

Risk-based appraisal of records: some developments in Dutch appraisal practice

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ABSTRACT

In this paper I will discuss some recent ideas about and developments of risk management and risk assessment in the field of records- and archives management in The Netherlands.

GENERAL TERMS

Management, Theory

KEYWORDS

Appraisal and selection; records-management; risk-assessment; risk-management

INTRODUCTION

Risk, risk assessment and risk management are polymorphous, multidimensional and context dependent categories. Risk has been defined as ‘the effect of uncertainty on objectives’¹ and risk management can be seen as the activities to control and to manage risks in order to be able to achieve the set aims. Growing complexity of society causes an increasing interest in and preoccupation with risk and risk management. For instance, due to climate change, worldwide banking crises, financial crises and other catastrophes in the world, risk management gets much attention and is predominantly directed toward reducing the effects of uncertainty and, in case an incident might take place, to limit the probable effects. This approach of risk-reduction is only one side of the picture. There is a more expansive view of risk, which is called strategic risk taking. Risk management can be used not only to protect but also to generate value and is based on the premise that risk and taking risk has rewarding effects. After all risk creates opportunities, which can be easily illustrated by looking at many of our daily activities. Taking risk is not only necessary to make extra profits but is even a prerequisite to survive. Compared to saving, investments in stocks are much riskier but generate higher returns. The hunting caveman was confronted with many dangers but without taking risks he would not be able to end up with food. Many innovations are the result of the desire to diminish risks or of the opposite to take risks. Every risk has its reward and it is this pairing of risk and reward, which is at the core of a more encompassing risk definition and a more encompassing risk-perspective.²

In this paper I will discuss some recent developments of risk management and risk assessment in the field of records and archives management in The Netherlands. I first will start with a

short general introduction in which I focus on the growing role risk and risk management play in the archival community. After that, I will discuss some of the later developments in the Netherlands in the field of risk-oriented records-management and appraisal and selection of records and I finish with discussing the opportunities of risk driven appraisal.

RISK AND RISK MANAGEMENT IN THE ARCHIVAL COMMUNITY

The *enfant terrible* of the archival community, David Bearman has never been afraid of thinking out of the archival box.³ Taking pride in being not an archivist he confronts the archival community since the 1980’s incessantly with fresh thoughts about information- and archives management. In spite of his autonomous and sometimes somewhat distant position, archivists adopted many of his ideas over time. An important and repeated theme in his writings is records management based on risk-assessment. The writings of Bearman made archivists aware that risk and risk management are inextricably connected to and are part of records management. Due to his persistent attention for this theme, risk management became gradually part of archival vocabulary and archival practices. This is best illustrated by the fact that today risk management has its own ISO guideline to help records managers to evaluate risks related to records processes and records systems.⁴

When archivists use the term risk they usually associate it with the purpose to control potential threatening and damaging effects on the quality of records due to bad management and the aim to create a risk-free realm where the archival legacy is safe. This archival reflex is understandable, since it has always been the first responsibility of archivists to safeguard the archival legacy and to protect archives against dangers of decay and loss or as Hilary Jenkinson already in the 1920’s clearly stated: the archivist ‘has to take all possible precautions for the safeguarding of his Archives and for their custody, which is the safeguarding of their essential qualities’⁵ by which he meant ‘impartiality’ and ‘authenticity’ of the archives. In our time archivists still are preoccupied by creating a safe haven and a secure base for archives in order to preserve the essential qualities of archives which are closely connected to the key values archivists adhere to safeguard: integrity, authenticity, reliability and useability of records.

³ See the still worth reading article written by Terry Cook ‘The Impact of David Bearman on Modern Archival Thinking: An Essay of Personal Reflection and Critique’ in *Archives and Museum Informatics* 11 (1997): 15–37

⁴ ISO/TR18128:2014(E) *Information and documentation – Risk assessment for records processes and systems*. A records system is defined as ‘any business application which creates and stores records’.

⁵ Hilary Jenkinson, *A Manual of Archive Administration, including the problems of War Archives and Archive Making* (London 1922) 15.

¹ ISO 31000 2009

² Aswath Damodaran, *Strategic Risk Taking. A framework for risk management* (New Jersey 2007) 7-10.

