



2020

Public Sector Records Readiness Report

A survey of Australian
government agencies'
maturity and challenges
in the digital era



Public Sector Records Readiness Report

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Executive Summary



AvePoint commissioned an in-depth study of more than 100 records management professionals across the Australian public sector – including local, state and federal government departments and agencies.

In the face of resource and change management challenges, these records management professionals have made good strides in managing new types of records generated across a rising number of IT systems.

However, this study has also uncovered that many agencies are falling behind in their compliance journey without fully realising it.

60% of respondents said they were very confident, and **40%** said they were somewhat confident that their agency's systems were managed according to applicable records management compliance standards.

Yet, when asked if they had transferred all eligible records to an archival authority in the past 12 months, a key component of compliance, only **23%** answered affirmatively. In addition to this, only **31%** have updated information governance practices and policies and only **50%** of respondents are digitising hard copy records, which suggests many agencies may be approaching records management with outdated methodology and processes.

So, what accounts for this disparity? Why are agencies falling behind?

Respondents themselves were stumped, **41%** said they didn't know why they hadn't transferred all eligible records.

Our study suggests one reason may be an overreliance on manual record classification, the method used on **89%** of all records.

This is likely a result of respondents being more confident in the accuracy of manual classification (**56%** are very confident) versus automated classification (**48%** are very confident). However, studies and actual implementations in the Australian public sector have shown the opposite to be true—leveraging machine learning and AI in a records management process increases classification accuracy.

One reason for this could be that end users are not trained records managers—**69%** of respondents cited complex processes as an obstacle to end user adoption. Even trained records managers have the human capacity to make the occasional error.

Manual classification is also time intensive and not well-suited for the data deluge records managers face in the digital era. This is likely why respondents repeatedly cited budget and resource concerns (**62%** say the growth of records is a barrier to compliance)—there are exponentially more records to manage without a corresponding increase in funding.

In order to improve their records management processes and systems, we believe that government agencies in Australia should consider the following recommendations:

- Expand automation in records management processes. Without modernising their tool set, record management professionals will continue to gradually fall further and further behind in their efforts to classify and transfer records.
- Users are clearly finding records management process too complex and overwhelming. Simplifying or removing users altogether from records management processes leads to more successful information management outcomes.
- There is potentially a lot of information within an organisation that is not coming under any kind of management that a records manager needs to consider as part of a full program of work. Only **13%** of respondents said they have oversight of all information across their agency. This information should be addressed as part of a risk value framework and effort invested appropriately. You can't manage what you can't see.

Sincerely,

Alyssa Blackburn

Director, Information Management,
AvePoint

Tim Sheedy

Analyst,
Ecosystem



Introduction

Who We Are

We'll be annotating our research findings throughout this report, but before we get started, let's meet your experts.



Alyssa Blackburn

Hi there! I'm the Director of Information Strategy at AvePoint and I lead the development of our record management solutions.

I have almost 20 years experience working with public and private sector organisations. Part of that includes working as a records manager within both State and Commonwealth Government in Australia.

I'm a passionate records management enthusiast and can talk classification schemes for hours. You can read more from me in this GNC article "[3 Ways To Ensure Records Management Compliance](#)."



Tim Sheedy

I'm an analyst at Ecosystem — we're a digitally native technology research firm (think — Gartner, Forrester or IDC but modern!). I have spent the last 24 years working as a technology analyst — helping IT and business clients use technology to drive the outcomes that their business or government department is seeking.

Good information and records management are key to fast, agile, innovative and compliant businesses today — so it is great to get the opportunity to dig deeper into the wants and needs of records management professionals in Australia. I hope you enjoy reading the report as much as I did working with AvePoint to develop it!

About AvePoint



AvePoint accelerates your digital transformation success. Over 16,000 companies, 600 government customers and 7 million SharePoint and Office 365 users worldwide trust AvePoint software and services for their data migration, management, [records](#) and protection needs in the cloud, on-premises and hybrid environments.

A four-time Microsoft Partner of the Year, AvePoint is a Microsoft Global ISV Partner and was named the Microsoft 2018 MSUS Partner Award Winner for Government. Founded in 2001, AvePoint is privately held and headquartered in Jersey City, NJ.

About AvePoint Cloud Records

[AvePoint Cloud Records](#) is a SaaS based, VERS compliant solution used to manage the information lifecycle including content classification, retention and disposal, comprehensive auditing, reporting, and physical records.

AvePoint Cloud Records follows three principles.

1. End users don't want to perform traditional records management tasks
2. Records managers aren't always SharePoint and Office 365 experts; and
3. Content should be managed from the time it is created.

Cloud Records takes a modern approach to overcome physical and electronic records management challenges around authenticity, reliability, and ensuring content is maintained in a compliant format long-term.

SECTION 1

Maturity & Challenges

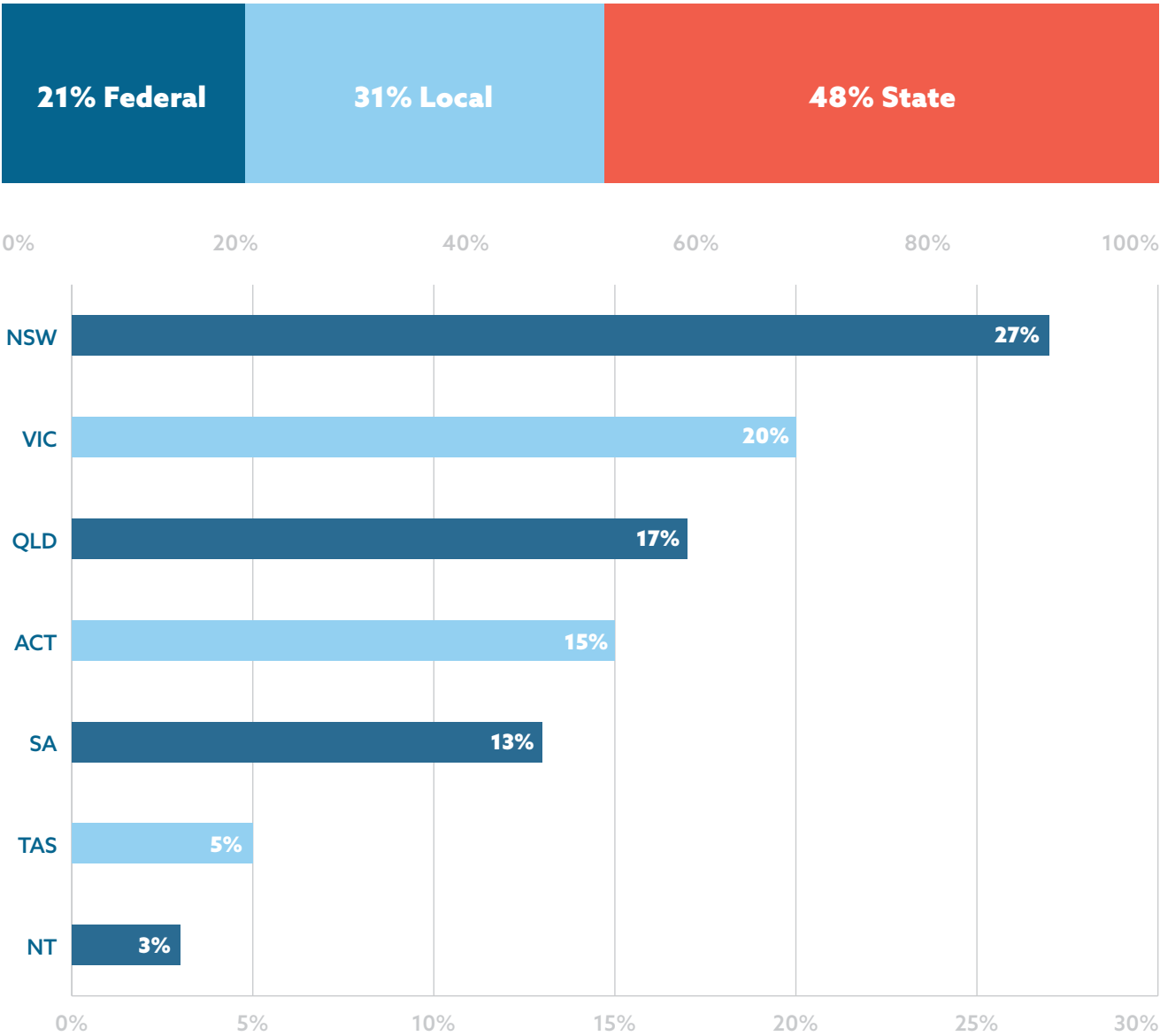


Methodology

This paper presents the results of AvePoint’s Australian Public Sector Records Readiness Report 2020, conducted by Ecosystem on behalf of AvePoint. It is based on the input of 100 records management professionals from small, medium and large government agencies across local, state and federal governments.

The study explores the current state of Records Management in Australian government agencies, along with the priorities and challenges for records management professionals.

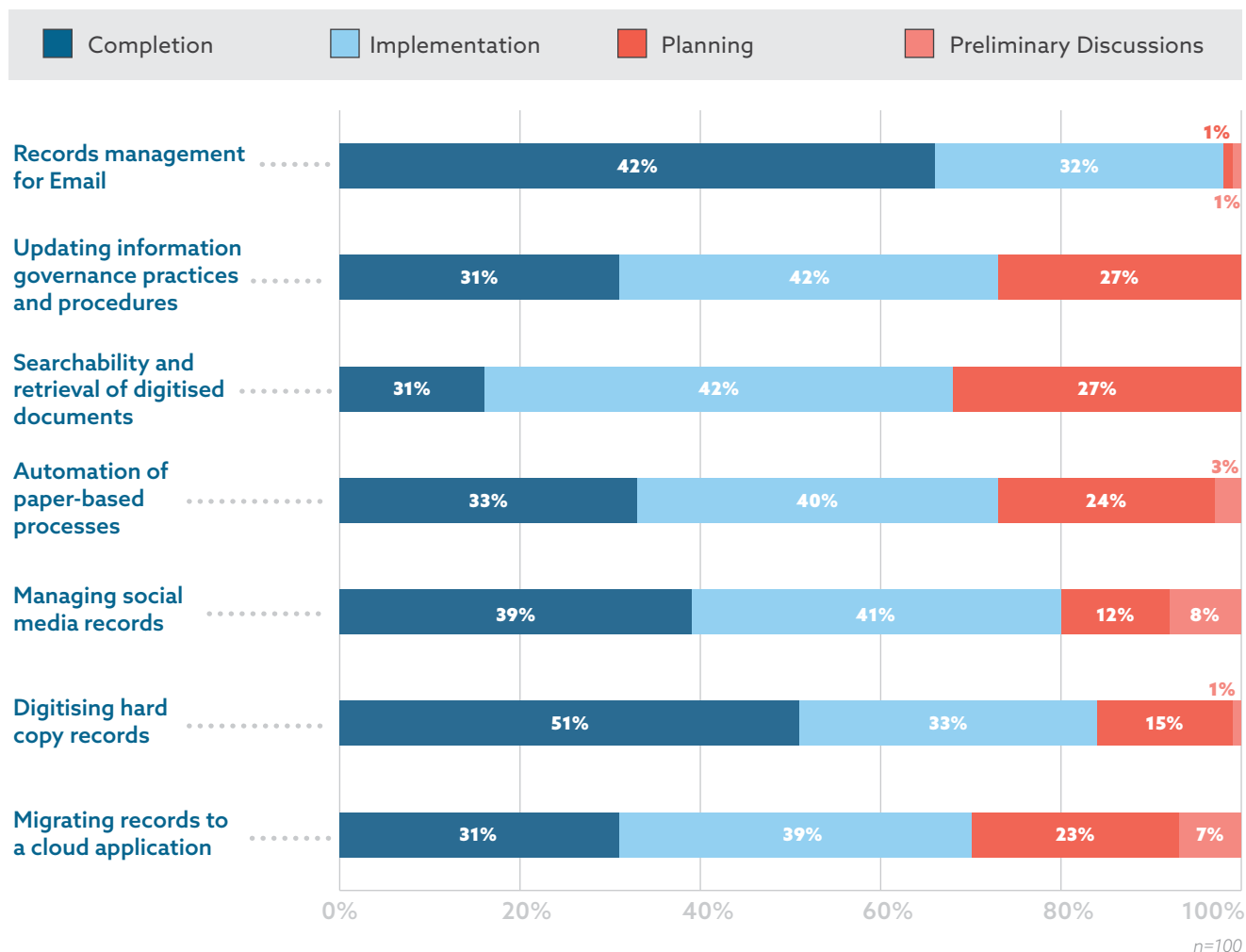
We surveyed government records management professionals across local, state and federal governments in Australia.



