



Functional Records Classification: Clarification and Effective Usage

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TABLE OF CONTENTS

I.	INTRODUCTION	3
II.	SUBJECT VS. FUNCTIONAL RECORDS CLASSIFICATION	4
III.	FUNCTIONAL RECORDS CLASSIFICATION PROBLEMS.....	6
3.1	Too Much Emphasis on Functions	6
3.2	Not Enough Emphasis on Records	8
3.3	Not Enough Emphasis on Subject Naming.....	9
3.4	Summary of Functional Classification Problems.....	10
IV.	FUNCTIONAL CLASSIFICATION AND ISO 15489.....	11
V.	FUNCTIONAL CLASSIFICATION THAT WORKS.....	20
5.1	Records Data Collection.....	20
5.2	Functional Records Classification Design	22

I. INTRODUCTION

“We’re sorry, but we really can’t use that functional classification system that was devised for us. We did try to use the system; however, arranging things solely on the basis of functions or transactions proved impossible. We didn’t know where exactly to file some records. Everybody had different interpretations, and so we couldn’t figure out where other people had filed records. It just didn’t work for us, so that’s why we went back to the former way we’d managed our records.”

This is a sample comment I heard from some people who’d ultimately rejected a functional classification system devised for their department or organization. This is not to say that functional classification is wrong and/or unusable, but it does speak to the point that any approach, no matter how well-intentioned, may potentially fail. Eating carrots is good for your health, but eating too many carrots may lead to Carotenosis (i.e., orange discoloration of the outermost skin layer). Extending mortgages to homebuyers is commonplace and certainly increases home ownership, but predatory lending in the form of subprime mortgages contributed to the 2007-2008 financial crisis. In short, any good and/or well-meaning approach can potentially turn sour if interpreted incorrectly, rolled-out improperly, carried to extremes, and if based much more on theory than reality.

What is functional records classification? Why did it come about? To what degree should the functional aspect of classification be applied to actual records? And can it work in the real world? This article will seek to answer those questions.

II. SUBJECT VS. FUNCTIONAL RECORDS CLASSIFICATION

Before functional classification was introduced in the records & information management (RIM) field, most classification systems were predicated on a subject-based classification approach. This meant that classifications were established on the basis of whatever records (individual files, records in boxes, etc.) were inventoried and/or discovered. A file with records about the repairs made to corporate elevators, for example, might be interpreted as necessitating a classification called 'Elevator Repair and Maintenance'.

There are key problematic issues associated with the subject-based approach to records classification, and these are discussed below:

Subject-Based Classification Problems

<i>Problems</i>	<i>Supplementary Details</i>
Can result in a very large records classification system	<ul style="list-style-type: none"> • For example, different classifications may be established for each of the different types of financial reports <ul style="list-style-type: none"> • Such as evolving funds reports, statistical reports, cash payments reports, and computer processing reports • Functional classification would have one, or at the most several, classifications, as they would be based on the overall purpose (and function) of financial reporting
May result in 'rigid' classifications	<ul style="list-style-type: none"> • A classification may be based on an individual piece of software or an individual corporate initiative <ul style="list-style-type: none"> • Such as a 'Health and Wellness Initiative' • That means that such classifications are very apt to become obsolete once the software or initiative has been discontinued sometime in the future
May result in repetitive classifications	<ul style="list-style-type: none"> • Common elements such as policies & procedures <ul style="list-style-type: none"> • Or even a 'General' classification • In some subject-based classification systems, classifications for these records may be repeated under individual primary classifications and/or overall classification categories

Subject-Based Classification Problems (continued)

<i>Problems</i>	<i>Supplementary Details</i>
Often results in 'General' classifications	<ul style="list-style-type: none"> • For records that are not found under any of the other subject-based classifications • Such as for financial reports (e.g., may have records other than for evolving funds reports, statistical reports, cash payments reports, and computer processing reports for which classifications are established) • A 'Common' or 'General' classification often results in that classification being used as a 'filing dumping ground'
May result in the contents of case files (paper or electronic) being split up	<ul style="list-style-type: none"> • Proponents of subject-based classification may insist that all documents have to be filed under the respective classification(s) <ul style="list-style-type: none"> • For example, insisting that all correspondence is filed under the classification 'Liaison and Correspondence' • May insist that correspondence records cannot reside in case files under other classifications such as 'Purchasing' (even if the respective correspondence only concerns purchasing matters)

Functional classification was intended to avoid these problems:

- All financial reports could be put under just one classification (with the types of financial reporting constituting individual file names);
- An individual corporate initiative would not get its own classification but would be slotted under whatever it was intended to achieve (e.g., strategic planning, charities involvement, business continuity management, etc.);
- Since every classification would pertain to what records are intended to accomplish, as opposed to individual documents per se, this would negate repetitive classifications (just mention policies & procedures once) and catch-all classifications (such as 'General' or 'Not Found Elsewhere'); and
- End-users would be relieved that they could keep disparate kinds of documents in the same case file (within reason) provided that those documents pertained to the purpose or function of the case file (e.g., correspondence as a kind of record would be filed in accordance with whatever functional classification its content & purpose pertain to).

