Leveraging the Principle of AVAILABILITY to Show ROI

Can you still get funding for your initiatives when budgets are tight and senior management has decided it’s more costly to mitigate risk than it is to suffer the consequences of poor recordkeeping? This article uses case studies to illustrate how you can sidestep the issue of risk and use the Principle of Availability to demonstrate positive return on investment for recordkeeping initiatives.

Julie Gable, CRM, CDIA, FAI

Much recordkeeping rationale is based on “what if?” What if there is a lawsuit requiring e-discovery? What if there is a regulatory audit and we need to produce records? What if our customers’ personal information is compromised?

These are serious concerns, to be sure, and the basis of many articles, presentations, and product proposals that rely on the assumption that every organization wants to lower the risk of an information governance failure and its consequences.

But what if, in a tight economy with smaller revenues, an organization is willing to assume all of these risks, gambling that the probability of their occurrence is very small? If the perception among senior management is that the cost to mitigate such risks is greater than the chance of their occurring or the cost of their consequences, there may be no motivation to take action.

So what if the only way to get funding for any information management initiative is to show hard-dollar return on investment (ROI)? While all of the Generally Accepted Recordkeeping Principles® (Principles) are worthy of consideration in building and sustaining a high-quality program, most are based on the premise of reducing risk. Are there any Principles that offer the opportunity to recoup savings for the business?

The answer is yes. The Principle of Availability, working in concert with its partners Retention and Disposition, does have the potential to provide cost savings in productivity and storage and, in some instances, to actually generate revenue. Level 5 of the Information Governance Maturity Model (IGMM) for Availability specifically mentions measurable ROI as a result of excellence in information availability.

The trade-off is that achieving an acceptable level of maturity for the Principle of Availability is complex, requiring attention to such issues as inventory, finding aids, search methods, retention schedules, disposition policies, appraisal practices, and preservation needs. Once developed, however, availability continues to pay dividends year after year.

Regardless of industry, the ability...
to find, retrieve, and use information is critical to business operations. Two case studies—one for a water utility and the other for a county government—will illustrate how availability provides ROI in different environments.

**The Acadia Water Company Scenario**

Over the last several years, Acadia Water has acquired more than 40 small, regional water service providers. The contracts, deeds, easements, insurance policies, litigation matters, permits, and construction documents have gone to Acadia’s law department. The collection is mixed media, with some early items in paper only, some later items in electronic formats only, and some in both media.

**Search Challenges**

No one in the law department has specific responsibility for managing the records, and all search and retrieval are self-service. The records are arranged by year so that, for example, 1998 contains the records for Bismarck, Cedar Grove, and Innes Creek water companies, all of which were acquired in that year.

A searcher would have to know that Bismarck Water was acquired in 1998 to be able to navigate to the correct location in the records room, then scan the shelves to find where Bismarck records begin. There is a similar arrangement on the department file server. Company history and acquisition dates reside in the memories of long-term employees, some of whom are ready to retire.

Within each acquired company, files are divided into categories, but acquired companies had their own categories and there is no consistency among them. For example, street opening bonds can be found under four possible categories depending on which company is searched.

Navigating to the correct file does not always yield the desired document because in some cases a physical file’s contents have been removed, leaving an empty folder. Checking for an electronic version of the desired document is hit or miss as well. Within the electronic folder hierarchy for any given company, there may be different documents, the same documents, or no documents at all compared to the paper files. With more than 25,000 paper files and at least as many electronic files, browsing is not an option.

**Availability also dictates that “information must be described during the capture, maintenance, and storage processes in such a way as to make retrieval effective and efficient.”**

**Cost of Poor Availability**

There are 10 attorneys who use the collection on a regular basis to resolve contract, permit, and claim matters and as a reference in developing business proposals for expanding Acadia’s services. Many attorneys report spending anywhere from 10% to 25% of their time trying to locate the information they need.

In cases where land records cannot be located, someone from Acadia may be dispatched to a county seat to get the document from a recorder of deeds, an all-day trip. The average salary and benefits for an attorney at Acadia is $250,000 per year.

Everyone acknowledges there is a lot of useless information in the paper and electronic files, but as lawyers they are reluctant to dispose of anything, particularly when there are no company policies governing disposition. There has been some discussion about imaging everything in the paper files and putting all of the electronic files into a document management system so they would be full text searchable and more easily available, but all projects at Acadia must demonstrate a strong ROI to get budget approval.

