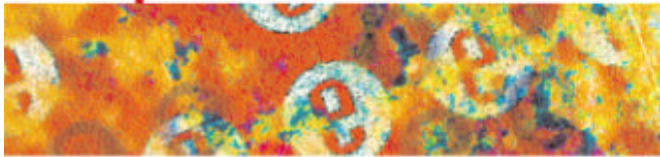




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DIRKS – A Strategic Approach
to Managing Business Information

STEP A – PRELIMINARY INVESTIGATION

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A.1 WHAT IS A PRELIMINARY INVESTIGATION?

The purpose of Step A is to identify and document the role of your organisation, its structure, the business, regulatory and sociopolitical environments in which it operates, and major factors affecting its recordkeeping practices. It provides the opportunity to conduct some preliminary research and consultation within your organisation about recordkeeping issues and to identify particular problem or risk areas. It will provide crucial contextual information about factors that influence your organisation's need to create and maintain records. To complete Step A you need to:

- [determine](#) the scope of the preliminary investigation (Section A.4.1);
- [collect](#) information from documentary sources and interviews (Section A.4.2);
- [document](#) your research (Section A.4.3); and
- prepare a [report](#) for senior management (Section A.4.4).

A.2 BENEFITS OF THE PRELIMINARY INVESTIGATION

By completing a preliminary investigation you will have:

- an understanding of your organisation and the administrative, legal, business and social contexts in which it operates;
- a general appreciation of your organisation's recordkeeping strengths and weaknesses; and
- a sound basis for defining the scope of your organisation's recordkeeping project and presenting a business case for managerial support.

This information is vital for making effective decisions about your organisation's recordkeeping systems and specific recordkeeping activities. It will help you define recordkeeping problems within your organisation, and ensure that proposed solutions are based on a firm understanding of the organisation and its environment.

This information will be clearly documented in:

- a list of sources and accompanying notes that will contribute to Steps B and C;
- an organisation context document containing information about your organisation's business and environment;
- a report for senior management explaining the major findings of your preliminary investigation and recommendations on the scope, conduct and feasibility of the proposed recordkeeping project; and
- a project plan that accompanies the report.

See Part 1 – Section 7.4 for an overview of documentation.

A template, Appendix 5 – Organisation context document, is provided.

The information gathered during Step A provides a useful snapshot of your organisation's business activity and major stakeholders. It can serve as a fixed point of reference for subsequent recordkeeping projects or be maintained in a form that allows changes to the organisation's operating environment, stakeholder interests, and sources of information to be incorporated as they occur, thereby providing a consolidated up-to-date reference.

Step A is an essential precursor to the compilation of a business classification scheme (Step B) and the preparation of a functions-based records disposal authority (Steps B and C). In conjunction with Steps B and C, the preliminary investigation will also help you assess your organisation's responsibility for recordkeeping and its compliance with external recordkeeping requirements. It is a useful basis for assessing your existing systems (Step D).

Further information about Step A and the disposal authorisation process is provided in Appendix 8 – [Procedures for developing a records disposal authority in the Commonwealth](#).

A.3 RESOURCES AND PREREQUISITES

The initial analytical steps of DIRKS (Steps A to C) are resource intensive. Your organisation will need to invest time and personnel in these steps to provide a sound basis for subsequent recordkeeping design and implementation activities.

Before starting Step A you should:

- establish a need within your organisation to investigate its recordkeeping system(s) or undertake particular activities (such as functional appraisal);
- ensure that you have managerial support to undertake at least the preliminary investigation (depending on the anticipated scope of the project, it may be prudent to obtain in-principle support for Steps A to C before proceeding); and
- decide whether you will undertake parts of Step D – Assessment of existing systems concurrently with the preliminary investigation to gain a better insight into your organisation's existing technological environment.

In order to conduct the preliminary investigation you will need:

- access to internal documentary sources such as annual reports, corporate plans and business plans;
- access to external documentary sources such as legislation, standards and codes of practice;

- access to personnel with high-level knowledge of the organisation; and
- personnel with analytical skills, oral and written communication skills and a broad knowledge of the organisation. Such personnel may be drawn from within your own organisation or engaged as consultants to undertake the project on your organisation's behalf.

A.4 DOING THE PRELIMINARY INVESTIGATION

The preliminary investigation provides a structured approach for analysing and documenting the context of your organisation, its business activity and recordkeeping practices. The amount of fundamental research that you undertake in this step will depend on the level of corporate knowledge and the availability and currency of pre-existing reports on relevant facets of the organisation. External consultants unfamiliar with your organisation are likely to draw heavily on source material during the analysis phase, while in-house personnel may tend to rely more on their own knowledge.

