



## 5 PROVEN WAYS TO CUT COSTS WITH RECORDS MANAGEMENT EFFICIENCIES

### READ THIS REPORT TO LEARN:

- Hidden cost savings opportunities for companies like yours
- Real-world examples and research statistics to back them up
- Concrete steps you can take right now to start saving

**THINK INSIDE THE BOX.**



## 5 Proven Ways to Cut Costs with Records Management Efficiencies

Companies like yours are thinking inside the box to cut expenses while delivering new levels of efficiency and productivity.

Finding new ways to cut costs is a top concern for businesses of all sizes, especially in this economic climate. Chances are you've already tried many of the traditional finance-driven methods: reducing headcount, tightening travel, cutting back on training programs. And yet, you may have missed a key savings opportunity: cutting the hidden costs of records management.

This report identifies five proven ways you can significantly reduce your costs while delivering the records management capabilities your business really needs. Each of them is backed by real-world examples and statistics – and accompanied by specific steps you can take to start saving now.

### 1. REDUCE HIDDEN OPERATING EXPENSES

Time management experts estimate that the average employee spends 25% of his or her workday filing, copying, indexing, or retrieving documents. And when your records management processes fail, the expenses mount: it typically costs \$120 to search for a misfiled document, and \$250 to recreate a lost document. These hidden operating expenses add up to more than many companies expect – and they offer you real opportunities for savings.



#### THINK INSIDE THE BOX:

It's highly likely you can save money in the areas of records access and employee productivity by improving and streamlining your records management processes. Assessing current processes and inefficiencies – department by department – is your first step.

\$14,000 in productivity is lost per worker, per year, due to the inability to find data they need to do their job.

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By centralizing its loan files at a digital records center, a heavy equipment company freed up high-value real estate once taken up by over 100 filing cabinets.

### 2. UNCOVER UNNECESSARY CAPITAL EXPENSES

How much high-cost real estate and facility space are you devoting to records management instead of putting it to more profitable use? You could be surprised when you look at the real square footage and costs associated with document storage. For example, a typical 250-employee claims-based litigation insurance company would have to spend over \$277,000 in real estate costs just to store active case files onsite. Factoring in equipment like filing cabinets, storage racks, and document scanners adds more. When you also factor in the costs of electronic storage, the average company with fewer than 1,000 employees spends up to \$100,000 annually on storage hardware, and roughly 19% of its annual storage budget on maintenance and operating costs.



#### THINK INSIDE THE BOX:

Determine what you're spending on the real estate and equipment you currently use for records management (including filing cabinets). Consider consolidating your facilities and equipment, or moving to lower cost offsite space.

One company with 50,000 storage boxes found that destroying files past their retention period could reduce this number by 20% and save \$64,800 annually.

### 3. STOP PAYING TO STORE RECORDS YOU DON'T NEED

It can be tempting to retain and store every document your company may ever need. This approach is never cost effective – and it becomes even more wasteful as the amount of information your business generates continues to grow. Just as you need to identify and store important records, you also need to identify documents that don't require storage, and properly destroy documents that are duplicative, outdated, or no longer required for legal or compliance purposes. The fact that the average document is photocopied 19 times is just one indicator of the volume of unnecessary documents you may be paying to store and maintain. And destroying information at the end of its lifecycle in a verifiable manner can also reduce the amount of information that needs to be searched in the event of audit or litigation.



#### THINK INSIDE THE BOX:

Implement a legally credible retention schedule that ensures you properly destroy records that are no longer required or useful. Use it to audit the documents you're currently storing – is there a significant number you can eliminate, reducing your storage costs?

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By switching to on-demand digitization, one service firm reduced the number of documents they were scanning by 89%.

### 4. PAY ONLY FOR THE ACCESS YOU NEED

When you're overburdened with information, it's hard to distinguish between what's actively being used and what's not. Often, companies use a single, expensive storage approach for all records, and costs rise higher and higher. A hierarchical storage approach that accounts for the unique accessibility requirements of different records is a great tactic for controlling costs. Research from the National Association of Professional Organizers estimates that as much as 20–30% of all records stored onsite may be considered "inactive" and can be transferred offsite or converted to digital media for occasional access. Knowing which information requires frequent access and which is less necessary for day-to-day business activities will help you determine what to keep in primary storage onsite, and what to offload to less expensive options.



#### THINK INSIDE THE BOX:

Examine the range of documents you're paying to store and keep accessible. Identify inactive and semi-active files that can be moved to a cost-effective offsite location.

A healthcare services company reduced its annual information management costs 20% by outsourcing the entire process – while improving records access and retention policies.

### 5. OUTSOURCE WHAT YOU CAN'T DO EFFICIENTLY

As the volume of your business's information increases and legal and regulatory requirements become more complex, a do-it-yourself approach to records management can become less and less cost effective. After all, it keeps staff and managers from focusing on their core responsibilities, and diverts high-value facilities and real estate from more profitable use. It's also not necessarily what your business does well and may end up costing you down the road. In fact, most organizations surveyed by Frost & Sullivan rated their own information management efforts as merely "average." A qualified outsourcing provider can often deliver better records management more cost effectively for you – and also make your costs more visible and predictable. Advantages include:

- Purpose-built facilities that can reduce real estate costs
- Best-in-class processes and technologies that boost your employees' efficiency
- Highly-trained personnel with specialized expertise required to keep your records secure
- Reduction of the costs and risks associated with legal discovery and regulatory compliance

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### THINK INSIDE THE BOX:

Take a close look at your internal records management function: both the resources it uses (personnel, time, real estate, systems, etc.) as well as its efficiency. Consider inviting a qualified outsourcing partner to assess your company's needs and propose more effective solutions that may save you more money than doing it yourself.

## Are you ready to start cutting costs?

The records management experts at Iron Mountain can help you take action on every one of the tips above – and help you uncover even more ways to reduce your overall costs while improving efficiency and compliance.

- Talk to Iron Mountain at 800-899-IRON (4766)
- Learn more at [costefficiencies.ironmountain.com](http://costefficiencies.ironmountain.com)

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### ABOUT IRON MOUNTAIN

Every day, companies big and small, in virtually every industry, trust Iron Mountain to store, protect, and manage their information. We help businesses just like yours take advantage of cost savings, predictability, improved efficiency, and reduced risks. Our proven solutions and unsurpassed customer service fit your specific needs – helping you turn records management into an untapped source of opportunity.

