

7 Steps To Effective Document Management

The way in which you handle day-to-day documents and files can have a huge impact on your business. Get it right and you'll find yourself on the road to success with a bulging bottom line and customer satisfaction to tell the world about. Get it wrong and you could easily lose vital information, watch as a client walks away or even find yourself face to face with a judge.

Yet plenty of companies neglect their file management, blaming time constraints, lack of storage space, and a dozen other excuses.

Managing your documents and files is essential and the last thing you should do is watch a mountain of paperwork grow around you. Some of the advantages of effective document management include:

- Improved access to documents
- Improved office efficiency
- Reduced day-to-day operation costs
- Better use of office space
- Safeguarding of confidential information
- Reduced customer complaints
- Prevention of legal breaches

Effective document management needn't be difficult either. The following is a seven step guide to creating a file management process that is thorough, effective and, best of all, easy to maintain once in place.

Read on to learn how you can help your business succeed through first class file and document management.

STEP 1: Designate a file management team

As with so many other aspects of the business world, effective document management requires clear and precise planning, and that starts with designating a team to be responsible for overseeing it from start to finish.

Don't let the word 'team' put you off though. In this case, team doesn't mean a full troop of workers dedicated to document management and nothing else. In most cases, a team here will mean a lead and an assistant; the lead oversees everything that follows and the assistant learns the process thoroughly, deputising when the lead is away.

You can of course add other members to your team, a move that is well-recommended if you deal with huge amounts of paperwork or electronic files on a daily basis, but the key is to have somebody that knows exactly what is going on, what needs to happen and where everything is at all times.

STEP 2: Establish your file management procedures

With a lead and team in place, your next step should be to establish the exact parameters and processes you will adhere to in terms of your document and file management.

In many cases, these parameters will be set out for you. Most official bodies set very specific guidelines for companies to follow when it comes to data management, including how long certain documents should be kept for and which documents should be kept in the first place. You'll also be governed by the Data Protection Act 1998 (DPA), which governs how you use and store personal information relating to employees, clients and customers.

Take the time to read through the applicable guidelines and use these to help create a full file management procedure. Be explicit in what should and shouldn't be kept, how long it should be kept for, and where it should be stored. Establish whether you will need a document on a day-to-day or regular basis, or if it can be archived off-site until required.

A copy of your file management procedure should then be made available to anybody that might need it. Be sure to keep both an electronic and hard copy in case of computer malfunctions and other potential obstacles.

STEP 3: Create a file plan & schedule

With your file management procedures identified, it's time for some further preparations, at this stage you should create a file plan as well as a schedule.

A file plan is designed to make referencing any particular file or document easier. In essence, it serves as an organisation tool or index. Your file plan should act as a checklist, documenting exactly what is contained within a file, folder, archiving box or anything else you opt to store important information in. You should then create a catalogue of file plans (either copies of the original plans gathered in a file or on a computerised spreadsheet) which allows for quicker reference.

Ultimately, a file plan can be as simple or thorough as you deem fit, but at the end of the day it should allow you to lay your hands on any piece of information with minimal fuss. With a detailed and up-to-date file plan in place, you will be able to answer client and customer questions without wasting time, which can only be a good thing.

In terms of document and file retention, once you know how long you need to keep something for (see above) then it's easy to know when you need to get rid of it; including a destruction date on your file plan and corresponding catalogue will make it easier to keep track of which files you need to dispose of and when.

With a disposal plan in place, ensure that you regularly check the plan and dispose of those documents listed. In the event that a file becomes 'live' once more, be sure to designate this on the file plan; you do not want to destroy a file that you still require.

STEP 4: Organise existing files

Unless you're starting afresh, it's likely that you already have a good supply of existing documents and files, both electronic and in hard copy; in order to get the best out of your document management these need to be organised to fit in with your new management procedure.

At the very least, you should add file plans to each document or file and record the details in the catalogue you have created (see above). However, this offers an excellent opportunity to reorganise and audit your files and documents, which can help you recognise if you're missing anything important or, at the other end of the scale, you have documents and information you no longer require (see below).

It may not be a job any of us truly relishes, but organising documents and files has a huge upside.

STEP 5: Purge existing files for out-of-date, unnecessary content

Organising your existing documents will give you a great opportunity to dispose of some deadwood, so to speak.

Establish if everything you are storing is required. If you have archaic folders filled with out-of-date material, it might be worth disposing of it, likewise old floppy disks and cassette tapes. Basically, anything that is no longer required under your new file management procedural guide can be put to one side and prepared for disposal.

Of course, just because it's old doesn't mean it needs binning. Certain official bodies require documents to be kept for 50 years or more, so it's vital you're clear on the guidelines. However, if it is old but does need to be kept, it might be worth sending it for archiving.

STEP 6: Arrange storage, disposal

With your existing files and documents thoroughly organised and material no longer needed identified, it's time to talk storage and disposal.

In terms of storage, you will need to make a decision about whether to utilise onsite or offsite archiving. This decision – which can be made when you're establishing your file management procedures (see above) – will depend on the quantity of material you have for storing. Small companies can often easily store their records onsite, in secure filing cabinets and cupboards. Larger companies may designate an office or room to archiving, or look to outsource their filing needs.

As a rule of thumb, you should always keep documents and files you use on a regular basis onsite to avoid any delays in accessing the information; anything else really can be stored anywhere safe and secure.

In terms of electronic files, you should consider using an offsite server to store all computer files and material, or invest in a heavy duty external disk drive; even then it's vital to backup all files regularly (for example, at the beginning/end of the working day) or face the very real prospect of losing work.

In terms of disposal, it's vital you adhere to the Data Protection 1998 act and securely dispose of all confidential information. Shredding documents and erasing hard drives should be used at the very least. If you decide to employ a third party to dispose of such materials, ensure that the company you choose has a solid track record and can demonstrate that they securely destroy the documents you give them.

STEP 7: Ongoing maintenance

All of the hard work you've undertaken above will quickly unravel if you fail to keep on top of your file and document management.

If you're in the business of sending and receiving reams of correspondence and working with paper files, take 15 minutes a day to file everything away. 15 minutes a day is far better than losing a whole week later down the line.

If you're more of a computer-based company, ensure you use well-labelled folders in easy to find directories, and try not to leave too many documents on your 'desktop'. Your colleagues will have a hard time trying to find those same files.

Finally, as part of your ongoing maintenance, be sure to train your colleagues and co-workers – and especially trainees and new employees – with relation to your document management procedure. The more people understand your system, the more they will adhere to its policies and procedures.

Follow these seven simple steps and you'll stand your company in good stead when it comes to file and document management. Of course, each step can be tweaked to make things better for your individual company, you just need to sit down and focus on what exactly it is you need.

If all of the above sounds like a lot of hard work, and for many companies it is a lot of hard work, then you might want to consider employing the services of somebody else to do the job for you.

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