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## **RECORDS MANAGEMENT PRACTICES IN SMALL AND MEDIUM SIZED ENTERPRISES: A STUDY IN NORTH-EAST ENGLAND**

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### **ABSTRACT**

A survey study of 300 enterprises in North-East England yielded new information on the records management procedures in small and medium sized enterprises. The survey showed that companies with more formalised management structures took a more organised approach to records management, and companies with various formal policies paid more attention to records management. Records management practices seemed to be independent of company size and industrial sector.

### **INTRODUCTION**

Small and medium-sized enterprises (SMEs) represent more than ninety percent of all businesses in Great Britain. They may have as few as one employee or as many as 250 but, irrespective of the size of the workforce, they will produce and use information in conducting their business operations. Much of the information is a direct byproduct of business processes and as such provides a record and evidence of business transactions. It also helps to inform future decision-making and therefore is a vital organisational asset in terms of effectiveness, efficiency and competitive advantage.

The differentiation of job roles in SMEs is not as clear cut as in larger organisations; employees often have multiple roles and responsibilities. Amongst these multiple roles, the responsibility for finance and human resource management will almost certainly have been identified, but is the same true for information and records management.

Nowadays, as a result of the IT revolution, the records which carry the valuable information and which represent a unique asset to business will be principally produced electronically. As we move into the new millennium more and more records will live their whole life, from creation to destruction or archival retention, in digital form. SMEs have been affected as

much by the information and technology revolution in terms of the records they create and how they manage them as has any other organisation.

Irrespective of all the changes, the fact remains that records are produced and need to be managed. The requirement of SMEs to be accountable for their actions can be effectively achieved by maintaining an efficient system for managing their records.

In spite of the proportion of businesses classified as SMEs there has been no specific research into records management in this type of organisation. The aim of this study therefore was to explore how records are managed in SMEs, who manages them and their nature. The research looked for patterns in terms of size, sector, structure and organisation.

## **METHOD**

In June 1997 a survey consisting of a self-administered questionnaire was conducted.[1] Questionnaires were sent by post to a sample group of 300 enterprises. Each 9-page questionnaire was accompanied by a cover letter explaining the purpose of the survey and a stamped self-addressed envelope. The return rate was 28%. This can be considered satisfactory in the light of other surveys conducted in the business community.[2] Of the 300 survey packages sent out, four were returned because the addressee had moved away and a few questionnaires were sent back unfilled with an explanation that company staff were too busy to participate in the survey. On reflection, a shorter questionnaire may have attracted a more favourable response.

The survey sample was created by systematic sampling from the North East Chamber of Commerce database of local businesses. Companies which did not fit the SME definition [3] were excluded prior to the sampling exercise. Despite this, 17 companies returned the questionnaire unfilled claiming that they did not fit the SME definition.

### **The questionnaire**

The questionnaire comprised two distinct parts. The first part, 'About the Organisation', concentrated on questions about the company in general. The aim was to establish the context in which records management functions took place. Questions about age, size, nature of business, management structure, provision of staff training, indicators and perception of success, problems and issues facing the organisation, co-operation with other companies,

participation in government programmes and initiatives and policies implemented were asked.

The second part of the questionnaire, 'About Your Organisational Records', was designed to gather information on records management practices and responsibilities within the organisation. Questions about numbers of people responsible for information, their title and position within the organisation, type of information produced within the organisation for the organisation (records), records' formats, procedures, retention periods, function of records within organisation, frequency of their use and ease of access were asked. The questionnaire was sent to owners or managing directors of the surveyed companies since it is they who have overall responsibility for managing information within their companies.

## **ABOUT THE RESPONDENTS**

### **Company Age**

62 completed questionnaires were analysed. The average age of companies was 26.2 years. Eight of the surveyed companies were established before or during World War II (with one in the 19<sup>th</sup> century), 9 between 1946 and 1969, 10 in the 1970s and 9 in the 1990s. Three companies did not provide information about their age. However, the largest group of companies surveyed was established in the 1980s (24), the time of the collapse of mining and shipping industries in the North-East and the establishment of the government's programme to help the newly unemployed to set up their own businesses. In 1994 Storey [4] wrote: 'Much of the increase in self-employment observed in the United Kingdom during the 1980s can probably be attributed to a combination of increasing unemployment, a lowering of the real level of unemployment benefit, government schemes such as the Enterprise Allowance, the fact that the United Kingdom had a significantly lower level of self-employment than most other comparable countries, and to technological changes associated with the increasing role of information in the economy.'(p. 48)

