



ISO/TC 46/SC 11  
Archives/records management

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Secretariat: SA (Australia)

**ISO DTR 21946 Appraisal for managing records**

Document type: Draft technical report

Date of document: 2018-03-16

Expected action: VOTE

Action due date: 2018-04-14

Background: Dear ISO/TC 46/SC 11 members,  
Please be advised that as per Resolution 13/2017-05 from Pretoria, May 2017, ISO/DTR 21946 has been release for a four-week ballot.  
Please submit votes by 14th April 2018.  
Kind regards,  
Clare

Committee URL: <https://isotc.iso.org/livelink/livelink/open/tc46sc11>

ISO/TC46/SC11N1739

DTR

Secretariat: SA

## Information and documentation — Appraisal for managing records

*Information et documentation — Évaluation dans le cadre de la gestion des dossiers*

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## Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

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The main task of technical committees is to prepare International Standards. Draft International Standards adopted by the technical committees are circulated to the member bodies for voting. Publication as an International Standard requires approval by at least 75 % of the member bodies casting a vote.

In exceptional circumstances, when a technical committee has collected data of a different kind from that which is normally published as an International Standard ("state of the art", for example), it may decide by a simple majority vote of its participating members to publish a Technical Report. A Technical Report is entirely informative in nature and does not have to be reviewed until the data it provides are considered to be no longer valid or useful.

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights.

ISO/TR 21946 was prepared by Technical Committee ISO/TC 46, *Information and documentation*, Subcommittee SC 11, *Archives/records management*.

## Introduction

Appraisal for managing records is the process of evaluating business activities to determine which records need to be created and captured, and how, and how long, the records need to be kept. It combines an understanding of current business activities and their contexts with the identification of business, regulatory and societal requirements relating to records and the assessment of risks associated with creating and managing records.

Regular, systematic appraisal for managing records has a range of benefits, including:

- compliance with legal/regulatory requirements for records;
- satisfaction of business needs in managing records, and providing for timely disposal of records;
- implementation of measures to protect and manage records according to their level of criticality for the organization and/or their retention requirements;
- the effective management of risk; and
- greater accountability for decisions about the creation, capture and management of records.

In some records and archives management traditions, appraisal for managing records is solely used as an instrument to identify retention requirements or to create a disposition authority. The concept of appraisal as described in ISO 15489-1:2016 is meant to be used in a broader way. It can be used to identify different types of requirements related to creating, capturing and managing records over time.

The results of appraisal can be used in the development of policies, systems and processes, as well as to develop a range of records controls. These controls include metadata schemas, business classification schemes, access and permissions rules and disposition authorities.

Appraisal is a strategic and proactive approach to the creation, capture and management of records, rather than a reactive one.

Appraisal is accountable and consultative, and, in certain cases, should be conducted in partnership with stakeholders with interests in the creation, capture and management of particular classes of records.

Guidance on the appraisal process in this document can be used when implementing a Management System for Records (MSR) following ISO 30301. In the management system standards approach, appraisal helps to comply with requirements related to the 'Context of the organization' and 'Operational Planning'.

## **1 Scope**

This document provides guidance on how to carry out appraisal for managing records, and describes some of the products and outcomes that can be delivered using the results of appraisal. As such, it describes a practical application of the concept of appraisal outlined in ISO 15489-1:2016.

The document:

- a) lists some of the main purposes for appraisal;
- b) describes the importance of establishing scope for appraisal;
- c) explains how to analyse business functions and develop an understanding of the context;
- d) explains how to identify records requirements;
- e) describes the relationships between records requirements, business functions and work processes;
- f) explains how to use risk assessment for making decisions related to records;
- g) lists options for documenting the results of appraisal;
- h) describes possible uses for the results of appraisal; and
- i) explains the importance of monitoring and review of the execution of appraisal decisions.

This document can be used by all organizations regardless of size, nature of their business activities, or the complexity of their functions and structure.

## **2 Normative references**

The following referenced documents are indispensable for the application of this document. For dated references, only the edition cited applies. For undated references, the latest edition of the referenced document (including any amendments) applies.

ISO 15489-1:2016 *Information and documentation - Records management – Concepts and principles*

## **3 Terms and definitions**

For the purposes of this document, terms and definitions from ISO 15489-1:2016 apply.

## **4 The appraisal process**

Appraisal for managing records involves an analysis of the context(s) in which business activities occur, in order to determine records requirements and risk and their criticality. The results can be used to proactively design records controls and processes to best support business activities and technologies in order to ensure agreed records requirements are met.

Appraisal for managing records considers the needs of those directly involved in the business activities, but also related internal and external stakeholders and wider societal needs. In this way, management of records for both business and memory purposes can be designed cohesively.