III. FUNCTIONAL RECORDS CLASSIFICATION PROBLEMS

Since functional classification was intended to remedy the problems associated with subject-based classification, it is necessary to examine the reasons why functional classification may not always work. The problems with some interpretations of functional classification are discussed in the following subsections.

3.1 Too Much Emphasis on Functions

Constructing a functional classification system solely on the basis of functions can prove detrimental, as the following example shows:

HUMAN RESOURCES MANAGEMENT FUNCTION

PRIMARY NUMBERS AND SUB-FUNCTIONS

X.0	Human Resources Management – Comprehensive Matters
X.1	Human Resources Management – Planning
X.2	Human Resources Management – Recruiting
X.3	Human Resources Management – Developing
X.4	Human Resources Management – Retaining
X.5	Human Resources Management – Performance Measurement

X.2-0 Human Resources Management - Recruiting - Policy Matters

(reserved for records related to developing, applying, monitoring, and/or evaluating policies that address the *Recruiting Sub-function of Human Resources Management*)

X.2-4 Human Resources Management - Recruiting - Liaison Activities

(reserved for records related to internal or external relations on recruiting human resources)

X.2-5 Human Resources Management - Recruiting – Attracting activity

(reserved for records related to the process of attracting qualified human resources to meet current and future workforce needs, and planned goals and objectives)

X.2-6 Human Resources Management - Recruiting – Selecting activity

(reserved for records related to the process of selecting human resources to meet planned goals and objectives)

X.2-7 Human Resources Management - Recruiting – Deploying activity

(reserved for records related to the process of deploying human resources to meet planned goals and objectives)

X.2-8 Human Resources Management - Recruiting – Monitoring activity

(reserved for records related to the process of monitoring the provision of human resources against requirements identified in the *Human Resources Management - Planning* process)

X.2-9 Human Resources Management - Recruiting – Evaluating activity

(reserved for records related to the process of evaluating the fulfillment of all the steps of the *Human Resources Management - Recruiting* process against requirements identified in the *Human Resources Management - Planning* process)

In the example of 'ultra-functional' classification shown above, classifications are being broken out with regard to each individual corporate action that is taken. Different classifications would be used for perusing resumes received, selecting a candidate, and approving the deployment of a new employee. In reality, these records would almost certainly be kept in the same case file (paper or electronic) associated with that particular job recruitment (e.g., Financial Services Manager Recruitment, 2021-2022 fiscal year).

If functional classification is taken too far, that particular job recruitment case file will be split apart, and all its various documents will be classified separately (in different files). This would make records retrieval much more cumbersome and time-consuming to accomplish, and it would defeat the benefit that functional classification presumably had over subject-based classification – keeping disparate kinds of documents together in the same case file under the same classification if the documents all related to the same overall function or purpose. This approach would also force end-users to become functional classification experts, and the average staff person simply wants to be able to retrieve records in a simple and timely fashion without thinking deep thoughts or having to access different files under different classifications to retrieve all the documentation for one individual initiative (such as recruiting a new employee). It's also important to note in the example above that policies are identified as a transaction under Recruiting, which implies that policies will be repeated under each sub-function.

When someone washes his/her hair in the mornings, the functions that person would go through may include wetting the hair, applying shampoo and washing the hair, rinsing the hair, applying cream rinse conditioner to the hair, rinsing the hair again, towel-drying the hair, combing the hair, applying styling gel to the hair, and then brushing the hair. But in real life, all the information about how to wash one's hair would probably be incorporated in a single document – it would make no sense to split every single process into a separate document under a separate classification. And who would make and keep domestic records relating to washing hair in the first place? Corporate processes, too, may or may not be involved with generating records.

3.2 Not Enough Emphasis on Records

Not only may some corporate processes potentially not be involved with generating any records, other corporate processes may potentially be involved with generating and/or using all sorts of different records. Focusing only on what activities a department performs, without ever delving into the kinds of records actually produced and used, will result in problems. Consider the following example of a functional classification based on functions without reference to records:

Project Management

This classification reflects the activity of implementing a project to create a unique result. A project may involve a product or service that affects the whole organization and/or external parties. Includes initiating, planning, executing, monitoring, and closing a project.

In talking to the staff in a particular department, it may be discovered that a good part of their work involves managing individual projects. And when functions are considered at the expense of records, that may result in a classification such as the one shown above (which reflects specifically a key function the staff in that department perform).