A.4.1 Determine the scope of the investigation

During the preliminary investigation you will need to identify:

- the boundaries of your organisation (see Section A.5.2);
- the legal framework that impinges upon the operations of your organisation;
- the internal and external stakeholders whose interests your organisation must take into account;
- the business, social and ethical standards the community expects your organisation to meet;
- the type of work carried out by your organisation;
- your organisation's corporate culture; and
- factors affecting your organisation's recordkeeping practices.

The series of questions included in the organisation context document (Appendix 5) will help focus your research and provide a framework for documenting your findings. Answering each question and providing a source for each answer will create a concise body of information about the organisation to draw on in future steps or other recordkeeping projects. You may cite pre-existing reports or personal knowledge as sources where you consider that these are sufficient, but you should provide adequate information to enable every source to be identified and accessed again. Compiling documentation in a consistent format will also avoid unnecessary duplication of effort at subsequent steps in the DIRKS process or future recordkeeping projects.

A.4.1.1 Stakeholders

Stakeholders can be broadly defined as ‘those people and organisations who may affect, be affected by or perceive themselves to be affected by a decision or activity’. [1] Stakeholders are both internal, such as the business units and employees of the organisation, and external. External stakeholders include clients, customers, public lobby groups, business partners, regulators and those regulated by the organisation.

As part of the preliminary investigation, it is necessary to identify your organisation’s stakeholders. Stakeholders are of particular importance for the appraisal and disposal aspects of a recordkeeping system and can be a source of recordkeeping requirements (Step C). It is important to consider not only your organisation’s interest in the stakeholders but the stakeholders’ expectations of your organisation. They are part of your business and social context and may be a source of accountability requirements and expectations.

Information collected on stakeholders will be referred to in future steps.

A.4.1.2 Critical factors affecting recordkeeping

During the preliminary investigation it is important to identify critical factors that may affect recordkeeping within your organisation. Your research may reveal some factors that promote good practices as well as other factors that are detrimental and create barriers. To assess your organisation’s strengths and weaknesses you will need to consider its strategic awareness, attitude to risk, technological environment and existing recordkeeping practices.

The organisation context document contains questions that will help you make this assessment. Appendix 11 – [Risk analysis in DIRKS](#) may also provide some assistance in identifying critical factors. The understanding that you gain from this process will help you choose appropriate strategies and tactics in later steps of the DIRKS methodology.

A.4.1.3 Corporate culture analysis

While many of the matters that you need to investigate will be revealed by your sources, others may be more difficult to identify and evaluate. An appreciation of your organisation’s corporate culture will help you more fully understand why and how your organisation operates as it does.

An organisation’s corporate culture or ‘personality’ is the set of values, attitudes and beliefs shared by its members. It emerges from long-established practices, procedures, structures and systems. The terms used to characterise the ‘way we do things around here’ (for example, ‘hierarchical’, ‘laissez-faire’, ‘regimented’) are often indicative of an organisation’s culture.

If you are undertaking the preliminary investigation in-house you are likely to be familiar with the organisational culture. However, consultants working on your organisation’s behalf will need to learn about the character of your organisation through interviews, by monitoring business processes and by observing officers at work. Some of the documentary sources, such as vision,

mission and value statements, together with organisational structures and performance appraisal mechanisms may also provide useful information for analysing the corporate culture. Interviews, particularly with long-term employees, are also a useful source. The organisation context document (Appendix 5) contains questions that will help you assess your organisation's corporate culture.

Strategies for better recordkeeping, including the design and implementation of new systems, are likely to require changes in corporate behaviour. Given that such behaviour is the product of established practices, procedures, structures and processes, it is important to consider what threats and opportunities the prevailing culture poses. These factors may affect the feasibility of your proposed recordkeeping project and should be addressed in your final report for this step. They will be revisited during Step E. See Appendix 12 – [Recordkeeping feasibility analysis](#) and Part 1, Section 7.2 – [Change management](#).

A.4.2 Collect information from documentary sources and interviews

Before starting your research, check if your organisation has recently participated in other projects involving corporate analysis (such as business process re-engineering, risk assessment, or strategic planning). Such projects may provide much of the information required for the preliminary investigation and reduce the need for further fundamental research.

If you are unable to complete the organisation context document on the basis of this material or your own corporate knowledge you will need to gather information from documentary sources and interviews. Possible internal and external sources are described below.