**Keys to Improving Availability**

The Principle of Availability states that “an organization shall maintain records in a manner that ensures time, efficient, and accurate retrieval of needed information.” Availability also dictates that “information must be described during the capture, maintenance, and storage processes in such a way as to make retrieval effective and efficient.”

Acadia’s law department is at Level 1 on the IGMM for Availability. One major problem is that Acadia’s records collection is not arranged in a way that matches what the users know about the records they’re seeking. For example, conversations with the attorneys show that they generally know the kind of document they’re trying to find, an approximate date, the municipality or township involved, and the names of parties involved. In some instances, such as permits, a permit number is known. This is a directed search, one that is easily accommodated if standard metadata are available and searchable for records.

The law department also has no clear idea of what the collection contains, how much is really relevant to its work, and how much is without continuing value. In short, it doesn’t know what it has or how long it needs to be kept. The Principle of Availability clearly notes the role that retention and disposition can play in enhancing availability at a reasonable cost, but Acadia has no mechanism for identifying and getting rid of what is useless. Without this, the records chaos will only worsen with each acquisition.

Regardless of Acadia’s technology decisions, it is going to need an inventory of what it has, some research into the retention periods for the categories of records identified, a policy of disposition for things no longer needed, and a consistent file plan and standard metadata to assist in searching regardless of whether the records are paper or electronic.
Determining the ROI

Acadia’s payroll for attorneys is $2.5 million annually. Cleaning up the files and making them searchable would save, at a minimum, 10% of its attorneys’ time, for an annual savings of $250,000.

Acadia submits a proposal to hire a consulting firm that will provide the needed inventory and analysis, a set of standard metadata by document type, a retention schedule based on legal research, and a disposition policy. It is estimated the work will take six months and cost $150,000. The proposal is approved, based on the expected reduction of search time.

At the end of the project, Acadia hopes to reduce the collection by about half, thereby also reducing the cost of scanning and indexing for paper files and the cost to transfer electronic files into a document management system. In addition, paring the collection before converting it to electronic will reduce the future cost of storage, storage administration, back-up tapes, and back-up tape storage.

The Willett County Scenario

Like all organizations, Willett County must keep records for operational, fiscal, and legal purposes, but as a government entity, it has a duty to make records available to the public and to preserve history.

County departments include the district attorney, magistrate courts, tax assessment, recorder of deeds, sheriff, and others that are under the jurisdiction of elected officials who may or may not understand the importance of records beyond their day-to-day purpose.

Other departments include vital statistics, public works, and services for children, youth, veterans, and the aged. Each department has its own budget to spend as it deems necessary.

Most departments have some records automation in the form of databases, but these have existed only for the last five to 10 years. Many records are still on paper because they are part of business processes that require signatures.

Records Arrangement

Active records reside within each department, but space in the county building is very tight. Records from previous years, sometimes as recent as last year, are boxed and sent to a former elementary school that is now empty and unstaffed.

Each department has its own rooms for records storage at the school. Some departments have installed rack shelving in their store rooms and use standard cubic foot boxes, each of which is logged into a departmental spreadsheet or database as a finding aid. Other departments have simply piled boxes of all sizes into whatever spaces they could find at the school.

The county had a records manager who attempted to enforce retention schedules, but he resigned more than 18 months ago and has not been replaced. There are about 30,000 boxes stored at the school.

Search Challenges

Retrieval from the school requires driving from the county’s offices to the outskirts of town, a drive of about 30 minutes each way. Those who have useful inventories and neat shelving arrangements can find their boxes easily; those who don’t can’t. No one relishes the task of retrieving from the old school, which is not heated or air conditioned. Cell phone reception at the school is nil.

Departments insist on sending two people on each retrieval trip as a safety precaution.

The school is scheduled for demolition and the county will sell the parcel of land. All boxes must be moved. The county’s facilities department has been assigned to explore storage solutions. Alternatives are using a commercial storage vendor, developing a county-run records center, implementing some form of automation, or a combination of all three. The county wants to serve its residents as efficiently as possible. Budgets are limited, and the county is determined to find a solution acceptable to all departments rather than having each one make its own arrangements.

Keys to Improving Availability

The first consideration was to develop a uniform understanding of “availability.” Some departments believed they had to keep everything, no matter how mundane, because someone might ask for it. Others had a more savvy understanding of retention and disposition based on legal requirements, while still others believed that what to keep and what to dispose of depended on the desire of the elected official currently in power.

Here, the Principle of Availability and its corollaries of Retention and Disposition were helpful in creating a county-wide concept that records are governed by retention schedules and purging is possible if no litigation or investigation is underway or imminent.