However, most projects may involve a multiplicity of different records: committee meetings, strategic reporting, purchasing, presentations to executives, and so on. When left to their own devices, staff often come up with approaches to capture all the records for individual projects. Staff may declare a particular filing cabinet as the repository for all project records, with each drawer in the cabinet constituting an individual project. If you open a particular drawer, all the records for that specific project are there, and they almost certainly will be held in different file folders reflecting different classifications. In other words, managing individual projects constitutes a part of files arrangement but not directly part of a records

classification system. This same type of approach may be found on shared drives, on SharePoint sites, and in other filing repositories.

A records classification system all by itself (whether functional or subject-based) is not the end-all, be-all when it comes to organizing records. There may be a valid need to arrange records 'above' the classification level. Energy companies, for example, may have oil well files, with all the information for a particular oil well captured together in the same place, and once that's done, then records classifications (and retentions) are applied to the records. This method of records arrangement is functional per se in that it reflects an overall corporate process. And it also helps to encourage staff persons to use a records classification system if they know that all by itself, the classification system does not constitute the only way by which records may be arranged.

3.3 Not Enough Emphasis on Subject Naming

Just as staff persons may need to arrange records 'above' the level of the classification system itself, they also have the need to arrange records 'below' the classifications themselves. This implies naming conventions for files (paper or electronic) and even potentially individual types of electronic documents. A records classification for accounts payable, for example, is shown below:

Accounts Payable

Records relating to the process of meeting financial obligations for goods and/or services that have been received. This concerns expenses and payments made to all external vendors and/or parties. May include information about the purchase decision, invoice analysis, financial approval, and account coding.

However, what would happen if staff persons were told not to arrange records any further? What if they were told they could not arrange records using anything but the classification for accounts payable? How would staff find a particular accounts payable transaction?

'Below' the classifications themselves, file naming is invariably done in accordance with the names of specific subject-related terms: a person's name, an organization name, a type of purchase, a particular address, a particular date, and so forth. Accounts Payable (A/P) files, for example, would all fall under one classification, but there may potentially be hundreds of individual A/P transactions reflected in hundreds of different files. Staff may determine, for example, that individual A/P files must be named in accordance with vendor name and fiscal year – these constitute the names of a specific entity and a

specific date. Some proponents of functional classification may balk at this by saying the file-naming approach is not functional enough, but in reality, staff persons would have to apply non-functional naming terms to the majority of individual files falling under a functional records classification if they hope to actually retrieve an individual file in a timely manner.

Consider how we engage in regular conversation and how we write (reports, emails, texts, etc.). Can you envision yourself talking to someone or texting someone while only using verbs and adverbs, with no use of nouns, adjectives, and articles & prepositions? Consider the following:

Went up, fetch, fell down and broke, came tumbling

How much does that tell you? It's actually the nursery rhyme of ***Jack & Jill*** once reference to anything but verbs and adverbs (which are about actions – what some functional classification systems are based solely on) were removed. In other words, we don't know who it's about, what they went up, what they were planning to fetch, what got broken, and who fell down what. Removing specific concrete terminology from our communications while talking only about actual activities that occurred can make communication very difficult to understand. And the same holds true with records arrangement and retrieval.

3.4 Summary of Functional Classification Problems

The overall problems associated with some approaches to functional classification, as discussed in the preceding sub-sections, can be summarized as follows:

- Records & information management (RIM) should be concerned with information resources, and when information resources are excluded from data gathering & classification schedule design, then the final deliverables will not lend themselves to ease of records arrangement and timely retrieval;
- An individual function (or activity) may have one, several, potentially many, or even no records series associated with it;
- Functional classification should not strictly exclude any and all attempts at applying concrete approaches to naming and arranging records, as functions and activities all by themselves are not sufficient when trying to locate a specific record; and
- Any corporate approach that elevates theory above practicality, confuses and/or forces end-users to work through many more steps than they had previously done, and excludes all other approaches is probably likely to fail.

IV. FUNCTIONAL CLASSIFICATION AND ISO 15489

To clarify just what functional classification should look like, it's also helpful to peruse the best Standard that applies to RIM. The International Organization for Standardization (ISO) has produced a second edition (2016-04-15) of the *Information and documentation – Records management: Part 1: Concept and principles* Standard (ISO 15489-1:2016). This Standard makes mention of the following key concepts that are associated with functional records classification, and they are analyzed in accordance both with what they are really saying and common-sense approaches to records classification:

