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It's Time to Address the Productivity Impact of Poor Filing Systems

A large part of an association's business activity relates to the creation, storage, distribution and application of data, information and knowledge. Many associations have a reference to information or knowledge services in their strategic statements. In fact, associations try to make knowledge-based decisions yet forget that their filing system must be working well in order for this to happen.

Specialists that help organizations "get organized" estimate the cost of disorganization at over \$5,000 per person per year. In a ten person association office this amounts to over \$50,000 in lost productivity. Apparently, only 10-20% of all critical information is available in structured databases. The rest is either trapped on paper or in scattered files within employee computers or on the organization's shared network drive which is often disorganized and missing critical content. Improvements to filing systems could free up a lot of additional time. Don't we always wish we had more time and easy access to the information we need? Don't we always get frustrated when we have to spend time looking for something we know we have?

Today, associations have information flowing in the form of e-mail, letters, memos, minutes, notes, reports, web pages and other formats. Why is it then that we continue to spend valuable time looking for paper and electronic files? In many organizations the same files can be found in several locations indicating duplication of information and activity. Efficient? We think not.

Participants in the Association Management Education program (AME) have responded to questions posed on filing and related challenges and opportunities. Their discussion, combined with my work with over 60 associations leaves me with the impression that not all is well with association filing systems. There are challenges getting paper filing systems under control – now, electronic systems are making things even more complex.

According to the AME participants, associations are hoping to improve their filing and document management systems to help:

- improve information sharing and learning;
- improve efficiencies in obtaining information;
- reduce storage and other system costs;
- avoid duplication and unnecessary files; and

- increase employee productivity by providing the necessary information when it is needed.

Common Mistakes with Filing Systems

Filing systems can fail to operate effectively for a number of reasons such as:

- no file guide or list of all files and locations;
- overloading - too many filing locations and users;
- files are too far from users;
- filing and retrieval takes too much time;
- documents are misfiled or lost;
- obsolete/non-relevant information;
- too many duplicates;
- folders, drawers, shelves, cabinets too full;
- lack of understanding how to use electronic files;
- no plan for storage or disposal of inactive files;
- disorganization of paper and electronic files;
- lack of security or inappropriate equipment or software;
- no checkout system (who, what, where, when);
- no individual or group is in charge;
- lack of orientation or training on use; and
- not treated as an important link with decision making or communications.

One of the challenges I have noted is the lack of clarity around the filing system approach. The centralized approach is where files of common interest or value for many employees are placed in one location under the control of one person. The advantages of such an approach are:

- responsibility for files is easily placed;
- there is less duplication of personnel, equipment, supplies, and space;
- better quality as an individual with experience is in charge;
- there is greater use of filing facilities;
- all related records are kept together; and
- uniform service is provided to all documents.

The decentralized approach is where files are created and used by a single organizational department (i.e. finance, education, external affairs, etc.) and are maintained and controlled in the department. The advantages of such an approach are:

- information from the files is immediately available;
- only one department unit uses files; and
- closer to work area than a centralized filing unit.

The best of both worlds is decentralized files under centralized control. The advantages of such an approach are:

- a uniform filing system is established throughout the organization;
- duplication of files is reduced;
- "can't find" ratios are reduced;
- better controls on the systematic disposition of files is achieved; and
- all sections are unified under one responsible employee.

Requirements of a Good Filing System

Filing systems must have supportive policies, a framework and procedures. Appropriate controls should be built into filing systems to accurately capture and identify the evidence of transactions/information and provide access in accordance with accountability and business practices required by the association. The system should be kept simple to reduce errors and to make it easier for all employees to use the system. Try to ensure your filing system:

- meets the majority of user needs;
- contains relevant information;
- is current and accessible in a timely manner;
- uses referencing such as an alphanumeric;
- has instructions and orientation for uses;
- uses controls for duplication and security;
- has a removal and destruction policy;
- flexible to accommodate new association activities;
- has someone in charge;
- integrates all department/division files and avoids silos;
- applies to shared electronic files; and
- applies to individual electronic files.

Filing systems should be monitored regularly and reviewed at least once every two years to ensure that they continue to operate effectively and efficiently and meet the requirements of the association.

If you have a good paper and electronic filing system it will provide for faster and systematic filing, faster retrieval of information, greater protection of information, and increased administrative stability, continuity and efficiency. It will also enhance communications and decision making.

Electronic Filing

Associations are in a transition stage. Today, more of our documents are in an electronic format and yet the framework or policies to capture and store electronic information has been given

little attention. The benefits of electronic filing are considerable, but they can only be realized if the filing system is comprehensive and tries to ensure the preceding requirements are met.

AME participant discussion suggests that associations are improving their electronic filing systems through a document imaging and management solution. They are using cost-effective scanning hardware coupled with the latest in document-imaging and sorting software.

Document Management

Document management is based on digitizing print information so you can manage and share business information efficiently. Every document management system must use a combination of hardware, software, and business rules. Many documents are currently in an electronic format. Those that are not are scanned. Documents are placed on a local file server or other locations. Security and backup and distribution rules are used.

A well-designed document management system will improve your filing system and has the potential to help your association reduce costs and distribution times, improve control, access, security and information sharing.

Getting Started

The paperless office may not be here. But associations can make headway in reducing volume, managing documents and improving communications and support for knowledge based decision making. A good first step is to do an inventory of your documents, establish a document retention policy and then identify possible improvements based on expectations and better practices.

Improvements need to benefit from the input of those that handle the documents. Staff will be able to specify improvements that could improve efficiency and effectiveness. This will also help with successful implementation of improvements.

Another key factor in making improvements is to ensure your system is similar to paper files while harnessing the benefits of electronic documents. Preserving the look and feel of paper and integrating it into electronic processes can result in a greater comfort level, understanding and use. If you want to share this article in an electronic format with others in your organization it can be downloaded from www.associationmagazine.com. Question is: where and how will you save it?

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