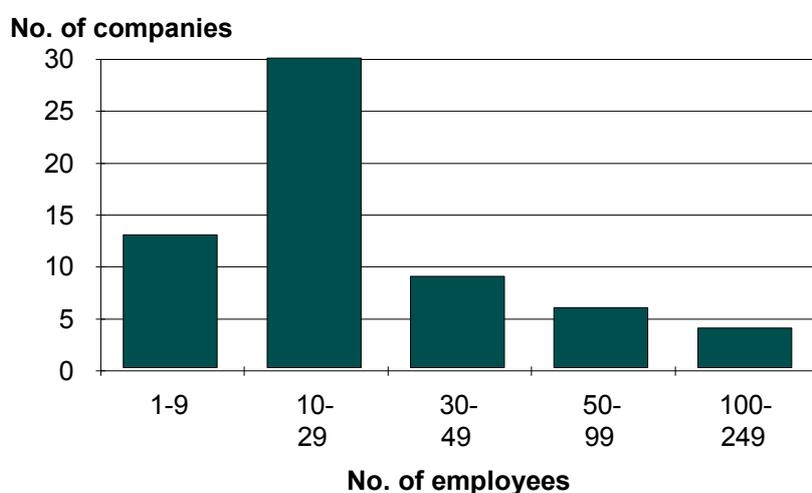
### **Company size**

Research shows that the majority of British SMEs employ no more than 35 employees. Curran and Burrows (1988) [5] claimed that almost 90% of British small businesses employ between 1 and 24 workers. McCann (1993) [6] showed that of 2,697 SMEs in the UK, 2,593 (96%) employ between 1 and 20 workers. The DTI report 'Small Firms in Britain 1995'

stated: ‘in fact, the smallest (micro) business with 10 or fewer employees make up to 94% of all businesses’.[7]

In our survey there were 13 (21%) micro companies (with 1 to 9 employees), 39 (63%) small companies (10 to 49 employees) and 10 (16%) medium size (50 to 249 employees) companies. The largest company which responded to our survey employed 190 people. A more detailed breakdown of company size is shown in Figure 1.

**Figure 1: Size of respondent companies (Total = 62)**



In respect of size, the respondent group was skewed - the number of micro companies was much lower than the national average. The higher than average proportion of small (10-49 employees) organisations responding to the survey may have had an impact on the survey results.

### **Nature of the Business**

Standard Industrial Classification (SIC) codes were used to determine the nature of the business of the surveyed companies.[8] The biggest group of companies which responded to the questionnaire was involved in services (28), followed by manufacturing (23), construction (7), wholesale, retail and repair (7), and education (2).[9] Such distribution of the nature of the business of the respondents broadly corresponds with the overall distribution of SMEs in the UK in 1995.[10]

## **RECORDS MANAGEMENT PRACTICES IN SMEs**

Ricks and Gow [11] define records management as ‘the systematic control of recorded information from creation to final disposal’ (p.20). Kennedy and Schauder [12] add that records management ‘is an organisational function of managing records to meet operational business needs, accountability requirements and community expectations.’ (p 8) Records management focuses on procedures and systems for the creation, storage, retrieval and disposal of an organisation’s records. The analysis of the research findings is presented using the records life cycle framework, looking at records from their creation through distribution, use and maintenance to their disposition.

### **Information in the company**

Questions about types of information kept in the organisations and the responsibility for its management were asked in the survey. In 27 (44.4%) companies more than one person had responsibility for information, in 23 (36.5%) ‘everybody’ was responsible for information, in 6 (9.5%) companies there was one person responsible for information and in another 6 (9.5%) companies there was no one with responsibility for information.

Information in companies can be divided into external, i.e. commercially produced, and internal, produced for and by the company in the conduct of its business, i.e. records. In 47 (75.4%) respondent companies responsibility for information included both internal and external information, in 13 (21.1%) cases responsibility was only for internal information and in 3 (5.3%) cases for external information only.

Data shows that in the large majority of SMEs, records management functions are closely connected to those of information provision in general. No doubt this arises from the fact that smaller organisations cannot afford to separate these functions. It is also quite possible that in smaller organisations there is no need for such separation and that records management functions can benefit from close relations with other information functions and systems. Users of information within companies are not necessarily interested in the provenance of a needed piece of information. They look at information in its totality, without distinguishing between external and internal information.

## **Records managers**

*Record management activities are of a highly specialized type, requiring specialized competencies and a specialized background of experiences.* [13]

In the above quote, Schellenberg strongly stresses the specialist nature of records management, emphasising the need for specialised competencies and experience. Data collected in this survey paints a picture that is quite different from Schellenberg's ideal.

In all companies responsibility for managing information (both external and internal) was assigned to individuals alongside their other responsibilities. Most employees responsible for information and records management within companies were senior managers (26), then administrators, secretaries, office managers (16), and directors (16). Seven finance managers with titles of accountant, accounts clerk and finance director were in charge of information and records management within organisations, and five owners or partners were involved in managing information and records. In several companies the answer was 'various and multiple [job titles]'.

Other responsibilities of people in charge of information management were as varied and diversified as their job titles. They ranged from overall responsibility for the company through various aspects of management (e.g. quality, personnel, financial, production) to health and safety and word-processing.

Since, in the majority of organisations responsibility for information (internal and external) rested with the top level of employees, we can assume that the organisations consider information to be an important asset. This is corroborated by the fact that 'use of internal information' is the third highest ranked area identified by companies as needing improvement. There seems to be a feeling within SMEs that internal information is important (demonstrated by the involvement of senior people) but it is not used to the fullest ('effective use of internal information' was ranked the lowest among the factors contributing to the success of a company). This may be caused by lack of expertise in managing this information (no qualified or dedicated staff) which, in turn, may lead to the decrease in its potential use.

