



Managing Paper While Going Paperless

- *Wendy Gittleson*

Since the advent of the computer, offices have been striving toward one common goal, the elimination of paper. The goal is admirable. Less paper will mean a smaller impact on the environment. Fewer office resources, such as paper, ink and printers will be needed. Loose papers can be a security risk when they contain vital information.

The reality, however, is that paper is going nowhere. In fact, it's increasing. Coopers & Lybrand estimates that there are 4 trillion paper documents in the US and that number is growing at an astounding 22% per year.

There are various reasons for the dramatic increase, but most of those reasons come down to one source, the user. Humans are tactile people. We like to touch something before considering it real. Computer monitors don't make it easier. Human eyes weren't designed to focus on a single space for hours at a time. It can cause strain, headaches and exhaustion.

Another big reason is simply that paper exists. A typical business has paper records from before the business was opened. Even if a company has a strict retention schedule, they may have paper records dating ten or more years back. Digitizing existing dormant records can be costly and superfluous.

Recognizing the futility of completely eliminating paper, at least for the immediate future, many companies are choosing compromise alternatives that combine a comprehensive paper records management program with digitization and the elimination of unnecessary paper.

There are several simple ways to cut down on paper usage in an office. The first, and most obvious, is to print only when absolutely necessary. An electronic record, whether it's an email, a written document, a presentation or a back up tape, is a legitimate record. Printing is simply redundant and exposes the record to unnecessary security risks. If duplicating electronic documents is necessary, it's important to shred the paper as soon as possible to limit risk.

The second way is to create as many records in electronic format as possible. This might mean investing in good software, although most industries have free, advertiser paid software available.

The third is to scan commonly used documents. Scanning documents won't negate the fact that the document was originally created in paper, but it will cut down on resources involved in storing and retrieving documents. Scanning can be done in house, or to save



time and resources, many companies choose to outsource scanning to vendors such as GRM Document Management.

Even after adopting these three measures, there will still be paper. Most businesses know how important it is to effectively manage electronic records. They know that failure to have offsite backup for electronic documents can expose them to a host of risks, including natural and manmade disasters, employee errors and system failure. Many of these companies also have rooms full of critical paper documents, exposed to many of the same risks as the electronic records. Sometimes, a loss of even a single document to fire, flood or simple misplacement can have devastating effects on a business' reputation, legal standing and its bottom line.

Top offsite Document Management vendors, such as GRM Document Management offer risk management measures which are nearly impossible for most businesses:

Legal compliance – The top records centers operate in a way that is compliant with all regulations. Compliance education is a big part of ongoing training. A Document Management company will be able to track chain-of-custody from the moment the record is placed on the truck.

Litigation support – When preparing for trial, it can be critical that time is spent preparing, not trying to locate files. A Document Management vendor specializes in locating and delivering files quickly and efficiently. If a file is particularly urgent, a large vendor can scan the document and deliver it electronically.

Boxes of documents are stored anonymously – When storing with a Document Management vendor, especially one with a significant number of clients, all boxes are unmarked, except for a barcode. Warehouse employees are not given access to company names, only barcode numbers. This precaution prevents corporate sabotage.

Boxes of documents are stored separately – When companies have multiple boxes stored with a vendor, it is recommended procedure that the boxes be stored randomly and throughout the facility. This practice has two benefits; it prevents sabotage and isolates the boxes. In case of fire or natural disaster, it would limit the possible damage to boxes.

State of the art fire protection – Large commercial Document Management vendors invest a great deal of money in their fire protection. Not only are fire codes met, they are exceeded. Sprinkler systems are programmed to only go off only in the effected area.

Protection from natural disasters – Records centers take very specific precautions against natural disasters, especially in areas which are prone to floods, hurricanes, tornadoes and earthquakes.



State of the art security – A large commercial records center like GRM Document Management will have 24 hour guards, monitored key card access, cameras and very strict background checks during hiring.

Built in retention schedules – In an ideal world, records would “live” exactly the length of time that is legally required and then be destroyed. Unfortunately, we do not live in that idealized world. Records which “live” past their expiration date pose a legal and financial risk. Many of these records contain critical and confidential data. Their mere existence poses a risk. Tax audits and legal proceedings can require even older records. A company is only exempt from producing those older records if they can show proof of destruction. A Document Management company will allow you to provide destruction dates on each box or even each file. They will provide proof of destruction.

Perhaps the biggest myth surrounding records management is that storing onsite is more efficient and more cost effective. The reality is much different. A study conducted by The Delphi Group in 1999 found that 90% of typical office tasks still revolve around the gathering and distribution of paper documents. While 15% of all papers are lost, 30% of our time is used trying to find these lost documents. Companies on average spend \$25,000 to fill a typical four-drawer file cabinet, \$2,000 to maintain it each year, and over its life-span, a single sheet of paper ends up costing an average of \$30.

The State of Michigan estimates the costs of onsite records storage to be \$32.50 per cubic foot per year, including space and filing cabinets. They estimate the costs of using an offsite records storage vendor to be between \$1.50 and \$3.00 per cubic foot per year.

Coopers & Lybrand has found that US companies spend approximately \$20 on labor costs in order to file a document, \$120 on the labor required to find a misfiled document and \$220 to reproduce a lost document.

Why is offsite records management so much more efficient and cost effective?

Employees are free to do their jobs – Every minute spent looking for a document is in reality, two minutes, since not only is the employee physically looking for that document, they are being taken away from their actual job.

It is the records center’s job – GRM Document Management became successful by making sure that all records are exactly where they are supposed to be and by making sure they will be retrieved and delivered on time.

Clear, precise and available inventory – The Document Management vendors, like GRM Document Management, provide a web based inventory, ensuring that time will not be wasted locating files.



In conclusion, going paperless is an important goal and one that might be achievable, some day. GRM Document Management is and will be at the forefront of the paperless conversion, but in the meantime, it's vital to a business that paper records are handled with the same respect as digital records.

Managing records sometimes seems like the easiest part of running an office and in some ways it is. Most companies don't hesitate to outsource some of the "easy" tasks, such as office cleaning, yet they are slow to embrace outsourcing records management. As this white paper has shown, not outsourcing records management is both costly and risky. In fact, according to Coopers & Lybrand, 70% of today's businesses would fail within three weeks if they suffered a catastrophic loss of paper-based records.