



Iron Mountain  
Compliance Benchmark Report:

# BEST PRACTICES FOR RECORDS MANAGEMENT

ABSTRACT





# RECEIVE THE FULL COMPLIANCE BENCHMARK REPORT

Thank you for your interest in the 2007 edition of the Iron Mountain Compliance Benchmark Report. This promotional abstract copy is an abbreviated version of the 32-page report, which is exclusively available from Iron Mountain at no cost.

The complete, survey-results based report delivers a clear view into the current state of Records Management Best Practices across all industries. This comprehensive report provides valuable insights, advice, and suggestions about:

- Current records management industry trends, strengths, and weaknesses
- Industry compliance performance with government regulations
- Best Practices for five key areas of records management
- Securely disposing of outdated records
- Implementing records management process and procedures
- Developing a records management training program
- And more!

The full report will serve as a critical reference guide to you and your records management staff this coming year, and we strongly encourage you to review its contents before you plan your next records management project.

## REQUEST A COPY TODAY

To request your complimentary copy of the complete Compliance Benchmark Report and to inquire about receiving a free Executive Briefing of the report's findings, please visit:

[www.ironmountain.com/benchmark](http://www.ironmountain.com/benchmark)

# WELCOME



Welcome to the 2007 edition of the Iron Mountain Compliance Benchmark Report, which represents a monumental effort by our company to provide a clear and comprehensive review of the current state of Records Management Best Practices.

As the leading provider of information protection and records management services, Iron Mountain has a unique view on how our customers implement solutions to enhance compliance while attempting to minimize the costs of controlling growing volumes of information. We feel the obligation to share our collective knowledge with our customers to help them make decisions that will evolve their Records Management Programs. We are excited to share with you the findings and analysis of our efforts, which represent the feedback from thousands of professionals in every major vertical market.

In my 26 years of records management experience, I have witnessed tremendous change in the focus of Records Management Programs. The fast pace of change is being driven by the competing forces of heightened regulatory and legal oversight as they are applied to rapidly growing volumes of information that are spread across many technologies and geographies. The complexity this adds to historical compliance issues, such as data protection, information access, and retention management, is causing many organizations to respond by throwing money at the problem or ignoring the problem entirely. We believe that both responses are foolhardy in the long run and hope that this report will help you understand how your organization stacks up against others who are seeking solutions that are both compliant and cost effective.

With more change and complexity on the horizon, we decided that this report should answer one simple question: How are companies *really* doing when it comes to records management? This Compliance Benchmark Report provides the answer to that question and many more. We also seek your input on topics you would find useful in future editions of this report. Please email your comments and suggestions to [crm@ironmountain.com](mailto:crm@ironmountain.com).

We hope that the findings of the Iron Mountain Compliance Benchmark Report will serve to educate you about advancements in records management and ultimately inspire you to evaluate and elevate your own program.

A handwritten signature in black ink, appearing to read "C. Richard Reese". The signature is stylized and written in a cursive-like font.

C. Richard Reese  
Chairman and Chief Executive Officer  
Iron Mountain Incorporated

*61% of organizations surveyed stated that they are committed to Records Management Program improvement.*

*35% of all respondents say they have an enterprise-wide records management policy with a formal program.*

*19% of all organizations surveyed do not have a retention schedule.*

*65% of all respondents do not have a records training program.*

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## EXECUTIVE SUMMARY

This Report encompasses a diverse, broad-based sample of 1,992 organizations of all sizes in the private, public, government, and non-profit sectors. It reviews and compares current Records Management Programs across five Best Practice areas:

- Retention
- Policies and Procedures
- Disposal
- Index and Access
- Audit and Accountability

In each of these areas, the Compliance Benchmark Report presents a concise analysis of cross-industry data, followed by a discussion of results and a summary of how to align your Program more closely with the five Best Practice areas. It concludes with a comparative assessment of how well organizations are doing in each of the key areas and where there is room for improvement.

Survey data indicates that most organizations are making progress but fall short of full competency. Index and Access are strengths for many organizations, for example, while Policies and Procedures may need considerable attention. Many companies are deficient in the areas that most directly impact their ability to manage the inherent risks relating to compliance.