This emphasis on safeguarding records and avoiding risks of damage and loss is clearly reflected in the archival terminology. In the American archival terminology risk management is defined as ‘the systematic control of losses of damages, including the analysis of threats, implementation of measures to minimize such risks and implementing recovery programs’.⁶ In his now classic article ‘Moments of Risk: identifying threats to electronic records’ Bearman identified six moments of great vulnerability for the integrity and authenticity in the existence of records.⁷ These six moments of high risk are the moments of transition at capture, maintenance, ingest, access, disposal and preservation. Better knowledge of potential risks and the moments of risk leads to a more active and at least to a more explicit policy of records managers and archivists to take (and accept) or to minimize risks. Viktoria Lemieux, a Canadian scholar who is an expert on risk issues in records management and more in particular in how risks impact upon transparency, public accountability and human rights considers records- and information risks as chances ‘that may pose a threat to the effective completion of business transactions and fulfillment of organizational objectives or opportunities’.⁸ In 2010 she carried out a research among seven leading archival journals in the field of archives and records management and she found out that between 1984 and 2010 seven different kinds of risks related to records and records management were discussed in these journals.⁹ In the analyzed journals, the focus is mainly on attempts to limit the risks of losing recorded information and more specific, most attention was given to disasters and devastating human behavior that constitutes a danger for the existence of the records, on long-term preservation of digital records and on long-term preservation of authenticity.¹⁰

All these approaches to risk management have one important thing in common: the emphasis is always on avoiding potential identified risks. This one-sided perspective of risk and risk-management leaves out the rewarding perception. In my paper I want to use the more encompassing viewpoint of risk and risk management and connect it to the developments in appraisal and selection issues in the Dutch records- and archival community. A question that could be made from this more encompassing perspective is for instance how much effort (time and money) archivists and records managers want or need to spend in managing different categories of information. Recently explicit risk-management has become one of the areas of interest in appraisal and selection of records. The next step is to develop further the experimental tools with the purpose to make a better and more explicit risk assessment. Before turning to that aspect I first will briefly sketch the general developments of appraisal and selection within the Dutch records-management and archival community and describe the context in which the need for risk assessment has become manifest. After that I will focus on the risk analysis tools itself and sketch some first experiences with this new approach.

⁶ Richard Pearce-Moses, *A glossary of archival and records terminology* (Chicago 2005) 348

⁷ David Bearman, ‘Moments of Risk: identifying threats to electronic records’ in *Archivaria* 62(2006), 15-46, p 25

⁸ Viktoria L. Lemieux, ‘The records-risk nexus: exploring the relationship between records and risk’ in *Records Management Journal* 20 (2010) 2, 199-216, p 201.

⁹ The researched journals were: *American Archivist*; *Archival Science*; *Archivaria*; *Information Management Journal (IMJ)*; *Journal of Documentation*; *Journal of the American Society of Information Science and Technology (JASIST)*; *Records Management Journal*.

¹⁰ *Ibidem*, 211.

MISSING THEORY

Although appraisal and selection of records is not explicitly associated with risk assessment and risk management, the process of appraisal and selection bears all characteristics of it. As in many countries, government agencies in the Netherlands need to have a retention schedule in order to be able to legally destroy records. The Dutch Archives Decree 1995 describes in very general terms which interests and values must be taken into account when a government agency compiles a retention schedule: the business-processes of the government agency, the relation of the government agency to other government agencies, the value of records as part of the cultural heritage and the significance of the information kept in the records for government agencies, for persons who are seeking justice and evidence and for historical research. This general description leaves much room for interpreting and operationalizing this ‘taking into account’. The archives legislation does not prescribe a specific method of how to determine the life span of a record. Legislation does however prescribe who should at least be involved in the process of designing a retention schedule: the official who is responsible for information management of the government agency, the archivist of the repository where the records of the agency will be transferred to and an impartial expert who takes care of the information interests of citizens in the process of assessment. How they come to their assessment of records is not prescribed.

