



# Cost Savings in Records Management



## Whitepaper

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# Cost Savings in Records Management

## Summary

In the current economic climate it is essential that support services work as efficiently as possible.

Records management is an area in which significant savings can be made. Firms are still overburdened with paper. Too much filing is created and too much is visible in office space, on floors and in conference rooms. Offsite storage costs are rising, retrievals are vague and costly. Destruction is largely a hope rather than a reality.

The link between the paper and electronic worlds is not seamless enough to give lawyers confidence that paper is largely unnecessary.

Controlled creation, live management and use of technology can provide savings and free up staff. Reduction in storage costs, fewer retrievals, better management of office space, and efficient processes will all contribute directly to the bottom line. Control now will bring future benefits, retention and destruction will be simplified.

ICompli Records offers a unique opportunity to revolutionise records management within your firm, providing state of the art functionality on the latest web platform, at a very low capital cost.

## Introduction

Times are hard, any firm now more than ever needs to look at its processes, and ensure the utmost efficiency from its support staff and lawyers. There is enormous pressure to reduce overhead. Coupled with this, though is the need to think strategically and look to the future. Any changes must show significant savings as well as maintaining competitiveness and flexibility to show real business benefit when opportunity arises.

Records management is an area which has often been overlooked in this respect. Efficiencies and savings, when, as now, they are required, have always been found in the blunt instrument of staff reduction. Rarely, if ever, have processes been scrutinised to ensure that staff are used to their full potential, and that service to the lawyers can be maintained or improved in the new environment. Losing staff, but carrying on with processes based in the past will bring only a fraction of the benefits that a streamlined efficient, service focussed team will bring.

## Controlling Paper

Before going any further, it's time for a reality check. In this age of electronic communications and e-working, the management of your paper records is costing you a fortune. Have a glance at your offsite storage bill. Those thousands of boxes in store, the cycle of storage and retrieval, the staff to manage the process. How many boxes of new paper are being added every month? Has this decreased significantly since you introduced document management? Look at the piles of paper in conference rooms and cluttering the floors. Think of the soft costs. Fee earning time lost waiting for files to be retrieved, looking for missing files, clients waiting for answers. Be in no doubt, the paper is here for a while yet. It needs to be managed as efficiently as possible, and, when the time comes, those management processes need to be able to cope with the electronic environment whilst sunsetting the paper record.

The introduction of forward looking records management will show an almost immediate return on investment, improve client service, reduce risk and clear your floors. This document will examine some of the costs associated with records management and demonstrate how iCompli Records will help you to reduce those costs whilst improving service and future proofing your investment.

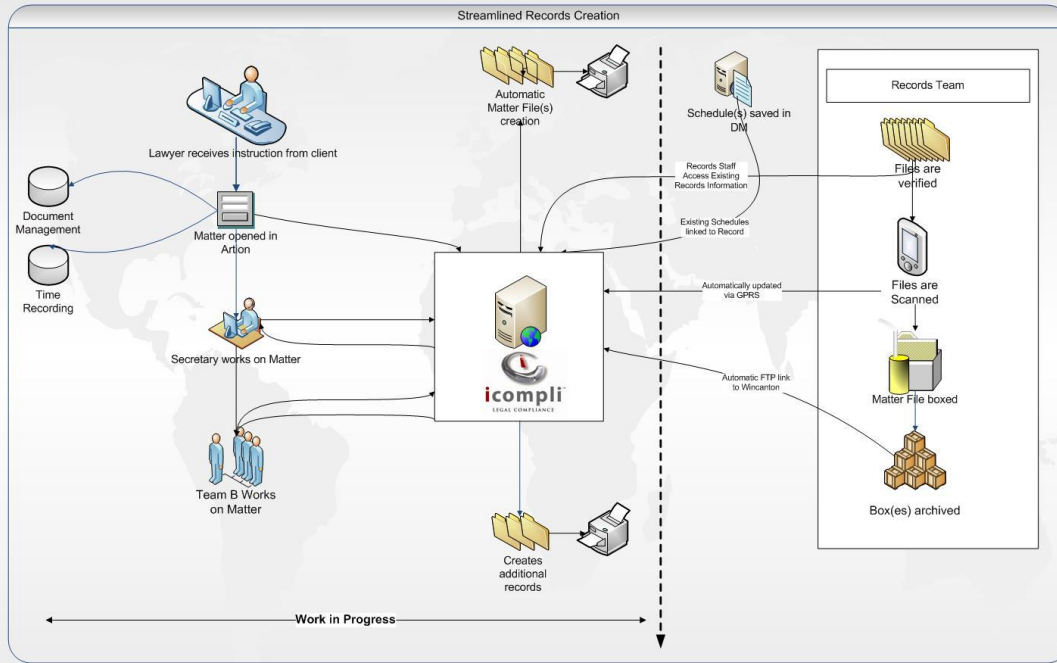
Let's begin with the constant stream of boxes moving offsite. Why is all that paper being generated?

