Cleaning up legacy records

An intelligent first step in your digital transformation journey

Contents

Executive summary

Any organization that has been around for a while is going to have paper records—often times, lots of them.

Although it's tempting to look in the other direction and keep everything "in case we need it," this isn't an optimal strategy. In fact, the over-retention of records can be detrimental in terms of cost and legal risk. It can also limit your ability to address organizational initiatives and achieve your digital transformation objectives.

New research has uncovered how decision makers view the challenge of legacy paper records in their organizations and what they're doing about it. A recent survey, conducted by a third-party research firm, demonstrates the concerns of decision makers in roles across legal and compliance, records and information management/governance, and information technology. The findings show how your peers are thinking about legacy records and the need to clean up paper files as part of the digital transformation journey—along with the obstacles that may get in the way.

> **93% of respondents stated a goal to eliminate paper records in the next five years.**

The current state of paper records

> **67%** place record cleanup projects as a medium to high priority.

Organizations store more than 70% of records digitally, 30% on paper.
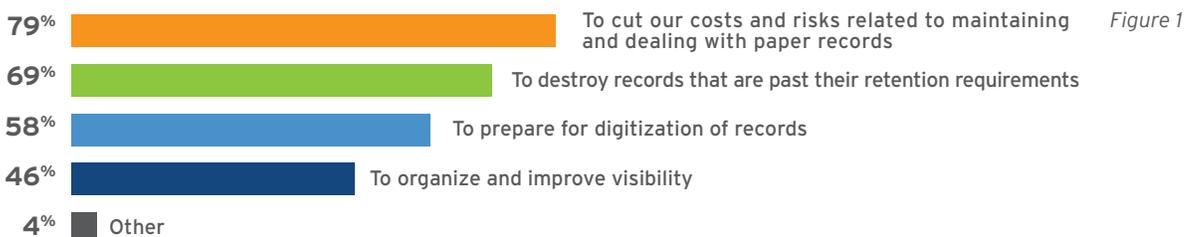
Although the percentage of paper records is declining, one-third of respondents are currently storing over 100,000 boxes of paper records, and some have 500,000 or more. The volume of paper records remaining is still tremendous for many organizations.

Reasons why paper records cleanup is a priority

For organizations that still have large inventories of paper records, cleaning up these records has become a priority. The top reasons for paper records cleanup are shown below, with cutting costs and risks as the number one priority.

Paper records are still a significant part of the total records inventory and need to be addressed in the transition to digital. They cannot be ignored or left behind.

%	Reason	
79%	To cut our costs and risks related to maintaining and dealing with paper records	*Figure 1*
69%	To destroy records that are past their retention requirements	
58%	To prepare for digitization of records	
46%	To organize and improve visibility	
4%	Other	

% Selected among organizations that have medium or high priority for paper records cleanup

What are organizations hoping to achieve?

The survey looked further into the most important factors around paper records cleanup and what organizations hope to achieve. The top factors motivating paper records cleanup are related to over-retention, organizational initiatives, and digital transformation.

The most important factors about records cleanup

% Selected total respondents

67%	56%	52%	46%	31%	17%
Easily identify records that are eligible for destruction	Easily identify records needed to support a divestiture, legal matter, or other initiative	Identify records that should be digitized to support our digital transformation initiatives	Reduce program costs and risks	Easily associate and/or organize files by record type or category	Improve find rates

Eliminate over-retention to cut risks and costs

Retaining records in any format past their compliance requirement—known as over-retention—increases an organization's costs and elevates its risks. Therefore, identifying records that are eligible for destruction is a major driver behind records cleanup projects.

Organizations can reduce risks by identifying and defensibly destroying records that are no longer needed to meet regulatory compliance. Keeping records beyond retention requirements exposes organizations to litigation risks, security gaps, and the possibility of violating privacy rights. In addition to fines and legal penalties, the trust of customers or constituents could be lost.

On the cost side, tens of thousands—if not millions—of dollars can be saved when these records are defensibly destroyed. The budgets, as well as the physical space required to store and preserve these paper records—whether onsite or offsite—can now be reallocated.

Healthcare case study: **3** factors that lead to over-retention
Learn more.

Find what you need with organization and indexing

One goal of cleaning up your files is to be able to find what you need, when you need it. As you support your organization—whether in a legal matter, a divestiture, or other initiative—it's critical to identify the information you need quickly, easily, and accurately. If your records inventory is not properly organized with an up-to-date records index, you're not only wasting your time searching, but your organization could also face potential fines or legal ramifications. Think about the implications if you fail an audit due to missing information or don't meet the SLAs of a contract.