Traditionally archivists have paid more attention to securing valuable records for perpetuity than having an all-encompassing involvement in appraisal and selection. The selection-goals are still more or less one-dimensionally directed to identify the records destined to keep forever. The latest selection goal for records that was adopted in 2010 by the Minister of Cultural Affairs and the Minister of Interior clearly shows this:

‘The purpose of appraising, selecting and acquiring archives is to bring together and secure the sources that enable individuals, organisations and social groups or bodies to discover their histories and to reconstruct the past of state and society (and their interaction). To this end those archives or parts of archives that must be secured are:

- a. representative of those items which have been recorded in society*
- b. representative of the activities of the members (people and organisations) of a society*
- c. considered by commentators as significant, exceptional or unique because these reflect the significant, exceptional and unique social developments, people and organisations of a particular period’.*¹¹

The selection-goal may give direction of what to keep but is not helpful at all for the selection of records to be destroyed. This at the very least is a remarkable observation. Especially when we look at it from a records continuum perspective.

For those who are responsible for appraisal and selection decisions, it is a nightmare to make wrong judgements that might result in the destruction of records, which, as it sometimes turns out only much later, should not have been destroyed. Sometimes appraisers make obvious mistakes in assessing records, for instance because the records are needed for the business processes for a longer period of time than the retention schedule stipulates. Sometimes it happens that records that actually exist are not included in the retention schedule. And of course it will be

¹¹ Commissie Waardering en Selectie, *Gewaardeerd Verleden. Bouwstenen voor een nieuwe waarderingsmethodiek voor archieven* (Den Haag 2007), p. 37-38.

possible that records are kept or destroyed contrary to the assessment made in the retention schedule. It are however not only this kind of more or less clear mistakes that play a role in appraisal and selection. Changing societal conditions can also lead to new and different insights about the value of information for business processes. Although records may have been destroyed legally and completely in line with the societal standards of the time when the decision was made, because of new developments in society policy-makers sometimes may regret the destruction of the records. It is not difficult to find examples of such changes in evaluation of the same documents over time and not only because of changing historical interests but also for business reasons. A good example is for instance the interest for environmental issues in the late 20th century. Since the 1870's factories needed permission to start activities that might be harmful for health and environment. For a long time these licenses issued under the Nuisance Act were legally destroyed several years after the permit expired. This policy changed after some environmental scandals shocked the Dutch society in the 1980's. A very confronting wake-up call was the discovery of health threatening quantities of poison in the soil of a newly built residential area in the municipality of Lekkerkerk in 1980. An expensive soil-sanitation program was the result and the government started a national survey to list all potential spots of chemical pollution in the country. Suddenly the information in the -for the most part destroyed- 19th and 20th century licenses would have been very relevant for this purpose because with the records still available, it would have been possible to trace for instance the highly polluting white-lead factories or gas plants that have been in operation in the country since the late 19th century. Exactly because of this newly manifested value for the administration, the retention schedule was changed. Licenses issued under the Nuisance Act were no longer destroyed but kept permanently.¹² This example clearly shows the difficulties of making sustainable long-term appraisal decisions, and it also shows aspects of risk-assessment.

The Dutch Council for Culture [Raad voor Cultuur], which is the most important advisory board for the Minister of Cultural Affairs, was until two years ago involved in the evaluation of every single retention schedule before a schedule could be decreed by a minister's resolution. In looking back at the 45 years of assessing hundreds of retention lists, the Council stressed that 'selection has everything to do with risk analysis and risk management. The failure to recognize the risks of bad information in this field, could have major implications for citizens and authorities'.¹³ In its report, the Council sketches eight examples to illustrate the importance of precise and careful appraisal and selection of records because of the far-reaching consequences for government, society and citizens. In some of the examples the Council expresses fierce criticism on the inaccurate assessment of some categories of records because of failing risk awareness, for instance in the retention schedule that deals with extracting minerals, issued in 2005. In the draft version of this retention schedule maps and designs of drilling machines were regarded as destructible and measured values of earthquakes and subsidence were to be destroyed after 10 years. In the light of growing damage on houses and infrastructure caused by mining

¹² At the same time one could question this decision to keep the newly made licenses for this purpose. Environmental- and health issues get so much attention in society that a whole range of new environmental laws and regulations have been issued with new kinds of registrations of dangerous chemicals.

