



The Importance of Records Management within a Governance, Retention and Compliance Strategy

Discover how an Open Source Records Management solution can help to ensure compliance with corporate Governance, Retention and Compliance procedures

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Executive Overview

The last few years have seen an increase in new corporate rules, industry regulation and stricter legislation aimed at controlling the way organizations conduct business. Companies wishing to demonstrate greater levels of corporate responsibility and transparency are putting in place procedures to demonstrate control.

Many are implementing Governance, Retention and Compliance policies and procedures to address these requirements. Proper Records Management (RM) control, managing who can access and modify key document records, is an integral part of achieving compliance within these policies.

While many organizations have well defined procedures in place to address paper-based document control, industry research shows many are neglecting to address the problem of electronic information management and storage. As the volume and range of this electronic information increases, so does the problem, and ultimately this increases the level of risk and the chance of litigation and fines being imposed.

Leading companies are moving away from relying on e-discovery service providers for a case-by-case fire drill, toward adapting their litigation response into a repeatable internal business process. The cost of external agencies to carry out these 'fire drills' on a case-by-case basis can be huge – sometimes running into many millions of dollars.

But by implementing corporate-wide RM solutions to address these requirements as part of a Governance, Retention and Compliance initiative, companies are hoping to proactively manage corporate information. However, typical RM solutions have not achieved wide spread adoption.

For a number of reasons these RM solutions are typically only used by dedicated RM professionals for archiving documents, rather than being an integral component within the everyday running of the business.

This white paper will review the need to control both paper-based and electronic records, and discuss why the traditional approach has failed to work. It will provide an overview of the Alfresco RM solution and how its simple design enables it to be an integral component for any organization hoping to implement a functioning Governance, Retention and Compliance strategy.

Introduction

Driven by a need to comply with stricter legislation and a desire to show greater levels of corporate transparency and responsibility, companies are implementing Governance, Retention and Compliance policies and procedures. But many are failing to control key corporate electronic assets. While organizations may have procedures in place for managing and controlling physical paper-based documents, research shows that many are struggling to have the same level of control over electronic records.

Key findings from a recent survey carried out by AIIM (see www.aiim.org) found that:

- 71% of organizations have a procedure for legal hold of paper records in the event of litigation, but only 57% have one for electronic records.



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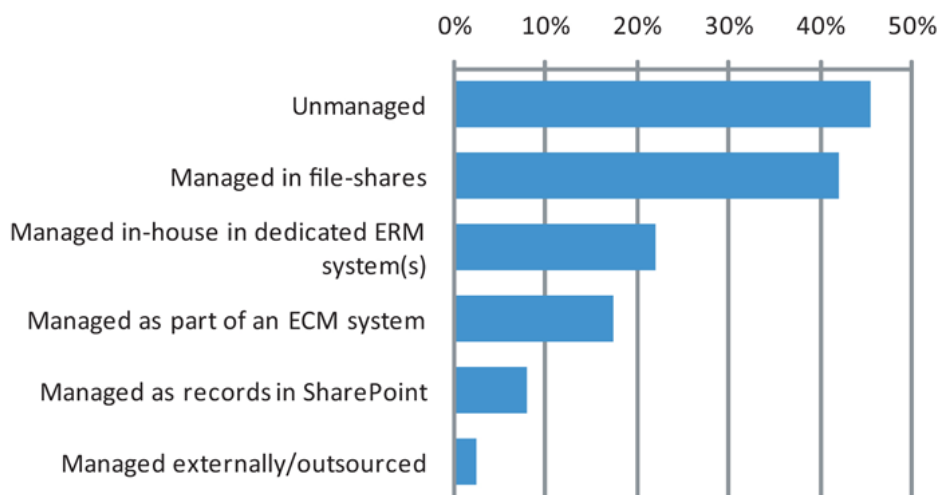
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- Of those organizations with no ECM/ERM system, 60% would not be confident, if challenged, that their electronic records have not been changed, deleted or inappropriately accessed.
- 38% of those polled admit that there is little or no enforcement of their RM policies. and 55% set no guidance on dealing with important emails as records.