This is significant because consistent, up-to-date practices are the lifeblood of effective records management—as well as a necessity for compliance.

Early adopters in highly regulated industries, such as Financial Services, Insurance, Accounting, Pharmaceuticals, and Healthcare, have the most mature programs and consistently rate above average. Yet, they still demonstrate room for improvement. Deficiencies are most pronounced in Retail, Technology, Education, and Architecture/Construction/Engineering, among others, where a large percentage of respondents are only beginning to implement Best Practices and are exposed to significant regulatory and legal risk.

The 2007 edition of the Iron Mountain Compliance Benchmark Report provides a “state of the industry” overview by which organizations can evaluate their current practices, recognize areas for improvement, and hone an approach to records management that will prepare them for the future.

*The Core of the Compliance Benchmark Report:*

# FIVE AREAS OF RECORDS MANAGEMENT BEST PRACTICES

Based upon many consulting engagements and feedback from thousands of our customers, Iron Mountain has defined five areas of Records Management Best Practices. These Best Practice areas provide the foundation for a Compliant Records Management Program and a proactive framework for the protection of an organization's information assets. These Best Practice areas are:

	RETENTION
	POLICIES AND PROCEDURES
	INDEX AND ACCESS
	DISPOSAL
	AUDIT AND ACCOUNTABILITY

The five areas of Records Management Best Practices are analogous to the vital signs a doctor would typically monitor during a medical exam. In the same manner that systematically measuring a patient's heart beat, breathing rate, temperature, and blood pressure provides a baseline assessment of an individual's overall health, measuring an organization's adherence to the Best Practices, will reveal the overall health of its Records Management Program.

These Records Management Best Practices serve as the foundation for all of the key findings in this Benchmark Report, including the insightful Health Scale Rating metrics.



# DEFINING BEST PRACTICES: RETENTION

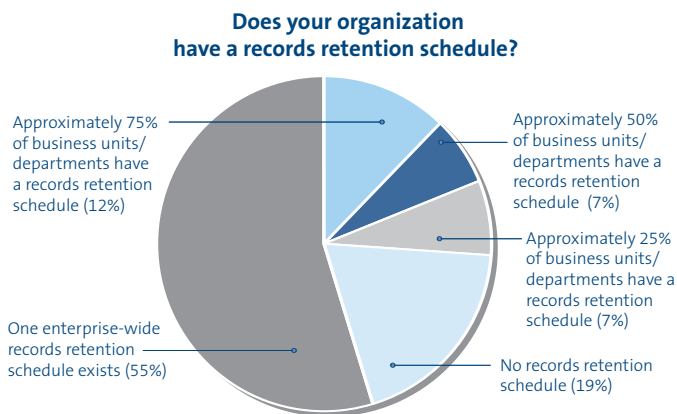
Retention addresses the preservation of information assets, as well as the systematic destruction of records at the end of their lifecycle. Proper retention practices are the foundation of a comprehensive Records Management Program.

A records retention schedule supports an organization's effort to manage intellectual property, control the costs of information storage, locate and retrieve documents for legal discovery, and dispose of records at the end of their business life. It also represents all records created by an organization across divisions and functions, regardless of media type (hardcopy or electronic).

As a Best Practice, an organization should adopt a universal records retention schedule that is applied across all business units and addresses all of its records, regardless of media, that are created or received by the organization in the conduct of business. This retention schedule should be updated every 12 to 18 months to reflect changes in regulations, industry, and business.

## MOST ORGANIZATIONS HAVE A RETENTION SCHEDULE

Just over half of all respondents (55%) report that their organizations use an enterprise-wide retention schedule, and an additional 12% state that approximately three-quarters of their business departments or units have a records retention schedule. The survey indicates that 19% of the participants do not have a retention schedule.