¹³ Raad voor Cultuur, *Selectie. Een kwestie van waardering* (Den Haag 2013) 30.

activities the Council regarded this retention-period as an example of ill-considered risk assessment.¹⁴

Based on this short analysis of the appraisal practice in The Netherlands we may observe two things. In the first place there is a somewhat ambiguous attitude towards risk management. Although risk assessment and risk management are not clearly and explicitly addressed as being part of the appraisal and selection procedure, implicitly they certainly are. In the second place we may discern that once risk assessment is introduced in the archival debate, there often is a one-dimensional alarmist and reproaching undertone in it. Indeed, risk assessment might be seen as something that is so self-evident and arises from common sense, which should not need specific attention or an explicit method. Reality however is different. What I argue is that it is risk for the quality of information that risk-management and risk assessment lack serious and methodical attention in appraisal and selection. There is an urgent need to be much more explicit about risk management and risk assessment in appraisal and selection as an integral part of records management.

SIGNS OF A TURNING TIDE?

It is indisputable that selection not only has to do with the highly valued principles of meeting democratic rights of citizens who want a government that can be held accountable for its activities by showing the records and for the sake of being able to reconstruct the past. When we look at the world of paper records, selection basically has to do with the very trivial issue of space (which means money) that is needed to keep records.¹⁵ For a long time the issue of selection was primarily connected to the need to solve space problems for the administration. Periodical destruction of records was the answer, which however often appeared to be a largely spurious solution because many government agencies inclined to postpone the real selection of their records until there was hardly any administrative interest left in keeping them. Piles of paper waiting to be selected were the result and the aim to eliminate the 'backlogs' in processing records became a recurring policy statement within the archival community. Many special programs were set up in an attempt to speed up the processing, which in the end often turned out to be disappointing and still very time-consuming trajectories. The often-quoted Manyard Brichford once said that appraisal and selection "is the area of the greatest professional challenge to the archivist. In an existential context, the archivist bears the responsibility for deciding which aspects of society and which specific activities should be documented in the records retained for future use".¹⁶ Probably the archive professional on the spot does not always feel the heavy burden and the big responsibilities, but the dilemmas he is confronted with in appraisal and selection indeed easily paralyze the whole processing of records. David Bearman already in the 1980's has

¹⁴ *Ibidem*.

¹⁵ See for instance Gustaw Kalenski, 'Record Selection' in *The American Archivist* 39 (1976) 25-43, p 27-28 and James Gregory Bradsher, 'An Administrative History of the Disposal of Federal Records, 1789-1949' *Provenance, Journal of the Society of Georgia Archivists* 3 (1985) Issue 2. See <http://digitalcommons.kennesaw.edu/provenance>; Charles Jeurgens, 'De selectielijst en het historisch motief in de waardering en selectie van archieven' In: Put E., Vancoppenolle Ch. van (Eds.) *Archiefambacht tussen geschiedenisbedrijf en erfgoedwinkel. Een balans bij het afscheid van vijf rijksarchivarissen*. (Brussel 2013) 207-226.

¹⁶ Maynard J. Brichford, *Archives and Manuscripts: Appraisal and Accessioning* (Chicago: Society of American Archivists Basic Manual Series, 1977), 1.

put forward some interesting but at that time surely not undisputed ideas about solving this growing burden of piling papers. He introduced the perspective of risk assessment in appraising and selecting by posing other questions than archivists were used to in these matters. He asserted that '[i]nstead of asking what benefits would derive from retaining records, they [=archivists CJ] should insist on an answer to the probability of incurring unacceptable risks as a consequence of disposing of records. This will very likely dramatically reduce the volume of records that are judged essential to retain. And it suggests an approach to solving the second dilemma of our current appraisal methods: their focus on records rather than the activity they document.'¹⁷ He introduced a new perspective with this reversed approach, which immediately shows that risk has also its reward. The very simple question that is at the basis of this approach is: what will really go wrong if the records are not available anymore?