The context in which business is conducted, the business activities themselves as well as their records requirements, and risk factors will change over time. As a result, appraisal for managing records is a necessarily recurrent activity.

The representation of appraisal activities shown in Diagram 1 reflects the continuous cycle of this work, as needs and circumstances affecting the creation, capture and management of records change.

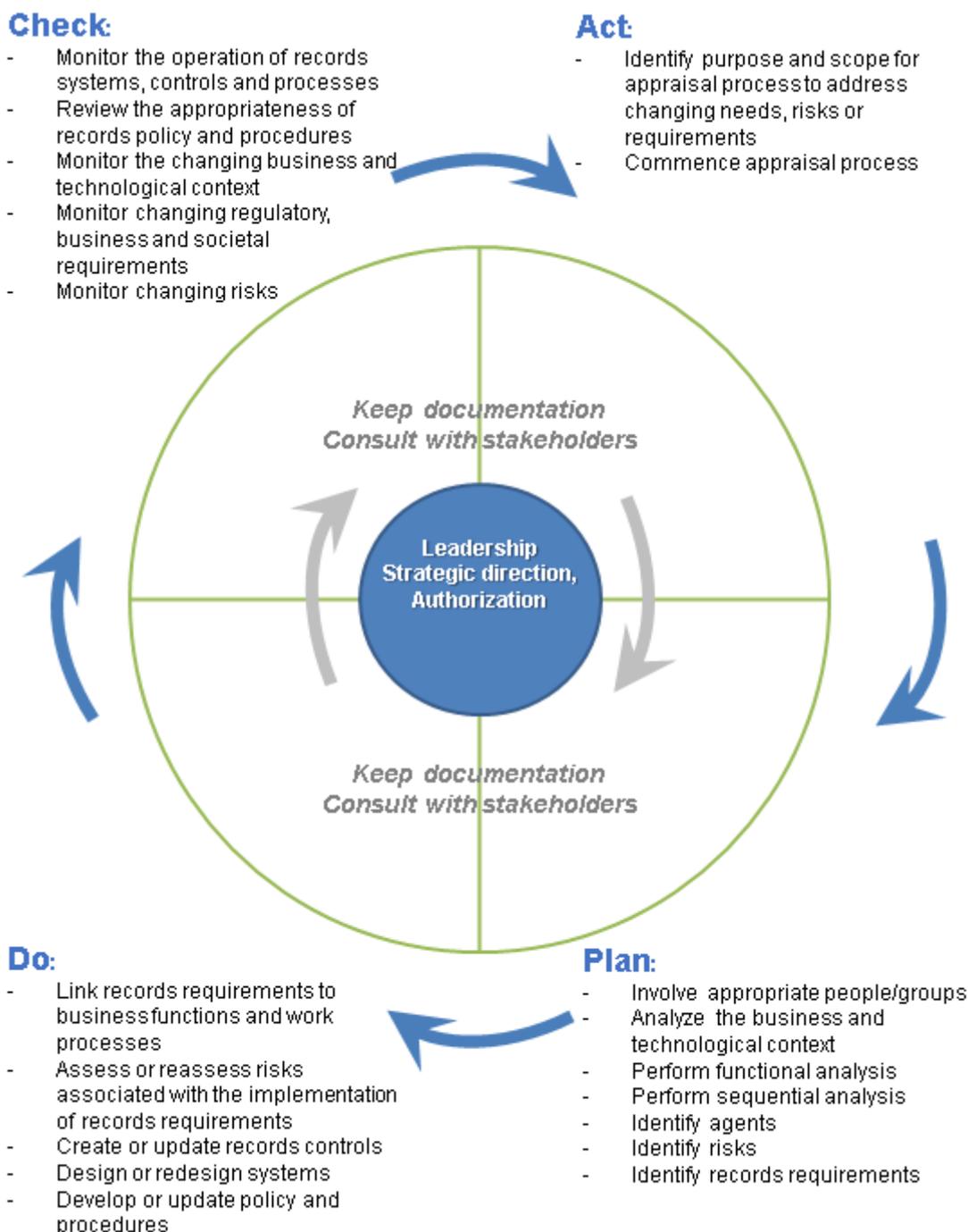


Diagram 1: Recurrent appraisal for managing records: a continuous improvement cycle that adapts the Deming cycle model

The results of appraisal work can be used to achieve benefits in a variety of areas, such as in legal compliance, risk management, information security, protection of privacy or the protection of archival records. It could also be used as a means to determine which records can be made available to the public, in support of the implementation of public information disclosure laws and regulations. As a key process for managing records, it should be part of information and/or records policies of organizations.

Certain events could trigger a process of appraisal for managing records.

For example, when there are new:

- entities being established;
- legal and regulatory requirements, changes in legal practice and law enforcement, or contractual obligations;
- technologies and systems; or
- arrangements for managing records such as cross jurisdictional collaborations on shared projects.