Australian Agencies Show Varying Levels of Records Maturity

While most government departments, agencies and councils are using records management for email, few have implemented a search and retrieval system for digitised documents.

Q At what stage is your agency for each of the following elements?



There is still a lot of activity taking place in Australian government agencies and departments around the records management space. While records management for email is well-adopted, many of the other key capabilities – such as digitising hard copy records – have a long way to go for full participation. Great record management practices can provide government agencies with many benefits – but records managers have a number of challenges to overcome to get to “great” – or sometimes even to “good!”

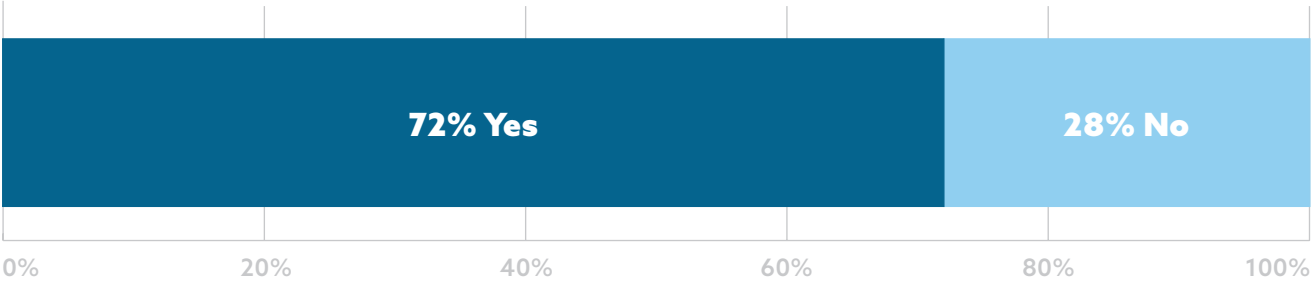


It was interesting to note only 50% of agencies are at completion in the digitisation of hard copy records. Given strong mandates from many jurisdictions, this is clearly still an area where organisations are struggling. The paperless office might still be a way off!

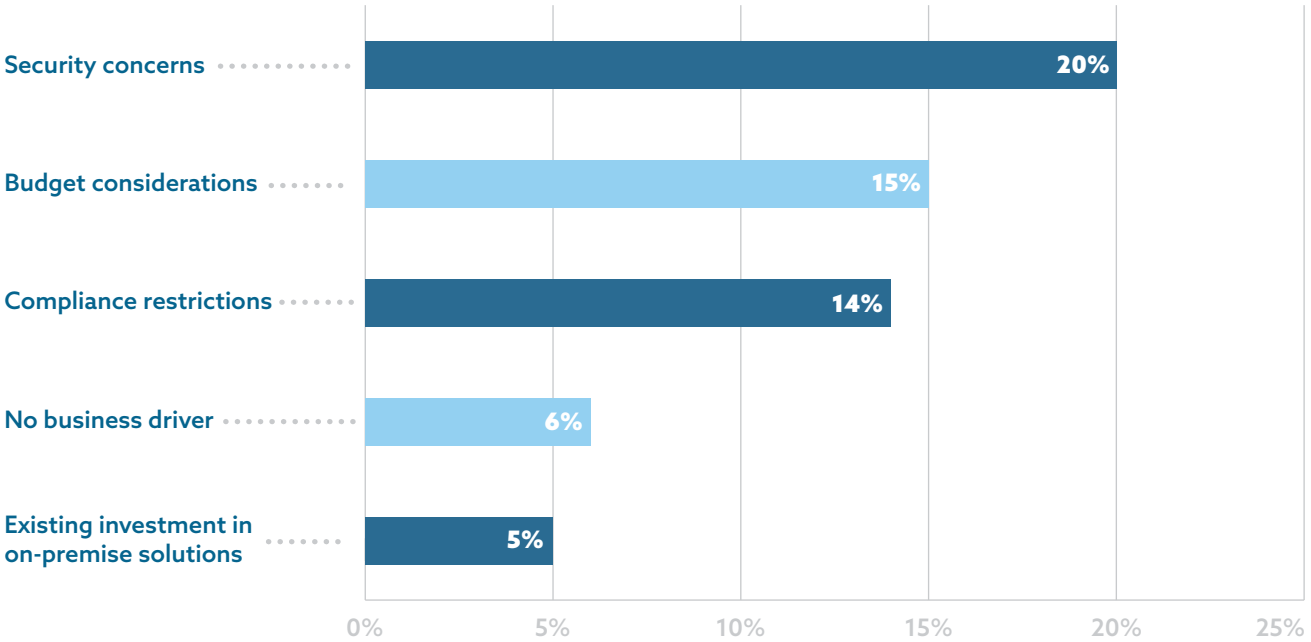
Government Agencies are Embracing Public Cloud Systems

Nearly three quarters of respondent's agencies are already moving to public cloud systems – but where they are not, the major inhibitors are security, budget and compliance.

Q *Is your agency migrating from legacy or on-premises systems into cloud-based applications (such as file share to cloud document management)?*



If not, why not?



n=100/28



The world is moving to the public cloud, and Australia is at the forefront of that wave. The big cloud providers have all invested in local data centres and are working with governments to make their cloud platforms compliant with regulations. This is allowing federal, state and local governments to embrace the agility and innovation that the public cloud can bring to their agencies.



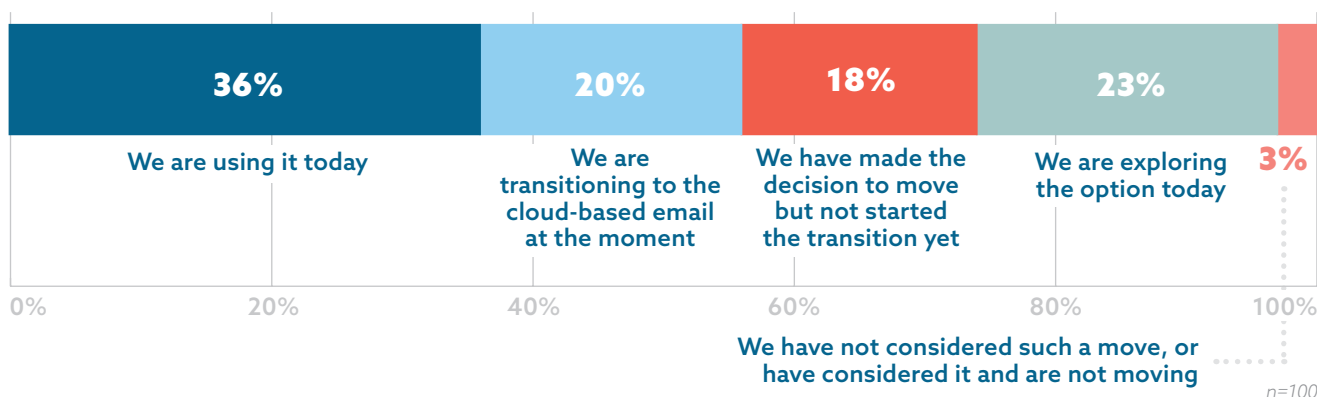
It's really exciting to see public sector organisations embrace cloud technologies. Leveraging the cloud enables other key technologies like AI and machine learning that can help agencies in the digital era. Hopefully more organisations can continue to realise the benefits of a move to the cloud.

Australian Government Agencies are Moving to Cloud-Based Email

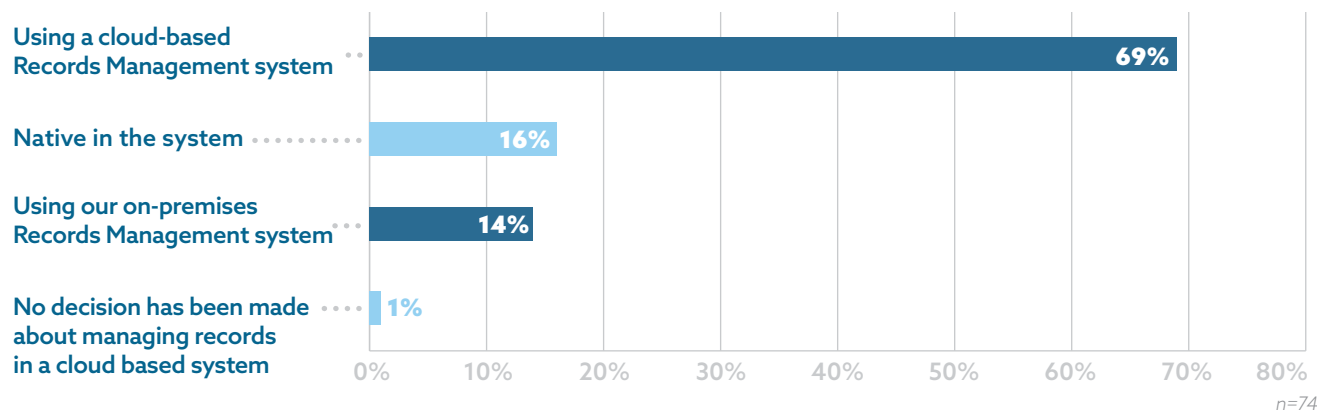
56% of respondents have moved to — or are moving to cloud-based email, productivity and collaboration systems, with most agencies likely to make the move in the next few years. But few agencies are using these systems for records management — most are using another cloud-based records management system.



Is your agency either considering or has made a move to Office 365, G-suite or another cloud-based email, productivity and collaboration suite?



How is /would the records be managed in these cloud-based systems?



The move to the cloud is also seeing a move to cloud-based records management capabilities. And in order to reduce reliance on a single vendor, many government agencies are using cloud-based records management capabilities that are separate from their applications provider (who often have their own records management tools native to their systems). I personally expect that the growing transport costs of moving an increasing amount of data around will see less agencies repatriating their cloud-based records into their own on-premises records management systems in the future.