Since the need to improve the use of internal information was ranked rather high by respondent companies, it can be concluded that the lack of a dedicated specialist with sole responsibility for internal information or records management in SMEs arises not because of the lack of appreciation of the value of information but rather an inability to justify the costs

of such experts. An interesting area for further investigation would be to find out if SMEs buy-in external expertise (e.g. consulting services) to deal with the issues of internal information and records management.

### **Amount of information**

*Records management is thus concerned with the whole life span of most records. It strives to limit their creation.[14]*

The questionnaire asked about the amount of information present in the company. Such a question will always call for a subjective answer. An ‘average’ amount of information for one respondent may mean ‘a lot’ for another. However, the respondents were top managers in their organisations and could be expected to be aware of information in their company, and the responses were thus assumed to be reliable. 29 (47%) companies participating in the survey had ‘a lot’ of information, 20 (32%) companies had an ‘average’ amount of information, 10 (16%) organisations ‘very little’ whilst 3 (5%) respondents complained about information overload.

As expected, organisations with ‘very little’ information (10 companies) had fewer records management policies and procedures. Four of them did not have any records management procedures in place and six did not have a retention policy. Also, as it was expected, none of the respondents claiming information overload had a retention policy or records management procedures.

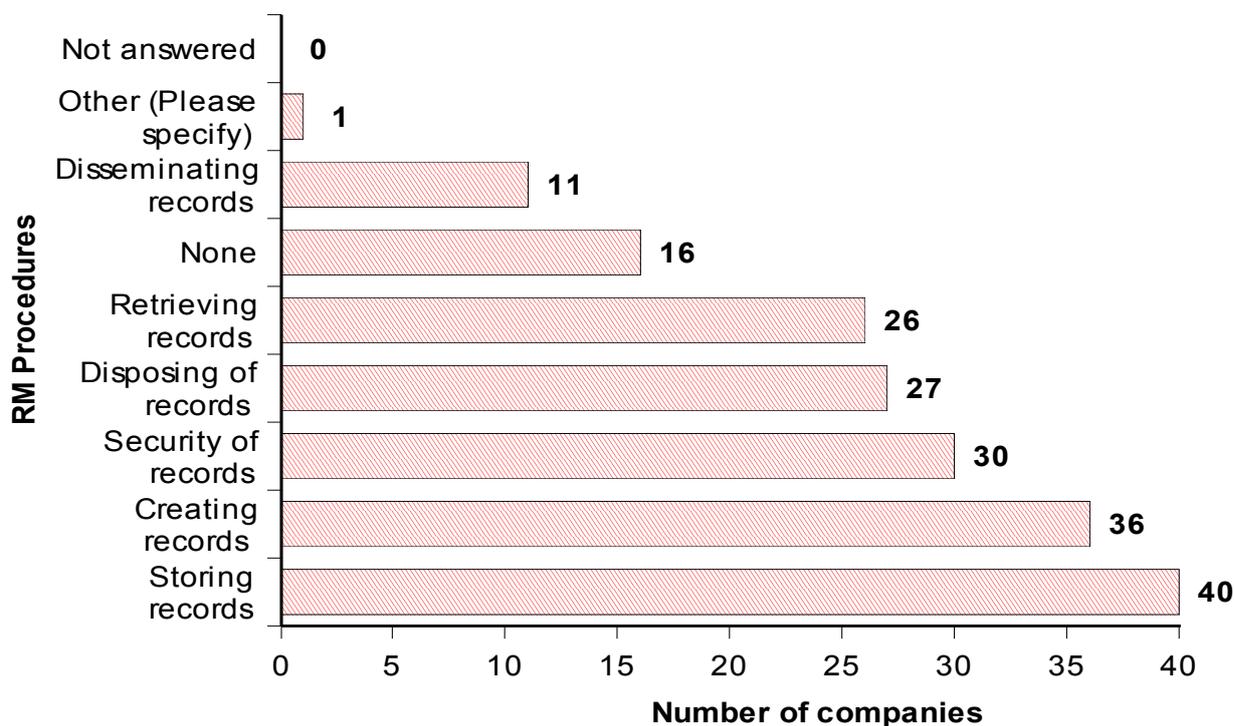
### **Records management policies and procedures**

*Recordkeeping systems must have accurately documented policies, [...] assigned responsibilities and formal methodologies for their management.[15]*

46 (74.2%) companies which responded to the survey had one or more records management procedures in place. The most commonly implemented procedure, found in 40 (64.5%) companies, was that relating to the storage of records. This was followed by a procedure for the creation of records, present in 36 (58%) companies, and security of records, in 30 (48%) companies. In 27 (43.5%) companies there were procedures on disposition of records. The least popular procedure was concerned with disseminating records—only 11 (17.4%) companies had one. Figure 2 illustrates this.



**Figure 2: Types of records management procedures in respondent companies (Total = 62)**



Of the companies with records management procedures in place, 31 (68.2%) had comprehensive procedures that covered all types of records produced and stored in their organisation.

The correlation between company size (expressed by number of employees) and number of records management procedures implemented in companies is .2908 with an actual level of significance at 0.23 (Spearman's test); although statistically significant the relationship is rather weak.[16] Correlation between company success as perceived by the respondents and number of records management procedures in place was statistically significant, but at an equally low level (correlation coefficient equalled .2922 with the actual level of significance at .021).

