Document retention policies can help pare legal bills. (Managing Litigation)

Citation metadata
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Date: Dec. 2002
From: Financial Executive (Vol. 18, Issue 9)
Publisher: Financial Executives International
Document Type: Article
Length: 1,462 words

Main content

Article Preview:

Technological innovations have increased the speed and ease of doing business, so much so that today's employees may never have to leave their computer terminals in order to conduct most of their daily responsibilities. With the click of a mouse, documents, images, and communication can be transmitted across town or across the globe via a single computer modem. According to International Data Corp., an estimated 1.4 trillion messages were sent from businesses in North America in 2000, up from 40 billion in 1995. Ninety-three percent of business documents are now created electronically, and the vast majority of them are never printed.

There are deep-seated differences between e-documents and paper documents, and corporations are bearing the brunt of these differences. For example, 10 years ago, corporations tended not to keep many hard copies because paper documents take up physical space. Now, companies save nearly every electronic document because it can be stored electronically with relative ease.

Furthermore, unlike in the world of paper documents, where data destruction requires an overt act (putting a document in the shredder), electronic data is lost every day in corporate America merely by maintaining the status quo.

A great deal of electronic evidence resides on backup tapes (which are frequently recycled) or on individual hard drives (on which data is altered and overwritten with each use). When litigation ensues, corporations are often ill-equipped to stop backup tape recycling, intentional spoliation or unintentional data overwriting. The barrage of today's corporate scandals offers clear evidence that data destruction often goes unchecked.

Organizations can protect themselves against a potential accusation of spoliation and its consequences. Doing so requires striking a balance between appropriate destruction of stale documents and adequate preservation of potentially significant ones. Such a balance is the key to effective electronic document management and the protection of a company's information assets. Successfully addressing this issue requires development and implementation of a thorough and thoughtful electronic document retention policy.

Developing a Document Retention Policy

A document retention policy involves the systematic review, retention and destruction of documents received or created in the course of business. "The existence of a document policy may, under certain circumstances, be deemed a mitigating factor in litigation when..."
In Microsoft Exchange Server, Messaging records management (MRM) helps organizations to manage email lifecycle and reduce legal risks associated with e-mail and other communications. MRM makes it easier to keep messages needed to comply with company policy, government regulations, or legal needs, and to remove content that has no legal or business value. Messaging Records Management strategy. MRM in Exchange 2013 is accomplished by using retention tags and retention policies. LEGAL HOLDA legal hold suspends all document destruction and supersedes all procedures under this Policy. The purpose of a legal hold is to preserve and protect appropriate records under special circumstances, such as litigation, or when litigation is reasonably anticipated, or a government investigation. All employees and Board members will be notified by the President of the PremierCollege or his or her designee when a legal hold is required, and will be provided specific instructions for compliance. If an employee is unsure whether a document has been placed under a legal hold, the employee should Document Retention Policies. Are you sure that you want to throw that away? Michael N. Ripani, Esq., CPA. Illinois CPA Society November 2006 Outline. • Why have a document retention policy? • What types of documents should be covered by a document retention policy? • He has represented a landowner in superfund litigation and has defended a seller of a business against a $15 million claim for PCB cleanup. He also has represented a manufacturing company in an administrative hearing in opposition to the United States Environmental Protection Agency. • Michael represented plaintiffs in wrongful death/personal injury actions and negotiated an $8,000,000 settlement on his clients' behalf.