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# Document Management Insights

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## Managing Electronic Documents

When you consider your storage needs for electronic documents, it seems simple – just add more magnetic storage. And it is a good thing that magnetic is so cheap because there are so many more files to store now and, due to recent legislation, files are being stored longer. If you consider electronic document storage as part of your system infrastructure and don't think it needs to be justified, here are some thoughts on that.

Many companies have traditionally had a difficult time managing the storage of paper documents – i.e., classifying them correctly, applying the correct retention date to the document, and even if the retention date is correct, companies don't aggressively bring those boxes up for disposition when the destruction date has arrived. Companies with bad paper habits are bound to repeat their mistakes with electronic files, and the resulting mess will be even more difficult to resolve than with paper.

### **Incorporate Records Management Rules**

One company I recently worked with purchased an electronic document management system for converting paper to image and maintaining/storing electronic files. Why did they finally buy this system? It could be because they had run out of physical storage space, including file cabinets in the hallways, and finding documents became, finally, overly burdensome and costly. When asked about including a records management module so that retention dates could be established, the answer was

it is not in the budget this time, but they would consider it later.

It will be a pretty good bet that this company will be in the same position with electronic documents that they were in with paper documents in a short period of time. Only this time, I think, it will be worse and resolution will be expensive.

Here are some of the key challenges to consider when thinking about a system for storing electronic documents:

***Correct declaration of the record.*** This is simple. If a person generating records doesn't have guidelines for declaring a record, they will either (a) declare everything a record or (b) forget to declare anything a record. If (a), you will have an electronic storage nightmare sooner than later and this will cause other problems as reviewed below. If (b), you may be in big financial trouble if an audit or litigation involving discovery presents itself and you cannot document your position.

***Correct classification of records.*** So, not only does a person have to know when to declare a record a record, they also have to know how to classify that record according to the corporate file plan. The result of mis-classification is that a record is either stored too long resulting in storage management problems, or it is not stored long enough, which results in possible spoliation issues should you have an audit or litigation.

The above two tasks are the lynchpin for any successful electronic document storage management program. Without