A stronger correlation was observed between the existence of a formal management structure and the number of records management procedures in place. In organisations with a formal management structure there are, on average, 3.5 records management procedures but in organisations without a management structure there are only 1.12 procedures. This may suggest that formal organisational structures are more likely to produce and sustain more

formalised records management procedures. Such organisations are more likely to have better defined chains of command and information flows.

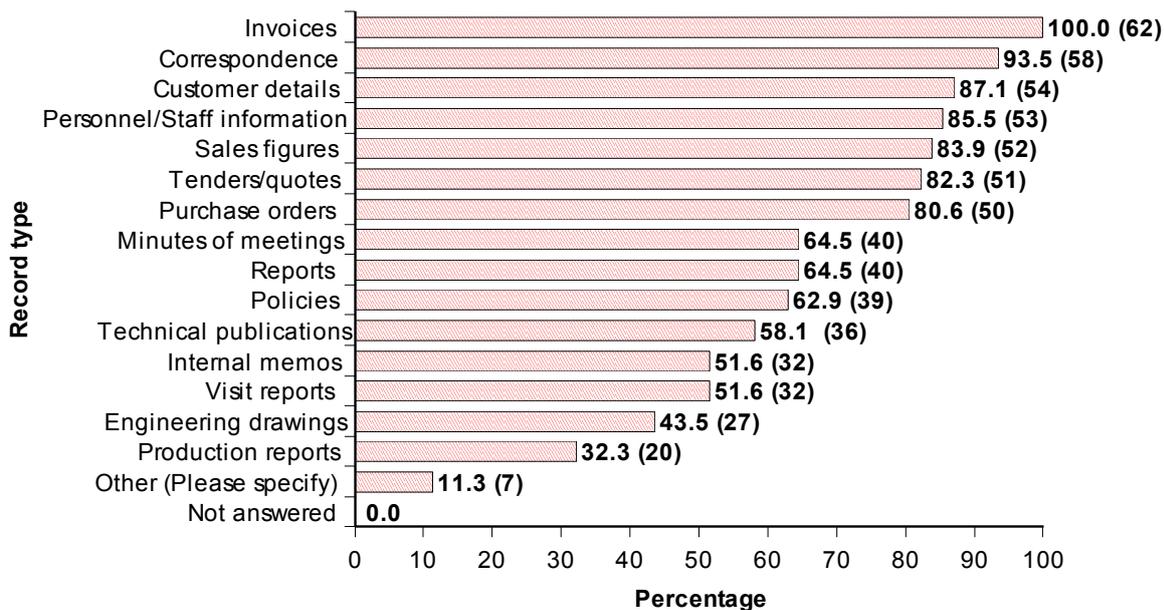
A strong correlation was also observed between the number of internal policies [17] and the number of records management procedures in place (Spearman's rank correlation coefficient was .7058 at the  $LE = .01$ ). There were no surprises here; it was expected that organisations which have more policies will produce and maintain more records and thus have a greater need to manage them in a more organised manner. However, there was no statistically significant correlation between the number of records management procedures and participation in government initiatives or collaboration with other companies. This raises questions as to how records relating to these initiatives are dealt within organisations and why it is different from handling records produced as a result of implementing various internal policies. Further research into this area may be needed, especially in light of recent criticisms of government policies voiced during the 1998 British Chambers of Commerce National Conference (16-17 June 1998, London).[18] John Entwistle, President of the British Chambers of Commerce, criticised recent government and European initiatives as SME unfriendly, especially by demanding additional records keeping responsibilities (e.g. National Minimum Wage, Union Recognition, and European Social Chapter).

Another area worth further investigation is the reason for the lack of policy on disaster prevention and on the security of records. Only five companies had a policy on disaster prevention and less than half of all respondents had a policy on the security of records. This is despite sombre warnings from experts in the field. For instance, Pember [19] wrote that 93% of firms which underwent a major data processing disaster went out of business within five years.

### **Types of records**

Companies, to effectively perform all their functions, have to produce various types of records which then support these functions. By far the most popular document type produced and retained in respondent companies was invoices (all organisations had them). Correspondence (93.5%) and customer details (87.1%) followed closely. Figure 3 gives a detailed picture of the types and frequency of documents kept in companies.

**Figure 3: Types of documents kept in respondent companies (Total = 62)**



‘Other’ document types held in companies were quality assurance documentation, system/programming documentation, in-house training materials, production/process data, test certificates, vehicle documents and software specifications.

Records managers classify records kept in companies in several ways. One of the more popular ways is to classify records by their value within an organisation. This value can be either primary (relating to the immediate reason for which they were created) or secondary (relating to the potential future use). Records of the primary value support legal, administrative, and fiscal functions of organisations. Records of secondary value serve evidential, informational or historical purposes.

However, from a non-professional’s point of view, the most obvious classification of records is by the format in which they are kept. This, for example, can be paper, computer file, microform or photographic film.

