

success story:

The Big Box Project

How an Inactive Records Strategy Saved Money at an International Energy Company



Inactive records may not be the first place companies look for cost savings, but the right records strategy can deliver a significant impact on the bottom line.

Ten years ago, an international energy company went through a period of rapid growth, acquiring a number of assets and records from over ten other companies. With different processes and records collections coming together, the situation would normally require the execution of a strategic plan to integrate all of the newly acquired records. However, the company was very busy and did not place a high priority on dealing with the inactive records collections. The company sent the active records to TAB for management, but decided to ship more than 35,000 boxes of inactive files to a storage provider with the intention of “dealing with the information at a later date”. At the time, the company did not take a complete inventory of all boxes, and roughly 10,000 boxes were not even opened before being sent to storage.

In 2015, the company was looking to cut expenses, and the high price of inactive records storage came up for discussion. With cost-savings in mind, it was finally time for the company to deal with the thousands of boxes that had been sitting dormant for years.





Understanding What Was In the Boxes

The company spent approximately nine months internally reviewing spreadsheets and information from multiple sources to identify what was in as many inactive boxes as possible. Staff members created an index of the boxes and found that many were ready for destruction. However, there were still approximately 2,300 boxes with unknown files and contents.

If Only We Had Done This Sooner...

To deal with these boxes, the company started by moving them into TAB's record centre in Calgary (TRC), which provided a secure environment to audit the boxes. As part of this move, TAB worked with the company to off-set the penalty costs associated with moving the boxes out of the other storage provider. The company then began the process of opening and reviewing the box contents. The goal was to reduce the number of boxes in storage and save on future storage costs.

Working side-by-side with TAB's subject matter advisors at the TRC, the company audited and indexed the 2,300 boxes. During the review, the company learned that it could have saved hundreds of thousands of dollars in regulatory fines and equipment purchases if they had indexed the documents sooner. Well files, contracts, AFEs, closing books, drawings, data books and other important documents were discovered, many of which would have been key documents during important business transactions and decisions.



Realize the Value of Outsourcing

The box audit itself was only a part of the challenge for the company's records department. Before the project began, they needed to convince the senior management team to approve two things: outsourcing the project to TAB, and incurring the penalties associated with removing the inactive records from the previous storage provider. To make the case for these decisions, the records management team outlined a vision of TAB as a long-term partner who could help deliver ongoing value to the company's records management program.

With the size and scope of the project, there were other challenges, including:

- Developing a plan and process to deal with the complexity of auditing, integrating and archiving 14 record collections
- Managing change internally as the company dealt with staff reductions, the economic downturn and the need to deal with the complex inactive records collection

A Million Dollar Lesson

The company estimates it might have saved approximately \$1M if files were properly indexed and organized when the information was originally acquired. Now that the collections are organized, the company will soon be consolidating information from various sources into a common repository. To help manage these active and inactive records going forward, the company will use TAB's records and information management software solution, TAB FusionRMS.

The company is very happy with its decision to partner with TAB. Staff can easily locate files, physical storage costs are lower, and the company will avoid the hefty fines associated with lost or missing files. The company has learned that bringing in an experienced partner is a smart move – especially when it means dealing with records before they become a liability.

TAB is a true partner and provided the full spectrum of solutions including active and inactive records management expertise, consulting support, change management assistance and FusionRMS.