

Current Paperwork Problems in American Industry

By JESSE CLARK*

Raytheon Company

THOSE of us who are members of the Society of American Archivists, the American Records Management Association, or the American Records Executives Association usually see only some two hundred people at our national conventions. How can we help but give serious thought to the small representation of records personnel from both government and industry? How can we *not* wonder whether these organizations are fulfilling their obligations to American management? How can we *keep* from wondering why these organizations do not generate enough interest and enthusiasm to attract more people associated with their professions? Why is it so difficult to recruit new members for these organizations?

I am sure that we are all familiar with that element among convention representatives who come along "just for the ride." They take little of value back home to their companies; they contribute even less to the convention meetings. Yet their companies are financing their fruitless trips. Small wonder that American management today is becoming skeptical about the conventions and seminars held across the land! Whether or not the convention programs are good and well presented and well organized, such "participants" reflect unfavorably on our organizations. From this convention I hope that each of us will take back to his company *new* ideas and methods—and at least enough of these to compensate for the expense of sending him here.

Many of the current paperwork problems faced by government are also common to industry. One of the most acute difficulties for those companies engaged in missile and space work is that of contract restrictions on records disposal. Up to 1959 the companies were required to retain records for 6 years after payment of contract. These contracts and all subsequent contracts have now been amended to provide for the retention of records created under the

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contracts until "3 years after payment." Unfortunately the records are not usually filed by contract. Where companies have a combined centralized and decentralized operation, it is difficult to associate and file records by contract number. As a result, record retention for the aerospace industry costs the American taxpayers more than \$50 million per year for the retention of records that many aerospace companies feel could be destroyed.

The Advisory Council on Federal Reports is currently working with the Bureau of the Budget, the Department of Defense, the National Archives and Records Service, and the General Accounting Office to amend the contract clauses and establish specific retention periods that can be applied when a record has outlived its usefulness to the company. The wheels of the Government move slowly, but it will mean a major revolution for the aerospace industry when these retention requirements become more realistic.

We all know that we have too many records and that their volume seems to increase yearly regardless of how much talking we do and how many conferences and conventions we attend. So, in attempting to solve this problem, there is a real need to start at the root of the difficulty—the generation or production of records.

There are two ways to reduce the volume of records: cutting the output of our plant printshops and instituting an active program of forms management.

Although our plant reproduction departments are a necessity, they should be restricted to their purpose, which is to further economy, service, and security. Proliferation or printing is a costly operation and a menace to practical records management. Moreover, the problem is further complicated by the advent of office copying machines and the large number of spirit duplicating machines, the use of which is uncontrolled.

One large company, which recently completed a study of its reproduction and printing facilities, found that it had spent more than \$1,800,000 to support its plant printing facilities for a single year. But in addition it had spent \$493,000 for supplies for spirit duplicating machines that are stationed in various office areas throughout the company. It had also spent more than \$390,000 during a 12-month period for office copying equipment, rentals, and supplies; and still it had procured more than two-million-dollars' worth of commercial printing. This total annual expenditure of over \$4 million buys a large quantity of printed materials that become records and this recordmaking means that someone—at some time—must make a decision on their disposition.

If we cannot control our reproduction and printing of records, we cannot control their proliferation. So, again, we must concern ourselves with the printing problem if we are to do an adequate job in records management. These uncontrolled machines are almost doubling our records production; and this in turn means more paper being filed, more time required for screening, and, eventually, more duplicate and unnecessary records pouring into our record centers and archives.

How can we solve this problem? Well—we may as well face it—office copying is here to stay and apparently to increase as new techniques come into existence. Office copying should be placed under the supervision of the reproduction shop or of an office staff with adequate control of the number of copies and the ultimate disposition of such copies.

As for spirit duplicators, some companies have declared them to be a costly method of reproduction. The spirit process is more costly than the multilith process and has other disadvantages. Where spirit duplicators are in use they should be placed under the reproduction department; there at least some control of copies can be achieved. We are all guilty of ordering 10 copies and accepting 15. So, whether or not printing is a part of our business, we are all in the records business and should be most concerned with keeping records to a minimum within our respective organizations.

As I have stated earlier, another way in which the volume of records can be reduced is by instituting a forms management program. Believe it or not, forms constitute more than 65 percent of a company's total volume of records. If this figure seems high, let us take a look at some of the important forms that are used in large volume—such as purchase orders, receiving reports, paychecks, timecards, labor distribution cards, log registers, receipts, tab forms, W-2 forms, and so on. A good company forms program generally results in good paperwork control. All forms are reviewed before issuance to be sure they are necessary; numerous dissimilar forms are consolidated; and, through systems analysis and proper forms design, the flow of paperwork is simplified and reduced. This, therefore, is the second area where we can act vigorously.

A third method of controlling record storage and reducing costs—a method of which we are all aware but which will bear repetition—is file cabinet review and control by records management personnel. Such a review will insure that cabinets are being properly used, that inactive records will be retired to the archives or the record center at scheduled periods, and that duplicate and extra copies of

valueless records will be disposed of. If such a restriction is not already in effect, I would strongly recommend that archives and records personnel review requisitions for filing equipment before procurement. One company saved over \$165,000 in a 12-month period by having the records management group review all such requisitions. Not only did the company save money, but also this review served as a basis for getting top management support of the company's records program.

Still another source of savings can come from reducing the period prescribed in many of our retention requirements by persuading company and Government auditors to accept new concepts of American business. For example, as we all know, auditors insist on auditing source documents. On timekeeping and payroll records, for example, the tab card is used as a clock and time distribution card and currently must be maintained for the auditors. To date, Government auditors have not agreed to having magnetic tapes or summary reports retained as a record to show the same information.

But how about the companies that have installed new computer equipment on which an employee punches certain keys that go into a paper tape and then to a magnetic tape to record his time? Here no card is created. What will the auditors do in these cases? Considering the rate at which new computers and concepts are emerging, accountants and auditors will have to change their thinking about source documents.

It is no longer a remote possibility that source documents such as signed timecards may cease to exist—today this is a reality.

Good Or Bad Servants

The main point, of course, is that business is really a public servant. Sometimes it is an unworthy one; sometimes it is faithful, diligent, and able. The public rightly insists that bad servants must be subject to correction or dismissal. But how shall we determine whether our servants are good or bad? Obviously by examining performance. It is, however, far from easy to do this accurately for business firms—impossible, indeed, unless adequate records are available for research.

—RALPH M. HOWER, *The Preservation of Business Records*, p. 9
(Boston, Business Historical Society, Inc., 1941).