People prefer paper. Documents held in document management are regularly printed and stored. Multiple copies are produced by each person working on a matter. Confidence that the electronic copy will be sufficient record is low. Very few document management installations pay any regard to records management principles and have no matter closure policy. Once this paper is produced, there is no mechanism for removing it from the system. Files are rarely, if ever, stripped before storage, so multiple copies are frequently stored. The maths is simple, reduce the size of a matter file by 20%, save on offsite storage cost by 20%. Reduce the paper file by 50% and the saving follows.

The most effective way to manage this cost is to control the initial production of paper. If it is necessary to print documents to file, then this process must be regulated. The paper produced must be classified to enable the whole team access to it, avoiding the need for duplicates, shadow files, and piles of paper cluttering desks. It is a fact that, for the majority of firms, the only time knowledge is gained about the filing on a matter is once the matter is closed. Whilst the matter is live, the make-up of the file is invisible to the firm, and the fee earners involved. This problem is exacerbated when cross-departmental co-operation is required. The move to 'Live filing' makes all files visible to all appropriate people as soon as work commences upon them. Accurate cataloguing and tracking makes those files available at all times. No more duplicates or shadows. This higher information standard gives fee earners the confidence they need that a file will be available when they need it. This will lead to less hoarding and will significantly reduce the amount of semi-redundant filing held in offices and on floors.

Clearly, this live filing environment will be enhanced with policy for managing electronic records. This will lead to far less paper being generated initially, and end the requirement to produce a paper file at matter closure, as occurs in many firms. A genuine hybrid records management policy is required.

This cataloguing of files at creation produces cost savings and efficiencies throughout the entire lifecycle of the file. The entire team knows that the file exists, what its purpose is, and where it lives. Searching time is reduced, access is greatly speeded up. Fee earners are no longer wary of releasing the file to central storage, be that at floor level, or in the basement. At file closure, the process becomes that of merely scanning the barcodes into a box. Missing files are spotted immediately, and the records team no longer has to spend significant amounts of time registering perhaps hundreds of files.



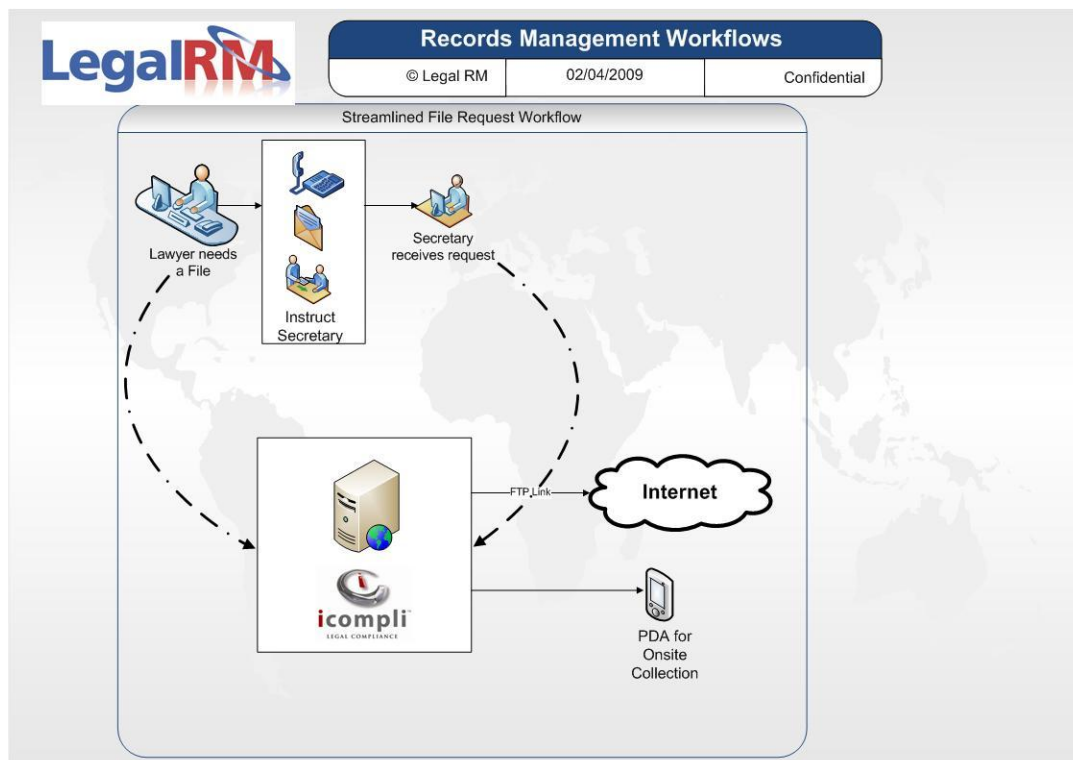
The accurate cataloguing of files at the point of creation, by the people best able to describe the file will produce more savings once the file is offsite. A significant proportion of the cost of offsite storage is the retrieval and return of old files. Due to the poor cataloguing of files, it is very often the case that a retrieval request for a single document will result in the recovery of the entire matter. This may be a couple of files, or many boxes. Poor cataloguing will add to this cost as there will be a requirement to search these boxes for the document. This will most likely be the fee earner or secretary, who could probably be better employed! Accurate, file level requesting and retrieval, made possible by the controlled creation of the files, will make it unnecessary to retrieve anything that is not required. There will be no rummaging in boxes, and the space required onsite to hold these retrievals can be put to better use.