“When asked in more detail about management of electronic records, 'managed in file-shares' scores highly – albeit that many would consider a file-share to be a somewhat unmanaged environment. Numbers are equally split between those with dedicated ERM systems and those using the records management component of ECM systems (including SharePoint).” AIIM Report*



*Source: 'Electronic Records Management: still playing catch-up with paper' © AIIM 2009, www.aiim.org

This lack of control is leaving these companies vulnerable and at risk. Courts are increasingly turning to electronic records as proof points in establishing 'who knew what and when'. Without this level of control during normal business practices it is hard to demonstrate that the information accurately reflects a particular state in time. Conversely, records can be used to prove liability and poor record keeping can have serious consequences.

Corporate Records

Many companies are familiar with the concept of managing paper documents; the filing and storage of important paper-based documents, recording the current location and controlling who has access to them. But, as seen in the AIIM research, many companies are not addressing the huge volumes of electronic records - files that contain corporate information in electronic form that need to be captured, controlled and ultimately destroyed in the same way as physical paper-based documents.



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The range and type of electronic documents that need to be managed is extensive. In fact, a corporate record could be any document that has been used to make key business decisions. While legislation and regulation takes this further to include HR related content, Health and Safety documents, Financial Data, Contracts, and Email, in fact the range and type of information that may need to be managed is extensive and will vary from company to company.

Content could be simple office documents, but may also include web pages, email communications, drawings, proposals, contracts, video and audio files. What distinguishes a vital record, requiring an extra level of control, from a normal document is whether it was involved in a business decision such as:

- Preparing a Report
- Sending Information to a Third Party
- Documenting an Official Action
- A Policy Communication
- Documentation of an Oral Exchange
- Legal or Financial Information

These records are often classified as either: administrative, financial, legal, operational or historical. Not managing one of these 'records' could result in litigation, fines and regulatory investigations. Each type of record will typically have different retention policies based on legislation and its importance to the business.

Records Management

Records Management is an on-going process of managing the records in a media neutral basis in accordance with approved policies, procedures and schedules. RM as a discipline defines and applies business rules related to the creation, protection, retrieval and disposition of an organization's records over time. Retention schedules are the cornerstone of a successful RM process. Different record types may have different retention policies according to an organization's legal, regulatory and operational requirements.

A number of functions need to be provided to fully enable the management of corporate records. These include:

- Creation – When a record is produced it requires meta-data to be created either automatically or via a profile form. Fields can be either mandatory, optional or have default values.
- Classification – Classification should attach a 'subject' and a 'title' to a record and apply the retention policies for that subject. Classifications are hierarchical and should be automated wherever possible, or have the option of a pick-list.
- Storage – Storage should preserve the format and be in a neutral, non-proprietary storage system.
- Access Control – Access control should determine the visibility of a record and the operations a user can perform on the record.
- Review and Approval – Access may be also determined by the stage a record is at in a lifecycle. For example, a document in a review stage cannot be viewed by non-reviewers.



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- Auditing – The actions performed against a record should be held in an audit log stating, for example, who updated a record, at what time and also when a document was approved.
- Search and Discovery – When there is a query it is vital to be able to rapidly gather all of the relevant evidence or collection of records. The inability to do this can result in fines and litigation. This requires the ability to search on: Full-text, Category or subject, Attribute and Location.
- File Plan – The file plan provides the structured, subject-based filing scheme required to support a retention schedule so that proper retention and disposition can be carried out for the appropriate records. There is no universal file plan for all organizations.
- Disposition – Disposition determines what happens to a record at the end of its retention period and whether it is archived or destroyed. In addition, workflows need to track what human intervention and approval is required before records can be destroyed.
- Administration – Administration tools should allow audit trails, queries, dashboards and reports to be simply developed and executed.

