

Updating Your Records Management Systems

Is It Time to Revisit Your Firm's Strategy?

- **The Legal Intelligencer**
 - **2010 March 30**
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Records management (RM) is not new in the legal environment. Indeed, anyone who has ever set foot in a law office knows that the importance of meticulous record-keeping cannot be overstated.

Over the past decade, however, the industry has seen records management progress from a labor-intensive, box-filled, manual task to a system automated by sophisticated software. As part of a firm's electronic content management (ECM) system, records management, along with a firm's document management software, can now integrate with the overall IT infrastructure for improved ease of use, accessibility and compliance.

WHAT LIES BEYOND

A record can either be a tangible object or digital information in its final state. Automation has resulted in the use of a variety of software packages to support systems in which records now reside, such as databases, e-mail systems, litigation support repositories and electronic content management systems. As with paper records, electronic records need to be managed to control their creation, distribution, maintenance, use and disposition.

It's been more than a decade since many firms made the initial investment in automating their records management system. As legal technology products have continued to evolve, firms are looking to take RM to the next level by utilizing a consistent application of retention policies through fully integrating records management with mattercentric document management systems.

Matter-centric document management has been widely adopted in the legal field in the last five years. It has made life easier in that it mirrors and automates the way in which legal professionals have been working for years. Matter-centric filing systems mimic traditional physical filing systems by classifying and storing content in a folder hierarchy. Benefits include increased accessibility and efficiency and decreased risk. Now considered the standard for managing law firm information, matter-centric collaboration has achieved end user adoption rates well beyond those of traditional DM systems.

THE PROOF IS IN THE POLICIES

An integral part of integrating records into a matter-centric document management system is assigning retention policies to records. This requires a good deal of up-front work, often done with the help of a records management consulting firm that can advise the firm on the technology as well as on the formation of policies and procedures, based on a comprehensive look at the entire lifecycle of a record. Additionally, it is critical to get active participation from key executives, such as the firm's general counsel, to ensure risk mitigation and litigation readiness. Beyond the basic fiduciary requirement to preserve client communications, firms rely on RM to safeguard and preserve intellectual property, maintain ethical walls, enable conflict searches, and manage the destruction of obsolete materials. An effective RM program is also essential for responding to requests for discovery in the event of litigation. The inability to respond quickly and accurately could have devastating results.

Generally speaking, retention policies are largely based on the type of record created. In order to build an effective records retention policy, a firm must first work to identify groups of data such as matter information, financial and HR records, and the subgroups within these areas (e.g. contracts, agreements, briefs, e-mail). From there, based on the operational needs of a firm and the legal requirements of managing specific groups of information, retention schedules can be built directly into the firm's content management system. The records management portion of the system can trigger reminders of upcoming records events and prompt users to act on them. If a record is due for destruction, for example, the system will prompt the user, who can then make the decision to act.

STEPPING BACK FOR A MOMENT

Of course, most of this discussion has been geared towards firms that already have automated, but separate, records and document management systems. But what about firms that are still using a manual, paper-based system for RM? As an automation effort is probably in the future plan, firm management should consider the capabilities of the existing document management system to see if it can support RM and retention policy capabilities.

If there is no system in place, then the firm will be in a position to implement a fully integrated content management solution to enforce these policies. There are a number of legal-specific content management players to consider, including Autonomy's iManage, Open Text, Worldox and NetDocuments, to name a few. During the selection

process, look for packages that have the capability to integrate DM and RM in a single product. There is true value in a single vendor solution.

IT'S ALL ABOUT EFFICIENCY

A mature and fully integrated records management system is certainly not just about having the latest technical features. It's about firm efficiency, information accessibility, and risk management. In the case of litigation or litigation holds, a consistent records management policy goes a long way in showing the good faith effort of a firm to demonstrate a commitment to compliance and the systematic treatment of information. During e-discovery, a proven records management system and associated retention policies are key to an efficient and timely response to the request for production.

Finally, a user's ability to access documents quickly is a critical component of law firm operations. A far cry from the days of wading through boxes looking for records, a well-organized document and records management system provides users with instant access to all of its critical information. The time savings alone is often worth the investment for firms. Coupled with the compliance and risk management advantages, a fully integrated records management system gives firms a true competitive advantage in an increasingly competitive industry.

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