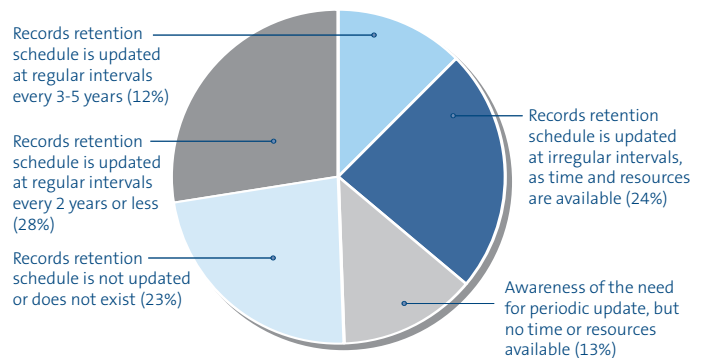
These results show that organizations are, indeed, investing in records management, particularly in the areas of schedules and policies. Companies are making incremental progress, although most have not yet consistently covered their organizations thoroughly; leaving gaps and/or significant areas uncovered or with inconsistent practices. These are all symptoms of programs that are in the early stages of a multi-year roll out.

This is important because a records retention schedule serves as the cornerstone for an organization’s regulatory compliance efforts and provides the blueprint for all records management activities, including assurance that obsolete records are disposed of in a systematic and controlled manner. An “end of life” disposal plan must make certain that records are destroyed in a consistent manner that complies with the retention schedule. The disposal plan must also specify the chain of custody of the information until it is destroyed, in order to meet the requirements of new data privacy regulations. Absence of a proper disposal program can cause an organization to become reluctant to destroy any records, and therefore, to accumulate an excessive volume of obsolete records.

## RETENTION SCHEDULE MATURITY VARIES GREATLY

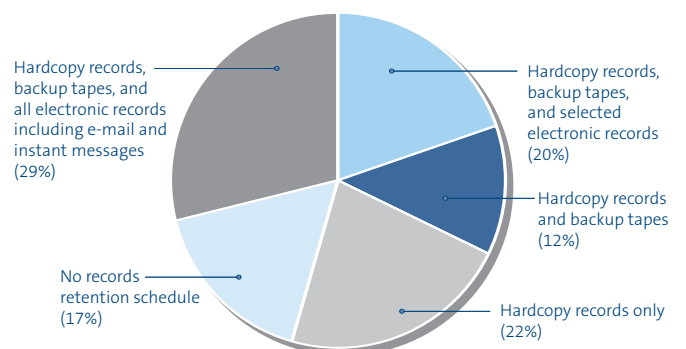
While 28% of organizations update their records retention schedules at regular intervals of two years or less, nearly half of all surveyed organizations (47%) report nonexistent, irregular, or infrequent updates. More than half of the respondents have an incomplete approach, with 22% of those having a retention schedule for hardcopy records only.

### How often does your organization update its records retention schedule?



With the legal and regulatory landscape changing so rapidly, frequent re-examination is imperative. After all, successful compliance and governance programs are not one-off events, but instead require a continuous process of assessment and refinement. This is evidence that most organizations are pursuing a long-term vision to their Records Management Program, but their current programs still leave many areas exposed to risk. The need to create and implement a records retention schedule that focuses on managing electronic records, as well as physical records, is an essential step for all organizations. And for most, a lack of focus on electronic records implies that they are treating email as a basic file storage and archive issue, rather than a critical records management responsibility.

### Does your records retention schedule address records on all media?





# THE BENCHMARK REPORT SURVEY PROCESS

Benchmarks are broad metrics that help organizations understand where they stand in a defined area and how they compare to their peers. These metrics, which are based on anonymous aggregate data, can also be valuable in drawing cross-industry comparisons and in revealing trends over time. The trends, in turn, can serve as a generic barometer to gauge how organizations are functioning and also as a basis for creating standards and Best Practices. So, how *are* current Record Management Programs performing relative to Best Practices and what are the implications for compliance?

Using the resources of our Sales and Account Management organizations, we designed and executed a large-scale, cross-industry study on the state of records management. This study encompasses 1,992 voluntary participants in private, public, government, and non-profit organizations with employee size ranges of less than 1,000 to more than 100,000 and revenues of less than \$1 million to greater than \$30 billion. Input came

from various titles within surveyed organizations and included General Counsels, CIOs, and Records Managers.

These assessments, which calculate mean and comprehensive ratings for each area, also provide the foundation for individualized continuous improvement plans.





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