

# The Principles at Work in Cargill: Tools for Assessment, Communication

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Information is one of the most vital strategic assets any organization possesses. Organizations depend on information to develop products and services, make critical strategic decisions, protect property rights, propel marketing, manage projects, process transactions, serve customers, and generate revenues. In short, well-governed information is critical to the success of any organization.

Despite its importance, there is often uncertainty and disagreement about what constitutes good *information governance* – which Gartner Inc. describes as an accountability framework that “includes the processes, roles, standards, and metrics that ensure the effective and efficient use of information in enabling an organization to achieve its goals” – and even more uncertainty as to how to achieve it.

Yet, this issue gains in importance daily as regulators, shareholders, courts, and constituents are increasingly concerned about organizations’ business practices and the *records* – which are defined as “any recorded information, regardless of medium or characteristics, made or received and retained by an organization in pursuance of legal obligations or in the transaction of business” – and the non-record information that support and document those practices.

In addition, society as a whole is concerned about governmental and business transparency and other information-related issues, such as privacy and security of personal information. These concerns are magnified by ever-growing data volumes and complexity that demand increasingly sophisticated governance and management.

To address these needs, ARMA International developed and promulgated the Generally Accepted Recordkeeping Principles® (the Principles).

*Editor's Note: Past issues of Information Management magazine have featured a series of articles discussing the individual components of the Generally Accepted Recordkeeping Principles® (the Principles) and the potential benefit of using its complementary Information Governance Maturity Model (Maturity Model) to assess recordkeeping effectiveness. This article, the first in a series, shares the knowledge of an information professional who has implemented the Principles and who generously shares her experience.*

**C**heryl L. Pederson, CRM, FAI, is the global records and information manager for Cargill, an international producer and marketer of food, agricultural, and

ways been part of the RIM program," said Pederson, "Perhaps not spelled out the way they are now. Most of the Principles are part of the records lifecycle, the idea that information must be managed from creation through disposition."

### **Taking RIM on the Road**

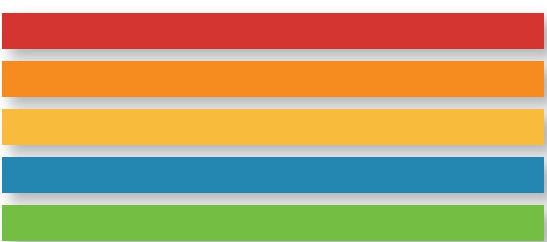
One of the first challenges Pederson took on was finding a way to instill accountability for records management in diverse business units. The current RIM organization structure began in November 2002, when Cargill created a task force comprising representatives from the audit, RIM, tax, and controller functions, and went on the road to visit the organization's largest business units to find out how records were

records management policies, procedures, best practices, consulting, and training to Cargill business units.

The RIM COE functions on a global basis to manage paper and electronic records. Pederson's staff of eight includes five records managers, whom she describes as "passionate" about what they do, with expertise in retention schedules, databases, and other specialties, such as electronic records and data archiving.

One of Cargill's major accomplishments has been to extend the Principle of Accountability far beyond the RIM department, putting in place a global RIM organization structure.

Pederson explained, "RIM reports



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industrial products and financial services headquartered in Minneapolis. Founded in 1865, it has grown to become one of the largest privately held companies in the world, employing 140,000 people in more than 65 countries.

Beginning her career with Cargill in 1972, Pederson held legal secretary, paralegal, and legal records administrator positions in the law department, then moved on to manage corporate records. She has managed the records and information management (RIM) function within Cargill since 1998.

"Cargill has always had records management – there are retention schedules dating back to the early 1950s – and the Principles have al-

being managed in the field.

The project lasted six months, culminating in a presentation to Cargill's chief executive officer that was allotted 20 minutes on the agenda, but lasted an hour, largely because the executives present had all been in the field during their careers and recognized the challenges of recordkeeping, the records silos that evolve, and the need for a standardized approach.

### **Creating RIM Center of Expertise**

With sponsorship from the vice president and senior controller, Pederson formed the Records and Information Management Center of Expertise (RIM COE) to provide

through Finance and the Controller's organization. Controllers have major responsibility for RIM at Cargill and have responsibilities regarding records management that are considered part of their job performance. The Controller's organization appointed approximately 225 records coordinators around the world – many of them management level. Each of them has site coordinators at their location – so there are about 1,000 people involved."

There are also four RIM region managers who are available to answer questions within their region, so help is available regardless of time zone differences.

General objectives for each coordinator include tasks associated

with the Principles of Integrity, Retention, and Disposition. For example, coordinators must:

- Maintain a records inventory
- Provide RIM education within the business unit
- Update country-specific records retention schedules as part of a team that includes the tax manager, attorney, and controller, so the organization can respond to new laws
- Comply with records destruction requirements

“We are working to implement a new tool to provide graphs, percentages, and other reports to show where each business unit is as far as compliance with the RIM program and their required objectives,” said Pederson. “The RIM COE does conference calls each quarter with records coordinators as well.”

### Working with IT

Pederson has found the Principles helpful in working with the design team for the product Cargill purchased for its enterprise content management. Like many other products, this one requires the organization to have a strong model and vision of how the system will work within their specific environment and culture.