Companies have tried to address these needs through the deployment of traditional RM solutions, but, as can be seen below, these solutions have still not seen wide-scale adoption and the realization of the benefits promised.

Traditional Records Management Solutions

Traditional Records Management solutions have typically been implemented as stand-alone, siloed applications, disconnected from other corporate Enterprise Content Management (ECM) applications. This approach has a number of issues:

- Inconsistent Information – The need to transfer information from separate systems into the RM solution leads to out of date information and major inconsistencies;
- Lack of Adoption – Designed to be used by Record Management specialists, typical RM solutions are too complex for most users to use, resulting in RM being reduced to a dedicated discipline, only practiced by a few;
- Inconsistent Adoption – Hard to control the different types of content – Documents, email, Web Pages, Images, Scanned Files, etc. – that are all managed in separate systems but need to be under the control of a central RM solution; and,
- Complexity – Having separate systems to manage different types of information that need to be synchronized with a RM system increases the complexity and cost.

Designed as a simple to use, simple to deploy, Open Source solution, the Alfresco RM solution removes many of the hurdles associated with traditional RM solutions at a fraction of the cost.

Alfresco Records Management Solution

In designing the Alfresco Records Management system, we had some key goals. These were driven by reviewing the usage of current RM solutions. In looking at the available solutions, we felt many have typically been expensive to buy, costly to implement, difficult to use, and, in many cases, disjointed from organizational requirements. This has resulted in systems becoming the province of the RM



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department and only used to archive records, rather than being a universal system within the organization. The expense and complexity of the systems which are licensed on a per user basis means that RM rarely extends out to all of an organization's departments where it needs to be. Based on this research our key design goals were:

- Simplicity – make it easy to use for occasional users;
- Reach – gain wide scale adoption from all users in an organization;
- Cost – deliver the first Open Source RM solution;
- Implementation – minimize, or even remove, the desktop footprint;
- Extension – create a RM infrastructure layer which can be used to implement other RM guidelines and policies such as MoReq2; and,
- Future Proof – provide a potential model and basis for future standards work.

Certified to the U.S. Department of Defense (DoD) 5015.02 standard, the Alfresco RM solution provides all of the functionality needed to help organizations capture, classify, control and dispose of a wide range of electronic corporate records. The Alfresco RM solution has been implemented on top of a generalized RM meta-data model, allowing other standards (such as MoReq2, NOARK, etc.) to be supported. The Alfresco RM solution is:

- Simple to Use – Providing RM capability through easy to use interfaces. Available through a web-based interface for easy access from any location, via the Common Internet File System (CIFS) standard – as simple to use as a shared network drive or through an IMAP compliant email application - to provide simple 'Drag and Drop' support for email records;
- A Single Scalable Repository – Alfresco uses a single repository to support a company's full ECM requirements, including Document Management, RM, Email Archive, Web Content Management, and Team Collaboration;
- Easy to Deploy – Designed and built from the ground up to use today's modern technology. Alfresco ECM can be installed on premise, leveraging both proprietary or Open Source technology stacks or delivered through a Cloud deployment; and,
- Cost Effective – With no upfront enterprise license fees or per user licensing, the Alfresco Open Source solution is typically a fraction of the cost of traditional solutions.

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Capture

The Alfresco RM solution allows the capture of new records from a variety of simple to use interfaces. Adopting industry standards removes the need to install local client applications on an individual's computer. This zero footprint client approach provides support for:

- Web – Alfresco provides a web-based client to allow easy access from any location. Users can upload, declare and manage corporate records via a simple to use web browser;
- Network Drive – Supporting the industry standard Common Internet File System (CIFS) interface allows the Alfresco RM repository to appear just like a shared network drive. This allows the users to simply copy, or drag-and-drop files into the Records Management solution



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straight from their desktop;

- IMAP – Supporting the IMAP email protocol allows any IMAP-compliant email application to access the Alfresco repository. Users can browse the RM file plan and simply drag new email items into the repository, putting them under the control of the RM module; and,
- Pre-population of Meta-data – The ability to extract and use information inherent in the document content to pre-populate records meta-data reduces the time needed to declare new records.

