



Information Overload

Issue 33, May 2005

Welcome:

Welcome to this month's edition of Information Overload. This month we have taken a look at the importance of filing, and how poor records management practices can lead to identity theft. We hope you enjoy reading.

As always, if you have any suggestions or would like to see us cover any other topics, we would love to hear from you. Just send an e-mail to training@iea.com.au;

Lorraine Bradshaw
Marketing & Training Coordinator

In this Issue we will be looking at:

- Filing – the job most people love to hate
- Disposing of records properly: preventing identity theft
- A Thought to ponder.

Filing – the job most people love to hate.

You know you should do it, you have every intention of doing it, it's important - but something crops up and the job gets delayed - again. Thankfully it's not usually a problem, until you need to find something - quickly!

A study conducted by PricewaterhouseCoopers found that professionals spend 5-15% of their time reading information, but up to 50% of their time looking for pertinent data.

The average organisation also:

- Makes 19 copies of each document it receives or produces;
- Loses 1 out of every 20 documents;
- Spends 25 hours recreating each and every lost document;
- Spends 400 hours per year searching for lost files; and
- Spends \$120 in labour searching for each misfiled document

IDM: Image and Data Manager; September/October 2003 P53

Every organisation regardless of its size, creates, receives and uses records in relation to business activities on a daily basis. These "bits of paper" form the framework around which an organisation conducts its business, complies with regulatory requirements and can provide necessary accountability of business activities. **The record, subject to a test of reliability, is proof of how things were at any given point in time.**

That's all very well, I can hear you say, but what can I do when I need to find something I know I had somewhere, – but can't find now, this minute – when I need it.

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Well you can "do the filing" for starters. Unfortunately for most organisations, they don't know how to set up an easy to use, efficient filing system that allows everyone within their organisation to retrieve information quickly and easily. Add to that problem the fact that everyone has their own idea about how "to do the filing" and consequently - things get misfiled or worse - don't get filed at all.

Of course, filing is only a small part of good records management practices, but failure to "do the filing" in whatever form, has seen some of the largest organisations in the world coming close to closure. For instance, British Alcohol and Tobacco (BAT) destroyed documents that would have been useful in the case of Rolah McCabe who sued the organisation in 2002 for compensation for her illness. Crown Counsel for Victoria Peter Sallmann has urged the creation of new criminal offence covering destruction of documents before and after the start of legal proceedings. He said that it seemed wrong and rather odd that an organisation or individual, anticipating litigation, could dispose of relevant material and, in effect, "get away with it." (*Document shredding ban urged, Fergus Shiel. www.theage.com.au June 8, 2004*). And in 2004, the corporate giant Virgin had to admit that it could not keep its aircraft maintenance records up to date. The fleet of Virgin Blue aircraft had to fly its planes within one hour of airports during every journey they undertook in Australia because of the then poor records management practices they had in place. The problem was caused because the company expanded faster than expected, and their records management system simply couldn't keep up, and with 367,000 parts in each plane to be accounted for, it seems to me to be understandable. (*Image and Data Manager, March/April 2004 p65*).

This problem is not just limited to organisations. Virtually every person, regardless of the job they do, or the place where they live will create and receive "records" on a daily basis. And virtually everyone will keep these "records" for some period of time. To give a simple example, we are coming up to the end of the financial year in Australia (1 July – 30 June) and everyone who receives money in return for services rendered will have to submit a tax return. This is the time of the year the bookkeepers and the accountants love to hate us, this is also the time of the year when we wished we had been a little bit more organised and filed relevant bits of paper together. After all you know, after having done one or two tax returns, which bits you can claim for, and which bits you can't. But you turn up at the accountants at the designated time with a shoebox filled to the brim with bits of paper – receipts and tax deductions – well maybe. You see, if you really want to prove to the taxation department that you really did go to all those seminars this year, then you are going to have to produce all the relevant bits of paper, tax receipts, parking fees and log book for your car in order to claim the expenses.

So when can I throw my stuff away?

As we have seen, there are some very compelling reasons why we have to keep certain bits of paper, for a certain length of time. And it basically boils down to this – we keep bits of paper, because we may need them again later on. In the case of the tax department, you may be required to produce your claim against expenses several years after you submitted it. In the case of organisations, the need to produce documents pertaining to people who have worked for you may come decades after the person has left your employ. The question is, do you know what you did with it?

In order to find it, you have to put it in a place where you know you will look for it when you need to. This could be a couple of weeks down the track when your bank or credit card statement arrives, reminder notices for bills you thought you had paid etc. Or it could be a couple of years after you have filed the stuff in a safe place when the tax office asks to see your receipts for claims.