“As we worked through the information that must be input into the system to make it work – for example, classification plans, retention rules, metadata, and so forth – all of the Principles have come into the discussion, and they have been very helpful in trying to communicate with members of the IT team as to what had to be inherent in the way the system will work and why,” Pederson explained.

She believes the Principles also have been useful in discussion with the legal team regarding automatic deletions – specifically, regarding the issue of pre-disposition searches to make sure the system is accurately identifying records that can be disposed of. The ability to demonstrate that the system will follow repeatable, consistent processes across the enterprise was very important.

The plan is to perform Maturity Model level 4 disposition as highlighted in the Principles’ complementary Information Governance Maturity Model (Maturity Model) – meaning that disposition will be applied consistently, as will the suspension of disposition.

### Supporting Corporate Governance

Like many large organizations, Cargill has a statement of ethics and compliance that sets forth standards for conducting business throughout the world and serves as a guide for employees. Unlike some others, however, three of Cargill’s seven guiding principles address RIM specifically, acknowledging the role the Principles of Compliance, Integrity, Transparency, and Protection play in good governance. (See sidebar “Cargill Ethics and Compliance Guiding Principles (Excerpt).”)

More than just text on a webpage, all Cargill employees must sign off on the ethics and compliance statement. Pederson notes that Cargill’s guiding principles have helped give the RIM program teeth and that her department references them in every presentation, training, and education session.

“There are thousands of laws involved in our 67 country-specific retention schedules,” said Pederson, “and we establish retention time periods to ensure compliance with legal and business requirements. Retention schedules also indicate records subject to tax holds, such as books of account or records that support matters ad-

## Cargill Ethics and Compliance Guiding Principles (Excerpt)

**We obey the law.** Obeying the law is the foundation on which our reputation and Guiding Principles are built. As a global organization privileged to do business all over the world, we have the responsibility to comply with all of the laws that apply to our businesses.

**We keep accurate and honest records.** Accurate and honest records are critical to making sound business decisions and maintaining the integrity of our financial reporting. Our business information, in whatever form, must reflect the true nature of our transactions.

**We protect Cargill’s information, assets and interests.** We count on one another to act as stewards of the organization. To preserve the value of Cargill, we protect the information and assets entrusted to us and avoid situations that may let personal interests influence our business judgment.

dressed on tax returns. Cargill also has mechanisms in place to impose litigation holds on paper and on electronic records, and holds are indicated on the RIM COE website.”

Protection of information assets is ongoing, explained Pederson. “Cargill has different levels of protected information. There is already a group responsible for information protection that actually does office walk-throughs to make sure protected information is not sitting out in the open or exposed to those who should not have access to it.”

Pederson cautions, however, that RIM is one component of information governance, not the be-all and end-all of it. Information governance has strategic aspects, as well as control elements.

### Assessing Maturity Levels

When the Principles first appeared in 2009, Pederson used them to do a self-assessment of Cargill’s RIM program to judge how the organization compared to the Maturity Model. As might be expected for a mature RIM program, Pederson found that many aspects of the program already operated at high levels.

Outstanding, of course, was the structure of the global program that has worked for 10 years. Another was the excellent program documentation and the many policies, procedures, and documented best practices on a wide range of information-related topics, including e-records archiving to offline and online storage media; official records identification; office and plant closings; outside

depends on the level of risk that a particular company is comfortable accepting. It also depends on the costs associated with attaining the higher level.”

### Using the Principles to Communicate

At Cargill, it’s never been a matter of trying to retrofit the Principles to the existing RIM program – they’ve been at work for some time, underpinning a strong, information-aware environment.

As the Cargill example shows, the Principles are tools that can enhance the participation of RIM, IT, and legal in designing new systems to deal with RIM implications. This is not a bad thing in an era of bring-your-own-devices, Facebook at work,

## The Principles are tools that can enhance the participation of RIM, IT, and legal in designing new systems to deal with RIM implications.

According to *Glossary of Records and Information Management Terms, 4th Ed.* (ARMA TR 22-2012), *information governance* is “a strategic framework composed of standards, processes, roles, and metrics that hold organizations and individuals accountable to create, organize, secure, maintain, use, and dispose of information in ways that align with and contribute to the organization’s goals.”

The Sedona Conference® Working Group on Electronic Document Retention and Production (WG1) proposes that there is a hidden value and return on investment in corporate information, and the reasons to govern it well go far beyond the need to manage risk and answer e-discovery requests efficiently.

service providers; web records; and backup tapes.

One revealing moment in the self-assessment was the realization that the RIM COE had not provided written guidance for records involved in joint ventures, acquisitions, and divestitures. There are now best practices and guidelines for the records’ aspects of these corporate transactions. Future plans include a best practice guideline dealing with conversions, migrations, and abandonment of electronic records and information systems.

While the self-assessment was useful, Pederson cautions on taking the Maturity Model too far. “We need to realize that not every organization wants or needs to be at a level 4 or 5 in every principle. It de-

instant messaging, and e-mails on tablets.

From a business perspective, the Principles and the Maturity Model are aids to conversations about where an organization perceives its information management risks and how it chooses to accept or ameliorate those risks. They also lead to a common understanding of which aspects of information management provide the greatest value and so deserve additional investment of resources. **END**

*Access the Principles and Maturity Model at [www.arma.org/principles](http://www.arma.org/principles).*

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