Manage and Control

Once new records are added, the Alfresco RM module provides functionality to manage the lifecycle of records, while controlling who has access, and what actions they can take for each individual record. These features include:

- File Plan – Automatically classifies and schedules records based on a pre-existing plan and standardized structures;
- Auto-Numbering – Provides the capability to automatically and sequentially number vital corporate records;
- Type-based Metadata – Classifies and schedules records based on configurable records-based types;
- Automated Lifecycle Management – Uses simple to configure rules to control and schedule content review, cut-off, transfer and archive;
- Configurable Dashboards – Allow RM specialists to configure the system dashboards with pre-defined reports to search and screen records – allowing the easy identification and resolution of exceptions; and,
- Rapid eDiscovery – Provides users with a simple to use search across full-text content, file plan structures, RM categories and record types.

Disposition

At some point corporate records will come to the end of their useful life. These records need to be destroyed, archived for long-term storage or transferred to another system (e.g. national archives). The Alfresco RM solution provides:

- Full Disposition Support – Controlled and scheduled handling of archiving, holds, transfers, accessions and destruction using configurable rules and automated processing;
- Retention and Archive Policies – Ability to configure different retention and archive policies based on type and file plan;
- Automated Conversion – Providing routines that automatically convert documents from proprietary formats to a long-term vendor-neutral archival format, such as Portable Document Format (PDF/A) and Open Document Format (ODF); and,
- Archive Export – Simple to use export for long-term archival.



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Conclusion

The Alfresco RM module offers a simple, unique, unobtrusive drag-and-drop approach to RM. It supports the full lifecycle, from creation through to classification, storage, access control, review and approval, auditing, search and discovery, retention and disposition.

As the first Open Source RM solution to be certified to the rigorous DoD 5015.02 standard, the Alfresco solution provides a number of benefits:

- Increased User Adoption – One solution to support all content, within a single repository, with easy to use clients, which removes end user complexity and leads to far greater user adoption;
- Single Repository – Allows the management of all electronic files (documents, web pages, emails, images, corporate records, etc.) in the industry's most scalable, Content Management Interoperability Service (CMIS) compliant content repository;
- Simplicity – Single system for managing both standard content and corporate records reduces maintenance and removes the need for inter-system integration; and,
- Reduced Cost – No upfront Enterprise license fees. No per user seat pricing. Ability to leverage cost effective Open Source technology stack. Simplified ongoing maintenance through single system. All lead to much lower total cost of ownership.

Alfresco uses the same repository for Document Management, Web Content Management and RM, which means that information can be added via any interface, such as Alfresco Share on the Web or CIFS, FTP or Microsoft on the desktop.

Looking to the future

In order to ensure that the system has a degree of future proofing, a meta-data model has been created which supports the requirements for the DoD 5015.02 standard, but also generalizes RM meta-data, in order that other models (such as MoReq2, NOARK, etc.) can be implemented. Indeed, the DoD 5015.02 model is layered on top of the underlying RM model. In conjunction with the RM model, there are a number of Records Management services which will allow other systems to easily integrate into an Alfresco RM repository, for example, case, management systems and search.

To download a trial of Alfresco visit: <http://www.alfresco.com/try>



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Appendix – Definition of Terms

RM has a number of very specific terms. This section provides some guidance on the meaning of some of the most common / widely used terminology.