Some years ago the Dutch National Archives were involved in a program that aimed to speed up the processing of the large amounts of records of state institutions. The program dealt with records created between 1975 and 2005 and although never exactly calculated, at that time estimations were made that more than 800 km³ shelves filled with paper were waiting to be selected. How to speed up selection in a way that government agencies within a reasonable time could meet their obligations to transfer records within 20 years to the National Archives? Not being able to go into detail here about this project and the methods that were developed to accelerate the selection process, in the context of this paper it is important to mention one of the elements that played a role in speeding up the process. What archivists from the National Archives usually did not do, but started to do as an experiment, was to discuss the relevance of the records for the business processes with the managers who were responsible for these business processes in the government agencies. The very basic question to these business-process managers was what would go wrong if all these records that were waiting for selection were to be destroyed. Of course it never was a serious idea to destroy all these records, but the question appeared to be an interesting starting point for a serious conversation about the relevance of the records for them. These process-managers made risk calculations and it was generally speaking not so difficult for them to tell which records from which processes produced 10 or 20 years ago were still of vital relevance. A staggering observation was the discrepancy in assessing the relevance of the records for the business processes by the business-process managers on the one hand and the records managers on the other. The information management processes were only to a certain extent a reliable reflection of the business processes, which makes the operationalization of the concept of archives as process-bound information rather problematic.

NEW DIRECTIONS

In a recently published report the Dutch National Audit Office criticized the complexity of implementing the many regulations that aim to bring government agencies in control of their information management. In its report, the Audit Office paid special attention to the 'tenacious issue' of selection and reported that in the past decades the authorities have not succeeded in developing an effective method of appraisal and selection that provides a lasting contribution to the quality of information management. In particular, it blames the pattern of short-term official interest in solving only partial problems in which singular actions are implemented to solve that partial problem in

isolation.¹⁸ The functionality of appraisal and selection has drifted further and further apart from the business processes. The categories that have been constructed for appraising and selecting official information do not always fit into the actual information structures, resulting in complicated matching operations, which are time-consuming.¹⁹ The observations of the National Audit Office can easily be associated with the earlier mentioned discrepancy between the structuring principles of business processes on the one hand and information-management processes on the other.

This discrepancy made us rethink the relationship between the business processes and the information processes. Because the bond between the business- and information practices is not always self-evident - partly because the business processes are not clearly defined, partly because records managers do not always know or understand the structures of business processes - the quality of records management is affected and creates uncertainty and lack of clarity in appraisal and selection activities. In particular this is the case in policy-making activities because they lack a clear pre-defined structuring format. In the analysis of some information specialists at the Dutch Ministry of Defense the real problem behind the often poor quality of selection is not so much the complexity of regulations as well as the lack of financial resources and a lack of high qualified employees to manage the records properly. Attempts to bring the quantity and the quality of the records-management staff at a level to be able to manage all records in accordance with the requirements were not very successful because of lack of interest from the top-management. The effect of this structural problem of failing quality of records management was that the ministry ran serious information risks but without knowing what the risks were or without knowing where they could become manifest. Due to this trivial but very realistic problem, the Ministry of Defense started to experiment with risk-oriented records management. Instead of treating all records in the same way, records managers started to diversify the intensity of records management based on risk-assessment of the processes the Ministry carried out and was responsible for.²⁰ The same experiment started at the Ministry of Finance in a project with the National Archives.

The first thing that has to be done by records managers - in close cooperation with business managers - was to identify and to list the processes that were carried out by the organization and to assess the risks of uncontrolled information loss (because information could not easily be found, was not complete or might be destroyed illegally) for every single process. Initially the Ministry of Defense distinguished between three risk-levels (high, middle and low) but nowadays there are only two levels left. The category high-risk processes is reserved for the processes that risk casualties, major political damage and serious stagnation of the primary processes of the Ministry in case of uncontrolled information loss. Examples of such high-risk processes are military missions in for instance Afghanistan and processes that are carried out in the scope of national security like

¹⁷ David Bearman, *Archival Methods, Archives & Museums Informatics Technical Report 3* (1989)

¹⁸ Handelingen Tweede Kamer der Staten-Generaal [Parliamentary Papers] II, 2009–2010, 32 307, nos. 1-2: Algemene Rekenkamer, *Informatiehuishouding van het Rijk* (2010) 33.