Part 3: Concepts and principles

No.	ISO Quotation	Analysis
1	3.2 – activity: major task performed by a business entity as part of a <i>function</i>	<ul style="list-style-type: none"> • Could be described as a sub-function per se • Refers to a primary task performed as a result of expected and typically ongoing business operations
2	3.4 – business classification scheme: tool for linking records to the context of their creation	<ul style="list-style-type: none"> • Refers to associating (linking) records with how and why they were created as opposed to whichever business unit or department was responsible for creating and/or using them
3	3.5 – classification systematic identification and/or arrangement of business activities and/or records into categories according to logically structured conventions, methods, and procedural rules	<ul style="list-style-type: none"> • Business activities may be associated with records (i.e., records produced in accordance with what a specific business unit is responsible for doing) • <i>Categories</i> refers to groupings of like-related topics, subjects, records, etc. • <i>Logically structured</i> implies a classification system that consistently adheres to standard records classification principles aimed at ensuring ease of records retrieval
4	3.11 – function group of activities that fulfils the major responsibilities for achieving the strategic goals of a business entity	<ul style="list-style-type: none"> • <i>Major responsibilities</i> implies primary undertakings dedicated to achieving an organization's key mandate(s) • As regards common records, primary undertakings include Financial Management & Personnel/Jobs Management, for example

Part 3: Concepts and principles (continued)

No.	ISO Quotation	Analysis
5	<p>3.12 – metadata for records structured or semi-structured information, which enables the creation, management, and use of records through time and within and across domains</p>	<ul style="list-style-type: none"> • <i>Metadata</i> constitutes information about information (e.g., a library card catalog would include metadata such as a book’s title, author, etc.) • Metadata are used for records identification & retrieval (much as a library card catalog contains information about a book and enables persons to locate that book and other related library materials)
6	<p>3.16 – records system information system which captures, manages and provides <i>access</i> (3.1) to records over time</p>	<ul style="list-style-type: none"> • Refers primarily to a records management technology system/application that is specifically intended to manage records through the entire records life cycle • Including such things as applying classification & retentions, tracking records, generating reports, etc.
7	<p>3.17 – schema logical plan showing the relationships between metadata elements, normally through establishing rules for the use and management of metadata specifically as regards the semantics, the syntax and the optionality (obligation level) of values</p>	<ul style="list-style-type: none"> • Refers to showing how the entire concept of records classification will be realized, from the top-most level of organizing records through to the bottom-most level • Refers to consistent use of clear language and accepted terminology as well as proper business writing principles • Any records classification system should be established in a straight-forward manner devoid of ambiguity, unnecessary repetition, and slang terminology
8	<p>3.18 – transaction smallest unit of a <i>work process</i> (3.19) consisting of an exchange between two or more participants or systems</p>	<ul style="list-style-type: none"> • Would imply an exchange of ideas (between persons) or a sequenced action of individual workflow events (between parties or systems) • The most discrete parts of a work process would involve transactional activities (e.g., receiving a contract via postal mail, actually signing a contract to finalize it, digitally imaging that contract, and then sending it back via email to the respective vendor) • Transactions can potentially change quickly, so it would be impractical to classify records based on them (i.e., classifications reflecting individual transactions) <ul style="list-style-type: none"> • For example, re: a contract, originally it was received via postal mail, then it was manually signed, then it was digitally scanned, and then it was emailed back to the vendor • But all of a sudden, the transactions may change – the new approach is to receive a notifying email, access a website, review the terms, and click on a pertinent button to signal formal approval

Part 3: Concepts and principles (continued)

No.	ISO Quotation	Analysis
9	<p>3.19 – work process one or more sequences of actions required to produce an outcome that complies with governing rules</p>	<ul style="list-style-type: none"> • Would imply the collection of individual actions so as to produce a desired outcome commensurate with a business unit’s expected function & output • A larger collection of tasks (e.g., as concerns the transactions described under 3.18, a work process capturing all of them could be <i>Contracts Processing</i>)

Part 5: Records and records systems

No.	ISO Quotation	Analysis
10	<p>5.2.2.4 - Useability A useable record is one that can be located, retrieved, presented and interpreted within a time period deemed reasonable by stakeholders. A useable record should be connected to the business process or transaction that produced it. Linkages between records that document related business transactions should be maintained. Metadata for records should support useability by providing information that may be needed to retrieve and present them, such as identifiers, format or storage information (see 5.2.3).</p>	<ul style="list-style-type: none"> • All records regardless of media format should be easily retrievable by all authorized staff persons and with a minimum of time, effort, & expenditure • Records relate to the purpose of why they were created and/or received, and what they are used to accomplish, and this should be reflected as per the classification system construction • Any records classification system should be established in a straight-forward manner devoid of ambiguity, unnecessary repetition, and non-professional terminology • The classification system & associated records management applications should lend themselves to easily locating desired records by incorporating certain criteria (e.g., a records classification code & title, whether the master copy is paper or electronic, and where the records happen to be stored such as a shared drive versus a specific application)

Part 5: Records and records systems (continued)