- **Attachment** – A record, object, or document associated with another document or record and filed in the RM Archive or transmitted as part of the other document or record.
- **Audit Trail** – An electronic means of tracking interactions with records within an electronic system so that any access to the record within the electronic system can be documented as it occurs or afterwards. May be used to identify unauthorized actions in relation to the records, e.g., modification, deletion, or addition.
- **Authenticity** – A condition that proves that a record is genuinely based on its mode (i.e., method by which a record is communicated over space or time), form (i.e., format or media that a record has upon receipt), state of transmission (i.e., the primitiveness, completeness, and effectiveness of a record when it is initially set aside after being made or received), and manner of preservation and custody.
- **Disposition** – Those actions taken regarding Federal records after they are no longer required to conduct current Agency business.
- **Disposition Action** – Actions to be taken when a disposition date occurs (e.g., freeze, interim transfer, accession, or destroy).
- **Disposition Action Date** – The fixed date on which the records in a file become due for final disposition.
- **Disposition Authority** – Legal authority that empowers an Agency to transfer permanent records to the National Archives or to carry out the disposal of temporary records. Must be obtained from National Archives and Records Administration (NARA) and also, for certain records proposed as temporary, from the Government Accountability Office (GAO).
- **Disposition Instruction** – Directions for cutting off records and carrying out their disposition (transfer, retirement, or destruction) in compliance with NARA's regulations and the General Records Schedule (GRS). Disposition instructions in an RMA include retention-related fields such as authority, transfer location, active or dormant chronological retention periods, and conditional retention periods.
- **Disposition Instruction Type** – One of three ways of scheduling a disposition instruction: time, event, or a combination of both time and event.
- **Electronic Mail Message** – A document created or received via an electronic mail system, including brief notes, formal or substantive narrative documents, and any attachments, such as word processing and other electronic documents, which may be transmitted with the message.
- **Electronic Record** – Information recorded in a form that requires a computer or other machine to process it and that satisfies the legal definition of a record according to 44 U.S.C. 3301.
- **File Plan** – A document containing the identifying number, title, description, and disposition authority of files held or used in an office.
- **Freeze** – The suspension or extension of the disposition of temporary records that cannot be destroyed on schedule because of special circumstances, such as a court order or an investigation. A freeze requires a temporary extension of the approved retention period.



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- **Life Cycle** – The record's life cycle is the life span of a record from its creation or receipt to its final disposition. It is usually described in three stages: creation, maintenance and use, and final disposition.
- **Meta-data** – Data describing stored data: that is, data describing the structure, data elements, interrelationships, and other characteristics of electronic records.
- **Record** – Information, regardless of medium, detailing business transactions. Records include all books, papers, maps, photographs, machine-readable materials, and other documentary materials, regardless of physical form or characteristics. Records are made or received by an Agency of the United States Government under Federal law or in connection with the transaction of public business. Records are preserved or appropriate for preservation by that Agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the Government or because of the value of data in the record.
- **Record Category** – A description of a particular set of records within a file plan. Each category has retention and disposition data associated with it, applied to all record folders and records within the category.
- **Record Category Identifier** – An Agency's alphanumeric or numeric identifier indicating a unique record category.
- **Record Folder** – A record folder is an extension to the file plan, either as a static structure or an aggregate gathering of records. It is used to manage case records and to break other records into periods supporting retention and disposition.
- **Record Identifier** – An element of meta-data, a record identifier is a data element whose value is system-generated and that uniquely identifies a particular record.
- **Retention Period** – The length of time that a record must be kept before it can be destroyed. Records not authorized for destruction are designated for permanent retention. Retention periods for temporary records may be expressed in two ways.
- **Time Disposition** – A disposition instruction specifying when a record shall be cut off and when a fixed retention period is applied. The retention period does not begin until after the records have been cut off. Example: "Destroy after 2 years – cut off at the end of the calendar (or fiscal) year; hold for 2 years; then destroy."
- **Time-Event Disposition** – A disposition instruction specifying that a record shall be disposed of over a fixed period of time after a predictable or specified event. Once the specified event has occurred, then the retention period is applied. Example: "Destroy 3 years after close of case." The record does not start its retention period until after the case is closed - at that time its folder is cut-off and the retention period (destroy after 3 years) is applied.



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