Or, changes to any of these:

- organizational structures or mergers
- business functions or activities; or
- changes in public expectations regarding the management of records of the organization concerned, including expectations regarding the way records are made accessible or reusable.

The frequency and scale in which appraisal is carried out will vary from one case to the next. For example, an organization with a very stable regulatory framework and business that rarely change could conduct appraisal less frequently than one that is subject to frequent change. The appraisal process can be modified in scale or scope, depending on the desired outcome (see [5.1](#)).

Appraisal for managing records is conducted in a consistent and accountable way. This means:

- conducting appraisal with a clear mandate and authorisation;
- keeping documentation of the research, analysis and consultation with stakeholders done as part of the process, as records;
- being consistent in decisions, and using past decisions to check precedents; and
- justifying the decisions made on whether or not to meet identified requirements.

## 5 Act

### 5.1 Determine the scope of appraisal

Though the appraisal process itself is a continuous cycle, it often starts with scoping the subject of appraisal. The events triggering appraisal and the role and responsibility of the person(s) doing the appraisal will directly influence its scope. In turn, the scope of appraisal will influence the kind of agents involved in the process. For instance, a scope with a strong societal focus will require a larger involvement of external agents in comparison to a scope with a strong business focus alone, which would require expanded involvement of business representatives. The scope of appraisal may change in terms of the business functions and activities it covers, or the parts of the analysis that receive the greatest attention.

#### **Example:**

An appraisal process could be carried out by a manager responsible for a business system that is being decommissioned. The system supports a single function but one that is performed by a number of organizational entities, working collaboratively online. Here, the scope is limited to the one function but should consider the organizational contexts of each of the participating entities, their risks and requirements.

*(End of example)*

#### **Example:**

In the process of a merger, an organization's functions are analyzed in order to make decisions regarding migration of records to new systems and other matters such as the integration of disposition

authorities. The scope of the appraisal process here would need to cover the business functions of both entities and a wide context.

*(End of example)*

**Example:**

An appraisal process that is being carried out with a view to defining records requirements for inclusion in the specifications of a new business system would involve a greater emphasis on the analysis of the business functions supported by the system, as opposed to appraisal that is done with a view to developing a disposition authority that covers all of an organization's business.

*(End of example)*

**Example:**

An appraisal process that is carried out in order to develop disposition rules across an entire jurisdiction, with a view to the identification of classes of records to be retained as archives, will have a broad scope encompassing a high level analysis of business context, functions and activities, requirements and risk across the entire jurisdiction. This is to ensure consistency in decisions made. In some cases, such appraisal is carried out in one stage covering the entire jurisdiction, and in others in multiple stages, in conjunction with organizations within the jurisdiction.

*(End of example)*

## **6 Plan**

### **6.1 Determine who to involve in the appraisal process**

Appraisal for managing records requires the involvement of records management professionals, including archivists, throughout the process. It is recommended for them to have a leading role in the appraisal process. The involvement of others will depend on the purpose and scope of the appraisal process, and the focus of the analysis.

Individuals or groups may need to be involved in one or more steps of the appraisal process. These will include internal agents and stakeholders, such as (but not limited to):

- business representatives;
- legal representatives;
- senior/top management;
- governance bodies such as boards of directors or audit boards;
- allied information management professionals such as privacy officers, librarians, preservation specialists or FOIA officers;
- communications professionals; or
- information technology specialists.

External agents and stakeholders should also be consulted or involved as appropriate. These may include (but is not limited to) people and groups such as:

- shareholders;
- customers or clients;
- external audit or regulatory authorities;
- subject matter experts such as historians, members of professional associations or academics;
- archivists;
- transparency advocates;

- privacy experts;
- information security experts;
- people or groups affected by government or corporate activities; or
- individuals who are the subjects of records, such as individuals who have been under the care of the State when they were children, or individuals who have received aid and services from governments.

## 6.2 Commence information gathering

The appraisal process comprises a number of types of analysis, aiming to gather information, which can be carried out consecutively or simultaneously. They can include:

- achieving an understanding of the context in which the appraisal work is being conducted, including organizational, technological and business-related features;
- analysis of the business functions themselves;
- analysis of requirements for records from a business, legal and societal point of view; and
- analysis of risks that are associated with the creation, capture and management of records.

Some types of analysis, such as an analysis of the business context, may already have been carried out by other disciplines in the organization, such as information security. It is recommended to assess whether the type of analyses mentioned have been carried out already and to assess whether the results of those analyses can be reused, as a whole or in part, for the purpose of appraisal.

It is important to note that the assessment of risk occurs throughout the appraisal process, including when looking at the organizational context in which the process is occurring. The focus here is on the broad internal and external risks affecting the organization and its stakeholders.

