

In today's digital world where electronic files are a major way of communicating and transacting, well organized files are of primordial importance for ensuring productivity. Unfortunately, in many organizations, the responsibility of filing and managing operation-critical files is still being left entirely to the discretion of the individuals. This precarious business practice can severely compromise productivity because files can potentially be named and stored every-which-way, ultimately making file retrieval a very painful and costly process. If this might be happening in your department; you should as a minimum consider setting up a [computer filing system](#). This would involve adopting a [structured file naming convention](#) and file storage policy for each business activity and taking advantage of software to help automate and manage the process as much as possible.

Recognizing that productivity improvements will materialize through better file management is already an excellent start. The next questions might be what to do and how to go about to best ensure the success of this undertaking. The following 7 tips can help make it happen.

### 1. Make sure that you have the backing of upper management.

If you are already fully empowered, you are all set. If not, you need to get an unconditional buy-in from upper management. This might involve presenting a case for the anticipated cost savings via your planned productivity improvements.

Every organization is different but it is estimated that an average of one hour per week per staff-member is wasted trying to locate files. If you add the hourly weighted costs (*not just wages*) of each staff member and multiply by 50 weeks, you can have a conservative estimate of costs (*or potential cost savings*). If you also factor in any lost opportunity or a penalty cost for not having been able to locate files at the proper time, your total cost figure can easily double. *Examples of such costs can include: the need to recreate fully or partially a file/document; the inability to locate and produce a file in time for a deadline that has cost or revenue implications; having to pay interest because a digital invoice/statement was misfiled or simply not-filed at all.*

### 2. Start by attacking the filing problems for the most critical part of your business.

In any department there is always one business activity where improved productivity translates into substantial savings or profitability. By showing immediate improvements in one of your more problematic areas, you can inspire confidence because of the success of your initial undertaking. The rest will follow smoothly.

### 3. Define a structured file naming convention for each business activity.

By establishing an information-rich structured file naming scheme specific for each business activity, everyone will have a base for consistent and proper file naming. This will provide an effective strategy to precisely search, identify and retrieve operation-critical files.

**Note:** A structured file name consists of multiple elements separated by a delimiter such as underscore “\_”. The type of information carried in each element can vary for each operation. For example in an accounts payable department the structure would look like this:

**SupplierName\_InvoiceNo\_DocumentType\_Department\_InvoiceDate.PDF**

e.g.: **EmpireFixtures\_766356\_INV\_Production\_2010-03-24.PDF**

### 4. Establish a file storage policy for each business activity.

Maintaining a proper and consistent file storage policy is equally important as having a structured file naming convention. This involves assigning a root folder for each business activity, and making folder provisions for each major category and sub-folders for minor categories. Although it is tempting to create copious levels of sub-folders, it is highly recommended to keep these to minimum and sooner opt for including more descriptive elements in the file naming structure. The result is a flatter and less complex folder structure requiring less navigating while having the benefit of file names that are more descriptive and complete.

### 5. Communicate and involve all stake-holders.

Everyone needs to feel that they are active participants by providing some input in the process. Dialogue is also important because much of the success hinges on whether the various individuals are able to appreciate the benefits for both themselves and the organization. They need to understand the goals for establishing the file management system, the deployment strategy and the part they must play in daily operations to ensure its success.

### 6. Automate the file management process as much as possible.

Once a structured file naming convention and storage policy has been properly documented, it should be adhered to by all participants. However, the reality is that it can be difficult for individuals to consistently adhere to file naming and storage rules because of human factors. In order to minimize the human error and complacency components, you can take advantage of semi-automated file naming and storage software technology. The results will be such that everyone's filing task will be easier especially the individuals responsible to monitor policy adherence. The adherence-monitoring task will be drastically reduced because the file management software blocks the user from saving the file if not done according the prescribed policy. *For more info you may refer to:* [White Paper: Semi-Automated Structured File Naming and Storage.](#)

### 7. Provide formal training to all participants.

The intrinsic purpose of training is to make sure that everyone is properly instructed on how the file management process/system works and that the details relating to file naming and file saving procedure are thoroughly covered and understood. The extrinsic purpose is that the formal training exercise in itself reinforces the importance of their operational responsibility and it is also an excellent opportunity to address any last minute resistance or concerns that could potentially compromise your project.

There is no doubt that operation-critical files should be your initial focus; however that should be just the start of your productivity improvement efforts. Hopefully, your success will inspire others to do the same in their own department. The above tips can provide general direction to help contribute to the successful deployment of your file management productivity improvement project; however for more details on best practices relating to file naming conventions and file storage policies for various industries and useful software tools, you may visit [www.exadox.com](http://www.exadox.com).

**About the Author:** Vincent Santaguida has over 30 years of experience in business process automation. He is the founder and CEO of MultiCIM Technologies Inc, the software developer for the eXadox file management solution. He speaks and writes on subjects relating to office productivity and information asset management.