No.	ISO Quotation	Analysis
11	<p>5.2.3 Metadata for records Metadata for records should consist of information recording the following:</p> <ul style="list-style-type: none"> a) a description of the content of the record; b) the structure of the record (e.g. its form, format and the relationships between the components comprising the record); c) the business context in which the record was created or received and used; d) relationships with other records and other metadata; e) identifiers and other information needed to retrieve and present the record, such as format or storage information; f) the business actions and events involving the record throughout its existence (including date and time of the actions, changes to the metadata and the agents undertaking the actions). 	<ul style="list-style-type: none"> • Metadata include such things as a descriptive scope note, the record workflow & the records lifecycle, what other records that a particular record might be associated and/or affiliated with, and terms and other clarifiers that are needed to ensure ease of records retrieval • Also automatically-generated metadata such as logging when a document was last edited and by whom, etc. • Not all metadata as listed in the ISO Standard would need to be directly incorporated in a records classification system – those metadata that are relevant would be reflected in the record title & description and in the record's relationship with other records (i.e., grouping all like-related records together in a records classification system)
12	<p>5.3.2.1 Reliable e) support timely access to records;</p>	<ul style="list-style-type: none"> • All records regardless of media format should be easily retrievable by all authorized staff persons and with a minimum of time, effort, & expenditure
13	<p>5.3.2.4 Comprehensive Records systems should be capable of managing records created using the range of technologies used in the area of business activity to which they relate.</p>	<ul style="list-style-type: none"> • All records should be covered in a records classification/retention system, and a records management technology application should be capable of managing records regardless of media format

Part 7: Appraisal

No.	ISO Quotation	Analysis
14	<p>7.1 General Appraisal is the process of evaluating business activities to determine which records need to be created and captured and how long the records need to be kept.</p>	<ul style="list-style-type: none"> • When examining records' related business processes, it's also important to consider how long the records need to be kept • Implies a combination records classification & retention system (which is the norm in many organizations)
15	<p>7.3 Understanding the business Appraisal requires an understanding of the organization and its business activities, including but not limited to the following: a) internal and external factors affecting the organization's operations, behavior and strategic direction; b) operational, legal and other requirements; c) resourcing and use of technologies; d) internal and external stakeholder requirements; e) risks to be managed; f) an understanding of the business activity's internal and external contexts; g) an analysis of functions undertaken and work processes carried out, using the techniques of functional and/or sequential analysis; h) identification of the internal and external agents involved in the business activity.</p>	<ul style="list-style-type: none"> • Refers to understanding why an organization or department exists and what its mandate is • Operational and legal requirements, and stakeholder requirements, are used mostly for retention time period determination as opposed to constructing a records classification system • Understand what technology solutions (if any) are used at the present time to manage information resources • Risks entail any current and/or future hazard(s) posed to records, although this has no bearing on constructing a records classification and/or retention system • Functions undertaken refers to the primary reasons for that organization or department being in existence, and work processes relate to what tasks staff and external parties are expected to perform in relation to the mandate • Sequential analysis implies understanding the sequence of steps involved in managing a record from creation/receipt through to final disposition (i.e., what is going on per se?), whereas functional analysis entails understanding which records are pertinent to which overall corporate functions
16	<p>7.4 Determining records requirements Records requirements are based on an analysis of business activity and its context (see 7.3), and are derived from the following: a) business needs; b) legal and regulatory requirements; c) community or societal expectations.</p>	<ul style="list-style-type: none"> • Business needs, legal/regulatory requirements, and community expectations are issues that concern records retention rather than records classification • Such issues are typically researched after initial records data collection work is completed and deliverables such as a draft classification system have been developed

Part 8: Records controls

No.	ISO Quotation	Analysis
17	<p>8.2 Metadata schemas for records Metadata schemas should be developed to define the metadata used to identify, describe and manage records. In order for records to possess the characteristics of authoritative records (see 5.2.2), their associated metadata should be based on an authorized metadata schema.</p> <p>Metadata schemas can relate to different entities. Key entities for managing records are the following:</p> <p>a) Records – including all levels of aggregation; b) Agents – including persons, business units, technologies or business and records systems; c) Business (or Function) – business functions, activities and transactions or work processes; d) Mandates – laws and other requirements governing the conduct of business and record creation or management; e) Relationships – between entities and layers of aggregation.</p> <p>Implementing metadata schemas for records may involve metadata being specified for all of these entities, or just one, such as “Records”.</p>	<ul style="list-style-type: none"> • Metadata used to identify & manage records may involve records identifiers and titles, scope notes, indexing, thesauruses, and any automatically-generated metadata such as author and date(s) of last edit(s) • Metadata that would be manually developed would be those related to a records classification and/or retention system, including all associated issues (e.g., folder naming guidelines, etc.) • <i>Aggregation</i> refers to collecting information about records, compiling and analyzing it, and expressing it together • <i>Agents</i> include those persons and systems involved in using and/or managing records • Business functions, activities, and transactions relate to understanding what a record type is used for and its associated purpose and workflow • Laws and other requirements typically involve records retention determination, and that research is done after all initial data collection has been accomplished and often after a draft classification system has been devised • The last point clarifies that all the sorts of metadata listed here do not necessarily have to be applied to all records deliverables (e.g., a classification system by itself would not necessarily be concerned with laws and related legal requirements)