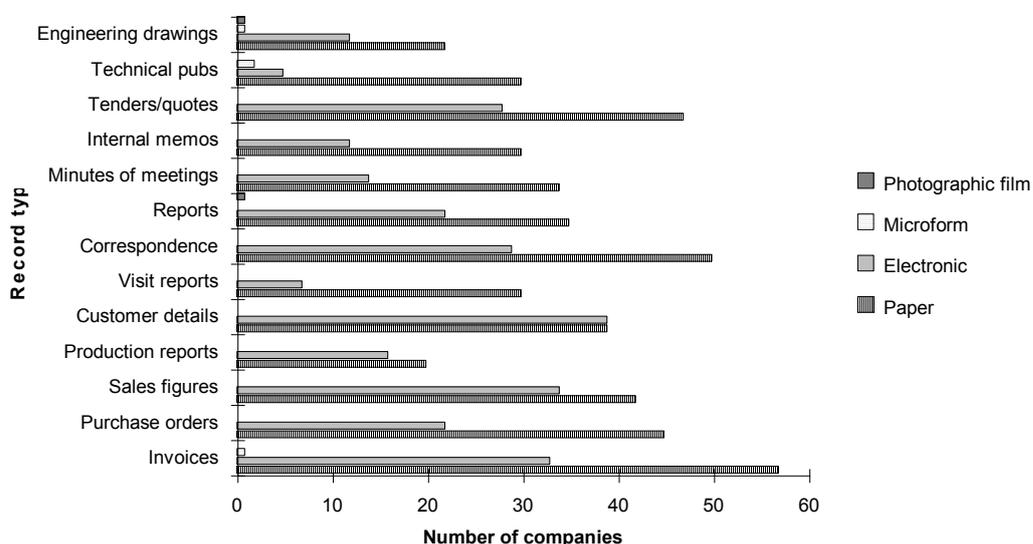
### **Format of records**

For the records management function to be effective records should be kept in formats which enhance their utility. The format of a record should be determined prior to its creation and, if needed, changed during its lifetime (e.g. from paper to microfilm, from electronic to paper). Ease of access, required lifespan, cost effectiveness and security are only some factors that need to be taken into consideration in choosing the format of a record.

Most companies which responded to the questionnaire stored all or the majority of their records in paper form (there were only five exceptions here)[20], although 47 (75 %) companies stored some of their records electronically. In those companies some document types were stored in electronic form only. The most popular types of records stored in this way only were customer details (12 companies), sales figures (10) and tenders/quotes (4). Other types of documents stored only in an electronic format were production reports (3), invoices (3), correspondence (2), reports (2), minutes of meetings (2).

In the case of companies which stored the same types of records in more than one form we could not determine if they were duplicates of original records or whether different records of the same type were stored in different media. Other formats of records were almost non-existent: one company kept its invoices on microfilm, two used microform to store technical publications, one to store engineering drawings, and two companies used photographic film to store reports or engineering drawings. A detailed picture of storage media is shown in Figure 4.

**Figure 4: Formats and types of records stored in companies (T=62)**



Storing records on paper may offer ease of access to information (e.g. a filing cabinet in one's office), however, because of its requirements for space, it is rather costly and office space cost is constantly increasing. The longevity of paper records can also be shorter than of those stored in other formats (e.g. archival quality paper is not routinely used in companies to store

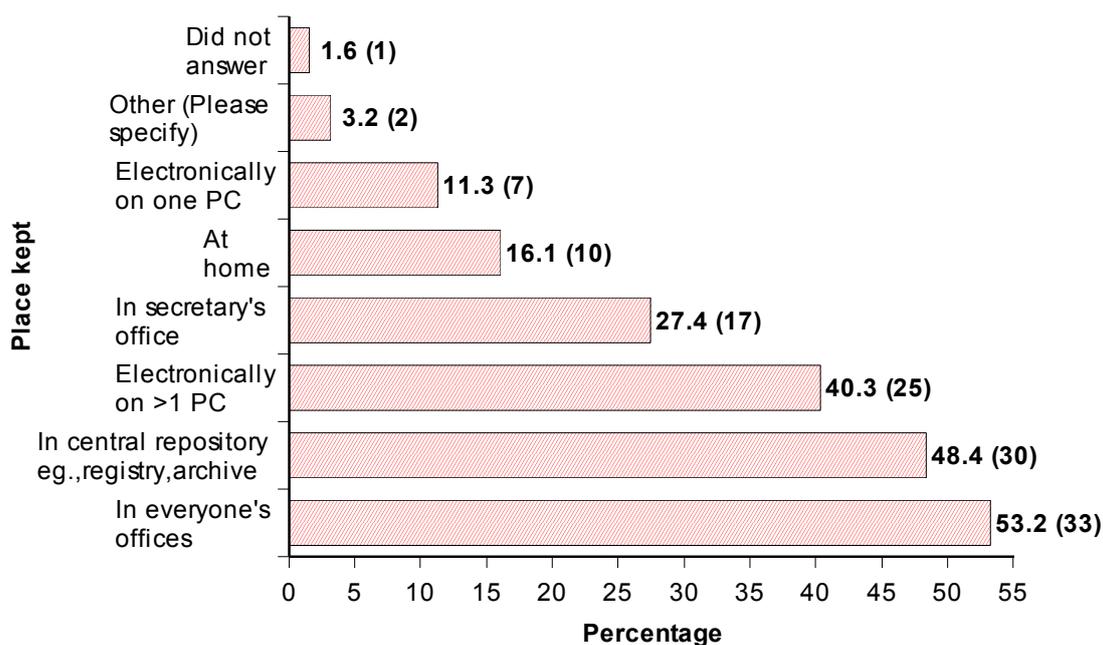
records). Another problem associated with storing records in paper form is access and retrieval - classification and filing has to be impeccable if the records are to be retrieved, especially if large amounts of records are to be dealt with. Electronic records storage has potential to eliminate many of these problems as well as to add flexibility to storage and retrieval. It can be cost and space effective (costs of storing data electronically are continuously falling). If designed with care, electronic storage and retrieval systems give opportunities for expanded cross referencing, indexing and more sophisticated retrieval techniques. At this stage, however, there are still questions regarding legal (i.e. evidential) value of electronic records.