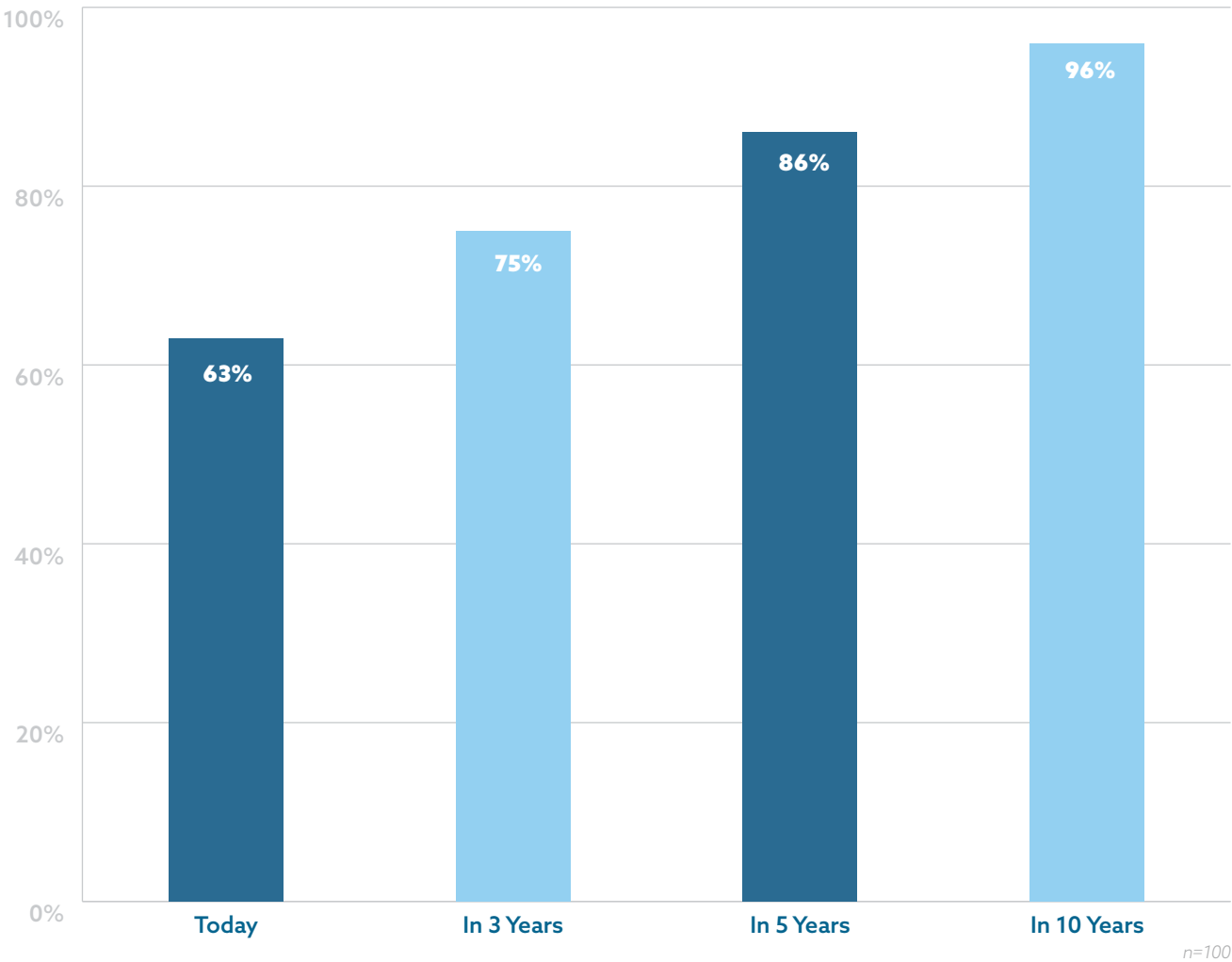


The overwhelming majority of organisations have or are in the process of moving to cloud solutions for collaboration and productivity. This is a huge win for the user and particularly those wanting to encourage a more mobile and agile workforce. These systems will create content at incredible pace and it's important that there are systems and processes in place to manage this content appropriately. Whether you choose to use additional products, native capabilities or a combination of those, the situation is clear that cloud solutions are the future for records management.

Government Agencies are Phasing Out Physical Record Storage

Today 63% of records are stored electronically by government departments in Australia — but that is forecast to rise to 86% in five years and 96% in ten years.

Q Overall, what proportion of records today are stored electronically in your agency?



A growing proportion of records are likely to be stored electronically over the next 5-10 years. This is supported by the fact that most agencies are already digitising hard copy records — only 16% haven't yet started that process. Whether this process will help to phase out paper-based records or will actually extend their life is not yet fully understood. If your department or agency is great at digitising hard-copy records then where is the incentive to move off paper?

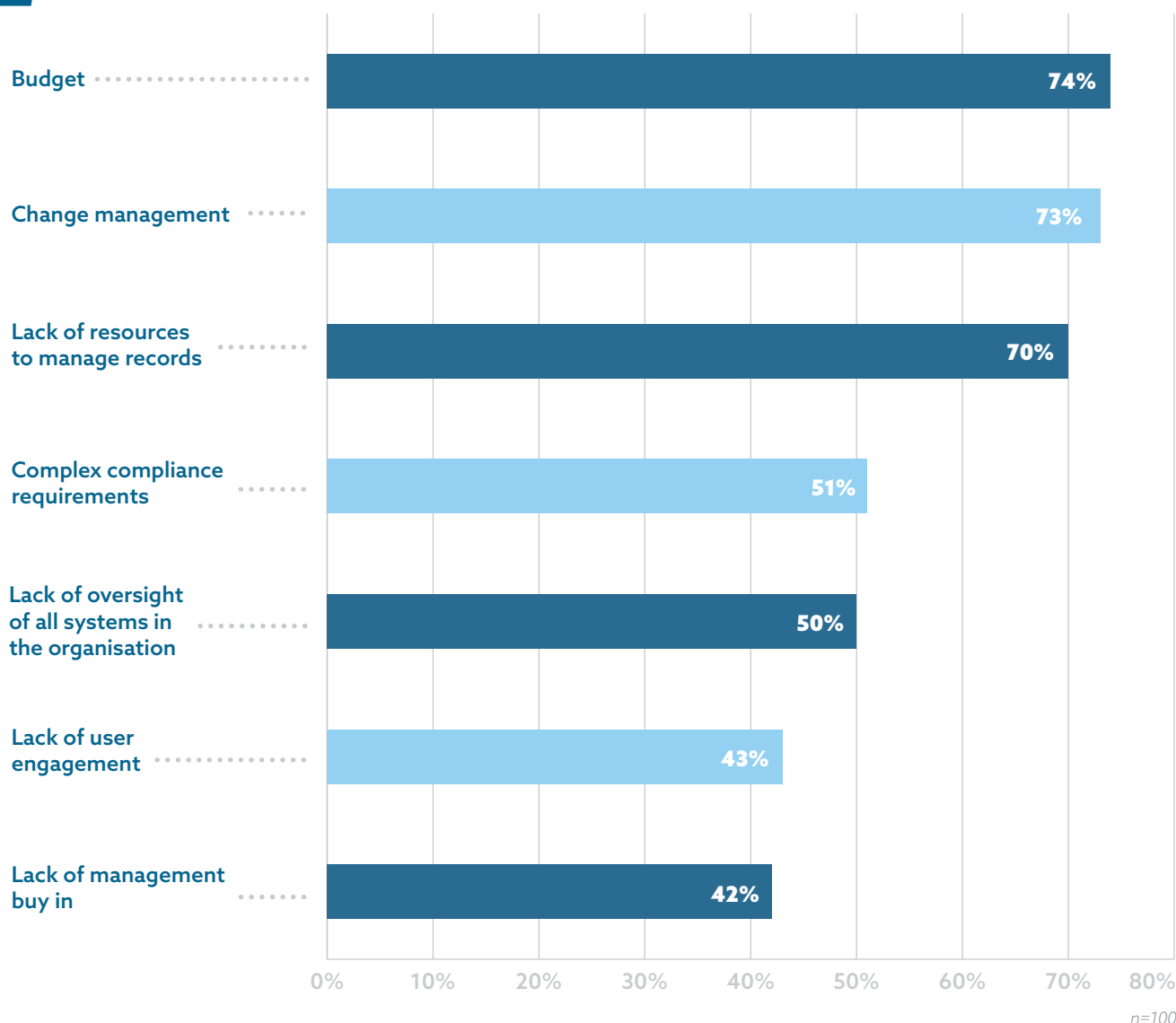


So it looks as if the dream of the paperless office, isn't quite a reality yet. But it's a very encouraging trend to see the move away from the reliance on paper. Many government departments across jurisdictions have targets to reduce the amount of paper storage they have and organisations should consider both an investment in scanning, but also retention and disposal options for paper records to reduce the volume of holdings.

Budget and Change Management are the Top Challenges

The top challenge in achieving a good records management practice is access to budget. It costs money to perform records management well. Plus the ability to drive the change in processes that records management requires is also a significant challenge.

Q What are the business challenges to good records management?



Managing change is hard — and modern records management practices require an organisation to change. And this change happens across the employee base — from management through to information workers and often even other workers too.

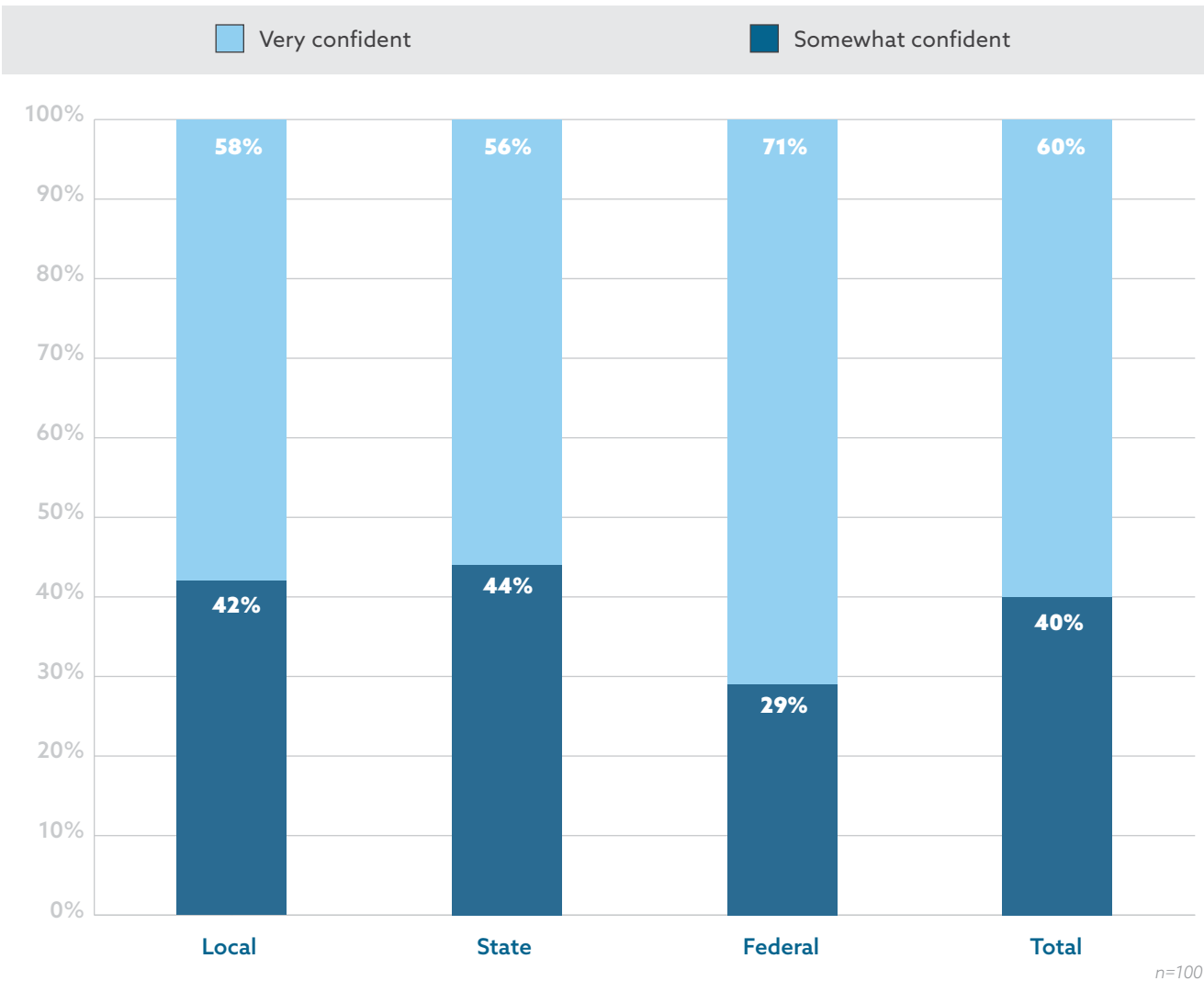


Unfortunately for records managers everywhere, budgets are tightening significantly as clearly shown here. Records managers need to be really innovative and examine how to tie records management into other funded projects. This can kill two birds with one stone by achieving records management by design.