Part 8: Records controls (continued)

No.	ISO Quotation	Analysis
18	<p>8.2 Metadata schemas for records Metadata should be defined to: a) enable the identification and retrieval of records;</p>	<ul style="list-style-type: none"> Any records classification system and all associated tools and guidelines (e.g., folder-naming guidelines) should be designed to ensure that any authorized person can readily retrieve desired records (regardless of media format) with a minimum of time, effort, & expenditure
19	<p>8.3 Business classification schemes Business classification schemes are tools for linking records to the context of their creation. The act of linking a record to its business context is the process of classification, (see 9.4), which supports the following: a) the application of access and permissions rules (see 9.5); b) the execution of appropriate disposition rules (see 9.9); c) the migration of records of a particular business function or activity to a new environment as a result of organizational restructure (see 9.8)</p>	<ul style="list-style-type: none"> A records classification system identifies what records are used for (their purpose) – it is risky to say that it links records to the context of their creation, as it implies linking records classifications with corporate hierarchy (which is always advised against) Access and permissions rules are associated with classification only insofar as it is clear which types of records should have specific access/permissions rules associated with them Disposition rules are related to records retention (thereby supporting linking records classification and records retention together) A records classification system should never be rigidly linked with organizational structure; rather, if the records' purpose or reason for being changes, the respective classification may have to be 'moved about' to a more appropriate spot in the classification system
20	<p>8.3 Business classification schemes In order to remain resilient to organizational change, business classification schemes should be based on functions and activities rather than on organizational structures. Business classification schemes may be hierarchical or relational, and may consist of various levels of relationships, depending on what best represents the business. The nature and degree of classification control required should be based on an understanding of records requirements (see 7.4) and the nature of records systems in use (see 5.3). Business classification schemes may be supported by vocabulary controls such as thesauri, used for the titling of records to aid retrieval.</p>	<ul style="list-style-type: none"> A records classification system should never be associated with corporate hierarchy at any given point in time (this is standard records management industry knowledge) <i>Hierarchical</i> refers to arranging items by rank per se, and <i>Relational</i> refers to connections between two or more entities as they belong together and/or are the same kind – a classification system can be arranged either way depending on what is best for a company <i>Records Requirements</i> refers chiefly to those issues that should be examined when validating retention time periods (not classifications) <i>Records Systems</i> should not be used to base a classification system on, as just like corporate hierarchy, any information system (e.g., software) can readily change (i.e., you can't base a classification on an application any more than you can base it on a file cabinet) <i>Vocabulary Controls</i> relate to business writing, folder-naming conventions, etc.

Part 9: Process for creating, capturing and managing records

No.	ISO Quotation	Analysis
21	<p>9.4 Records classification and indexing Classification links records to their business context by associating them with categories in a business classification scheme (see 8.3). Records classification includes the following: a) linking the record to the business being documented, at an appropriate level (for example to a function, activity or work process); b) providing linkages between individual records and aggregations, to provide a continuous record of business activity. Records classification can be applied to individual records, or at any level of aggregation. A record may be classified more than once, at different times in its existence. In cases of re-classification, any superseded classification metadata should be retained. Indexing metadata may also be used to make records more retrievable for agents who are authorized to access them. Indexing metadata such as subjects, location or personal names can be linked with records at the point of capture, and may be added as required throughout their existence.</p>	<ul style="list-style-type: none"> • <i>Categories</i> would imply primary functions • Records classifications should be described and arranged in accordance with what the records are used for as opposed to any business unit associated with the records at any given time • Records classification systems will group like-related records (e.g., financial records) together in categories • Business activities will be reflected in how the classification is described and how it is arranged in the classification system itself • Records classification may be applied to one discrete record (e.g., a single accounts payable file) or multiple related records (e.g., all accounts payable files in a department) • Records may be reclassified if the core related business processes have markedly changed (necessitating an update to the classification system), if new processes are created or uncovered, and/or if a mistake was made when initially classifying the records • Automatically-generated metadata such as dates and authors would be retained regardless of how or when the record is reclassified • Indexing involves linking metadata to records (e.g., folder-naming conventions), and so all manually-created records metadata may assist authorized users in readily retrieving records • Subjects, locations, and personal names may be injected into records arrangement whenever needed (e.g., segregating all project-related records together regardless of classifications used, setting-up folder naming conventions that identify specific dates and terms to use, etc.) • Records could never be retrieved on the basis of functions alone – concrete subject-related terms are required to identify many discrete issues, so a purely functional approach to records classification could not realistically work well

Therefore, in summary, the key observations are as follows:

- Any functional records classification system must ensure that any authorized user can readily locate desired records with a minimum of time, effort, & expenditure;
- Both manually-created and automatically-generated metadata exist, but manually-generated metadata are what are used to create and implement a records classification system;
- A records classification system itself does not constitute all records-related metadata;
- A records classification system must be comprehensive and cover all of an organization's record types;
- Records classification and records retention should be linked together and jointly presented (e.g., a records classification/retention schedule);
- Some issues such as legal/regulatory requirements are not considered while conducting an inventory or developing a classification system – such issues are often researched and considered **AFTER** draft records classification deliverables have been produced;
- Records classification must be divorced from corporate hierarchy at any given time;
- Records classification systems must be structured in accordance with what will truly work best for an organization and the staff who must use it; and
- Entirely pure functional classification is not recommended, and records may be arranged by concrete subject-related terms whenever truly necessary to ensure ease of records retrieval.

