

# ENTERPRISE RECORDS MANAGEMENT (ERM) WHITE PAPER

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## A STRATEGY TO ENHANCE THE ENTERPRISE RECORDS MANAGEMENT (ERM) ORGANIZATION

Records Management (RM) helps organizations address evolving governance mandates to meet regulatory, legal, and agency requirements. Proactive adherence to existing records management policies and procedures is a critical facet of contemporary Enterprise Records Management (ERM) strategies. To be successful, an organization must adopt a three component strategy that includes approaches to formally structuring a compelling business case, properly defining the technological resources needed, and appropriately acquiring and training talented professionals.

Effective RM is fundamental to both the private and public sectors. Government agencies at the Federal, state, and local levels are mandated to maintain and preserve records. Agencies that maintain and preserve records in an efficient manner will be ahead of the curve and thereby enhance their ability to comply with a myriad of regulations. These agencies will benefit significantly from the implementation of carefully planned ERM strategies that reduce the risks and costs in managing electronic and physical record assets.

“Demand for a comprehensive, compliant ERM program is clear— the methodologies and road map for universal success are not.” Xerox

Organizations aspiring to implement a successful ERM capability must pursue a strategy composed of business, technological, and human capital components.

The *business component* of the strategy formally institutes a structure for organizational improvement and functions as a decision package for organizational decision-makers

The *technological component* of the strategy sets forth requirements for the acquisition and implementation ERM within the organization’s IT environment

The *human capital* component of the strategy addresses the talent required for the transformation to an ERM environment as well as impacts to personnel directly supporting Records Management processes.

**Business Strategy**

The ERM organization can leverage the use of a five-step transformation approach, used by agencies such as the Department of Defense, which encompasses transformation activities at organization and program levels. This approach can be used to articulate the path to an enhanced ERM organization; to understand business capability gaps; to determine business capability improvements required; and to achieve transformation by implementing solutions that address the key business problems or that answer strategic questions for informed decision making. The five-steps in the transformation approach are briefly described below.

**Set Priorities**

This step is accomplished to identify desired outcomes and business capability gaps in the existing ERM organization.

**Analyze Current State**

This step is used to analyze the situation, define the required capability improvements for the ERM organization.

**Build Transition Plan**

This step is used to develop transition plans that outline the ERM organization's desired outcomes and the roadmap for how to achieve them.

**Define enhanced ERM Organization**

This step leverages results and information obtained from previous steps. The ERM organization is defined using existing requirements and program sponsor's expectations for the future organizational state.

**Implement ERM Organization**

In this step, program offices implement and manage their respective programs to achieve the stated business capability improvements. Programs generally support transformation through implementation of policies, processes, and standards.

**Technological Strategy**

Once the organization has made the business decision to enhance its ERM capability, it is understood, or becomes apparent, that the technological strategy must be carefully planned to consider the existing IT environment. Any IT solutions related

to the ERM enhancement must have the ability to integrate with existing IT systems and those planned future implementation.

Integration.

Integrating IT systems within an enhanced ERM organization requires strong commitment from relevant business units – this is paramount to IT planning. The ERM organization must determine how its prospective IT systems will impact treasured legacy systems. In addition, the organization must consider the time and costs required to obtain approval for implementation of its prospective systems.

### **Human Capital Strategy**

ERM has largely evolved from traditionally being a back office function. As a result, organizations place less emphasis on understanding its fundamental importance to the enterprise. ERM organizations understand the importance of RM but often get mired in preserving the old way of doing business to meet modern objectives.

### **Business Process Reengineering and Improvement**

Introducing new ERM systems, frameworks, and processes will affect the current organizational landscape. For an ERM organization to successfully transform itself, the enterprise will need to redesign existing processes and procedures to accommodate the new organizational concept. The objective of introducing new frameworks and systems is to positively affect productivity and workflow. However, since the impacts may be unpredictable in the short-term, some organizations will find it preferable to conduct pilot experiments with certain aspects of an ERM enhancement. Alternatively, the organization may initially implement the ERM strategy in one business area and assess results prior to implementing the strategy enterprise-wide.

Training.

Professionals within the ERM organization will require training focused on understanding what an ERM organization is in general, the importance of ERM to the organization, and how introducing an enhanced ERM capability will impact their roles and responsibilities. Records and Program managers will require training focused on transition of traditional functions to an enhanced environment, often including basic IT and project management concepts and skills. Beyond this instruction, all those affected require training as to how the enhanced ERM organization functions.

The training program will function continuously, over time, since personnel will require refresher courses as well as an education on how recently introduced improvements to the ERM organization will function. Successful organizations invest in train-the-trainer programs combined with computer-based training (CBT). After participating in classroom instruction, personnel can access CBT from their desktop to reinforce and apply the classroom instruction. The content of training is typically twofold:

- (a) ERM organizational concepts and operations training, and
- (b) ERM process and systems training.

### **ERM Organization Enhancement Strategy**

One proven framework used to transform ERM organizations is the 7-S model, which can be used to initiate change processes and provide direction for ERM programs. This change and direction can positively impact the direct management of electronic and paper records operations. Further, the 7-S model can be used to determine the current state of each element for comparison with the ideal state. Results from the comparisons can then be used to develop action plans to achieve the intended state for the ERM organization.

### **Benefits of using the 7-S model for improving ERM organizations**

The 7-S is a framework for analyzing organizations and their effectiveness. It assesses the seven key elements that make ERM organizations successful, or not: strategy; structure; systems; style; skills; staff; and shared values.

Consultants at McKinsey & Company developed the 7S model in the late 1970s to help managers address the difficulties of organizational change. The model shows that organizational systems and the many interconnected variables involved make change complex, and that an effective change effort must address many of these issues including business, technology, and human capital simultaneously.

The 7-S model is a tool for managerial analysis and action that provides a structure with which to consider an organization so issues can be diagnosed and a strategy for ERM can be developed and implemented.

To be effective, the ERM organization must have a high degree of internal alignment among all the seven Ss. Each S is interrelated and must be consistent with and

reinforce the other Ss. A change in one has a cascade effect on all the others. To improve the organization, simultaneous attention to all seven elements is required.

### **Shared Values**

Shared values are commonly held beliefs, mindsets, and assumptions that shape how an organization behaves – its corporate culture. Shared values are what engender trust. They are an interconnecting center of the 7Ss model. Values are the identity by which a company is known throughout its business areas, what the organization stands for and what it believes in, its central beliefs and attitudes. These values must be explicitly stated as both corporate objectives and individual values.

### **Structure**

Structure is the ERM program layout and associated information that demonstrates who reports to whom and how tasks are assigned and integrated. In other words, structures describe the hierarchy of authority and accountability in an organization; the way the organization's units relate to each other.

### **Strategy**

Strategy are plans an organization formulates to reach the goals of implementing an effective ERM program, and a set of decisions and actions aimed at realizing benefits from improving past practices.

### **Systems**

Systems define the flow of activities involved in the daily operation of business, including its core processes and its support systems. They refer to the procedures, processes and routines that are used to manage the ERM program.

### **Style**

Style refers to the cultural style of the ERM organization, how key managers behave in achieving the ERM program's goals, how managers collectively spend their time and attention, and how they use symbolic behavior.

### **Staff**

Staff refers to the number and types of personnel within the ERM program and how the sponsoring organization develops employees and shapes basic values.

### **Skills**

Skills refer to the dominant distinctive ERM capabilities and competencies of the personnel and of the organization as a whole.

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