This statement may seem a bit dramatic, but the reality is - the lack of a sound records program can rob a firm of hidden efficiencies and benefits that can affect the bottom line.

Until recently, the records department in most firms has been viewed as a back office operation. Visions of basement dwelling file clerks buried by mounds and mounds of paper quickly come to mind. The records and information landscape is changing. This change brings opportunities to empower attorneys and staff with organized information at their fingertips, evolve the skills and knowledge of the information workers, and manage and reduce costs - all the while increasing compliance and mitigating risk.

Sounds like quite a tall order. Let’s take a high-level look at how a well-structured records program and can save money AND reduce risk.

**Policies and Procedures**
Lay the foundation with policies and procedures. Doing so can contribute to efficiencies in staff resources, improved employee productivity, reduction in offsite storage fees and amount of "premium" onsite facilities for storage of records. The tasks performed by records staff can be more fully-defined, and a plan for keeping only necessary materials onsite can be developed and implemented.

A records retention policy and supporting procedures will clearly address the firm's position on records management issues and provide a framework for effectively managing records throughout their lifecycle. By clearly articulating (i) what should and should not be kept, (ii) where it should be kept/stored, and (iii) for how long it should be kept/stored a foundation is provided that will ensure that only necessary information will be retained and that it can be quickly located and shared.

**Defined Workflows**
Once policies and procedures have been established, supporting workflows can be created to provide efficient support and management of records. Benefits to be reaped from established work flows include the clear ownership of tasks,
implementation of repeatable processes, and the allocation of work to the most efficient level of resources, thus freeing up billable FTE's to perform other tasks.

**Imaging**

If you've not embarked on an imaging initiative thus far, start the process now. In combination with a retention policy and supporting procedures, conversion to a digital environment can save thousands in fees to store paper (such as storage fees, transportation and retrieval fees, permanent removal, etc.)

**Offsite Storage**

While it may not seem the case on its face, there is much potential to reduce records expense by paying careful attention to your contract terms, renewal provisions and transportation fees. A few valuable points to consider:

- Are you a multi-location firm? If so, negotiate with a vendor who can service your needs in as many locations as possible and ask for a volume discount.
- Be mindful of auto-renewals. Begin discussions with your vendor several months in advance of your contract coming to term. Failure to do so can result in unexpected rate increases and other modifications that may result in increased cost.

- Know your market. Don't be afraid to go the route of an RFP to evaluate options if you are not satisfied with your current vendor or their contract terms.
- Lastly, when entering into a new contract, or negotiating an existing one - say goodbye to the permanent removal fees (a/k/a hostage fees). Most vendors are willing to forego this long-known fee that customers have lamented over for years.

To the extent possible, request files by the box, rather than the folder/insert. Boxes are less expensive to retrieve, and doing so provides added security that only firm staff is handling important contents INSIDE the box.

Monitor your transportation fees. Are you making several "rush" requests daily? Weekly? Find out why. Manage user expectations; often times that rush request isn't really a rush after all. Is your vendor visiting you daily even for regular requests? Consider establishing scheduled deliveries. A negotiated rate can often be agreed upon that will further reduce the cost of retrieving and delivering files.

If you are imaging and have a retention policy, scan the contents of the box and return only those original documents that must be kept.
Lastly, carefully review and reconcile your invoices. Depending upon your vendor, they can look like your telephone bill, leaving much confusion over what you're paying and why. Question what doesn't look right.

**eDiscovery Responsiveness**

The amendments to FRCP have changed the way organizations approach records management, and rightfully so. In this electronic age, it is increasingly important to know where your records reside. Clearly defined (and followed!) records management policies and procedures position your firm to better respond to any type of discovery requests, whether it is "e" or not! Reduce the amount of valuable time spent by employees (usually billable) and limit exposure to risk and sanctions by having your records organized from the outset.

**Business Continuity**

What is the cost to restore operations in the event of a disaster? It's often difficult to assign a price tag before it occurs. However, if you have an organized approach to records management, have an imaging program, and reliable IT back-up procedures, the time and cost associated with resuming your business operations can be minimal.

**Opinions-Stay Updated!**

While law firms continue to struggle with the lack of legal instruction on the length of time records should be kept, there are several Opinions that address the issue of records retention and disposition. Relevant examples include New York City Formal Opinion 2010-1 that allows for automatic destruction of files without notice provided the intent is included in the engagement letter. Other jurisdictions allow for the chargeback of costs associated with file disposition. DC Bar Opinion 283 states in part, "... [firm] may make the files available for pick-up or delivery at the client's expense. Similarly, a lawyer instructed by the client to store any such files may charge the client for the costs of such storage." It is up to each individual firm to decide how or if to apply the various opinions, but opportunities exist to minimize cost associated with managing client files.

**Employee Productivity**

According to a 2001 IDC White Paper entitled "The High Cost of Not Finding Information," by Susan Feldman and Chris Sherman, the average worker spends 9.5 hours per week searching for information, with 3.5 hours of that time netting unsuccessful results. With the continued proliferation of information, these numbers may be higher. Better organization and controls over records and information management can decrease these numbers significantly, allowing more productive use of employee time.

While it's common to look to more mainstream functions for cost saving opportunities (I'm still mourning the loss of free sodas in the break room!), remember that the records in your firm pertain to everyone. No one is exempt from handling records - whether it be
administrative departments (such as finance, human resources, IT) or attorneys, paralegals and secretaries. A focus on records will be worth every penny!

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