

THE BUSINESS CASE FOR ARCHIVES:

HOW HISTORY CAN BOLSTER YOUR BOTTOM-LINE



In an era of information overload and employee turnover, maintaining institutional knowledge in an archives can give you a competitive advantage. A well-organized archival program enables you to efficiently identify, save, and retrieve the information you need while safely discarding the material you don't. Developing an archival program can often be a daunting task—especially when the concept of “archives” is often equated with “storing old files.”

History Associates has assisted numerous companies in kick-starting their archival programs and we have devised a number of resources to help. This paper provides a summary of the best business reasons for starting an archives program.

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What do Coca-Cola, Wells Fargo, and Ford have in common? They are among the most successful American businesses that know the value of their archival heritage. Since the mid-twentieth century, these companies, along with Walt Disney Company, Kraft Foods, Inc., Levi Strauss, and dozens of other high-profile corporations across the United States have established successful archives programs to leverage the benefits of their most unique corporate asset: their history. Archives are the direct by-products of a company's functions—providing a testament to its core values, accessible corporate memory, and information to shape its future. Since every company has a history, whether it is a century's old story or recent beginning, the benefits of an archival program are independent of size, prestige, and industry.

THE BENEFITS OF ARCHIVES: WHAT YOU NEED TO KNOW

An archival program can provide a favorable return on investment for your company. Like other corporate resources, archives are assets that can help you:

- ▶▶ **Reduce operating costs through efficient information retrieval**
- ▶▶ **Contribute to a sound risk management program**
- ▶▶ **Communicate stability in times of change**
- ▶▶ **Get the most out of your brand image**
- ▶▶ **Generate added value for marketing and public relations activities**
- ▶▶ **Create revenue through licensing programs with third-parties**
- ▶▶ **Strengthen consumer loyalty through showcasing company achievements**

"BUT WE ALREADY HAVE A RECORDS MANAGEMENT PROGRAM..."

The formal management of an organization's current records is described as "records management." Records managers are responsible for identifying and systematically classifying the records of an organization, monitoring their use and storage, and facilitating access by users. Records policies outline the authority of the records management program, particularly legal mandates governing the creation and maintenance of business records for administrative, legal, and fiscal purposes. The life-cycle of an organization's records, including creation, retention, and disposition instructions, is articulated in a records retention schedule. This document assigns responsibility for the creation of records and provides for their disposition, or the length of time records are to be retained, whether temporary or permanent.

A company's story is created through its records. Materials created in the regular course of business document a company's founding, its growth and change, define its corporate structure, and display its accomplishments. Records come in all media—paper, digital files, audiovisual recordings, photographs, prints, and any other format used for recording and accessing information. Employees use current administrative, legal, and fiscal records for the completion of business activities. Once records have fulfilled the original purpose of their creation, they become “inactive” and are retained for certain periods of time per their corporate records retention schedule. It is not necessary to keep all records permanently, but some records are inherent to the fiscal, legal, and intellectual viability of an organization and the overall preservation of their cultural heritage, and thus should be permanently retained in a corporate archive.

LOOKING TO START AN ARCHIVE?



Archives are part of the larger universe of cultural heritage. At cultural institutions, archives preserve historical records for research and exhibition and seek to preserve evidence of individual and collective human activity. In corporate settings, archives can and often do have artifacts, memorabilia, and other museum-quality pieces that are legally and intellectually the property of the corporation, meaning they can be used at the company's complete discretion. Unlike archival collections in the stewardship of public institutions, corporate archives are private assets that must be cared for as proprietary business resources.

Corporate archives are often comprised of documents that have been retired through a systematic records management program. Archival management begins when records identified for permanent retention become non-current.

Much like records managers, archivists are responsible for identifying, acquiring, preserving, and cataloging historical records and providing access to users. Archivists in a corporate setting often work in partnership with records management, using the records retention schedule to anticipate the legal and physical transfer to the archives of records with enduring historic value when they meet retention.

