



ENSURING SUCCESS DURING TIMES OF CHANGE



In today's corporate environment, mergers and acquisitions, relocations and other types of business transitions are more common than ever before. According to *Industry Week* magazine, mergers and acquisitions hit an all time high in 2006. The International Facility Management Association (IFMA) notes that, nationwide, more than 850,000 companies relocate in a given year.

With corporate transitions becoming a common occurrence, mid- and high-level managers will likely have to manage a significant business change that could impact their current document and record management structure. Successfully controlling information assets during a time of transition is essential to maintaining business continuity and preserving the state of an organization.

The impact of change

Staying organized and maintaining compliance is a daily responsibility for any organization, but it is especially critical during a time of transition when the physical location of materials or company infrastructure is in a state of flux. During a major transition, a company must maintain its integrity and a level of trust with its public. In fact, losing just one vital record during a transition could have a lasting impact on an organization, both from a financial and a corporate intelligence perspective. When a record is misplaced, costly personnel time is spent locating or re-creating the lost file and research has shown that the cost to re-create a

misplaced file is about \$100. In addition, while employees focus on the lost record, productivity declines as their priorities shift away from other, more important, responsibilities, including maintaining continuity during the time of transition.

Valuable management time is also wasted when decisions cannot be made because historical data is unavailable. Since 90 percent of corporate memory still exists on paper, the liability attached to a misplaced file can have an enormous impact on a company's ability to keep business moving during and after an organizational change.

Disorganized, lost or misfiled records resulting from a business transition can have a significant impact on the integrity of information management processes and an organization's overall level of compliance. If regulatory guidelines require the immediate retrieval of specific records and the information cannot be located during or after a transition, a company becomes subject to legal and governmental penalties and may also suffer a loss in credibility from the public's perspective.



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Strategies and Tools for Managing Transitions

Taking the proper steps to ensure the integrity and continuity of records and organizational information during a time of business transition can help protect the reliability and compliance of a company's most important knowledge-based assets. With a thorough knowledge of existing information management practices and outside professional resources, organizations can successfully overcome any challenges that may arise before, during and after a transition.

Preparing for a major business transition deserves a time commitment to honestly evaluate current information management practices and re-consider filing system design; storage and organizational requirements; regulatory compliance guidelines; retention schedules and any other relevant records management practices.



Business relocations and reorganizations

Relocating to a new facility or reorganizing your company's infrastructure requires preparation. Planning early on provides an opportunity to evaluate and enhance current information management processes, filing and storage systems and record management technologies to ensure the secure and organized restructure of a record inventory.

Begin by updating or creating a record inventory to ensure that all data is accounted for before and after the relocation or reorganization. Secure all confidential documents during the move and allow only authorized personnel or outside professionals to handle those records. Secure adequate and appropriate storage at the new location or in the existing facility to create space efficiencies, ease of accessibility and record security. This may be a good time to upgrade to a more efficient filing system. Consider working with a filing system design professional to customize and implement an approach that best fits the organization's business needs.

Consolidation and centralization

When consolidating offices or moving materials and data to a central location, time must be taken to evaluate how

effectively space will be managed to accommodate existing and newly integrated record and information inventories. Take this opportunity to determine whether new storage systems are required to maximize existing space or if the transition would necessitate an upgraded filing system design to efficiently store and manage interfiled record inventories. In addition, developing or streamlining retention and destruction policies can reduce file volume to further maximize space.

Mergers and acquisitions

Mergers are typically the most challenging of business transitions because of the need to successfully consolidate several informational resources into one location. The challenge will be in developing a structure for combining resources so that information management strategies and practices are consistent after the merger is complete.

In acquisitions, the transition takes time as the acquired company typically assumes the practices already in place by the purchasing company. The acquiring company may be responsible for ensuring the purchased company successfully follows existing records management guidelines. A records manager at the newly acquired company may be in charge of bringing systems to the appropriate level to handle burgeoning record inventories.

When planning for a merger or acquisition, begin by designing and implementing a centralized records management system to consolidate actual and inactive records. Keep in mind that a new filing system approach may be required to streamline and standardize the filing of multiple record inventories. Maximize existing workspace with space-saving, secure storage solutions designed to accommodate a record consolidation.