Insurance case study: **1.9M** policy records were located and turned over as part of a divestiture. **Learn more.**

Support your digital transformation journey

A clean records inventory is an important step in your digital transformation journey. A full 52% of organizations said that identifying records that need to be digitized to support digital transformation initiatives is a top priority for them.

Moving forward with digital transformation

Where are you on your digital transformation journey?

Take a first step toward digital transformation with paper records cleanup

The first stage of this journey is to identify what you have. This is when you determine what needs to be retained to meet compliance requirements, what can be defensibly destroyed, or what should be digitized to meet transformation objectives. In the survey, 67% of respondents rank this phase of their digital transformation journey as their number one priority. In addition, most organizations (79%) say it is either important or very important to have an identification process for records digitization.
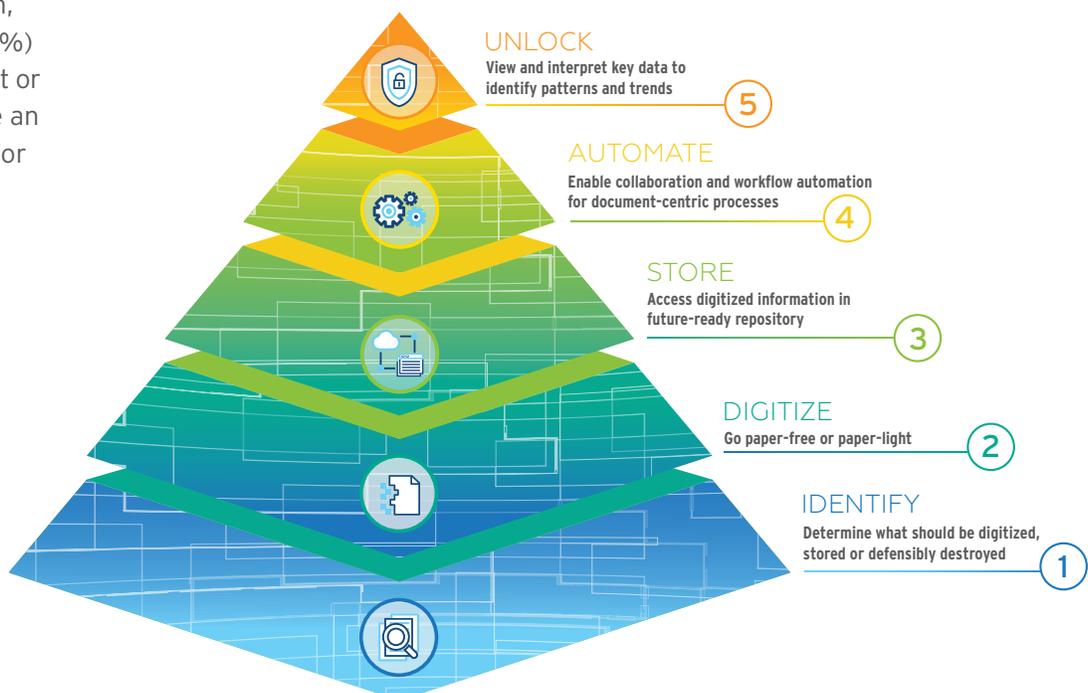
UNLOCK
View and interpret key data to identify patterns and trends
5

AUTOMATE
Enable collaboration and workflow automation for document-centric processes
4

STORE
Access digitized information in future-ready repository
3

DIGITIZE
Go paper-free or paper-light
2

IDENTIFY
Determine what should be digitized, stored or defensibly destroyed
1

Figure 3

Digital transformation stages priority level

Identify: Our goal is to become paper-free, but we first need to sort through our records inventory and understand what files should be digitized.

■ **Rank 1**	■ **Rank 2**	■ **Rank 3**	■ **Rank 4**	■ **Rank 5**

67%   **15%** **5%** **5%**   **8%**
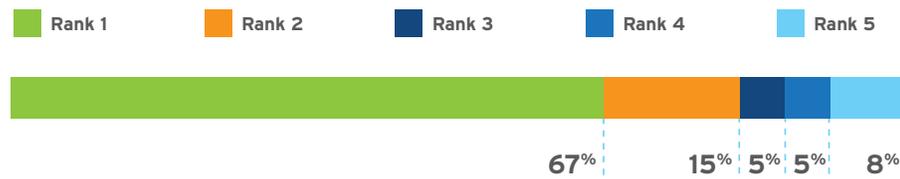
Did you know? On average today, about **1/4** of all paper records cannot be identified with confidence.