The benefits of a corporate records management program are well-documented by ARMA International, the world's premier association for professional records managers.¹ Many businesses invest in formal programs to manage their current records efficiently and economically, and the same case can be made for the development of archival programs. Without an equally robust archival operation, a company

dedicated to records management risks losing records that should be kept for their value to company history. History in the corporate context is a vital economic and operational resource with the potential to underwrite present and future business ventures.

ANSWERS TO COMMONLY ASKED QUESTIONS

The following are quick-reference answers to some of the basic questions your colleagues will have about archives and the value of a formal archival program.

HOW CAN AN ARCHIVAL PROGRAM REDUCE OPERATING COSTS?

It is said that money saved is money earned, and this cost-analysis model is at the core of the business case for archives. Records are an operational asset to corporations that must be readily accessible if they are to be useful. Cost-effective information retrieval allows users to efficiently access the records they need when they need them. Archivists implement sophisticated filing systems and procedures that make finding information easier, quicker, and more accurate for their customers. Formal archives and records programs systematically save money by reducing time spent on finding records, expediting business operations that depend on their availability, and eliminating wasteful storage costs for duplicate or valueless records that aren't worth keeping. Well organized and preserved information resources are an integral part of many interdependent business activities. A professional archival program will add value to your company by augmenting the productivity of your workforce.

CAN AN ARCHIVAL PROGRAM SUPPORT THE OBJECTIVES OF OUR RISK MANAGEMENT PROGRAM?

For many companies, records are essential documentation of their proprietary technologies, trade secrets, product developments, or other knowledge assets. In such cases, records are marketable objects with quantifiable values, the loss or compromise of which would have devastating economic consequences. An archival program is a well-planned safeguard against information loss, making it a critical component of any corporate risk management program.

Archivists' commitment to preservation ensures that appropriate measures are in place to guarantee the long-term survival of records during the regular course of business or in the event of an emergency. A fundamental charge of archival management is the physical preservation of records in all formats. Protecting the material integrity of archives is essential to the preservation of their informational contents, which can be permanently lost if records are left to deteriorate or become technologically obsolete.

Archivists are responsible for a wide spectrum of preservation concerns in their daily work, including the environment of storage facilities, the quality of record storage containers, and the tools used to handle or display historical materials.

A secure archival operation is also founded on a disaster preparedness plan designed to mitigate risks posed by natural, industrial, and environmental factors, including earthquakes, floods, fires, hazardous waste spills, construction accidents, theft, vandalism, and other hazards. Risk assessments determine the level of vulnerability to noted threats and their impact on collections, and maximize limited time and resources by identifying emergency responders, prioritizing collections for salvage, and equipping repositories with essential supplies. A comprehensive disaster preparedness plan addresses the following topics based on risk assessment findings: mitigation/prevention, preparedness, response, and recovery.²

In a corporate setting, the compromising of privileged information is a risk of equal importance to the loss of physical records. The proprietary nature of corporate products requires a level of security and oversight that a formal archival program can provide. Through carefully crafted access and security policies, archivists ensure that sensitive materials are vetted before use and made available to authorized users in well-monitored settings. Archivists' ability to evaluate privacy and confidentiality issues makes them a valuable addition to risk mitigation planning efforts.³



As with all risk management endeavors, the trick is to act responsibly before a crisis occurs, since by then it may be too late. Former Proctor & Gamble archivist Ed Rider summarized the gravity of the situation thus: "So many companies do not put the resources against preserving their history, and as a result lose part of their soul."⁴ A formal archival program maintained to professional standards can help mitigate such a loss.

CAN AN ARCHIVAL PROGRAM HELP WITH NEW STAFF ORIENTATION?