Controlled creation continues to provide opportunities for cost reduction. The confident application of a retention policy is only possible if an accurate picture can be gained of the files which are in line for destruction. For many firms, the lack of knowledge of the files in storage inhibits the decision to destroy, even if a policy is in place. The cost of ploughing through old files to assess them is prohibitive. There is much truth in the statement 'if you don't know what you are storing, then there is no point storing it', but making a blind destruction decision is difficult, although unlikely to be wrong. Controlled creation today will not resolve the issue of ancient files of unknown provenance languishing offsite, but it will provide an end point. The sooner the start, the sooner the point will be reached where files can be destroyed with full confidence. Capturing information such as file type, department and work type at inception allows the accurate application of retention rules without the need for detailed knowledge by all staff. Automated application will ensure that the policy is adhered to, an important factor in managing the risks associated with disclosure and discovery.

## Improved Processes

Hand in hand with the control of file creation, improved processes will bring cost and efficiency benefits far in excess of the initial investment. Take a look at how your records team spends their day. The chances are they are dealing with a steady stream of information and retrieval requests, interspersed with collecting files from around the floors, processing those files for storage and communicating with the offsite storage vendor. All of these activities can be streamlined with the introduction of a sophisticated records management tool such as iCompli Records. Its features will be discussed below, but using the examples above, demonstrable savings can be made.

Releasing the records information to the fee earners and secretaries will allow them to see precisely (as precisely as the records team) what it is they can request, and the location of anything they require. This will include requests for the team to collect files ready for archiving. This coupled with a fully automated request system will significantly reduce the number of calls and e-mails placed with the records team. These will be limited to genuine research queries, where the result is not immediately available in the database. This is a natural progression onward from asking secretaries to register the files at the point of creation.



Transferring these requests to the vendor should be automated. This will end the practice of re-keying into the vendors system, or mailing spreadsheets. Errors will be reduced, and if the automation is sufficiently sophisticated, missed cut off times will be eliminated, reducing the expense of emergency retrievals.

The movement of files around the firm will be controlled. Intelligent PDA's will 'know' which files have been requested, which files are to be collected, eliminating errors, and ending time spent 'sweeping' the floors for dead files, and communicating directly with the database using the GPRS system.

The boxing of files, a significant proportion of the records teams time, becomes a streamlined operation. The PDA's will facilitate the boxing away from the records PC's. It can

become part of the collection process, or happen on the loading bay, saving a good deal of double handling, rekeying and the opportunity for mistakes.

All these changes will lead to a more efficient, responsive records management function and free a significant amount of staff time, to either add value, for example, in the form of room audits, or to be redeployed.

Taking all the above into consideration, it is clear that the paper record offers the opportunity to make significant savings, while improving the service provided. This service improvement is measurable, SLA's, activity reports, file movement reports should all be regularly monitored to ensure that efficiencies are being maintained and driven forward.

### **Cost of Ownership**

ICompli Records delivers all the functionality mentioned above in an advanced, entirely web based application which has significant benefits over other records management offerings. Coupled with unrivalled records management knowledge and experience, it offers the opportunity to reduce costs and improve efficiency with minimal capital outlay.

Pricing Model, includes fee earner piece, includes consultancy. Flexible responsive development team. Established sites in UK.

## Benefits of iCompli Records

Massive **cost savings** through floor space clearing and **efficiency gains**

**Improved client service levels** with targeted retrieval “on-line”

Web Based ensuring the **lowest Total Cost of Ownership** of any records management solution on the market

**Higher Records Service Levels**

**Reduce retrieval costs** from off-site storage vendor

Security and information barriers module to **ensure compliance**

Lower human resource headcount

Eases disposition decisions thus **reducing storage costs**

Promotes controlled creation to help highlighting knowledge and **streamline business processes**

Clear and Business focused user interface

**Accessible to all**, whether in the office, in the central file store or stuck at home (Snow, SARS, terrorism, etc)

**Internal cost management and expense recovery**

**Additional revenue streams** - ability to extend iCompli for client access

Additional **benefits of SaaS Model** include:

- 🕒 No capital costs
- 🕒 No commitment
- 🕒 Potentially no IT infrastructure, expertise or resources required

## Benefits of working with Legal RM

**30 years experience** working with records management solutions in the legal industry

Gain access to our **user community** and regular **networking events**

**Focus on your business** challenges – not just the software

Rapid deployments ensuring **speedy return on investment**

Track **record of success**

**Local and responsive product development**

## About LEGAL RM

Legal RM have over 30 years experience working with professional services and law firms in the field of risk management and compliance. Partnering with industry leading technology organisations and information providers, Legal RM are able to offer unparalleled products and services to assist firms in key areas such as Anti-Money Laundering, Records Management, Conflicts Management and Information Barriers.

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