### Storage of records

*Records are efficiently managed [...] if they are kept at a minimum charge for space and maintenance while they are needed for current business [...] [21]*

Respondents were asked to indicate where they store their records. The most popular place for storing records was in everyone's offices (52.4%), followed by a central repository (47.6%) and a secretary's office (27%). Figure 5 illustrates where records are kept in the companies surveyed.

**Figure 5: Storage of records in respondent companies (Total=62)**



In 27 (43%) companies records were stored in more than one place (e.g. in a secretary's office and at home) but the data does not show whether multiple sites indicate storage of duplicate records or the scattering of records throughout the organisation. In 34 (55%) cases respondents identified only one location for company records: everyone's offices (16 companies), central repositories (12), at home (3) and in a secretary's office (3). Companies which kept records in central repositories fell into two categories: very small firms with no records management procedures in place or larger companies with four to six records management procedures implemented. The organisations which kept their records at home, in a secretary's office or everyone's offices, on average, had fewer records management procedures. Additional research into the storage of records in respondent companies is needed. For instance, if records are kept in only one location, where are any duplicates kept? Indeed, do businesses create and store duplicate records of their vital documents?

In 24 (39.7%) companies records were kept electronically on more than one PC and in 7 (11.1%) companies, electronically on one PC. This means that electronic storage of records was available only in slightly more than 50% of respondent companies. This finding contradicts the data retrieved in the analysis of the question on the formats of records kept in organisations where 48 (77%) companies claimed to keep their records in electronic formats. How is it possible for 17 companies which did not keep their records on PCs to keep their records in electronic formats? One possible answer may be that these respondents did not interpret the question about the place kept in the manner it was intended by the researchers (e.g. the respondents may have referred to inactive records only). Another explanation may rest with the understanding of what a record is (e.g. is a database with customer details a company record or just a set of data?) [22] Still another explanation may be found in the wording of the questionnaire: it specifically asked about records storage on 'personal computers' and it is not unlikely that some of the respondent companies keep their records on mainframes, minis, Macs or servers!

### **Retrieval of records**

*Records are efficiently managed if they can be found quickly and without fuss or bother when they are needed, [...] [23]*

### Time spent looking for information

Another crucial aspect of records management and a vital element in the life cycle of a record is retrieval. In 42 (67.7%) companies surveyed less than 25% of respondents' time was spent on looking for information. In 16 (25.8%) companies the respondents could not identify how much time they spent on locating information. In two companies 25% to 49% of time is spent looking for information and in one organisation, between 50% and 75% of time. All three were in the manufacturing sector, employed from 20 to 35 people, and the amount of information available in these organisations ranged from 'average' to 'information overload'.

Those companies, where the least time was spent on locating information, had the highest average number of records management procedures (3). Again, the data shows that an organised and structured approach to records management may make accessing and using information easier. In these organisations at least some of records were kept electronically.

Automated systems, if designed properly, can aid retrieval capabilities. The preferred location for the storage of records in organisations where the least time was spent on locating information and records were kept in electronic forms, were everyone's offices and in a central repository. This is not surprising; central repositories such as registries and archives, due to their formal structure and approach, tend to be the most efficient ways of providing improved retrieval and less costly storage space. Storing records in multiple locations (i.e. everyone's offices), where the information/records were produced and are used the most frequently, can also aid immediate access to those records for some users but hinder it for others (e.g. records stored on individual PCs may be accessible only by those working on these machines). Another downside of multiple location storage is weaker control. Parker and Smith [24] criticised a system in which records management is left to individual departments because it can lead, to 'a subjective approach to retention and a haphazard and opportunistic approach to the identification and transfer of potentially-archival records to the archives'.

There were 16 (26%) companies in which the amount of time spent on locating information was unknown. Only five of these companies used computers to store records, three participated in one to two government initiatives, and two had a retention policy. 11 of these companies claimed to have easy access to needed information and the rest of them, very easy access. There did not seem to be a correlation between time spent on locating information and size of the company.

#### Ease of access to information

40 respondent companies (64.5%) found access to internal information fairly easy, 17 (27.4%) found it very easy and 4 (6.5%) respondents thought it was fairly difficult. No one felt that access to internal information was very difficult. The ease of access was independent of the amount of internal information produced and retained within organisations as well as the size of a company (in terms of number of employees). However, there seemed to be a correlation between the ease of access and the number of records management procedures implemented within organisations surveyed. Companies with very easy access to information, on average, had four different records management procedures in place. Companies with fairly easy access, three procedures, and companies with fairly difficult access, two procedures. This finding yet again supports the view that the existence and application of records management procedures aids the location and retrieval of information.