It's impossible to know where you're going if you don't know where you've already been. That's where archival records can help. As documentary evidence of your company's mission, core values, and accomplishments, archives provide support for future success. In the fast-paced, global environment of 21st century commerce, your heritage offers stability in times of change. Mergers, acquisitions, and internal restructuring are frequent events in today's economy. A sound understanding of your history can maintain business continuity during major transitions and protect essential corporate information despite employee turnover. Archival records represent a rich corporate culture and shared institutional memory that can be used to train new employees,

introduce new policies in the context of past decisions, reinvent time-honored traditions for the modern workplace, and celebrate anniversaries and milestones. Communicating your company's history helps improve employee loyalty and enthusiasm for their role in your company's story!

HOW CAN AN ARCHIVAL PROGRAM STRENGTHEN OUR BRAND IMAGE?

Taking special care of the material legacy of your brand will allow you to leverage your heritage when the time is right. Whether you have a big anniversary coming up or you are about to launch the latest product in a long line of bestsellers, using your company's historic materials adds a measure of authenticity. As your most unique corporate asset, it is also your most proprietary – no other company can claim your story. In the words of Glen Myers, curator and manager of the Wells Fargo History Museum in San Francisco, "What's really valuable to us is how our history, which is part of our brand, makes us stand out from our competitors."⁵

Posters, drawings, magazine advertisements, and even packaging impress their images on the minds of consumers. An archival program can systematically document the evolution of a successful brand, and retain a rich cultural arsenal from which your team members can draw future inspiration. As Jamal Booker, an archivist at Coca-Cola, explains, "every piece in our collections can be used to tell a story – about the business."⁶ Harnessing the power of archives, your company can tell its story in its own words.

CAN ARCHIVES BE USED FOR MARKETING AND PUBLIC RELATIONS?



The American public's craving for Twinkies in the wake of Hostess' bankruptcy announcement was inspired by the company's brand image and the nostalgia it inspired. Through robust archival programs, the popularity of past cultural icons can be repurposed and refreshed for today's audience. Playing to the widespread appeal for nostalgic images, archival photographs, advertisements, and other visual assets can be used for public relations and marketing without additional licensing costs to your company. This is a direct, tangible benefit.

Archival exhibitions presented at company meetings or galas can be a highly valuable enterprise for public relations, attracting outside media coverage and inspiring loyalty on the part of influential shareholders. Archival assets can be used to create a documentary film on the company's founders. Using archival materials exclusively would minimize production costs, thereby adding value to the overall success of the film.

Yapi Kredi Bank, a major financial institution in Turkey for over half a century, was able to successfully leverage its archival heritage for advertising and public relations purposes. Over a period of six years, the archivists calculated that external media coverage of the archives and internal use of photographs and film footage created an estimated savings of \$6,082,000! The success of the Yapi Kredi Bank archives project suggests the rewards of a creative partnership between archivists and public relations professionals.⁷

CAN ARCHIVES BE USED TO GENERATE REVENUE FOR MY COMPANY?

As the owner of its intellectual property, your company is free to exploit its cultural assets through retail licensing programs for third-party manufacturers. To capitalize on consumers' appetite for collectibles and memorabilia, an archival program can facilitate the creation of merchandise in the form of object replicas, publication reprints or commemorative editions, calendars, postcards, stationery, and countless other products.⁸ Whether sold in specialty stores or an in-house gift shop, a formal licensing program can transform historic items into added value for your corporation. Businesses with valuable cultural assets can follow the example set by many art museums, which have long capitalized on their extensive treasures as a way to generate revenue for other institutional operations.⁹

Well-documented archival collections not only give you the necessary information to start a licensing program, but also strengthen your corporation's overall market worth. To prospective buyers or investors, robust intellectual property records can be an attractive inducement, suggesting the potential for lucrative revenue streams following a merger or acquisition.