V. FUNCTIONAL CLASSIFICATION THAT WORKS

Can functional classification work in the real world? Absolutely, and in accordance with all that has been discussed so far (i.e., reasons why it can fail and what ISO 15489 says about functional classification), the following subsections are intended to clarify the data collection approach, and the development of a functional classification system, that can be used to effectively organize and retrieve corporate information resources.

5.1 Records Data Collection

When collecting information about records for a functional classification system, it is important to flush out records series (i.e., records with a common purpose and that have the same retention time period). Records series are functional in the sense that the respective records are examined in terms of what they are used to accomplish. Start by asking the respective business unit about their key functions, what they are mandated to accomplish, and so forth. Once that's done, ask them to identify the key kinds of records they have in their business unit, especially as concerns what their business unit is responsible for doing. On average, there are one (1) to (8) mandate-related records series in a business unit. Once you've identified the key kinds of records series, it is then necessary to collect specific data about each one (the minimum kinds of data to collect are shown below):

- **Records Purpose/Function** – what is the records series intended to accomplish? What is it used for and why is this important?
- **Records Media Format** – in what format (paper, microform, electronic) is the records series maintained? Where is it stored exactly (e.g., boxes in the basement, a SharePoint site, etc.)?
- **Records Workflow** – describe the steps involved in creating, processing, managing, using, and eventually disposing of the records series? Do you create the records, receive them, or both? Who sends records to you, and how do you receive them? At a high-level, what are all the activities you perform in using these records to accomplish corporate mandates?

The following is a high-level example of how the above-mentioned data may be collected & documented for an individual records series:

Sample Data Collection for Functional Classification Design

<i>Element</i>	<i>Details</i>
Records Series Name	<ul style="list-style-type: none"> • Dangerous Goods Exemption Permits
Records Series Purpose	<ul style="list-style-type: none"> • The <government ministry> may issue permits granting exemptions to the <Dangerous Goods Transportation legislation> <ul style="list-style-type: none"> • This applies both to carrier companies and private vehicles transporting dangerous goods • Normally, everyone must be in compliance with the legislation, but there may be instances where formal approval is sought to be exempted for valid reasons • Exemption permits may be issued to allow a carrier company or private vehicle to be exempt from legislative provisions, but this is only done in accordance with established criteria and only if the public and the environment will not be put at risk
Records Series Media Format	<ul style="list-style-type: none"> • All master copies of records are electronic <ul style="list-style-type: none"> • All saved in a designated database
Records Series Workflow	<ul style="list-style-type: none"> • Any carrier company or citizen may apply for a Dangerous Good Exemption permit by accessing the <government ministry> Internet site; they may phone or email staff in the business unit (contact information is provided on the website) to assist as necessary <ul style="list-style-type: none"> • The completed application will be submitted to the <government ministry> via postal mail, facsimile, email, or posting on the website (this is the most common submission approach used now), and the business unit staff person responsible for a particular geographic area will receive and analyze it • The staff person will compare the application against established policies relating to dangerous good exemption permits and determine if it's valid or not • Applicant will be notified via postal mail or email of the decision and the rationale, and if an exemption was granted, the permit will be included <ul style="list-style-type: none"> • A permit is valid for only two (2) calendar years

5.2 Functional Records Classification Design

After the records data inventory has been completed, information will have been documented regarding each records series' purpose (what's it's used for) & high-level workflow (the sequence of steps involved in processing the records). This information is necessary to accurately and fully describe the records, as well as arranging all classifications in the classification system in a logical and orderly and functional manner.