When asked if they always received internal information when required, 41 (66.1%) respondents gave positive answers. The split between 'yes' and 'no' answers was almost equal for most modes of information storage. The only significant difference was present in the case of records kept in everyone's offices. 23 (70%) out of 33 companies answered that they did not always get needed internal information. Despite this, 88.7% (55) of all respondents said that they share information with others in the organisation.

### **Retention of records**

*Records are efficiently managed [...] if none are kept longer than they are needed for such business unless they have a continuing value for purposes of research or for other purposes.[25]*

This quote prompts the discussion of records retention policies among the respondents. Respondents were asked to identify retention periods for various types of records that their organisations produce. Only 20 (32%) companies claimed to retain some of their records according to a retention policy. It can be assumed therefore that 42 (68%) companies did not have any sort of retention policy in place or had one but for some reason did not comply with it (e.g. lack of storage space). Despite the lack of an apparent retention policy in most companies many of them kept their records for statutory time periods. For instance, 30 (48%) companies kept invoices between 6 and 10 years or in accordance with the internal retention policy and 19 (30.5%), in accordance with the retention policy. Only in ten (6.2%) companies were some records kept for periods shorter than a year. In 18 (29%) companies

some records were kept between one and two years, in 35 (56%) companies, between three and five years. By far the most popular retention period was 6 to 10 years -- there were 41 (66%) companies which kept some of their records for that period of time. Table 1 illustrates retention periods for different document types.

**Table 1: Record retention periods in respondent companies (Total=62)**

Document type	0-1 year	1 -2 years	3-5 years	6-10 years	Permanently
Invoices	0	2	18	30	4
Purchase orders	2	3	19	15	3
Sales figures	1	2	17	27	5
Production reports	1	2	7	9	1
Customer details	0	1	12	28	8
Visit reports	0	3	13	10	2
Correspondence	2	5	17	17	3
Reports	3	2	14	13	2
Minutes of meetings	3	1	16	13	2
Internal memos	6	1	13	6	1
Tenders/quotes	2	8	19	15	3
Technical pubs	1	3	9	10	4
Engineering drawings	0	0	6	10	4
Other	0	0	2	2	2

### **Role of records within the organisation**

*The most important aspects of record management relates to the use of records for the conduct of [...] operations.[26]*

The literature on records management identifies three main reasons for which records should be kept: legal, fiscal and administrative. 50 (80%) respondents identified providing evidence or compliance as the main purpose for maintaining internal records, in 42 (68%) companies internal records were kept to provide background information, in 39 (63.5%) to aid decision making and in 34 (55.6%) for quality control reasons. (See: Table 5) Quality was the second most popular policy implemented in the respondent companies and it no doubt had an effect

on records management practices in the firms which adhered to it. “The idea of ‘quality’ has been a key notion in business in the last few years, and the advent of BS5750 and TQM have had a part to play in the development of records management [...]” (p. 17) wrote Jones about local governments in the UK.[27] The implementation of policies dealing with quality would seem to have had the same effect in SMEs. These results show that most respondents understand the basic roles of records in running organisations. There was however a small percentage of firms which did not seem to recognise these roles: in five cases internal information was kept only because of legal obligations, in two only to provide background information and in one exclusively to meet quality control requirements. It is not known if businesses which did not keep their records to comply with current law were unaware of their obligations or are taking a calculated risk.

**Table 2: Purpose of use of internal information in respondent companies**

**(Total= 62)**

<b>Purpose of use</b>	<b>Number of companies</b>
To provide evidence/compliance	50
To provide background information (e.g., R&D, customer service, marketing, intelligence)	43
To aid decision-making	40
Quality control	35
Did not answer	2
Other (Please specify)	1
Don't know	0

Organisations with a formalised management structure, regardless of their size, on average listed more reasons for keeping internal records (2.9) while companies without a formalised structure identified fewer uses of internal information (2.2). Once again, organisations with more formalised structures seem to make better use of their internal information. Still, Cox [28] complains about corporations’ ‘minimalist approach to archives’ and proposes a research project which ‘would explore how the argument might be made to a business executive to invest in archives [records management] as a business resource’.

## CONCLUSIONS

Overall, there seemed to be an understanding of the importance of information and records management amongst the respondent SMEs. However, it was also observed that many companies lacked in-house records management expertise and conducted their records management activities in a rather haphazard manner. The research indicated that records management practices correlated positively with the formal organisational structure of a company but, interestingly, demonstrated low correlation with its size and industry sector.

Most companies managed to avoid information overload and, at the other end of the spectrum, did not complain about lack of information. Information overload or lack of information were not identified by the organisations as being problems. There was, however, a realisation that the use of internal information could be improved: it was identified as the third most important area for improvement within organisations after management and training. Companies saw the potential contribution of information to their business success. They did not believe, however, that this was taking place at the time of the survey.

SMEs are a very diverse group and it was therefore rather difficult to draw many definite conclusions for the entire group. Most statistical tests showed weak correlation and new areas for further investigations were emerging with every questionnaire answer provided by the respondents. It is proposed therefore, that the second part of this survey (an in-depth interview) concentrate on a selected group of SMEs (e.g. similar in size, operating in the same sector).