CONCLUSION AND NEXT STEPS

Whether you're a multinational firm, a promising start-up, or a small family-owned business, you can take advantage of the many benefits that an archival program can provide for you now and in the future. Your company will be in a stronger position as a result of your proactive preservation of its unique historical assets. No matter the size or the business, organizations can get started on a quality archival program by following these steps:

- ▶▶ Generate buy-in from key members of your organization (read our article on [planning a company archives](#))
- ▶▶ Conduct an initial [needs assessment](#) to evaluate your current holdings, processes, and facilities
- ▶▶ Develop a plan and budget for your archival program and facility that meets your business objectives
- ▶▶ Develop and implement operating policies and procedures for ongoing management of your archives
- ▶▶ Process and catalog your archival collections

NOTES

¹ For a comprehensive overview of the benefits of records management, see the following: William Saffady, Ph.D., "Making the Business Case for Records Management," *Information Management Journal* (January/February 2011): 38-41; and *Information Management: A Business Imperative* (Lenexa, KS: ARMA International, 2002), available at http://www.arma.org/pdf/rim_imperative.pdf.

² See Donia Conn, "A Matter of When, Not If: Preventing and Preparing for Disasters," (webinar presented by the Northeast Document Conservation Center, Andover, MA, March 2012), available at https://nedcc.adobeconnect.com/_a1012789439/p13dtqx65i7/?launcher=false&fcsContent=true&pbMode=normal.

³ For concise discussions of archival access, privacy, and confidentiality issues, see Elena S. Danielson, "Equitable Access" and "Archives and Privacy". In *The Ethical Archivist* (Chicago: Society of American Archivists, 2010).

⁴ "P&G Archivist a Memory Keeper," *The Cincinnati Enquirer*, October 27, 2012.

⁵ Joelle Seligson, "Corporate, Culture?" *Museum* (November-December 2010): 39.

⁶ Jamal Booker, "Framing What We Do Into 'Stories'", *The Business Archivist & Archives Newsletter* 30, no. 1 (Winter 2012), <http://www2.archivists.org/groups/business-archives-section/framing-what-we-do-into-stories>.

⁷ Bekir Kemal Ataman, "Archives Mean Money: How to Make the Most of Archives for Public Relations Purposes – The Yapi Kredi Bank Example," *The American Archivist* 72, no. 1 (Spring/Summer 2009): 197-213.

⁸ See Marianne Martin, "Inspired by Archives: Creating and Selling Archives Mementoes," *Archival Outlook* (July/August 2012): 8-9, 27.

⁹ See Peter B. Hirtle, "Archives or Assets?" *The American Archivist* 66, no. 2 (Winter/Fall 2003): 235-247.

ABOUT HISTORY ASSOCIATES

History Associates specializes in helping organizations manage and use historical resources. Since 1981, we've assisted corporations, government agencies, professional associations, cultural institutions, individuals, and others in preserving their legacy and artifacts, telling their stories, and answering their historical questions. Over the years our clients have come to value our ability to complete projects on time, on budget, and tailored to their needs.

Our experienced archivists and records managers bring a great variety of knowledge and skills to every project—knowledge and skills earned through their broad experience working with government and private sector clients.

- ▶▶ Needs assessments
- ▶▶ Facility and program planning
- ▶▶ Records surveys
- ▶▶ Inventories
- ▶▶ Collection processing
- ▶▶ Descriptive cataloging
- ▶▶ Other archiving tasks for projects large and small

Organizations like IBM, Legg Mason & Co., and the National Park Service have trusted us with their historical collections. We will treat your archives with the same high level of care and attention.

CONTACT HISTORY ASSOCIATES

We'd be happy to discuss your archives in confidence, whether you need project support or you just want to ask a question.

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NEED HELP GETTING STARTED?

The History Associates Archives Needs Assessment is especially designed to help you develop your plan.

We will:

- Visit your facilities and evaluate your current situation.
- Deliver a written assessment report detailing:
 - Significant findings.
 - Recommendations for implementing an archives program.
 - Supporting information to aid in planning next steps.
- Present our findings to your board or management team, if desired.

CONTACT US TO LEARN MORE!

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With over 30 years of experience developing archival programs for businesses, government agencies, and other institutions, you can count on our assessment of your archival needs to be done to professional standards. We are users as well as managers of records and information, so we understand the needs of all stakeholders involved in creating and maintaining a successful archives program.



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