¹⁹ Ibidem

²⁰ Ministerie van Defensie, *Generieke Selectielijst voor de archiefbescheiden van het Ministerie van Defensie vanaf 1945* (Den Haag 2014); H.E.M.J. Kummeling, *Documentaire Informatie. Studie DI-risico's bij defensieprocessen* (Den Haag 2007); KennisLab, *Eindrapport Expertteam Risicomanagement* (Den Haag 2011)

intelligence services and explosive disposal activities. A substantial part of the limited resources available for records-management was allocated to improve information- and records-management for these high-risk processes. The result of this risk-assessment of processes is a deliberate policy of better control of information-management in the high-risk processes and less in the low-risk processes. Of course this generates new risks, but the rewarding element is a better control of the most important processes.

In this still experimental risk perspective the archival function of appraisal has got a more holistic significance than in the traditional approach. Appraisal is more than assessing the value of records from a perspective of retention. The outcome of process-assessment as described in this example, will have its impact on the efficacy of the retention schedules. Selecting records from high-risk processes will be more accurate than selecting records from low risk-processes, simply because of a more intensive records management, which for instance may result in employing more detailed metadata to documents of high-risk processes.

RETENTION-SCHEDULES

The methods and procedures of compiling retention schedules in the Netherlands are currently redesigned because of the need to appraise records much earlier in the digital workflow. Backlogs in the processing of digital records are a doom scenario that guarantees uncontrolled information-loss. In the new approach explicit risk-assessment will be part of the process of preparing a retention schedule.²¹ Risk-analysis will be one of in total three different tools available to make an all-encompassing evaluation of records and to determine whether and when records should be destroyed. The new methods and procedures aim to appraise at the moment of, or even better, before the moment of creation of information.

The risk-analysis tool is developed for and from the perspective of those who are responsible for the business-processes. A prerequisite for being able to compile a retention schedule is an extensive and up-to date list of the business-processes the organisation is responsible for. Even in the field of records management the maxim of W.E.Deming is applicable, which says '[i]f you can't describe what you are doing as a process, you don't know what you're doing'. Good knowledge and understanding of the business processes is the starting point for solid records-management.

With a good picture of the business processes it will be easy to identify the managers who are responsible for these processes. In the newly developed method for designing retention schedules, it will be crucial to involve the manager. He will be called to account for his responsibilities as a business-manager. How long does he need the information kept in the records to pursue all the obligations he is held responsible for? What are the business-, management-, financial-, political and legal risks if records are not available anymore or if records are not destroyed on time? The business-manager in a governmental setting has obligations and responsibilities that are beyond the direct business processes. Within the scope of the government accountability (to the Parliament and to the citizen) plays a major role. In the newly developed tool some suggestions are included to help the business-manager in making his assessments. Does specific legislation on information (national or international) exist in the field of the activities the manager is responsible for? There is for

instance legislation that requires mandatory destruction of specific police records after 5 years. Or are there specific circumstances why records should be kept for a longer period of time than usually? Recently the Ministry of Defence decided to keep the personal files about short-term psychosocial help for soldiers who were sent abroad for a military mission for 80 years instead of the usual 5 years. Risk-calculation, based on some recent experiences of serious problems led to this re-evaluation. Another thing is that the business-managers should answer the question whether there can be reasons to keep some information permanently. One could think of the records that contain information about some infrastructural works like, the dams and dikes in the Netherlands. That information can be of vital importance on the long run. In fact the most important aspect of the new appraisal method is that it will be an on-going process of evaluation and re-evaluation. Until now a retention-schedule has validity for maximum 20 years. That is impossible in the dynamic information era we are in. A period of 20 years is eternity. Appraisal will be a continuum.

CONCLUSIONS

Risk-management, risk-assessment and risk-based appraisal are important aspects of records-management. We only started very recently to give risk-management the attention it deserves. In this paper I have been focusing on the risk-management aspects from the business perspective. There is a growing need for the archivist/records-manager to interfere in the realm of information-creation. He no longer can limit himself to be a passive and records-receiving professional. Instead, archivists/records-managers need to develop methods and tools to play a role in the information- and records-continuum without clear dividing lines between the different information interests. An all-encompassing risk perspective and risk assessment, not limited to the limited scope of appraisal and selection, but based on records-management closely connected to the real business-processes, may be a valuable contribution to the quality of the information.

²¹ This will also be the case in for instance the revised edition of ISO 15489. Expectations are that the new edition will be issued in 2015.