Risk is also considered in relation to particular functions, activities or work processes during the analysis of business activity. For example, the risks associated with poor management of records of citizen-centric public services or with personally identifiable information could be greater than those associated with other administrative activities.

The final assessment of risk occurs in the identification of the risks that could be managed through meeting identified records requirements. This assists in making decisions about how those requirements should be met, and the appropriate investment of resources to do so. This aspect of the assessment of risk is further described in clause [7.2](#).

An important part of appraisal is the identification of stakeholders and other sources of information which contain information on the business context, business functions, risks and requirements. Such sources and stakeholders should be recorded as they are identified, as part of an accountable, well documented appraisal process.

The results of analysis conducted in an appraisal process can be used to develop other tools and resources that are valuable in the creation, capture and management of records (see [7.4](#)).

## 6.3 Analyze the business context

In an appraisal process, analysis is done to gain understanding of the business context in which business activity takes place.

Documentary sources relating to and stakeholders in the business functions should be identified, as these are sources of information for the analysis. Such sources and stakeholders are used for various types of analysis conducted throughout an appraisal process. Examples of documentary sources could include (but are not limited to):

- structural charts;

- risk registers;
- enterprise architecture documents;
- reports to governing authorities or stakeholders;
- records of interviews with business representatives or other stakeholders;
- media reporting, or
- inventories of existing systems used for managing records.

Examples of stakeholders could include (but are not limited to):

- the groups and individuals already identified as needing to be involved in the appraisal for managing records process (see [6.1](#));
- managers, information technology professionals and organizational staff directly involved in the business that is in scope; or
- customers/clients affected by the business that is in scope.

Specific subjects of analysis could be the internal and external factors affecting the operations of the organization, and could include:

- the behaviour and strategic directions of the business entity;
- the operational, legal and other requirements which apply to it;
- its resourcing;
- stakeholder requirements;
- broad risks that it should manage; and
- at a high level, the functions and work processes that it performs.

The outcomes of the analysis of the business context should be documented and reviewed periodically to ensure that changes in the environment are identified and assessed. Source documents for the analysis and any authorizations should be retained as records, as such documentation supports and provides justification for appraisal decision-making.

### **6.3.1 Analyze the technological context**

In addition, an analysis of existing technologies in use provides a view of the opportunities and constraints for future methods and tools for creating and managing records, and will assist in making implementable appraisal decisions. It can also inform design and implementation choices for the products developed using the results of appraisal (see [7.4](#)). Understanding the existing technological environment could involve looking at:

- technologies that are maintained solely by the organization, as well as technologies used for collaboration with other parties;
- use of existing (legacy) systems;
- use of outsourced services, such as cloud-based technologies;
- technical standards required to be implemented, or preferred;
- the range of formats that information, including records, is processed and retained in; and
- available knowledge of existing technologies, systems and standards within the organization.

The outcomes of the analysis of the technological context should be documented and reviewed periodically to ensure that changes in the environment are identified and assessed. Source documents for the analysis and any authorizations should be retained as records, as such documentation supports and provides justification for appraisal decision-making.

### **6.3.2 Perform functional analysis**

Functional analysis is a top-down hierarchical analysis starting with strategic goals and purpose, and then identifying the functions and activities which support them. At its lowest level, a functional analysis identifies transactions, which are the smallest parts of work processes.

NOTE The suite of products of ISO TC46/SC11 contains instruments that can be used to perform a functional analysis.

The purpose of this type of analysis is to create a picture of a function through groupings of business activities and transactions that could be linked their business context, in order to identify relevant risks and records requirements.

The outcomes of a functional analysis should be verified in consultation with representatives from the business, documented and kept up to date. Sources used in conducting the functional analysis can also be used as a source for sequential analysis.

### **6.3.3 Perform sequential analysis**

Sequential analysis looks at transactions, as found in functional analysis, but from the point of view of a work process. This analysis is valuable for linking specific records requirements to systems and actions performed by agents (see [7.1](#)).

NOTE The suite of products of ISO TC46/SC11 contains instruments that can be used to perform a sequential analysis.

The scope of a sequential analysis should be defined with reference to the reasons for the appraisal process, and its desired outcomes. The outcomes of a sequential analysis should be verified in consultation with the agents involved in the work process and should be documented, and kept up to date.

### **6.3.4 Identify agents**

The analysis of business and technological context, functions and work processes, as described in previous sections of this document, should include the identification of agents. An agent may be any individual, workgroup or organization responsible for, or involved in, records creation, capture and/or records management processes.

Technological tools such as software applications can be considered to be agents if they routinely perform or trigger records processes. An example could be a traffic light sending an automatic message to a maintenance organization when it is malfunctioning, triggering a process in the organization to fix the traffic light.