Agencies Are Fairly Confident They Are Managing Records to Applicable Records Management Compliance Standards

Records management teams in the federal government had the highest confidence they are meeting applicable records management compliance standards — with confidence lower in the state and local government sectors.

Q *How confident are you that records in your agency's systems are being managed according to applicable records management compliance standards?*



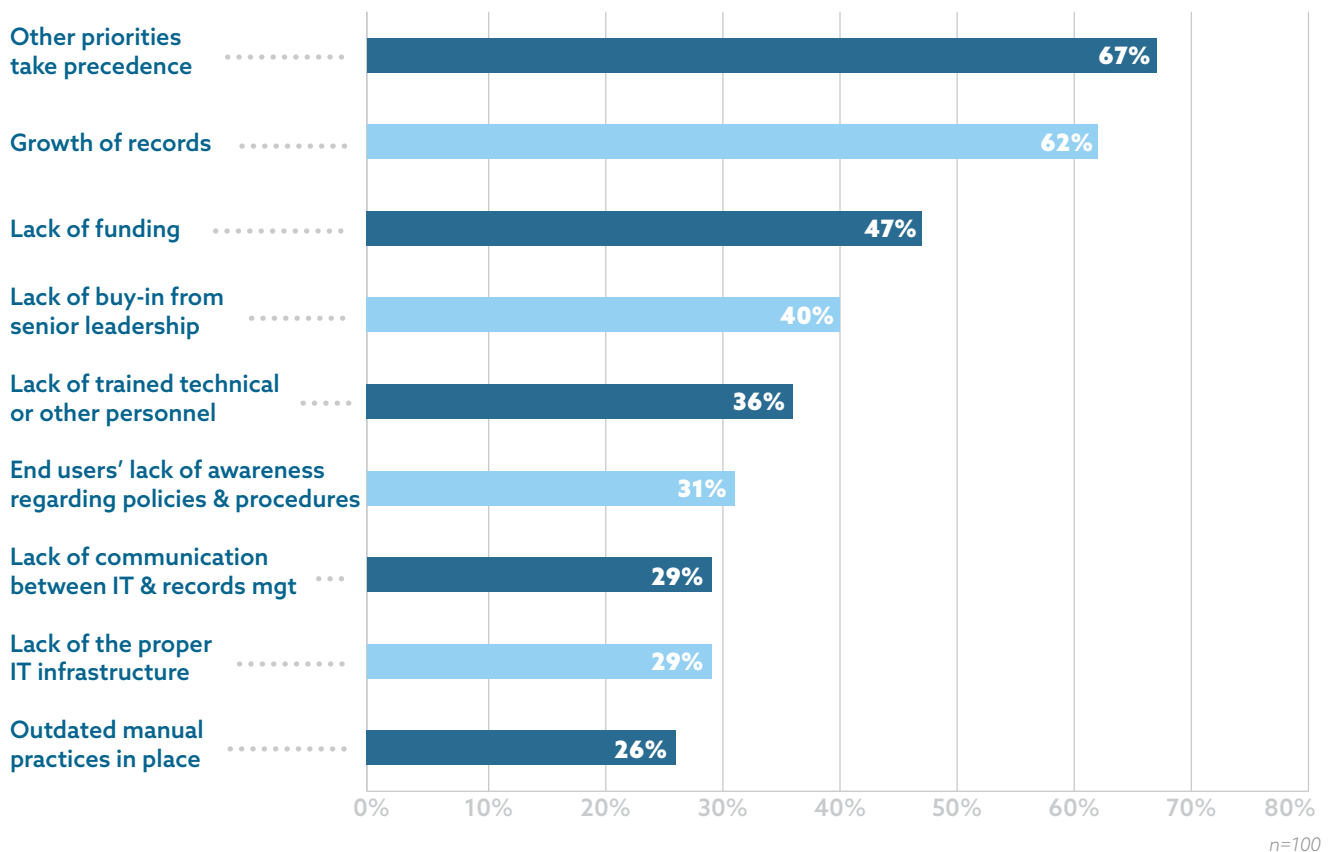
While this result seems great at first glance, it still shows that 40 percent of respondents are only somewhat confident they are compliant, which is fairly high. This is also what is being self-reported, as we will see later in this study, when we examine specific components of compliance these numbers start to break down. Organisations need to consider the path of least resistance to compliance, focusing on items that will provide the maximum amount of value to their business.

Lack of Priority and Growth of Records Make it Harder to Comply with Records Management Standards

Records teams today are busy — they have other priorities — and this means they don't have the bandwidth to ensure they're always compliant with records management standards. Add this to the ever-increasing volume of records and the lack of funding, and records management teams will be challenged to remain compliant with records management standards.

Q

Overall, what are the biggest challenges to adhering to applicable records management compliance standards?



I find it fascinating that meeting compliance requirements is so challenging. In an environment where banks, disability providers, retailers, insurers and others are being dragged in front of royal commissions, staying compliant seems to be a top priority. But unless you are a records manager, there are other priorities that'll keep you from that job! I understand that a lack of funding, increasing volumes of records, a shortage of people with necessary skills and being a departmental priority are all getting in the way of records management compliance requirements. And it will likely be this way until they make changes at more senior levels.



Records managers need to implement strategies to ensure that records management is included as a priority in business plans, projects and everyday operations. Securing an executive sponsor that will fight the good fight is an essential component of this strategy.

If record managers are struggling to keep up with the growth of records today, its only going to get worse tomorrow. We need the right tools to keep up with the data deluge.

SECTION 2

System Oversight

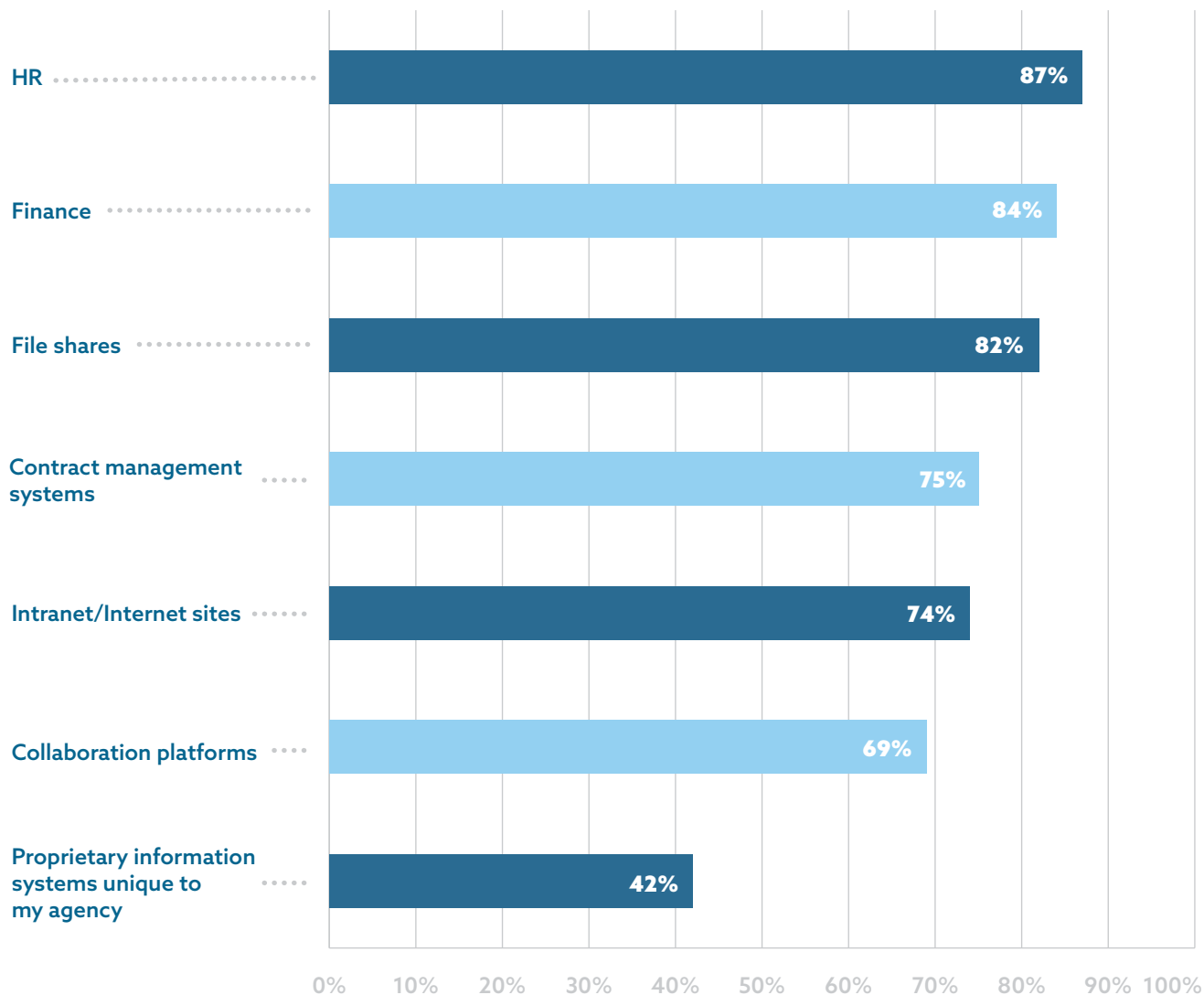


Government Agencies and Councils Are Drawing Records From Many Different Business Systems

These include HR systems, finance, file shares, and contract management systems, along with the internal and external websites and the collaboration systems and tools.



What business systems/software/application does your agency use to create, transfer, and store information?



