposition without employee intervention, as the risks are significant.

The practice of hoarding electronically stored information (ESI) has become epidemic in both the business and personal world. Storing digital information is easy and cheap (e.g., an 8GB flash drive can be bought for \$6), although in many cases the stored information is irretrievable.

Organizations are increasingly at risk because of employees' retention of outdated ESI. The FAI Forum poll indicated that 64% of attendees believe that employees hoard data because they "might need it," 15% "don't have time to manage it," 13% are "too lazy to deal with it," and 8% "feel they are protecting the organization."

In many cases, the organization's answer to electronic hoarding is to simply add more storage. Another common option is for the IT department to send out a blast e-mail asking everyone to delete what is no longer needed. However, both of these options should draw severe criticism from the records manager.

Organizations need to evaluate why the hoarding is occurring. This entails determining the mind-set of the hoarders and whether they understand the consequences of retaining. Then, organizations need to be willing to punish those who choose to ignore policy and continue to save outdated electronic information.

Conclusion

First, organizations must have in place the proper processes, policies, and tools for managing ESI. They must promote legally compliant electronic disposition, and, if necessary, they must accept the risk of destroying information without employee intervention (i.e., employ automated destruction of information). Ultimately, management must make a risk assessment, document its decisions, and be willing to delete, delete, delete.

Big Data Brings Big Risk

John Montaña, J.D., FAI

Organizations will never manage

their big data systems properly until they come to terms with the fact that they don't really know much about what's in them. A lot of the time, they're flying blind and confronting unquantified risks.

Organizations' data is out of control. In its 2012 big data forecast, IDC projected data sets would grow at 60% a year or more. Whatever is done to manage it, every year will need to grow by 60% just to keep pace with the status quo.

Unfortunately, 54% of the FAI Forum respondents said their organizations do not employ a strategy for retiring outdated or superseded electronic records and data systems. One-third said they do, and 13% said they don't know.

This means that next year, organizations will still be trying to manage this year's data. And in five years, they'll be buried – if they're not already.

Pretending that the traditional rules work is a fallacy. They don't. Their basic assumption – that organizations can name, find, and touch every data object in their organization – wasn't true 20 or even 30 years ago. It certainly is not true today. So, what now?

Conclusion

First, throw out the old playbook. Use it, and be doomed – data growth will outstrip any resources that can be thrown at the problem. So, throw out the tweezers and get out the axe.

Second, live with risk – it is built in. So, think like an insurance company. While organizations can't predict exactly when or how bad the "big event" will be, they can estimate and monetize the cost. It becomes part of their business model.

The goal shouldn't be to avoid risk and uncertainty, but to embrace it and plan for it. Both the wins and the losses should be part of the overall strategy and the resources allocated accordingly. *That's a winning strategy.*

So, welcome to the 21st century. It's going to be an exciting time, but not one for the faint of heart. The future belongs to the bold.

The Time Is Now to Redefine RIM Practices

Most, if not all, organizations are struggling with effective and legally compliant management of their electronic records, data, and content. Further complicating the struggle are the related challenges of discovery, regulations, global management, disparate technology, legacy data, and merger, acquisition, and divestiture.

As an industry that traditional, sound records management practices have served well for decades, reimagining those practices in a whole new context is daunting. From effective destruction strategies to the challenges presented by hoarding massive quantities of information, the message from all of these panelists was clear.

RIM professionals must think differently and evolve their programs and approaches in order to effectively deal with this paradigm shift. What worked in the past will not work in the future without significant modification.

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See FAI Forum panelists' bios on pages 46 and 47.