The identification of agents is necessary in order to allocate responsibilities for records creation or management, assign access rights and restrictions, implement records processes and adequately document the context of records creation, capture and management in records metadata.

The details of agents should be documented and kept as records to reflect the roles and permissions assigned to persons or roles, workgroups and other business entities or groupings as appropriate. The linkage of agents to permissions for actions relating to records should be documented in records controls (see [7.4](#)), and used in the execution of records processes.

### **6.3.5 Identify areas of business with critical records requirements**

An appraisal process should produce an understanding of those areas of business that are in scope for which meeting records requirements can be considered to be critical. It should indicate their

criticality in a way that is appropriate for the nature of the business conducted and acceptable to stakeholders.

The goal in this part of the appraisal process is to determine the areas of criticality at the time the analysis is done, for the purpose of prioritising these areas in the subsequent work that is done on identifying and agreeing on records requirements (see [6.4.2](#), [6.4.3](#) and [6.4.4](#)) and on the use of the results of the appraisal process in the development or redevelopment of records controls, systems, policy/procedures and processes

All areas of business within scope for an appraisal process will entail some degree of risk when records requirements are not met, but some areas of business will be regarded by stakeholders as critical compared to others. It is likely that different stakeholders will have different views on which areas are more or less critical, and why. However, for the purposes of carrying out an appraisal process which successfully takes account of current priorities, it is necessary to determine which areas are agreed, by consensus or senior management authorisation, to be critical at the point in time in which the analysis is performed. To achieve this, critical areas must be:

- a) identified;
- b) assessed; and
- c) documented and approved.

Identifying areas of criticality with regards to records requirements will rely on the use of sources already identified in the appraisal process, including both documentary sources and stakeholders. It will also rely on information already gathered on the business and technological context. In reviewing these sources, some indicators for critical areas of business can include (but are not limited to):

- those with regulatory requirements that have severe penalties for non-compliance;
- those on which many other areas of business depend, such as high level decision making;
- services provided with a high degree of impact on individuals, such health care;
- operations or services that have been controversial and have attracted a high degree of media and public interest;
- activities with a direct impact on the environment; or
- activities with a direct impact on the safety and security of people or assets.

**Example:**

A religious organisation with responsibility for providing services to minors in the context of government-led investigations into abuses of children in the care of such organisations, identifies the areas of its 'business' in which its services directly connect with children as critical.

(End of example)

**Example:**

A mining company with a heavy compliance burden in relation to its transparency regarding any operations that remove metals, mineral and aggregates from the earth, identifies these areas as critical.

(End of example)

Documentation of critical areas should suit the scope and purpose of the appraisal process. In some cases, documentation which maps critical areas of business to functional and/or sequential analysis will be necessary.

Areas of business that are agreed to be critical and indications of their criticality should be confirmed with stakeholders, and approved or authorised, as appropriate.

Once the identification of requirements for records (see [6.4](#)) is complete, a further risk assessment is then conducted to determine the extent to which such records-based risk mitigation strategies will be implemented, taking into account the nature of the business and available resources (see [7.2](#)).

## **6.4 Determine records requirements**

### **6.4.1 General**

Records requirements are requirements for creating, capturing and managing records as evidence of business activity and as information assets.

Records requirements identification should be based on an analysis of business activity and its context (see [6.3](#)) They can be derived from the following:

- a) business needs;
- b) legal and regulatory requirements; and
- c) community or societal expectations.

Decisions regarding the implementation of records requirements should take account of risk assessment (see [7.4](#)).

### **6.4.2 Business needs for records**

Identifying and documenting business requirements for records supports efficient and effective business performance. It facilitates the use of authoritative records as business assets, and helps ensure records are available to manage ongoing operations, to make informed decisions, and to deliver mandated services or programs.

Understanding what records should be created, captured, and managed begins with an understanding of the business, its governance and the areas where business objectives are operationalized.

Sources for identifying business requirements for records could include:

- business plans;
- corporate policies and procedures;
- process diagrams;
- contracts;
- appraisal decisions made in other jurisdictions regarding similar business activity; and
- interviews with agents participating in business processes.

Additionally, the outcomes of the analysis of business functions and work processes (see [6.3.2](#) and [6.3.3](#)) will assist in the identification of business requirements for records.

#### **Example:**

A customer service department of a manufacturing company could need real-time access to the full documentation of the products manufactured by the company, in order to be able to answer questions from customers. Also, they could need a knowledge base to see whether questions have been asked before and to see what the answer to these questions would be, in order to prevent double work and to prevent different answers are given to the same questions.

In this example, business requirements for records could include:

- a need for product documentation to be kept as a record, for as long as deemed necessary;

- these records should be available in real-time;
- those who are authorized should have required access; and
- a need for a business system that can be used as a knowledge base.