n=100

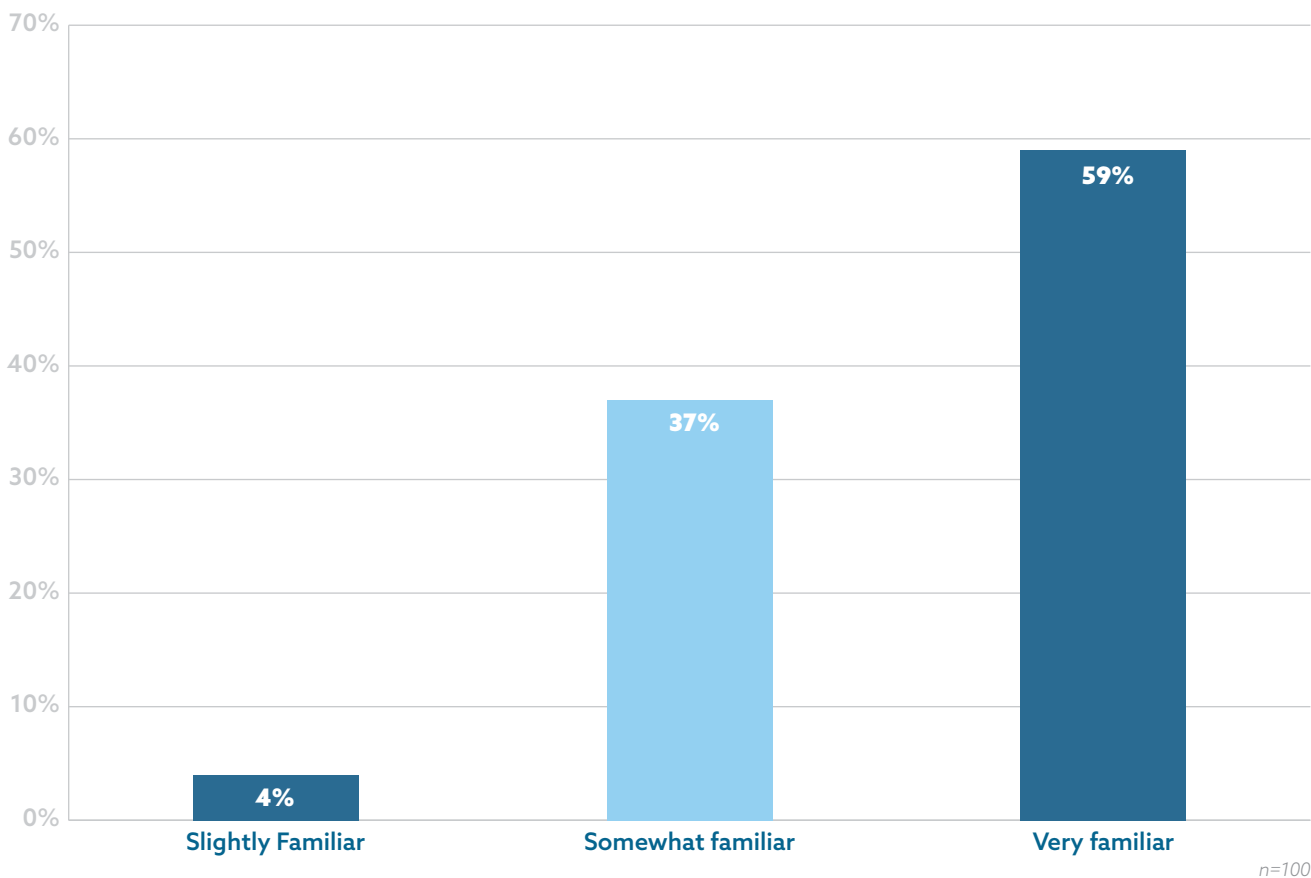


Records management professionals are required to collect data from many different systems across the business. Often this will mean that the record management teams need to have an understanding of many of the business processes and the systems that support those processes. And with the number of systems and amount of data continually increasing in many agencies, this makes the job of a records management professional ever more challenging.

Records Management Professionals Are Familiar with the Business Systems in Their Agencies...

Most of the records management professionals who responded to the study were very familiar with the business systems their agency uses to create, transfer, and store information. Less than 5% have limited familiarity with these systems.

Q Overall, how familiar are you with the business systems your agency uses to create, transfer, and store information?



n=100



Records management professionals have oversight across many of the key business systems — and are familiar with the applications that their department uses to create the records that they are responsible for managing, archiving and destroying. Having this level of familiarity with the applications not only makes their jobs easier — but means that they can get involved with the sourcing or implementation of the systems to ensure they are set up in a way that makes the management of records simpler — and possibly even zero-touch.



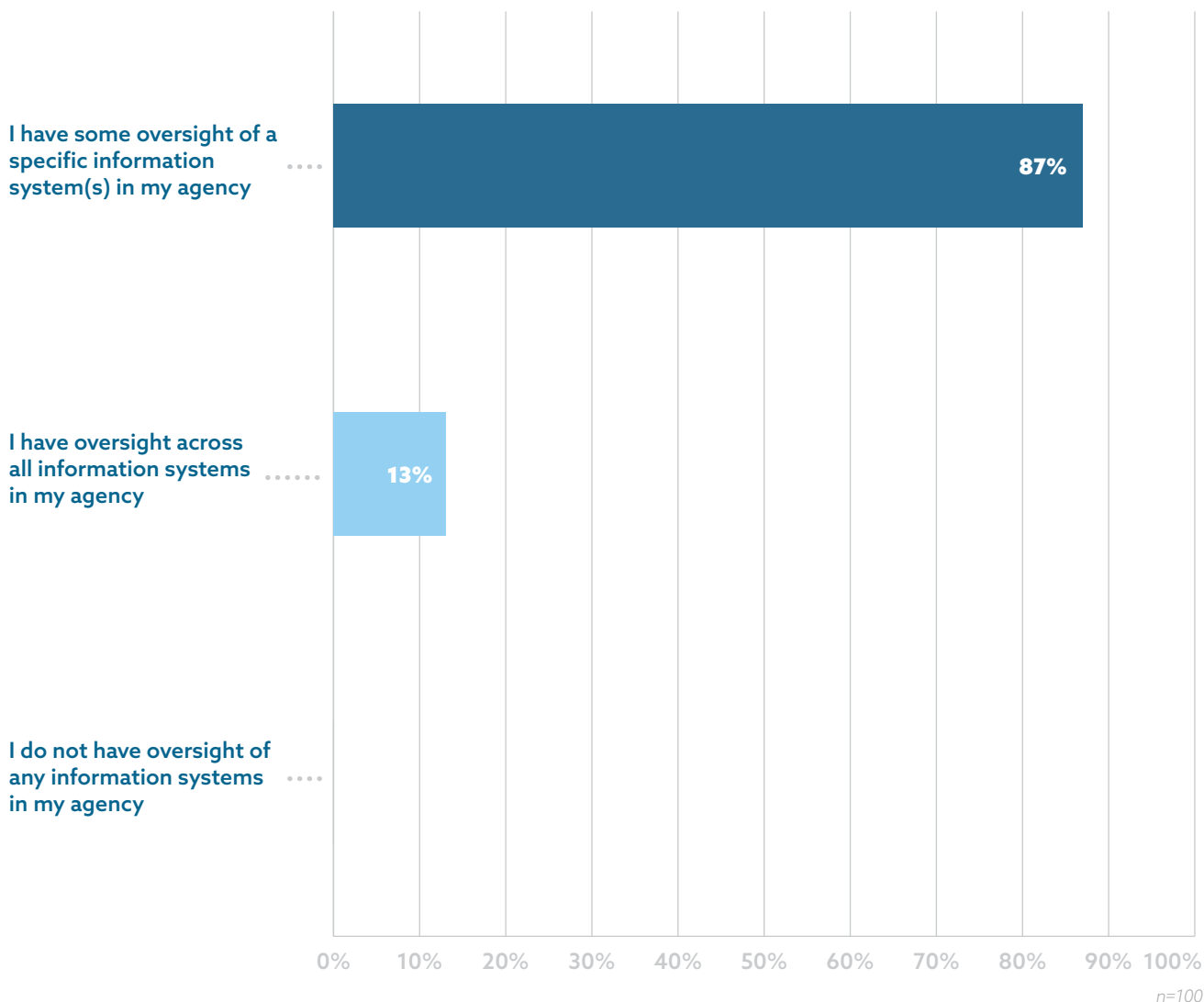
It's great that most people are very familiar with the business systems used to create and store information. Again, a risk value framework will help organizations target the important information that requires the most attention.

...But Only Have Oversight Across Some Information Systems

Only 13% of respondents have oversight across all of the information systems in their agency. The majority only have a view across specific information systems.



Which best describes your level of oversight across systems that hold records in your agency?



While it was great to see that those surveyed have at least some oversight of a specific system, it's worrying only 13% of respondents have oversight for all information in an organisation. How can you manage what you can't see? The volume of data growth within your organisation can make having full oversight really difficult. Organisations should look to develop a risk-value framework to prioritise the management of their information. This allows a records manager to quickly and easily determine the information that is either the highest risk or highest value to the organisation and spend more of their time managing this.

SECTION 3

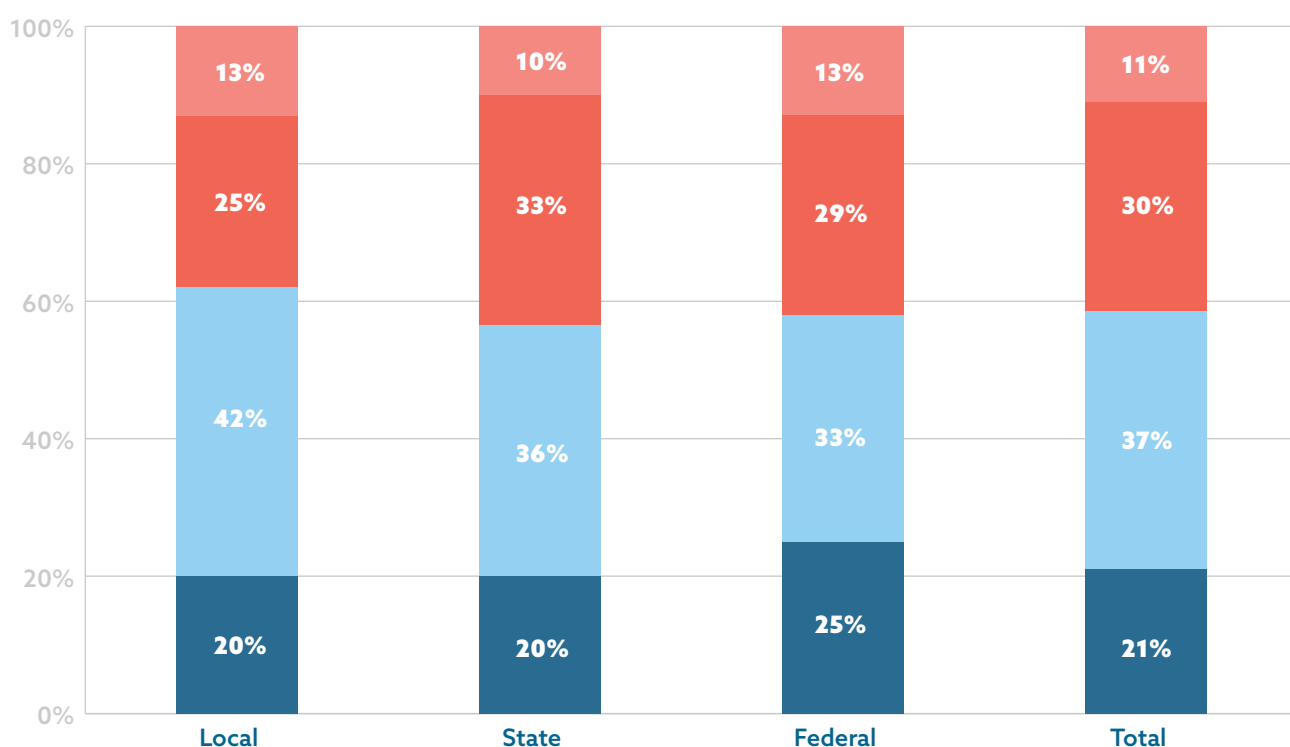
Classification



Most Records are Classified Manually

Over two thirds of all records are being classified manually – either by users, or more often by records managers. 21% of records are not classified at all, and 11% are classified automatically.

Q What proportion of your records...



n=100



There is an increasing ability to automate records classification. I have seen many of the existing players introduce new capabilities, and there is a growing stable of stand-alone suppliers who can offer

this to you as a service or out of the box. But despite the emergence of these features and suppliers, the vast majority of government departments and agencies continue to classify their records manually. The automation of record classification represents a significant opportunity for record management professionals to free up their time and that of other employees.