## References and Notes

[1] The targeted SMEs were located in the North-East of England, i.e. Northumberland, County Durham, Cleveland and Tyne and Wear.

[2] Compare: 10% return rate in a study of medium size enterprise use of public libraries (Vaughan, LQ. 'The impact of the public library on business success: an analysis based on medium-sized businesses in Ontario', *Canadian Journal of Library and Information Science*, v. 22(2), pp. 16-29, 1997); 12.8% return rate in a pilot study on information use in SMEs (Smith, A. Information and the small company. *Managing Information*, v. 3(7/8), 1996, pp. 38-40); 20% return rate in the study on the impact of information on business success (Tauge-Sutcliffe, J., Vaughan, LQ and C. Sylvan. 'Using LISREL to measure impact of information on development: London site pilot study', in: *Making a difference: Measuring the impact of*

*information on development*, pp. 135-151. Ottawa: International Development Research Centre, 1995); 25% rate of return in the study of information needs of Scottish businesses (*Business information plan for Scotland: final report for the Scottish Library and Information Council*. Glasgow: SLIC, 1993).

[3] As a basis for the definition of a SME a European Commission definition was adopted. It stipulated that a SME was a business employing no more than 250 people (up to a maximum of 25% owned by another enterprise) and a maximum annual turnover of 40 million ECU or a maximum annual balance sheet total of 5 million ECU. (New definition for SMEs. *Management Services*, 40(7), July 1996., p.4.)

[4] Storey, D. J. *Understanding the small business sector*. London: International Thomson Business Press, 1994. 355 p.

[5] Curran, J. and R. Burrows. *Enterprise in Britain: a national profile of small-business owners and the self-employed*. London: Small Business Research Trust, 1988. (after: Storey, D. J. *Ibid.*)

[6] McCann, A. 'The UK enterprise population, 1979-1991', *The NatWest Review of Small Business Trends*, v. 3(1) 1993, pp. 5-13. (after : Storey, D. J. *Ibid.*)

[7] Department of Trade and Industry. *Small Firms in Britain 1995*. London: HMSO, 1995.

[8] Between the time of the questionnaire creation and the analysis of the results the SIC codes had changed. For the purpose of the analysis it was decided to use current codes, therefore the data from the questionnaires was re-classified to comply with the new classification.

[9] The total number is higher than the total number of analysed questionnaires because some companies were classified into more than one category of activity (e.g. manufacturing and retail).

[10] *DTI Statistical Bulletin* placed British SMEs in the following order, according to the nature of business: construction, wholesale, retail and repairs, business services, manufacturing, agriculture and fishing, transport and communication, hotels and restaurants, education (*DTI Statistical Bulletin*, July 1995) Note that business categories used by DTI vary from current SIC codes.

[11] Ricks, B.R. and K.F. Gow. *Information Resource Management: A Records Systems Approach*. 2nd ed. Cincinnati: South-Western Publishing, 1988.

[12] Kennedy, J. and C. Schauder. *Records management: a guide to corporate record keeping*. 2nd ed. Melbourne: Longman, 1998.

[13] Schellenberg, T. R. *Modern archives: principles and techniques*. Chicago: University of Chicago Press, 1956, p. 40.

[14] *Ibid.*, p. 37.

[15] Functional requirements for evidence in recordkeeping. *Bulletin of the American Society for Information Science*. June/July 1997. p. 10-11.

[16] In the survey there were large companies with rather weak records management practices and very small firms with elaborate procedures. This, of course, may be a result of the skewness of the respondents group (with a large number of small companies and very few large ones).

[17] The most popular policy was Health & Safety (in 51 organisation). It was followed by Quality (38), Training (29), Equal Opportunities (22), Information Technology and Records Management (19 each), Environmental (16), Personnel (10), Information (9) and Disaster Prevention (5).

[18] *The Today Programme* Sue McGregor interviewing John Entwistle, President of the British Chambers of Commerce. BBC Radio 4, 16 June 1998, 7:30 AM.

[19] Pember. M.E. Information disaster planning: an integral component of corporate risk management. *Records Management Quarterly*, April 1996, pp. 31-37.

[20] In those companies there were more types of records stored electronically than on paper.

[21] Schellenberg, T. R. *Op cit.*, p. 37.

[22] There is much discussion within records management and archival professions on definitions of a document, a record and data. The issue becomes even more complicated for materials produced and stored electronically. (Further discussion see: Roberts, D. Defining electronic records, documents and data. *Archives and Manuscripts*, 22(1), 1994, pp. 14-26.)

[23] Schellenberg, T. R. *Op cit.*, p. 37.

[24] Parker, E. and C. Smith. *Study of the archival records of British universities: a report for JISC Archives Sub-Committee*. London: TFPL, October 1997.

[25] Schellenberg, T. R. *Op cit.*, p. 37.

[26] *Ibid.*, p. 38.

[27] Jones, P. Records management renaissance: the UK local government perspective. *Records Management Journal*, 4(1), 1994, pp. 13-19.

[28] Cox, R.J. *Putting the puzzle together: the recordkeeping functional requirements project at the university of Pittsburgh: a second progress report*. March 1995. (<http://www.lis.pitt.edu/~nhprc/introd2.html>)