These are multiple business requirements, which can be used for multiple purposes. They identify what records need to be kept and for how long (input for a disposition schedule), authorization requirements (input for an authorization schedule) and system requirements (input for systems design).

*(End of example)*

### **6.4.3 Legal and regulatory requirements for records**

Legal or regulatory requirements for records are imposed upon an organization or a particular area of business activity by legislation, regulation, whole-of-government policy, (industry) standards or similar instruments. The regulatory environment can establish requirements relating to records access rights, such as conditions or restrictions, and retention. These include specific legislation and regulations for privacy, security, commercial interests, freedom of information and archives.

Sources for the identification of legal/regulatory requirements could include (but are not limited to):

- laws and regulations including those governing the sector-specific and general business environment, or those relating specifically to evidence, records and archives, access, privacy, data, information protection or electronic commerce;
- standards, whether or not they are adhered to on a voluntary basis;
- decisions regarding records from case law and precedents; and
- interviews with people who are familiar with the relevant pieces of legislation, formal directives and industry standards, such as accountants, senior officers and legal staff.

### **6.4.4 Community or societal expectations for records**

In general, (communities within) societies expect that organizations will be accountable for their actions and retain and make records available to stakeholders or the public in line with:

- expectations that significant events that define the historical and cultural experiences will be documented;
- expectations of the protection of involved agents or other stakeholders' rights and entitlements;
- accepted transparency and secrecy standards; and expectations that information in records will be available for research purposes by particular communities or disciplines.

Sources for the identification of societal expectations for records could include (but are not limited to):

- media reporting on issues relevant to the activities documented in the records or on accountability issues;
- political discussions such as those found in parliamentary proceedings;
- complaints and other feedback from the public filed with relevant organizations;
- academic studies;
- social media trends and themes;
- individuals or consultative groups of stakeholders such as historians, professional experts, academics, transparency advocates or people or groups affected by government or corporate activities in the past; or
- appraisal decisions made in other jurisdictions.

**Example:**

There could be an expectation on the part of people who have had sustained personal interaction with government organizations that records of their experiences are to be retained and made available to them. This can include an expectation on the part of people or communities affected by government policies that they could have the opportunity to contribute to the creation of records documenting their experiences, and that records can be accessed online, regardless of their physical location.

*(End of example)*

## **7 Do**

### **7.1 Link records requirements to business functions and work processes**

Once identified, records requirements should be linked to business functions, activities, transactions and/or work processes. Linkage places the requirements in context. This enables both the identification of where responsibility lies for ensuring requirements are met and the establishment of monitoring mechanisms to assess if and how records requirements are being met.

Records requirements should be linked to work processes or business functions, activities or transactions that are themselves positioned in their contexts, with an understanding of the risk associated with the business. For example, a work process for the procurement of basic office supplies by a private company could have different records requirements to the procurement of significant military hardware by a government's department of defense.

Other key points to remember about records requirements and linking them to business activity include:

- records requirements can relate to any aspect of creating, capturing and managing records;
- an organization could validate whether existing records have been created in line with records requirements identified during the appraisal process. Differences may lead to some rework in the analysis of the business; and
- records requirements can be broad or narrow in scope. Therefore, it is possible to link requirements to functions, activities or individual transactions. This will also be affected by the scope of the appraisal process, point of view of the person or team carrying out the appraisal work, and their goals.

Depending on the purpose and scope of the appraisal process, records requirements could be linked to documented analysis of business activity that is in the form of:

- the outcomes of a work process or sequential analysis for a single process or set of linked processes;
- the outcomes of a functional or hierarchical analysis across a number of functions; or
- a representation of the whole of an organization's business in an enterprise architecture or information architecture diagram.

#### **Example:**

As part of an appraisal process conducted to ensure their management of records is compliant with newly revised taxation laws, International Light Bulbs Pty Ltd has been analyzing their records requirements within the scope of their 'Financial management' function.

The organization identifies the following records requirements:

**Table 1: Records requirements**

No.	Requirement	Source
-----	-------------	--------

1	Invoices issued by the business shall be linked to the statements that are emailed to customers by invoice number. Invoices are to be retained in PDF format and available for viewing via a customer account.	For example: Interview with Finance Manager 1/2/16
2	All records of accounts receivable shall be retained for the minimum 5 years required under taxation law, in the Department's cloud-based financial tracking and reporting system. Data to include at minimum: <ul style="list-style-type: none"> <li>• date of issue of invoice;</li> <li>• customer identifier;</li> <li>• product/service code;</li> </ul> Such data is to be persistently linked and available for reporting purposes during the full retention period.	For example: Taxation Act 1999 s34

The organization identifies where transactions occur in the business processes that map to these requirements and identifies the work processes documented in Table 2 below. The requirements they have identified can be linked to steps in this process.

