



DON'T THROW IT AWAY!
 An ever-increasing tangle of laws is telling us that we must retain business information for long periods of time – can IT help small businesses to address the problem? Living IT looks at the issues and the different ways that technology can be used to address them.

DOCUMENT MANAGEMENT AND COMPLIANCE

The growing array of compliancy and corporate governance regulations must be frightening if you are the person responsible for making sure that a large organisation can meet its obligations in the eyes of the lawmakers. But it would be dangerous to assume that, just because you are not incorporated in the US or a plc here, that you don't need to pay attention to the issue of document retention and compliance.

According to Graham Robinson of business solutions provider Avanquest, small firms have the same responsibilities as large organisations when it comes to these issues. They also need to keep important documents and emails for an extended period. "It is basically an insurance policy against fraud, claims, corporation tax, VAT and any other liability", he says

Robert May, managing director of solutions provider, Ramsac agrees. "Compliance is now becoming more of an issue for all companies regardless of size", he says. "Specific attention needs to be made to regulated companies such as accountants or legal practices or to firms who are suppliers to regulated companies."

JUST IN CASE

One of the key findings that came out of the Enron scandal was that professional firms should be able to prove the state of their data at any point over a seven year period. So what should you do? Store everything, just in case? This is what some companies are trying to do – but on paper. Robinson recounts a recent visit to an SME that operates in the leisure industry. "When I asked where they kept all their own records, I was taken down to the basement to be confronted with a massive pile of papers and boxes. It was virtually impossible to find anything."

If you do feel that you need to keep copies of all or most documentation, you could be facing quite a challenge. The sheer volume of information produced by many businesses now is overwhelming. Computers could be the answer. The

contents of a four draw filing cabinet can be stored electronically on one CD or DVD and specialist digital document management solutions are widely available.

Installing a system that digitized all your paper and stored it away in a massive image database would mean you could do away with the piles of paper in the basement, loft, or off-site storage facility.

AFFORDABLE AND SECURE

Robinson says that SMEs should be able to find document management solutions that are genuinely inexpensive to install and operate. But he strongly recommends taking references.

"Always insist on talking to one or two other users to learn from their experience. There are also on-line solutions available over the internet that are very effective and secure and that can be purchased as a service, saving all the capital outlay and the associated in-house management costs."

Having image versions rather than the original does not matter unless there is an original signature on the document says Robinson. "All other evidence in a court is declared as hearsay, i.e. it is the best evidence that can be obtained. This includes photocopies, original contracts and printed documents."

But digitizing all documents is a very a tall order; and it may not be necessary for every type of business.

SIMPLE SOLUTION

This might not be as difficult as it sounds and for most

businesses, backing up data on a more frequent and stringent basis might be enough, says May. "This means that most company's traditional tape backup cycle process is no longer good enough as data would be overwritten each time. Our advice now is that a tape must be kept for each month end, every month, for a seven year cycle to be able to give an accurate snapshot of the company's data at any point."

But if you do rely on backup, you also need to make sure you have a good regime in place for the retention of emails, May points out. Having a separate system that performs this task is probably a good idea. "Email archiving is now very easy and there are a number of cost effective solutions which offer tamper proof, off-site archives for businesses of any size", he says. There are also a wide range of excellent automated email archiving solutions on the market and your local IT reseller or consultant should be able to advise you on the best of these.