Based on this understanding of what the actual records are truly about, it is much more easy to identify (and create) respective Functions and Activities (or Work Processes), and this would be based on an analysis of **all** relevant records series. The **Dangerous Goods Exemption Permits** would fall under the following Function & Activity (renamed Category & Sub-Category respectively to allow for ease of staff understanding):

Drivers & Carriers Category – *this category concerns records that focus on monitoring, qualifying, and registering / instating both individual drivers & carrier companies in <the jurisdiction> (i.e., an individual person is a driver (owner-operator), and a corporate entity that operates motor vehicles is a carrier company). Includes records concerning driver requirements, driver training, and permissions & exceptions that may be granted to drivers under specific conditions. Also includes records concerned with licensing & monitoring the agents who supply driver training & licensing.*

Permissions Sub-Category – *this sub-category focuses on records relating to granting permissions for carrier companies & drivers of private vehicles to be exempted from certain operating requirements such as dangerous goods transport and non-standard road usage, although such exceptions are only allowed as long as public safety & the environment are not put at risk. Also includes records on any driving requirements and related permissions that are granted to drivers.*

The Category and Sub-Category as described above would be based on an analysis of **ALL** records series inventoried. In this way, the classification system arrangement will be based on the purposes of all the records, and records series with like purposes will fall under the same Category / Sub-Category. These functional groupings are actively created **AFTER** perusing and analyzing all inventory data – they are not passively named on the basis of any particular workflow process. Don't be surprised if a business unit's key individual records series are assigned to different Functions and/or Activities.

This approach is also confirmed by *ISO/TR 26122:2008(E)*, which stipulates the following:

Functional analysis will be emphasized when developing a function-based classification scheme for a whole organization, particularly to identify the higher levels of the scheme. Sequential analysis will be emphasized

The higher levels of a classification scheme would entail how the classifications are arranged within the scheme itself (i.e., grouping records series with like records series under appropriate Functions and Activities). These groupings should never be based on corporate hierarchy.

Collecting functional information about a records series (i.e., what it's used for and its workflow) is useful for the following reasons:

- Leads to a fuller understanding of how the records series is used;
- Makes it easier to determine – and link the records series with – a discrete Function and Activity;
- Helps to identify current risks posed to records (based on documented status-quo steps); and
- Allows for records to be more fully described in a functional records classification and retention system.

An example of how ***Dangerous Goods Exemption Permits*** may be described in a functional records classification system is shown below:

These records relate to issuing permits for granting exemptions to both carrier companies & drivers of private vehicles as concerns transporting dangerous goods across <the jurisdiction>. This is done to ensure that any exemptions concerning regulatory compliance are formally approved, are granted for a truly valid reason, and that they will not put the public or the environment at risk. Submitted request applications are analyzed to determine if an exemption should be granted before any permits are issued. Documentation includes completed application forms, cover letters, and completed renewal forms.

NOTE: *Dangerous goods are hazardous products as defined under the Transportation of Dangerous Goods legislation such as medical wastes, oil spills, pathogens, and radioactive wastes.*

The classification for ***Dangerous Goods Exemption Permits*** describes what the records are about, why they exist, and what is accomplished. All individual types of documents (correspondence, application forms, white papers, etc.) that relate specifically to this records series' purpose may be filed here. Filing documents under the classification they relate to can be done to a point – a special contract with serious legal ramifications may relate to some records under a classification for 'Strategic Reporting', but the master copy of that contract would have to reside under the respective classification for such contracts and its respective and authorized retention time period.

And as noted earlier, for the records falling under a particular classification, folder and electronic document codes and titles/names may be assigned based on any one of, or a combination of, the following four systems:

- **Alphabetic**, in which records are arranged alphabetically by words or letters;
- **Numeric**, in which records are arranged in sequential numerical order (the numeric identifiers may be based on numbers that constitute part of the record itself, such as in cheques, or they may be added to make records processing and/or retrieval more efficient);
- **Alphanumeric**, in which records are arranged by a code which includes a combination of alphabetic and numeric characters; and
- **Chronological**, in which records are arranged sequentially by date.

An example of such file-naming conventions is shown below:

<i>Classification Title</i>	<i>Electronic Folder Naming Conventions</i>
Railway Sites Operating Approvals	Two (2) file folder levels <ul style="list-style-type: none"> • Numeric by Certificate Number • Chronologically by date (calendar year)

In terms of arranging/classifying records to allow for timely retrieval by all relevant staff persons, more than function and/or work process and/or records series (classification) must be considered. Users will always have the need to categorize, focus on, and arrange records based on specific non-functional terms and identifiers. This is validated by the *ISO 15489-1:2016* Standard:

9.4 Records classification and indexing

Indexing metadata may also be used to make records more retrievable for agents who are authorized to access them. Indexing metadata such as subjects, location or personal names can be linked with records at the point of capture, and may be added as required throughout their existence.

Therefore, in summary, the recommendations for developing and rolling-out a functional classification system are as follows:

- Ensure that any RIM deliverables are not developed on the basis of corporate hierarchy at any given time;
- Records data collection must focus on actual records, particularly records series, rather than solely functions, work processes, or transactions (and some of those would have nothing to do with any records);
- Actively determine (rather than simply passively identify) functions and activities-based classification system groupings based on what individual records series are truly all about;
- Describe functional records classifications so that users know how the records are used and what the records are expected to accomplish; and
- Ensure that a functional classification system can be easily understood and used by all staff persons (nowadays, non-RIM staff have to file & retrieve records, especially electronic records, and so RIM tools must be developed with all staff persons in mind).