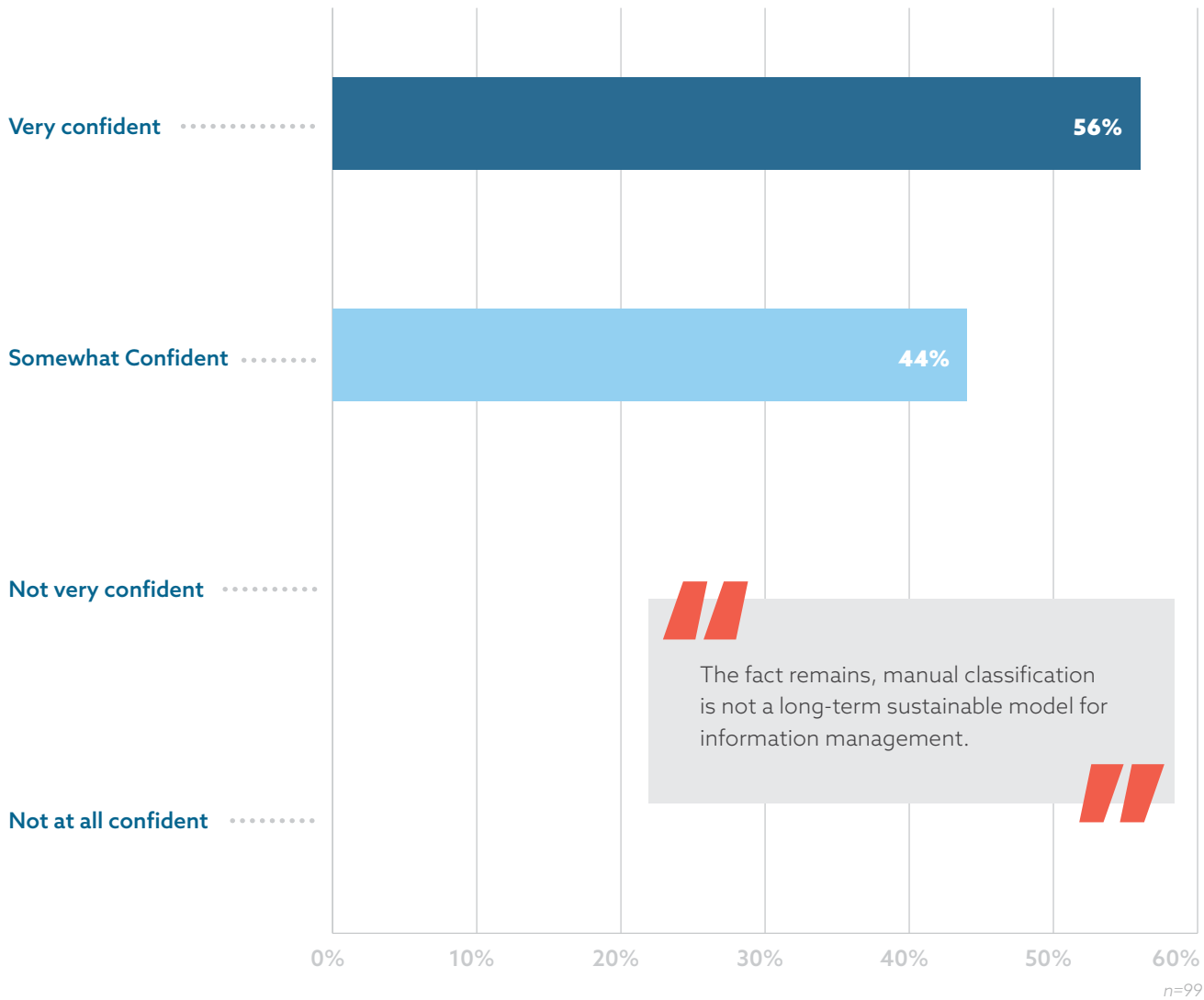
It's definitely clear that classification is still what is driving the records management process and that classification is mostly happening manually, either by users or records managers. Information growth

really dictates that this is an unsustainable model and automation will need to replace these manual processes. We can already see how the manual classification model is problematic with 21 percent of records not being classified at all! For successful information management, records managers must look to new technology like machine learning and AI, as opposed to manual processes. This is where our Cloud Records solution can really help.

Records Managers are Confident Manual Classification is Accurate

The majority of respondents are very confident that the classifications are correct when their records are manually classified.

Q You mentioned your agency's existing records are manually classified – How confident are you that classifications done manually are being applied correctly to all records?

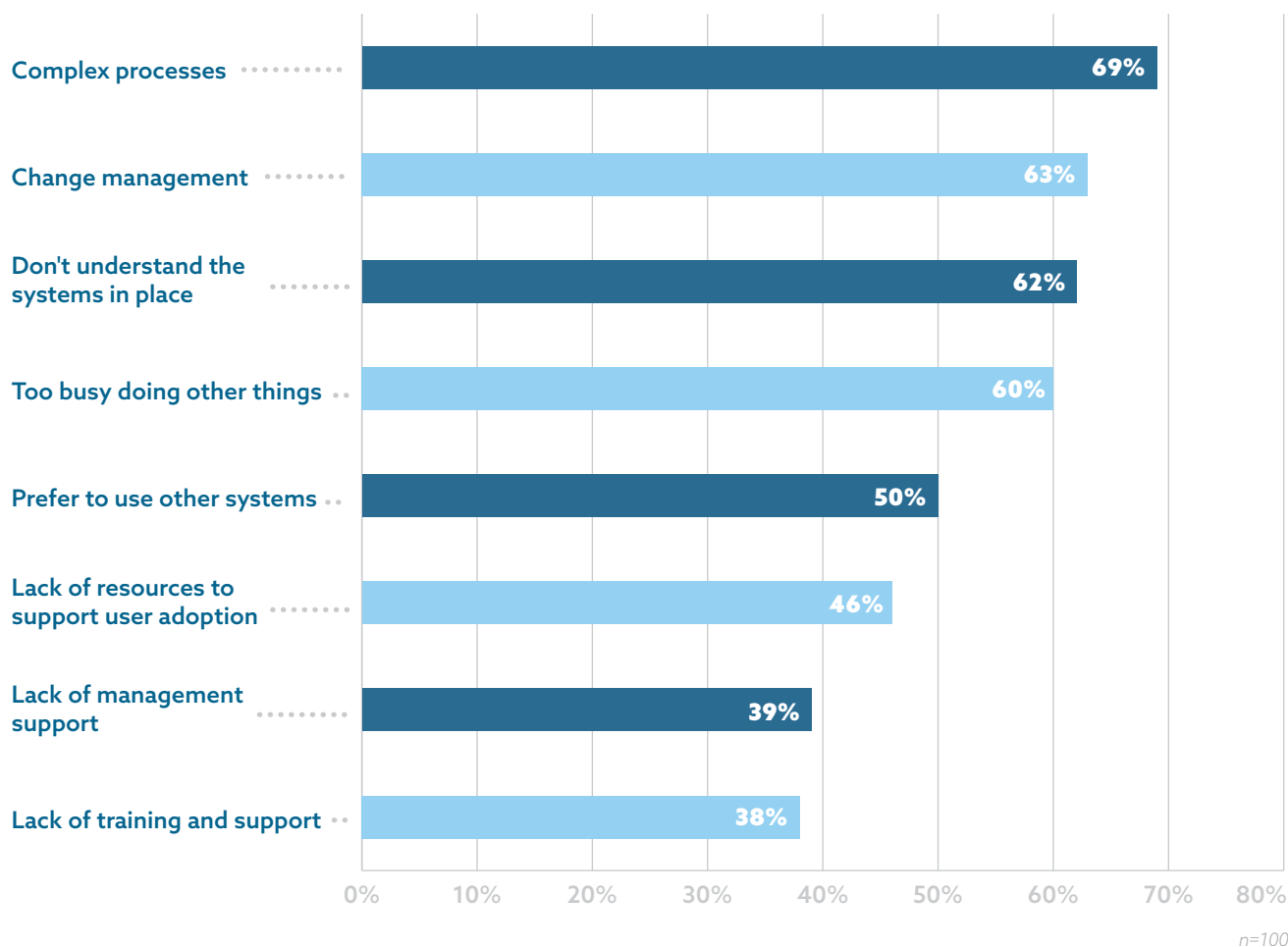


This result is really interesting to me and needs to be read in context with the last set of figures. The vast majority of manual classification was being done by records managers themselves. This could reflect the high level of confidence seen here in relation to accuracy. I suspect respondents are a bit overconfident as every organisation we've worked with that uses manual classification has classification errors. That's because these organisations are run by humans and were all fallible. We also know that it can create a burden on end users who find the processes complex and problematic. The fact remains, manual classification is not a long-term sustainable model for information management.

...But Users Face Challenges Adopting Records Management Processes

Records management processes are too complex for users to adopt or understand – and the change management required to educate and drive the adoption of these complex processes is often lacking.

Q *What are the challenges to user acceptance of Records Management processes in your agency?*



▶ The best processes on the planet can fail if those required to fulfil those processes are not given the training and skills to meet the requirements. Again — the ability to manage change is a challenge for users to adopt records management processes. Government agencies in Australia need to simplify their records management processes — and also provide users with the training AND incentives to carry out those processes.

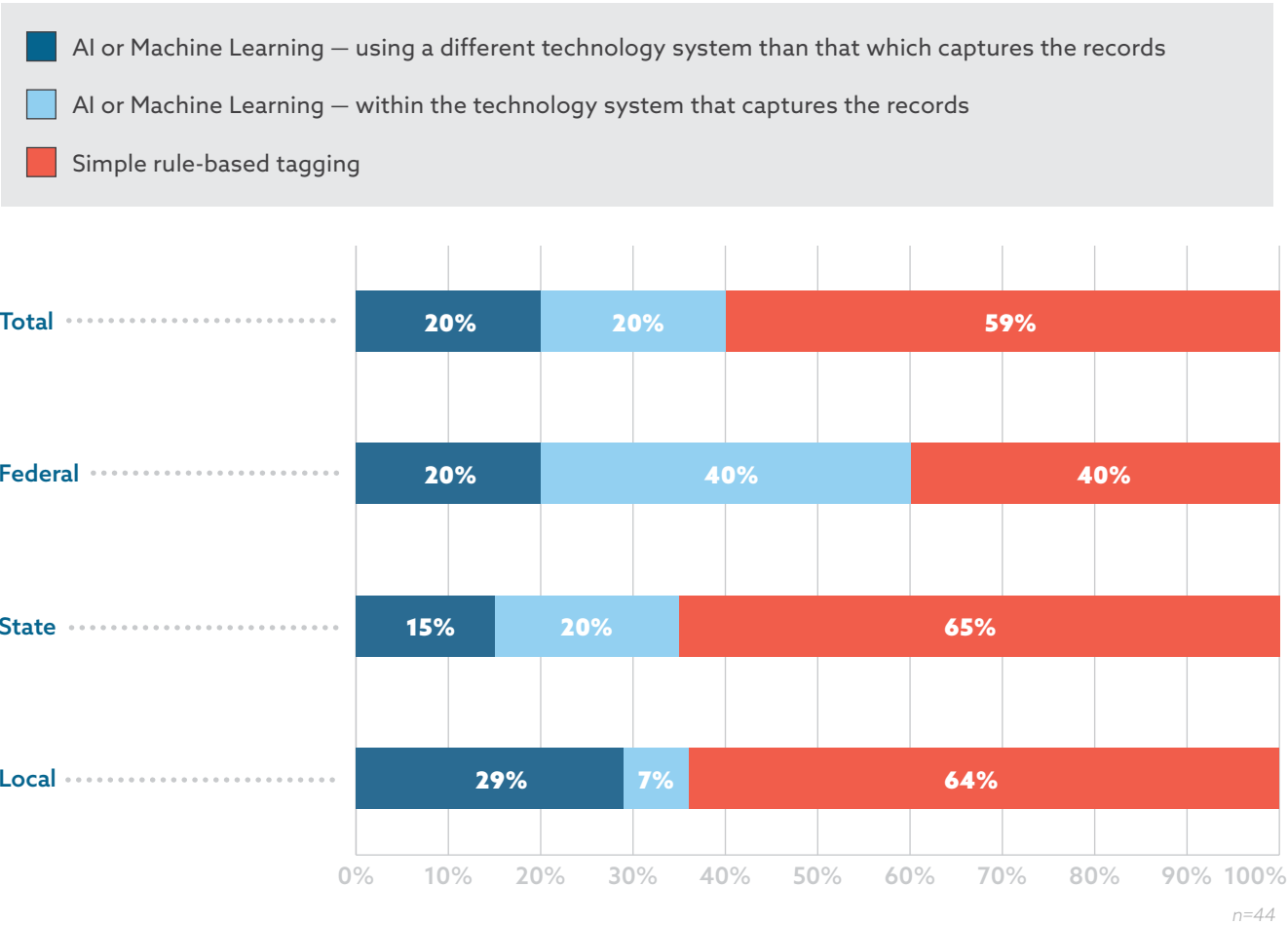


▶ The fact that nearly 70% of people surveyed said that users find record managers processes too complex should be a wake up call for records managers everywhere. The more complex things are, the less users will want to engage. Removing user burden in managing information is a key factor to success!