INFORMATION MANAGEMENT SERVICES

Consider partnering with an information management professional who can help manage the transition process; be accessible for any critical questions or immediate assistance; and provide the necessary products and services to help efficiently manage a transition.

SERVICES COMMONLY USED IN MAJOR TRANSITIONS:

- File conversions
- Records management consulting
- Document audits
- File system design
- Bar code/RFID tracking
- File inventory & database creation
- File relocations & mergers
- Record archiving

Growth

While a company's growth is exciting, it can also present challenges in the area of space and information management. Preparation is critical to successfully managing growth as it occurs. Begin by implementing space-efficient storage solutions that can accommodate an increase in record inventories over time. Consider developing a filing system design that can effectively manage your current record inventory and allow for growth without the need to re-organize, back-shift or purge active records.

Public trading

When going public, significant thought must be put into information management practices prior to the

transition. Public companies are regulated by stringent regulatory compliance guidelines such as Sarbanes Oxley and Gramm-Leach-Bliley, so it is important that a company's vital information meets or exceeds regulatory standards. Taking the time to understand the compliance guidelines impacting an industry or enlisting the help of a professional who can audit a file inventory to eliminate liability can make the transition problem-free.

Any business transition is challenging, but combining your expertise with the services and resources available to you can help you meet and overcome any records management challenges, making your transition a success. ■

TOOLS FOR TRANSITIONS

Determining the products and services you need for your business transition can be overwhelming. Use this chart as a tool to help you get started.



	Conversion	Records Management Outsourcing	Consulting	Document Audits	Imaging	File System Design	Bar Code/RFID Tracking	File Inventory & Database Creation	File Relocation	File Merge & Interfiling	Archiving
You are relocating/reorganizing	●		●	●	●	●	●	●	●	●	●
You are consolidating/centralizing	●		●	●	●	●	●	●	●	●	●
You are merging/acquiring operations	●		●	●	●	●	●	●	●	●	●
You are growing quickly	●	●	●	●	●	●	●	●			●
Public trading			●	●	●						

Outsourcing for success

The responsibility of managing internal processes and extensive record inventories before, during and after a major transition can seem overwhelming. By outsourcing some or all of your record or informational management needs and partnering with an outside professional, you can stay on task with minimal disruption to your business.

Outsourcing provides an experienced staff person or manager that is solely focused on the records management portion of your transition, without the associated costs of additional staff and training. Because an outsourced project is set at a specific budget, you can plan your financial and personnel resources accordingly. Most importantly, outsourcing shifts accountability outside the company to someone who must provide successful project results and meet an established time frame. Combined, these benefits positively impact your efficiency and ensure business continuity throughout a transition.

Keeping critical records organized and document management processes in tact during a time of change can help an organization resume or maintain operations all while remaining productive, profitable and compliant. ■



CASE STUDY:

SYSTEC merges and converts one million files in 100 days

CitiFinancial of Coppell, Texas, and a member of Citigroup, the world's largest consumer, corporate and investment banking financial services provider, purchased three auto finance companies and merged their operations into their Texas location for better management and control. The merger required the relocation and conversion of one million active records within a limited timeframe of 100 days. Local SYSTEC professionals worked with CitiFinancial managers to evaluate their records and recommend a file conversion post merger, resulting in a customized space-efficient and accessible filing system.

"SYSTEC helped us achieve control over more than 1 million records. Color-coding virtually eliminated misfiles and the new filing system increased our productivity rates from 97 to 99 percent which is a significant improvement, increasing our efficiency and decreasing operating costs," explains Paul Robinson, project manager at Citigroup. ■

SYSTEC SOLUTIONS *EFFECTIVE TRANSITION MANAGEMENT*

From physical relocations to filing system consolidation, SYSTEC professionals can provide the services and tools you need to successfully manage any business transition. We can evaluate your transitional needs, provide on-site interfiling and conversion services, as well as develop and implement strategic solutions to meet your changing information management needs.

Our business transition services include:

- *File conversions*
- *Transition consulting*
- *Compliance analysis*
- *File merging/interfiling*
- *Physical relocations*
- *Retention/destruction scheduling*
- *File inventory and database creation*

In addition, our filing supplies, labeling systems, document technology solutions and storage systems make SYSTEC your single source for records and information management during times of change.

For more about how SYSTEC can help you, call 1-877-7SYSTEC or e-mail us at info@systecgroup.com.



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