A.4.2.1 Documentary sources

Key sources that provide a good starting point for your preliminary investigation include:

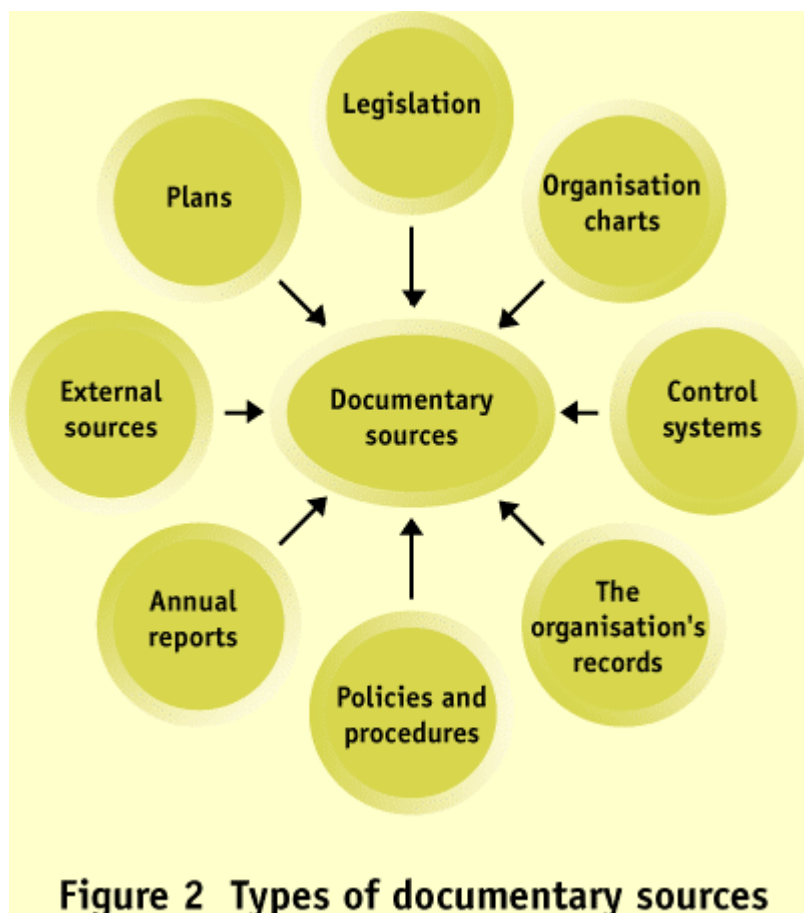
- annual reports;
- organisational charts;
- strategic plans (eg corporate plans, business plans and related planning documents);
- legislation, ministerial statements and media releases regarding the establishment of your organisation;
- policies and procedures;
- your organisation's existing records and recordkeeping systems; and
- publications targeting the interests of particular stakeholders.

Most of the sources listed above are produced by your organisation, and may be accessible online through your organisation's internet or intranet facilities. However, to fully understand the business, regulatory and sociopolitical

context in which your organisation operates you will need to look beyond its boundaries. There are many types of external sources that will provide important contextual information. Some of the more important sources are:

- reports and guidelines issued by audit, complaints-handling or other investigative bodies; and
- standards, codes of practice and protocols that are relevant to your organisation's business.

Many of these sources are available online. Further information about these internal and external sources and the information they contain is provided in Appendix 1 – [Guide to documentary sources](#).



A.4.2.2 Interviews

The purpose of consulting staff in Step A is to validate the information you have gathered from the documentary sources regarding your organisation's context, its culture and its recordkeeping strengths and weaknesses. It can also provide information on areas of the business or culture that are not otherwise documented. Consultation can occur through interviews with individual officers or workshops with selected staff. It is important to confirm with staff that you are using current sources and to seek their advice on other sources that you may have overlooked.

For further information about the interview process, see Appendix 2 – [Guide to interviews](#) and Appendix 3 – [Interview questions](#).

A.4.3 Document your research

Documenting your research in a structured fashion will help you explain your preliminary investigation findings to senior management, substantiate your recommendations, provide a foundation for other steps, and serve as a reference document for future recordkeeping projects.

During the information-gathering phase it is useful to compile:

- a register of all sources used; and
- a set of notes for each source (documentary or interview).

A number of templates are provided to help you document your research. Separate templates are provided for [Acts of Parliament](#), [Statutory rules and regulations](#) and [Other sources including interviews](#). These templates allow you to use the same forms to compile source information relating to the analysis of business activity (Step B) and identification of recordkeeping requirements (Step C). A suggested template for summarising your research, Appendix 5 – [Organisation context document](#), is also provided.

Regardless of the format that you choose to document your research, it is helpful to arrange your notes so that they clearly indicate which source and which step(s) in the DIRKS process they relate to. As mentioned earlier, many of the sources used during the preliminary investigation will be used again to analyse your organisation's business activities (Step B) and identify recordkeeping requirements (Step C). Keep copies of source documents so that you can refer to them later on.