Few Records are Automatically Classified Using AI or Machine Learning

While 44% of agencies are using some type of automatic record classification system, only 11% of records are being classified automatically today. The majority of automatic record classification is done through simple rule-based tagging, but there is a small proportion of government agencies and councils using AI or Machine Learning to automatically classify records.

Q You mentioned your agency's existing record classification is automated using a technology system... how are they automatically tagged?



Machine Learning (ML) has the ability to significantly simplify the classification of records — and we will even see departments use ML for the sentencing and destruction of records in the future. But the adoption rates of AI and ML for automatic classification are very low — remember, this only represents 11% of all records. So in reality only a tiny proportion of records are classified using AI or ML.



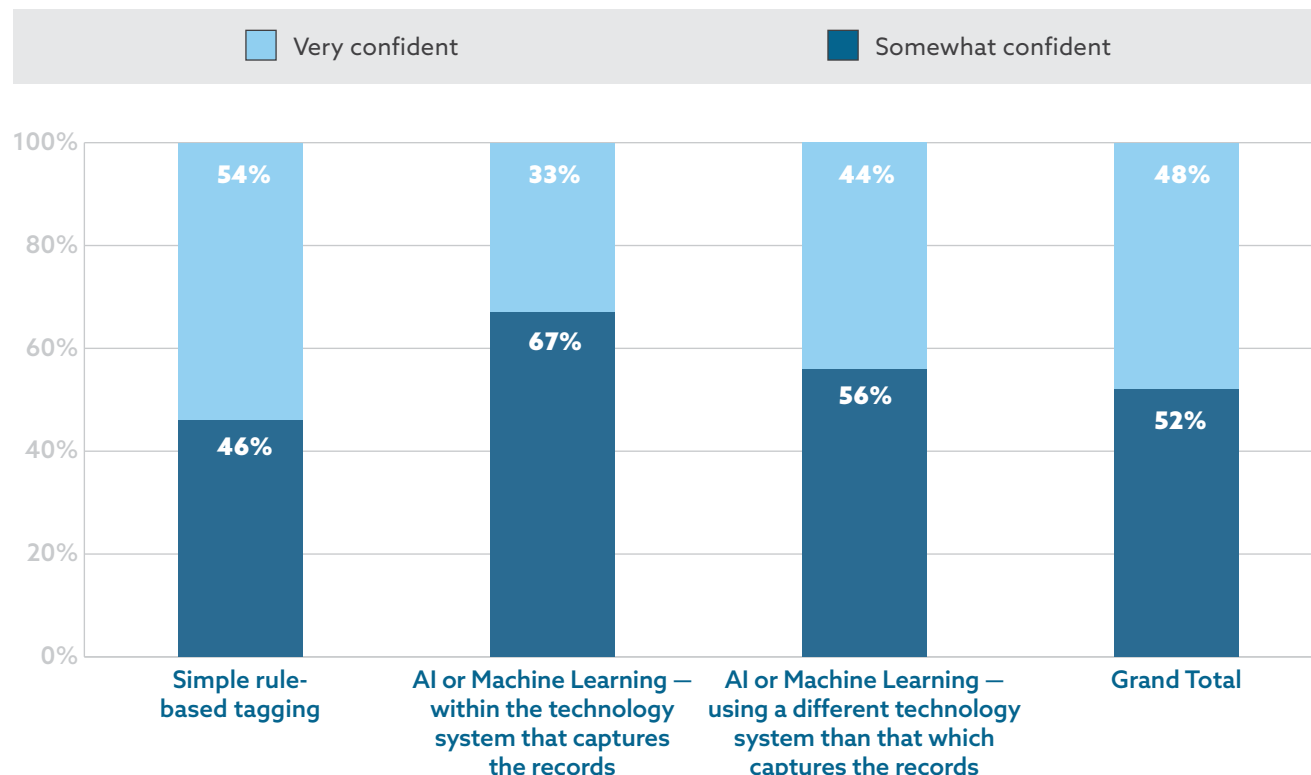
It is encouraging to see some organisations invest in AI and ML, but like Tim says, the number is really low. It is so important for records managers to start to — and continue to educate themselves on how these technologies can support information management within their organisations. Automated records classification is essential to records compliance and accuracy.

Respondents are More Confident with Simple Rule-Based Tagging Than AI or ML-based Tagging

Respondents are not completely confident with the AI or Machine Learning classification — particularly when it occurs within the technology system that captures the records.

Q

How confident are you that classifications done automatically are being applied correctly to all records in your agency?



n=44



When you classify using a rule, you know that the rule will run, and you know exactly how it will run. That is the beauty of simple, rule base classification! When using ML or AI, there is an element of trust involved — trust that the model has been trained effectively; trust that the algorithm is running as per the testing. While the opportunities for AI and ML are significant, it will take some time for these systems to earn the trust of records management professionals.



If we compare this with the results on manual classification, the results are quite different. People were much more confident with manual classification than with the classification that comes as a result of AI or ML. Investing in the technology is the first step, but training it (in the case of ML) to providing the rules (in the case of AI) is a critical process. Records Managers should carefully consider how this training process or rule design will work for their organisation and then conduct extensive testing to engender trust in the technology because reality is that it's proven to be more accurate than manual classification. Records Managers should always continue to have oversight of these automated technologies through reporting and reviews.

SECTION 4

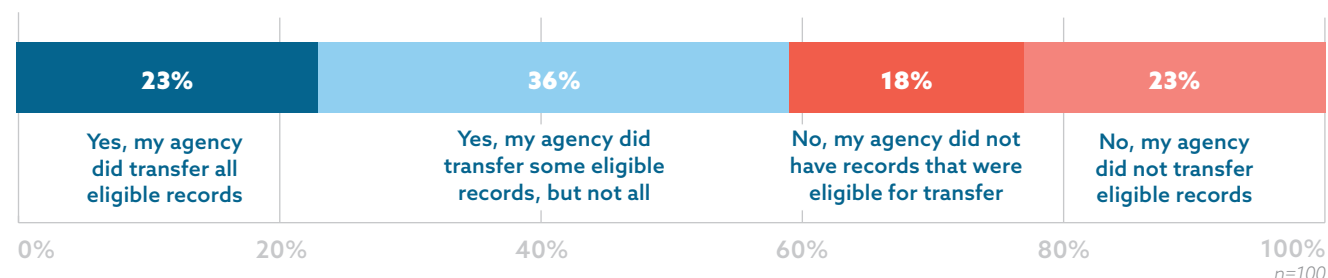
Transfer to Archival Authority



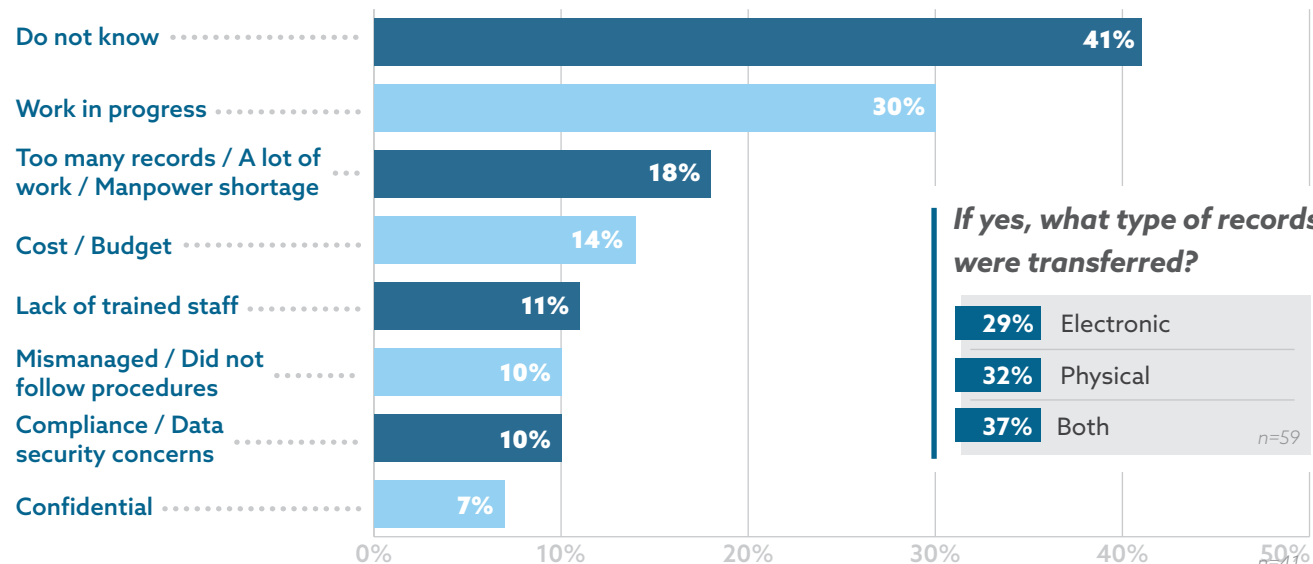
Less Than a Quarter of Government Agencies Transferred All Eligible Records to an Archival Authority in the Past Year

Only 23% of respondents transferred all eligible records to their relevant archival authority – 36% transferred some and 23% didn't transfer any eligible records.

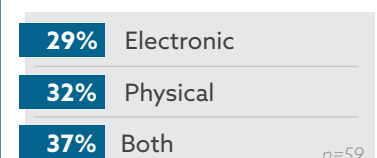
Q Did your agency transfer eligible records to an archival authority during the past twelve months?



If no, why not?



If yes, what type of records were transferred?



While 100% of agencies that we interviewed were required to send records to archival authorities, only 59% of respondents sent some records – and only 23% in total transferred ALL eligible records.

Agencies have a long way to go to meet these requirements – many don't even know why they didn't transfer the records in the first place! Again, the challenge here would come down to a bigger issue with the support that senior management is providing to meet the applicable archival and compliance requirements. With that support, many of the other issues (like budget, headcount, skills etc) will be resolved.