Next was to determine what needed to be available for running the county’s business and serving its citizens. Discussions with departments revealed which records were most frequently requested and by whom.

The recorder’s office reported a high rate of retrieval for land records, mostly by title search companies, but some by large corporations, such as utilities, and by private citizens. Vital Statistics reported that people doing ancestry research were particularly interested in finding birth, death, and marriage records.

Quantifying the number of records that would require new storage space...
or an electronic alternative was a priority. The Principle of Availability states that complete and accurate information depends on having “an efficient and intuitive set of methods and tools to organize the records” and “providing employees and agents with sufficient training to utilize these tools successfully.”

To help inventory the stored boxes, each department received a pre-configured Excel spreadsheet, bar code labels, and bar code readers, plus instruction in using these tools. In addition, all participants were given department-specific retention schedules from the state’s records commission or from the state’s judiciary office. Emphasis was on the need to know how many boxes must move and how they would be accounted for before, during, and after the move. There was also discussion of what records would be considered historic.

The inventory results astonished those who never realized how many of their stored records were well past their required retention. For others, it was the first reckoning of exactly what they had at the school. Sadly, many bound books of very old records were deteriorating from the poor storage conditions. One happy find was a trove of photographs dating to the late 1800s, some documenting businesses and manufacturing companies, others showing the development of bridges, water lines, and power lines for farms and homes. Several important items, previously thought to be lost, were found.

Determining the ROI

Following the inventory and comparison with retention schedules, 11,000 boxes were eligible for destruction, and departments assigned personnel to make sure that no litigation or other action was pending for the records they contained. Destruction forms were completed and approved.

The county compared the cost of offsite storage and commercial storage but opted to set up its own records center in rented space within walking distance to the county building. Much of the old rack shelving from the school was recycled for stacks in the new space. The spreadsheet inventories that had been completed for the move were expanded to include box storage locations in the new site.

The records center would be staffed by a records manager and one warehouse person to provide assistance and maintain order. Their labor cost was easily offset, as the average burdened cost of a county employee was $50 per hour, and each of 15 departments had averaged sending two employees on two, two-hour trips per week to the old school, for an annual productivity cost of $312,000:

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\begin{align*}
2 & \text{ staff} \times 2 \text{ trips} \times 2 \text{ hrs. per wk.} = \\
& 8 \text{ hrs. per wk., per dept.} \\
8 & \text{ hrs. per wk.} \times 52 \text{ wks.} = \\
& 416 \text{ hrs. per year, per dept.} \\
416 & \text{ hrs. per year} \times 50 \text{ hr.} = \\
& 20,800 \text{ annual savings per dept.} \\
20,800 & \text{ per dept.} \times 15 \text{ depts.} = \\
& 312,000 \text{ annual savings}
\end{align*}
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Working with the county recorder, the facilities department proposed to make imaged land records electronically available. It was determined that fees could be charged for convenient access, particularly to land title companies and other bulk users who would be given protected electronic access for an annual fee that would be less than their costs to travel into town and pay for parking, gas, and meals.

The old photographs were found carefully labelled with locations or intersection names on the back. Working with the county historical society, these would also be scanned and reproductions made available for sale online. The sale of the school property, preservation grants, budget contributions from each department, plus revenues from the ventures would fund the cost of scanning and setting up the county records center.

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The Bottom Line

Acadia’s situation shows the effort involved in applying the Principle of Availability to a collection that had grown without oversight, and it illustrates the savings that can be realized in making the right information available to the right people at the right time. Applied carefully and well, the Principles of Availability, Retention, and Disposition can yield savings in productivity and reduce costs associated with potential automated solutions.

Willet County’s experience underscores how capitalizing on availability has implications for employees and for citizens. By purging what is truly no longer needed, Willet saved more than one-third of the amount of cubic feet it needed and realized cost savings in productivity. By taking a big-picture view, Willet was able to turn availability into a potential revenue stream.

Availability, Retention, and Disposition may be the most universally applicable Principles when it comes to finding an ROI from information governance activities, although the savings may not be obvious at first. Improving availability takes time and effort, regardless of whether manual or automated methods are used. Inventories, analyses, retention schedules, and disposition activities will incur a cost in the initial year, but the savings from productivity and from opportunities to generate revenue will continue for years into the future. END

Julie Gable, CRM, CDIA, FAI, can be contacted at juliegable@verizon.net. See her bio on page 47.