

E – MANAGEMENT OF DOCUMENTS

The storage of documents electronically has proven to be an important aspect of good corporate practice.

The Australian Government Policy for storing and managing electronic documents requires that a document management system must provide:

1. adequate background information for documents;
2. a means to prove authenticity of documents;
3. for the disposal of documents and be robust against foreseeable organisational or technological change;
4. levels of support for different types of document; and
5. links between paper and electronic documents.

The creation of an electronic document storage system must also account for the need for software change.

Requirements

Section 4 of the Electronic Transactions Act 1999 in brief states:

- (a) a transaction is not invalid because it took place by means of electronic communication; and
- (b) the following can be met by electronic means:
 - giving information in writing;
 - providing a signature;
 - producing a document;

- recording information;
- retaining documents.

Problems with Electronic Document Management

- (i) There may be confusion between different versions of a document (e.g. because there are multiple copies and it is not clear which is the binding version);
- (ii) Loss or destruction of documents (i.e. because there is no central database or no document management policy);
- (iii) Questionable authenticity (i.e. because of possible manipulation of text in electronic documents);
- (iv) Loss of context of documents (e.g. because related documents are not linked or kept together); and
- (v) Documents becoming inaccessible because of change in software.

Companies need to have in place adequate policies and systems for electronic document management.

Whilst the implementation of these storage initiatives can appear to be tedious and time consuming for senior management and employees, a well managed electronic document retention system will often assist companies in order to mitigate losses in the future.

If you require any further information in relation to this topic, please contact Ilona Teremi, Partner on (02) 9375 2258 or email ilona.teremi@kreissonlegal.com.au