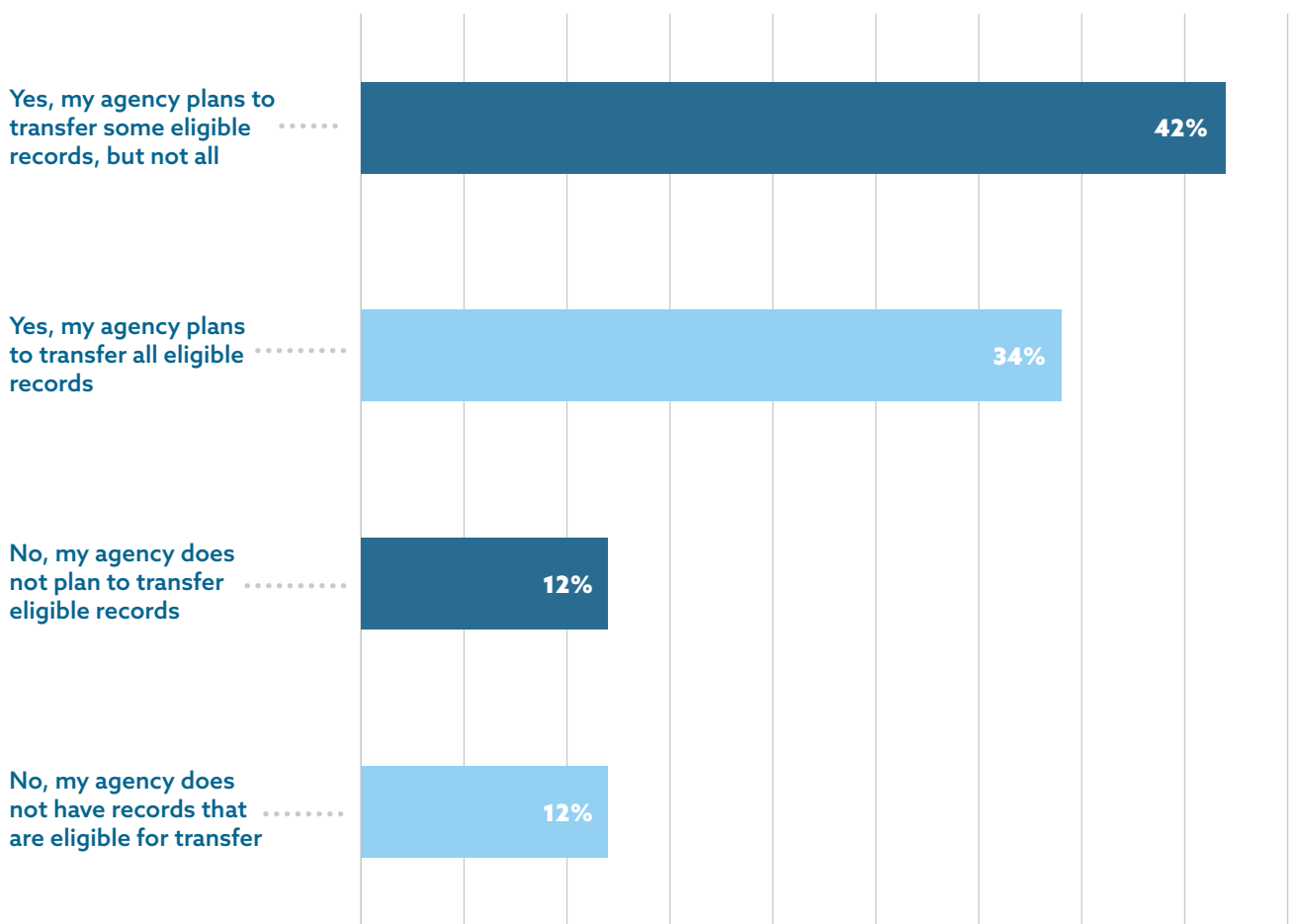
Where more than 50% of organisations are confident they are meeting their compliance requirements, in this figure, we see only 23% are actually transferring all eligible records to an archival authority.

This is a core part of a records management program so it's curious to see that organisations consider themselves compliant, but are not completing this activity. It's vital for agencies that did not transfer all their eligible records to take a moment and ask themselves why and build a strategy to become compliant. Again, if resources or a deluge of data is the question, automation both in classification and transfer is the answer.

Looking Forward into 2020, Less than 35% of Government Agencies Plan to Transfer All Eligible Records to an Archival Authority

It does appear that compliance with archival authority requirements will increase in 2020 compared to 2019 – with 34% of agencies planning to transfer all eligible records – but the majority still do not have plans to do so.

Q Does your agency plan to transfer eligible records to an archival authority during the next 12 months?



n=100



23% of agencies we interviewed transferred all eligible records to an archival authority over the past twelve months – and that is likely to increase to 35% in 2020 – while still a minority, it is great to see more agencies striving to improve their archival requirements.



Most agencies are reporting compliance with records management standards, but only 35% have any plans to transfer records to an archival authority in the next 12 months. Only just over 40% are planning to transfer some of their records. We can see that this isn't a one-time problem, but an ongoing concern that needs to be addressed sooner rather than later.

SECTION 5

Addendum: Case Study & Resources



Case Study: Airways New Zealand



About Airways New Zealand

Airways is New Zealand's air traffic control, navigation service provider and a state-owned enterprise. They deliver air navigation and air traffic management consultancy and training services throughout New Zealand and in over 65 countries.

AIRWAYS
making your world possible

The Challenge

Airways New Zealand is an enterprise owned by the New Zealand government. They are subject to the government's Public Records Act (PRA) as well as strict regulations across the civil aviation, health and safety industries.

Starting in 2015, the enterprise started its move from an aging on-premises infrastructure to the cloud while achieving compliance with strict civil aviation and government regulations such as the new Public Records Act of 2005 (PRA), as well as the Health and Safety Reform Bill of 2016.

The Office 365 environment provided Airways New Zealand with a challenge to ensure electronic records were compliant and meeting Archive New Zealand's Mandatory Standards for Public Records. Protecting against the loss of records from unintentional user errors like accidental deletion, was also mission critical for the government entity.

Compliance wasn't the sole ambition for the Airways New Zealand Digital Information team. They also needed to increase audit reporting efficiencies, end-user adoption and maintain an organised collaboration environment.

"Our role is helping people be proactive in Office 365," said Jenny Ryan, a Digital Information Analyst with Airways New Zealand.

To do this, Airways New Zealand examined a variety of third-party solutions before ultimately turning to AvePoint.

The AvePoint Solution

Once in Office 365, Airways New Zealand knew they would need to supplement the native backup capabilities.

"The backup provided out-of-the-box might have been fine if we weren't a government department, but we need to have the ability to restore item level email and OneDrive content, in addition to documents stored in SharePoint," said Ryan.

This provided an immediate win when an employee left the company with critical information still living on their OneDrive. Thanks to the Digital Information Team's vigilance, AvePoint Cloud Backup was able to recover important documents that otherwise would have been lost.

As a public-sector leader that undergoes frequent audits, Airways New Zealand wasn't satisfied that Office 365's native

functionality could achieve the Public Records Act Mandatory Standards.

They closely examined the metadata required and determined that business activity, access, and record class data are required by the Archives NZ and made those default fields so that working with AvePoint's Cloud Records rules they can apply archiving and disposal routines to move content in a very automated, efficient and disciplined process.



Additionally, Cloud Records has dramatically improved the appeal of their reporting compared to the native "spreadsheet dump" functionality.

The Digital Information Team discovered their users loved Office 365 Groups and had created more than 280. The team is in the process of implementing AvePoint's Cloud Governance and GroupHub solutions to organise, delete, manage and clean up the Airways New Zealand Airways Groups environment, before using the Cloud Governance tool to allow users to create their own PRA-compliant Groups without needing to involve the Digital Workplace team.

"We want to make it easy to use a compliant environment," said Ryan. "Our plan is that if someone wants a SharePoint site or Group, Cloud Governance can help them fill out a questionnaire to label everything for them and get approval, so they can self-serve to improve productivity."

The Bottom Line

Airways New Zealand wanted an easy-to-use, compliant environment. They are looking forward to saving time and the ability to do things they could not do before, with more reporting, capacity and flexibility. Airways New Zealand aims to be a prime example of compliance done right thanks to AvePoint solutions.





Resources | Public Sector Records Readiness Report

eBook

[Best Practices Guide: Records Management for the Digital Era](#)

Webinar

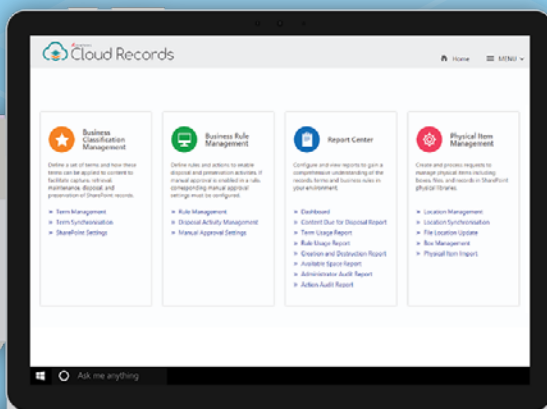
[Tips and Tricks: Successful Records Management in the Cloud](#)

Webinar

[Machine Learning For Records Management - 5 Things To Know](#)

Virtual Event

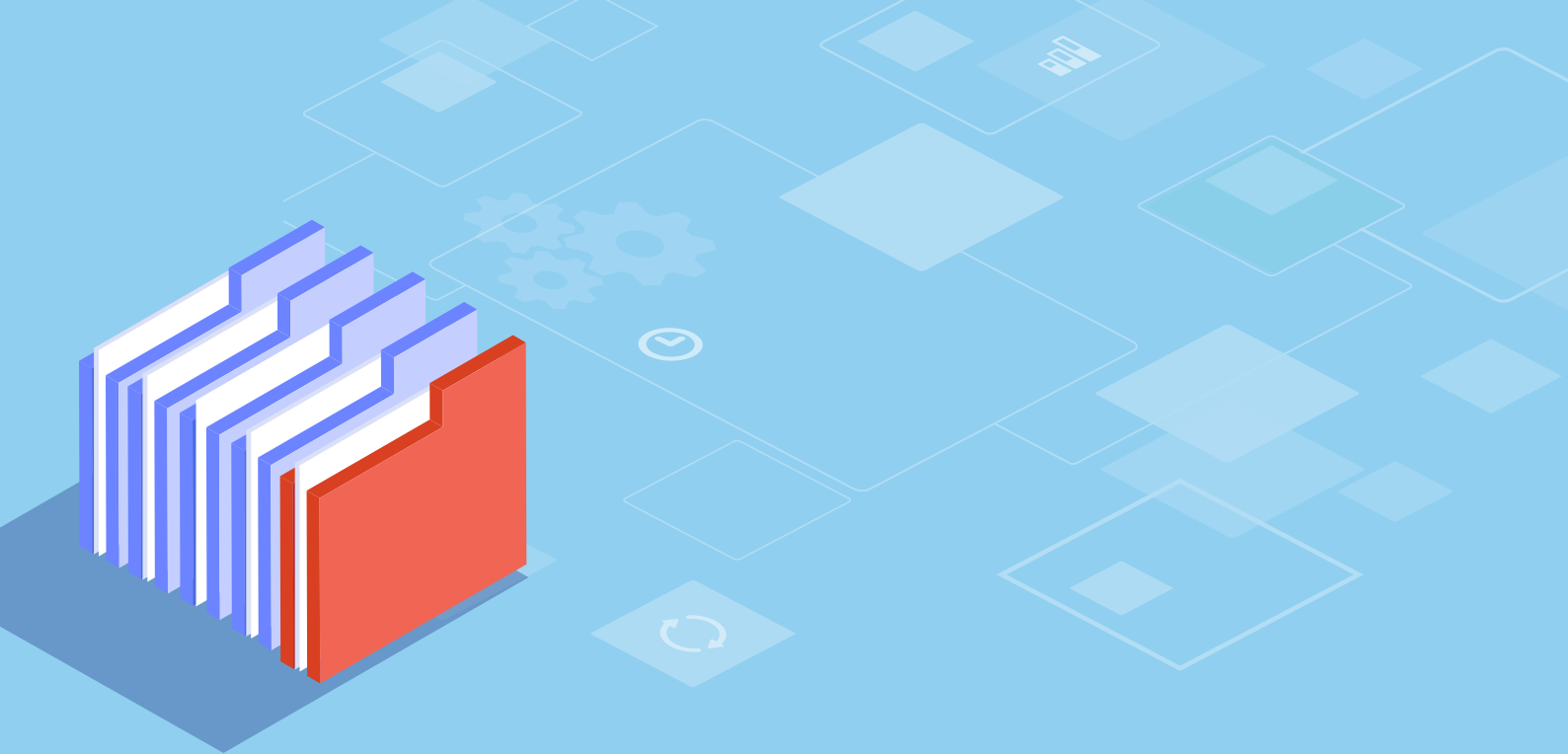
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CONTACT ME

Don't know where to start, need a second opinion or just want to chat all things records management? **Email us at:**

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We can also set up a readiness assessment to examine your unique environment and requirements, and provide you with a pathway to compliance that's both realistic and achievable.



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