The Value of Information

Idea In Short

Effective information management is often undervalued, yet its impact on business performance is substantial. Many organizations, especially in the public sector, fail to see beyond compliance, overlooking its potential to drive efficiency, reduce costs, and mitigate risk. By shifting the narrative from regulation to business improvement—demonstrating savings in time, labor, and error reduction—information managers can engage senior leadership, justify investment in EDRMS, and transform records management into a strategic enabler of organizational success.

In today's data-driven world, the value of effective information management often goes unrecognized. Many organizations, particularly government agencies, struggle to justify investing in robust information management systems. However, the consequences of neglecting this crucial aspect of business can be severe, sometimes even life-threatening.

Shifting the Conversation

Records and Information Managers frequently lament their inability to capture senior management's attention. The problem often lies in their approach. Leading with compliance requirements or system features rarely resonates with executives juggling multiple priorities. Instead, the conversation should focus on tangible business benefits.

Imagine approaching a Chief Financial Officer with:

> How would you like to save $1 million in rework?

or a Human Resources Director with:

> What if we could reduce recruitment times by 30-50%?

These questions are far more likely to pique interest than discussions about regulatory compliance or software capabilities.

Adopting a Business Improvement Mindset

The key to calculating the value of information and its mature management is to shift from a records and information mindset to a business improvement mindset. This doesn't mean abandoning good records management practices, but rather positioning them as enablers of business efficiency and effectiveness.

Identifying Opportunities for Improvement

Nearly every organization has common business processes that can be enhanced with a properly functioning Electronic Document and Records Management System [EDRMS]. These may include:

- Recruitment
- Contract management
- Multi-step approval processes
- Meeting management
- Workers' compensation claims
- Asset recording and verification
- Customer complaint handling
- Employee performance management
- Procurement

Even if some of these processes are already managed by existing systems, there's often room for improvement in terms of efficiency, security, data accessibility, timeliness, or accuracy.

Calculating the Value of Information

The first step in quantifying the value of information is to identify highly manual processes. Look for procedures involving extensive paperwork, multiple emails, numerous steps, or several different roles. High-volume or labor-intensive processes, or those with significant

adverse consequences if mishandled, are prime candidates for improvement.

Next, develop process maps for these identified areas. Analyze these maps for issues such as:

- Wasted time due to poor information tracking or accessibility
- Inadequate information security
- Unnecessary or redundant steps
- Sequential processes that could be parallelized with better information sharing
- Manual information sharing (e.g., photocopying, faxing, emailing)
- Poor version control
- Inefficient storage of physical records
- Information scattered across personal drives, shared drives, and emails

Quantifying the Benefits

Once you've identified these issues, engage with business stakeholders to understand their implications. Consider factors such as:

- Storage costs
- Lost opportunities due to prolonged processes
- Manual labor costs
- Costs of disputes related to information inaccuracy
- Increased rework due to inaccessible information
- Overpayments to vendors due to incomplete information
- Consequences of non-compliance with audits
- Operational risks due to inaccessible or inaccurate information

Then, envision the possibilities with a functioning EDRMS and mature practices. This could include public access portals, automated processes, and improved teamwork through shared information access.

The crucial step is converting these qualitative benefits into quantitative, dollar-figure values. While some savings (like labor and storage) are straightforward to calculate, others (like reduced risk and opportunity costs) may require assistance from your audit function.

Making the Case

Armed with this dollar-figure analysis, you're now prepared to make a compelling case for information management investment based on business improvement rather than mere compliance. This approach is far more likely to engage senior management, prompting them to ask how you can deliver on these promises.

By focusing on tangible business benefits, Records and Information Managers can not only secure senior management endorsement but also gain committed champions for their cause. Research consistently shows that this level of engagement is crucial for successful implementations.

Effective information management is not just about compliance or keeping records in order. It's a powerful tool for business improvement, cost savings, and risk reduction. By quantifying and communicating these benefits, information professionals can elevate their role and drive significant value for their organizations.

Summary

Information management delivers far more than compliance—it is a catalyst for measurable business improvement. Government agencies and organizations can unlock major value by framing information initiatives around cost savings, productivity gains, and risk mitigation. Mapping inefficient processes and quantifying their impact helps build a compelling financial case for electronic records systems. Positioned this way, information management becomes a strategic tool that drives performance, strengthens accountability, and secures executive commitment for long-term success.