

Northern California Firm Improves Information Governance Program and Reduces Off-Site Records Storage Costs, Achieving High 6-Figure Savings

Challenge:

This 45-attorney, Northern California firm sought to improve costs and contract terms and conditions for its off-site records storage as well as on-site services including thousands of square feet of basement records storage, shredding services and also address an overall need to develop an information governance (IG) program that would allow for the defensible destruction of decades worth of records.

Clearly in need of updating, the firm's off-site records storage and shredding rates were based on separate storage and shredding contracts dating as far back as 1995 and, moreover, these agreements were silent on key terms and conditions that placed the firm at risk of ballooning costs with no limits in place on the frequency or value of rate increases or a defined termination process. Leadership was also interested in consolidating agreements to leverage buying power – a challenging task for a smaller firm without a robust off-site inventory to command the level of discounts that can offset costs associated with a large-scale burn down effort.

As the leader in off-site records storage contracts and end-to-end IG policy development and implementation for small to mid-size firms, firm leadership called upon Mattern's expertise.

Process:

At the onset, the firm engaged Mattern to complete a comprehensive review of its off-site storage and shredding agreements, while taking into account on-site records storage and current records management practices in order to strategize for the need to catch-up on disposition and, ultimately, destruction.

Mattern's certified IG professionals delivered a service provider satisfaction assessment to evaluate current storage provider service levels, desired service enhancements, and the firm's upcoming disposition and destruction plans. Focus group interviews were conducted to analyze how practice areas interacted with physical and electronic files, which processes were working vs. which processes were impeding users' abilities to deliver legal services to clients. The firm's culture was also evaluated in order to deliver policy recommendations with the best chance for adoption, implementation, and compliance.

Based on these evaluations and utilizing its industry knowledge, benchmarks, and expertise in records and IG, Mattern offered numerous recommendations for the firm's consideration. For the firm's IG program Mattern delivered:

- A recommended IG policy with retention schedules and training program.
- Best practices to update records management workflows
- Information security considerations

For records storage and shredding services, Mattern recommended:

- Investigating new market offerings through an RFP strategy
- Terms and conditions to target during contract negotiations
- Project pricing for inventory review to effectively dispose material in accordance with newly drafted retention schedules

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Mattern collaborated with the firm to create a custom RFP that addressed the firm's objectives and then managed the RFP process through contract negotiations.

Results:

The RFP process yielded several viable providers. After careful review, the firm elected to award off-site records storage and shredding service business to their records storage incumbent with the following enhancements:

- Rates locked across 5 years
- Firm able to dispose inventory without penalty
- 31% reduction in storage fees
- 62% reduction in retrieval/refile fees
- 59% reduction in handling fees
- 37% reduction in trip fees
- 47% reduction in destruction fees
- Minimum service charges reduced by up to 86%
- Favorable scan-on-demand pricing to flex with a greater mix of remote workers

Through the Mattern process, a viable IG framework, customized to align with how end users are accustomed to working with electronic and physical files, was delivered. Additionally, a firm-friendly contract was delivered that guarantees service levels and positions the firm to assess and action off-site inventory disposition. Further, costs associated with services that will see an uptick in activity as the firm actions disposition were targeted.

Without factoring for additional savings that can be achieved through an inventory burn down effort, off-site storage and shred service savings based on current storage holdings and activity levels is projected to exceed \$701,000 over ten years. From a soft-cost savings perspective, the firm will also benefit from the reduced administrative burden of managing contracts and billing submissions generated by multiple providers.

Mattern was retained by the firm for ongoing off-site records storage contract monitoring, invoice review, and SLA compliance throughout the agreement term.

The project was deemed a success all around with the firm giving Mattern the highest rating, an **NPS score of 10**, and the Executive Director commented:

"We would not have achieved the savings we did without Mattern's help."

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