This allows the team at International Light Bulbs to then identify the systems, policies, procedures and personnel that could be affected by a change to the way records are made and kept in line with any new requirements.

**Table 2: Linking requirements to processes**

No.	Requirement	Work process	System(s) and business rules affected
1	Invoices issued by the business shall be linked to the statements that are emailed to customers by invoice number. Invoices are to be retained in PDF format and available for viewing via a customer account	Accounts receivable	<ul style="list-style-type: none"> <li>• Cloud-based financial tracking and reporting system</li> <li>• Finance Department Procedure Manual</li> </ul>
2	All records of accounts receivable shall be retained for the minimum 5 years required under taxation law, in the Department's cloud-based financial tracking and reporting system. Data to include at minimum: <ul style="list-style-type: none"> <li>• date of issue of invoice;</li> <li>• customer identifier;</li> <li>• product/service code;</li> </ul> Such data is to be persistently linked and available for reporting purposes during the full retention period.	Accounts receivable	<ul style="list-style-type: none"> <li>• Cloud-based financial tracking and reporting system</li> <li>• Finance Department Procedure Manual</li> <li>• Disposition authority</li> </ul>

*(End of example)*

The way linkages between records requirements and business functions, activities, transactions and/or work processes are documented will vary depending on the tools and resources available, and the utility of having this information in different formats. For example, linkages could be made using:

- simple tables, spreadsheets or databases;
- specialist software that supports the design and management of records controls such as classification schemes or disposition authorities; or
- for very narrowly focused appraisal work concerning a review of requirements during a systems migration, standard project management reports and similar documentation could be the most appropriate method.

At this stage, all records requirements that have been identified should be included in the documentation. In finalizing those that will be implemented, documentation should be made of the reasons some requirements will not be met after an assessment of risks (see [7.2](#)). Such decisions should be authorized at an appropriate level, depending on the purpose and scope of the appraisal process and the regulatory context.

## **7.2 Assess risks associated with the implementation of records requirements**

Decisions regarding whether or not to meet identified records requirements should be based on consideration of the business context and an assessment of the risks associated with failing to fully meet the identified requirements. Risks could be associated with not creating, capturing and managing records of which the creation has been identified as a requirement, or with not capturing and/or managing records which have been created as required.

NOTE The suite of products of ISO TC46/SC11 contains instruments that can be used to conduct an assessment of risks.

Risks can be identified as part of the contextual review, for instance via consultation with stakeholders, or by a review of documentary sources (see [6.3](#)). The likelihood of an event and its consequences should be considered, as well as possible mitigation measures. Consequences and mitigation measures should be weighed against cost.

Consequences could be tangible (for instance, formal charges or penalties) or non-tangible (for instance, reputation damage). Mitigation measures could be procedural or technical at a certain cost (in time and/or money). This allows organizations to make informed decisions on the requirements that will be met, and the level of investment in doing so that is appropriate.

**Table 3: Example of a risk matrix**

Requirement	Risk if not met	Likelihood* (L)	Impact* (I)	Level of risk (L x I)	Cost of not meeting requirements – (non)tangible	Mitigation measures	Cost of mitigation - (non)tangible
Invoices retained as PDF documents	Files in non-sustainable formats may no longer be accessible for customers	Low(1)	Medium(2)	2	Reputation damage (customers complaining on social media, for instance), loss of customers	Introduction of a standard step to capture invoices in PDF format in the accounts receivable work process	Work process change, additional step may require up to 1 minute of extra time
Provide right authorizations for customer services employees	Employees unable to help customers	Low(1)	High (3)	3	Reputation damage (customers complaining on social media, for instance), loss of customers	Creation and implementation of an authorization schedule	Creation and implementation of an authorization schedule is estimated to cost 5000 USD at maximum
Accounts receivable data defined as required records to be linked and retained at least 5 years	Non-compliance with disposition requirements as stated in Taxation Act	Low(1)	Medium (2)	2	Penalty up to 50.000 USD according to Taxation Act	Routine audits of the Finance Department's cloud-based financial tracking and reporting system to ensure records are retained in line with disposition requirements	Retention audits could be part of existing audits on the financial tracking and reporting system

\* Possible values: High(3), Medium(2), Low(1) – to be defined by the organization

This assessment of risk is important not only for making decisions about meeting records requirements, but also for:

- 1 making decisions about requirements that will only be partially met; and
- 2 planning for the investment of resources that will be involved.

Requirements that are demonstrated to manage a significant risk to the business or society will justify a greater investment of resources. The result of the risk assessment should be a set of proposed records requirements with justifications for them being met, either partially or fully, as well as a set of records requirements proposed not to be met, along with justifications.