Importance of having a records identification process for digitization

■ **Very important**	■ **Important**	■ **Somewhat important**	■ **Not at all important**

Total (N=100)   **47%**   **32%**   **19%**
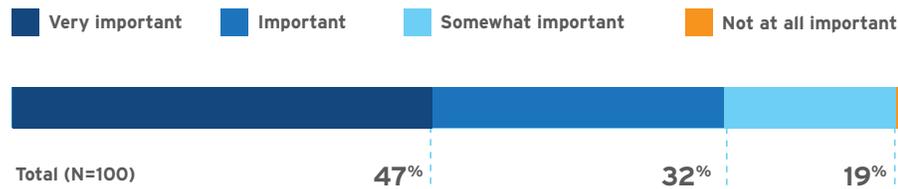
Once organizations complete the "identify" step, they can move ahead on their digital transformation journey.

What's stopping you?

All of this sounds great, but cleaning up legacy files and being prepared for the digital transformation journey is easier said than done.

There are certainly challenges for organizations facing a paper records cleanup project. A combination of the lack of staff and/or resources and low—or no—visibility into records inventory prevents progress. In other words, how can you identify records for destruction or support digitization if you're not confident about the contents of the boxes in storage?

Top **3** challenges preventing paper records cleanup:

50% Lack of staff

41% Poor metadata or index

40% Commingled records in storage boxes

What you gain

The advantages outweigh the challenges. Paper records cleanup means that you'll deal with legacy records and gain accuracy and consistency in the process. When you outsource this process, you free up resources to focus on higher-priority tasks and will likely save money over a do-it-yourself initiative.

Figure 4

Top 3 advantages of outsourcing paper records cleanup

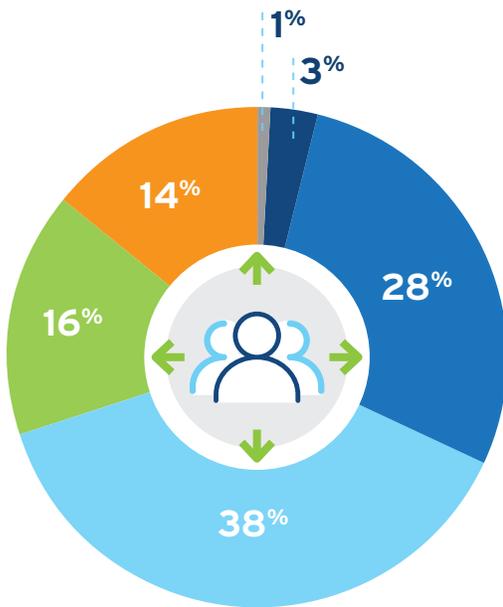Advantages most often selected in the top 3 include:

61%
Frees up internal resources

52%
Cost-effectiveness vs. a do-it-yourself (DIY) approach

51%
Accuracy and consistency (defensibility)

Conclusion

As a path forward on the digital transformation journey, the majority of survey respondents (68%) have outsourced or are considering outsourced services to help clean up legacy records. If you're thinking about outsourcing your paper records cleanup project, consider Iron Mountain's Smart Sort.

Paper records cleanup services outsourcing experience

- **Yes**, we have outsourced services for all of our paper records inventory.
- **Yes**, we have outsourced the management of some of our paper records inventory.
- **No**, but we are considering it.
- **No**, we have never heard of such an offering.
- **No**, we are not interested.
- **Other**

Pie chart values: 1%, 3%, 28%, 38%, 16%, 14%

Let Iron Mountain support your digital transformation journey

If you're ready to take control of your legacy paper records and accelerate the shift to a more digital way of working, Iron Mountain can help. It all starts with identifying what's in your records inventory so that you can make informed decisions about disposition and digitization.

Iron Mountain's Smart Sort

Iron Mountain's Smart Sort is a technology-enabled solution that leverages minimal information (patient ID, policy or claim number, etc.) from your organization's core application and records retention schedule to sort and organize your files according to destruction eligibility, record type, a unique identifier, or whatever you require. Once sorted and organized, you can confidently decide— now or in the future—what to retain, defensibly destroy, digitize, or provide for a divestiture, legal matter, or any other business need. At the conclusion of your Smart Sort project, you'll have full visibility into your up-to-date file-level inventory so that you can find what you need quickly and enable an ongoing defensible disposition process.

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