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Either way, if you don't have a system in place that allows you to file and retrieve the "stuff" when you need to, you are going to be wasting a lot of very valuable time trying to find what you need to, when you need to. And remember if you work with other people, either at home or at work, make sure your filing system is not so complicated that they have to delegate the task to you because you are the only one who knows how to use it. Keep it simple.

So which system do you use?

Well that depends, if you are an individual or small business, you really don't need anything complicated. Whilst some systems work better than others, it really doesn't matter whether you use a filing cabinet with colour-coded labels, or a concertina file for each year, as long as you use it, and use it consistently. As we have mentioned, simplicity is the key to quick and easy retrieval. But if you are not sure how to set up your own workable filing system and would like some help, we have produced a new booklet aimed at the individual and small business owner entitled "F is for Filing: A simple guide to managing and storing necessary information for individuals and small business." If you would like more information or to order your copy please visit our web site – www.iea.com.au.

Preventing Identity Theft

There is another aspect to records management that is causing concern at the moment, and that is identity theft. Do you remember the last time you cleared out your office and you threw away all those pieces of paper you decided you didn't need anymore? What did you do with them? Do you, like most people, open your recycling bin and drop everything in it, knowing that you have "done your bit for the environment" by recycling all those old tax receipts and bank statements? Or do you shred them so they can't be easily reconstructed and therefore used by someone who is not as environmentally friendly, and socially responsible as you?

Believe it or not, identity theft is not limited to those people who have lost a credit card, or had their handbag or wallet stolen. Every time you throw away documents you are giving would be identity thieves the keys to a bank, yours. Bank statements have everything a thief needs to open another account in your name, open lines of credit to purchase whatever they want.

I would like to thank the person who sent this through the email system recently. The following is a few suggestions that may help prevent someone from stealing your identity and hitting you where it hurts the most – your bank account.

1. The next time you order cheques have only your initials (instead of first name) and last name put on them. If someone takes your chequebook, they will not know if you sign your cheques with just your initials or your first name, but your bank will know how you sign your cheques.
2. Do not sign the back of your credit cards. Instead, write "PHOTO ID REQUIRED".
3. When you are writing cheques to pay on your credit card accounts, DO NOT put the complete account number on the "For" line. Instead, just put the last four numbers. The credit card company knows the rest of the number, and anyone who might be handling your cheque as it passes through all the cheque processing channels won't have access to it.
4. Put your work phone number on your cheques instead of your home phone. If you have a PO Box, use that instead of your home address. If you do not have a PO Box,

- use your work address. Never have your Centrelink Number printed on your cheques. You can add it if it is necessary, but if you have it printed, anyone can get it.
5. Place the contents of your wallet on a photocopier. Do both sides of each licence, credit card, etc. You will know what you had in your wallet and all of the account numbers and phone numbers to call and cancel. Keep the photocopy in a safe place – not your wallet!
 6. If you are travelling overseas you might also like to carry a photocopy of your passport.
 7. We have been told we should cancel our credit cards immediately, but the key is having the toll free numbers and your card numbers handy so you know whom to call. Keep these where you can find them.
 8. File a police report immediately, in the jurisdiction where your credit cards etc were stolen. This proves to credit providers that you were diligent, and this is a first step towards an investigation (if there ever is one).
 9. But here's what is perhaps most important of all: Call the three national credit reporting organisations immediately, to place a fraud alert on your name. This prevents applications for credit being made over the Internet. The alert means any company that checks your credit knows your information was stolen, and they have to contact you by phone to authorise new credit.

Here are the numbers you always need to contact if/when your wallet etc has been stolen:

Visa Card Australia 1800 621 199	GE Capital 1300 369 904
Visa Card International 1800 450 346	Members Equity 1300 654 998
Lost Travellers' Cheques 1800 127 477	National 132 265
MasterCard Australia (02)9466 3700	St George 1800 028 208
MasterCard International 1800 120 113	Sydney Virgin 2000 1800 080 000
ANZ FREECALL 1800 033 844	Westpac 1800 230 144
BankWest 131 718	Woolworths Ezy Banking 137 288
Citibank 132 484	Bankcard Australia (02) 9281 6633
Tamworth Coles/Myer Source 2340 1300 306 397	Medicare 132 011
Commonwealth 132 221	Centrelink Fraud 137 230
CUSCAL- MyCard 1300 135 538	Seniors Card 1300 364 758
	Passport 131 232

Whilst this information is for Australia, we hope that this will give you an idea of the organisations you need to contact if you are based in other countries.

A Thought to Ponder:

"Make everything as simple as possible, but not simpler"
Albert Einstein (1879 – 1955)

Your comments and suggestions on the subject of this newsletter are most welcome. Or if you would like to see other issues covered in future editions, please email me at training@iea.com.au

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