The assessment of risk is also valuable in the event of a conflict in records requirements from the different perspectives mentioned in this document. It is recommended to assess these perspectives case by case and on an even basis, to avoid making one of these perspectives (e.g. legal) most important upfront.

### **Example**

A manufacturing company is keeping data on its customers' calls and internet browsing history. There could be conflicting requirements from the regulatory environment, indicating that such data shall be made and retained for a minimum period of time, while there is a general societal requirement for companies to only retain personal data that is essential to the conduct of their business. In this case, for the company, the effect of non-compliance with a regulatory requirement would be severe, and very likely to occur. This may outweigh the impact of negative community response as a result of keeping of the personal data.

*(End of example)*

### **7.3 Document the appraisal process**

Documentation of appraisal analysis and the results of appraisal can take a variety of forms, depending on the organizational or jurisdictional requirements, technological maturity and other factors. Documentation of the results of appraisal should be created and retained, with clear identification of each instance of appraisal and any required authorizations. It is recommended to keep the documentation related to the appraisal process in a structured way, to facilitate transversal analysis and reuse of information.

Keeping accurate documentation of appraisal is very important for:

- accountability for decisions made;
- the communication of the results to those involved in their implementation; and
- future research into why records of certain activities of the business were made and kept.

Examples of ways to document the results of appraisal could be:

- an official report noting the findings to be implemented;
- detailed documentation of records requirements, their sources, risk profiles, date of their authorization and by whom;
- hierarchical or sequential representations of business activities;
- details of agents and the areas of business to which they relate; or
- documentation showing linkages of requirements for records to business activity.

Tools for documenting the results of appraisal should suit the local context and the purposes to which the results will be put.

For example:

- for an analysis of business activity that is to be used as an encoding scheme in a metadata schema, recording terms in a machine-readable format; or
- for records requirements requiring authorization by management, in tabular form with details of the risk assessments conducted.

#### **7.4 Use the results of the appraisal process**

Depending on its purpose, the scope and the people involved, appraisal could deliver results including (but not limited to):

- documentation of the business, regulatory and societal context and history of an area of business;
- functional or sequential business analyses;
- risk assessment and mitigation strategies; or
- list of agreed records requirements for the scoped area(s) of business.

This information can be used for a range of purposes, including (but not limited to):

- the design and implementation of systems for records;
- the design and implementation of records controls;
- identification of records for transfer to an archive (either in the organization itself or to an archival institution);
- migration plans for business systems that address the protection and management of records; and.
- the development or revision of business or records focused policies and procedures.

Records controls which could be developed or revised based on the results of appraisal for managing records include (but are not limited to):

- metadata schemas for records;
- business classification schemes;
- access and permissions rules; or
- disposition authorities.

In some cases, the results of appraisal could already be used as a records control. For instance, the documented results of a functional analysis could be used as a business classification scheme.

Examples of policies or procedures which could be developed or revised based on the results of appraisal include (but are not limited to):

- operating procedures for the areas of business in scope;
- policy and procedures for the making and managing of records;
- information governance policy and procedures;
- information security policy;
- migration strategies;
- business continuity plans;
- risk management plans; or
- privacy policies.

The method(s) of implementation of these products of appraisal will depend on the business setting, available resources, and the nature of the records. Implementation should be supported by assignment of roles, training, and continued monitoring. Relevant agents should be informed about and trained on new systems, processes, policies or procedures when new appraisal results are implemented.

## **8 Check**

Appraisal for managing records and the implementation of products based on its outcomes require continued monitoring and review.

Monitoring should be done to routinely evaluate whether the products of appraisal and resulting tools are continuing to operate effectively, and whether changes to the business itself or the environment in which it is carried out indicate the scoping and commencement of a new appraisal process.

In order to allow effective monitoring and review, an organization should determine:

- what needs to be monitored and reviewed;
- which stakeholders are to be included in the monitoring and reviewing activities;
- the methods for monitoring, analysis and evaluation to ensure valid results;
- the frequency at which the monitoring and reviewing activities will be performed;
- when the results from monitoring and reviewing will be analyzed and evaluated.

Based on the results of monitoring and review, decisions on how to respond are made and authorised at the appropriate level. Responses may include a new appraisal process or, in case of changes to the business or its context(s). Or, in case of products which are deemed not to operate effectively, such as records controls, responses may be in the form of mitigation measures

These decisions, as well as the analyzed and evaluated results of the monitoring and reviewing activities should be documented.

## Bibliography

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- [6] ISO/TR 23081-3:2011 *Information and documentation – Managing metadata for records – Part 3: Self-assessment method*
- [7] ISO 30300 *Information and documentation – Management systems for records – Fundamentals and vocabulary*
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