A.4.4 Prepare a report

At the conclusion of the preliminary investigation you should have collected enough information to identify:

- your organisation's business activity;
- major stakeholders;
- the type of business risks that your organisation is exposed to;
- perceptions of the role recordkeeping plays in your organisation;
- strengths and weaknesses of recordkeeping and information systems;
- level of management commitment to recordkeeping activities;
- options for conducting the remainder of the project; and
- resources required for proposed projects.

Using the organisation context document as the basis for your report will enable you to write up the findings of your preliminary investigation.

Depending on the level of senior management support gained and the amount of scoping undertaken before the project commenced, the report may canvas issues, options and recommendations to management on the scope of the proposed recordkeeping project, perhaps in the form of a business case or feasibility study. This manual includes guidelines to help you assess the [feasibility of recordkeeping projects](#) (financial, technical and operational feasibility) and guidelines on [preparing a business case](#). Part 1, Section 6 – [Pathways for using DIRKS](#) outlines a range of recordkeeping projects for which the DIRKS methodology can be used.

Once a decision has been made about the scope and conduct of the project, a detailed project plan, drawing on relevant steps in the DIRKS process, can be developed.

If a decision had been made on the nature of the project prior to commencing Step A, the information gathered during the step should now be used to revise the project plan and highlight any issues or areas of concern that had not previously been identified.

A.5 ISSUES

A.5.1 ‘Housekeeping’ functions

During the preliminary investigation, most organisations will not need to consider common ‘housekeeping’ functions such as financial management, occupational health and safety, personnel, and property management. These functions are identified and defined in *Keyword AAA: Thesaurus of General Terms Commonwealth Version*. Advice on the disposal of records related to these general administrative functions can be found in Administrative Functions Disposal Authority (AFDA) produced by the National Archives of Australia. At later stages in the DIRKS process you will need to ensure that your recordkeeping system creates, captures and manages these common housekeeping records, including disposal according to AFDA requirements.

You will need to establish whether your organisation has a special role or responsibility for administering one of the generic functions, eg Comcare has responsibility for the Occupational Health and Safety function on behalf of the Commonwealth under the *Safety, Rehabilitation and Compensation Act 1988*. If this is the case for your agency, the function must be included in the preliminary investigation and later stages.

A.5.2 Defining the boundaries of your organisation

When carrying out the preliminary investigation, it is necessary to determine the boundaries of your organisation. Sometimes these can be fluid, particularly for portfolio departments. An example of this is when departments carry out secretariat activities for councils, committees, boards etc. Although they are closely linked to a department and have departmental officers carrying out tasks for them, they are separate organisations because

they were established independently by ministerial decision or legislation. Questions that can help determine organisational boundaries include:

- Was it established for a particular purpose by legislation or ministerial decision?
- Is the entity a department, statutory authority or executive agency?
- Is the entity a court?
- Is the entity a corporation or association?
- Is the entity a ministerial council, committee, board, trust or tribunal that is generally thought of as independent in regard to the exercise of its substantive role, eg for accountability, procedural or political reasons?
- Does it operate autonomously?
- Does it have an identified head or chief executive officer?
- Does it have administrative cohesion with respect to work planning and budget arrangements?
- Does it report independently to the minister or to the Parliament?
- Does it have a separate recordkeeping system?
- Does it have the power to make its own recordkeeping arrangements, if it so wishes?

If the answer is 'yes' to one or more questions, the entity is probably a separate organisation.

Under the Archives Act and regulations, disposal arrangements must be authorised by a senior officer of each Commonwealth organisation. Frequent administrative rearrangements also mean that two organisations that are closely linked at present may be separate in the future. For these reasons it is important to understand the boundaries of your organisation.

A.6 CHECKLIST

Before proceeding further check that you have:

- compiled an annotated list of the sources that you have used;
- completed the organisation context document provided (or prepared a similar document) to collate your findings;
- prepared a report for senior management explaining the major findings of your preliminary investigation and making recommendations on the scope, conduct and feasibility of the proposed recordkeeping project; and
- prepared a project plan to accompany the report to senior management.

A.7 WHAT'S NEXT?

After completing Step A you may now move on to Step B – [Analysis of business activity](#).

Commonwealth organisations intending to develop a functions-based records disposal authority should check the National Archives documentation requirements for this stage in Appendix 8 – [Procedures for developing a records disposal authority](#) in the Commonwealth before progressing with Step B.

ENDNOTE

1. Australian and New Zealand Standard AS/NZS 4360-1999, *Risk Management* 1.3.32.