



# How Important is Commercial Record Centre to the Information Industry in Malaysia?

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## Abstract

Commercial Records Centers (CRC), a potential business in records management services offer lot of opportunities for those who aware of the advantages. This is a good opportunity arise at the center of entrepreneur aspirations with economic and social conditions to create a new service, either in an existing market or a new one. Efficient administration of an organization and a good business are amongst the reflects of a great records management. Records management are one of the essentials instrument to smoothen administration process, providing data to plan and making decision, also a proof of transaction and existence. Being an expert in business for any period of time, one will know that the archiving of business records' is the most important thing. This article will discuss the potential of CRC, clarifying the strategy of marketing and the challenges face by this information industry in Malaysia

**Keywords:** Commercial Records Centers, information industry, off-site storage, records management outsourcing

## 1. Introduction

Records management is known as a professional implementation of managing records. This is because record management covers all process of managing records of an organizations. It is using the records life-cycle process. This life-cycle involves recognizing, sorting, storing, protecting, retrieving, tracking and destroying or permanently preserved the records. Records management reduce any risk associate with managing evidence of organization's activities that can effect an organization's reputation, functions, performance and administration process.

Record center is an operation that can store and manage all records such as financial, administration, legal and business documents. Record Centre is a space or part of a building which is intend to use for low-cost storage, maintenance and semi-current records. They also offer storage for records maintained in electronic formats. Record centre are divided into three type which is National Record Centre, Departmental Record Centre and Commercial Record Centre.

An organization will start to think about convert to an off-site storage convenience when experience the problem of having too many files and have small office area. Sensitive documents people choose to keep at in-house storage are risk to mould, mildew and expose to pest contamination. To protect from thieves, confidential files require more padlocks and flammable material may be stored in the unit near to the company's owner. On the other hand, storing records in a CRC reduces privacy breach risks and allow a full records management services. Still, it's important to choose the best service company as quality and value between record centres can greatly differ. An improperly managed or low-quality record storage facility can also compromise the protection of the documents [1].

## 2. Benefit and Potential

Dykeman [2] explained the subject of CRC has taken on new importance of two reason which customers are far more worry about the safety of their records and examine the security measures of records centers. The author has emphasized some problems about document safety which more focus on security, fire protection, customer service, and contracts. Deciding a storage center is not as simple as we thought. A record manager has a huge responsibility to choose the best CRC. Even if the team is ready to explore off-site, they still have to put a lot of things into consideration. Cheapest price offered by any CRC might result your record at risk.

Archiving of business records is no longer a simple matter of retention [3]. In Malaysia, CRC industry have grown and prospered over the past few years. Until 2017, there are thirteen (13) commercial record center operating in the country [4-5], CRC industries are still new in Malaysia. This industry continued to develop, primarily in the Klang Valley and in other areas around the country. Among established CRC in Malaysia namely Crown Records Management Malaysia, Regalia Records Management Sdn Bhd, Tropical Baggage Sdn Bhd, PRISM Sdn Bhd, Recall Sdn Bhd, Sure-Reach Records Management Sdn Bhd, Safeguards Corporation Berhad, AF Document Management Services Sdn Bhd, Inter-city (M) Sdn Bhd, and Dataworks Management Sdn Bhd.

The market value of this potential industry in Malaysia is between RM 30-35 million in 2007 with a double-digit growth of about 15-30% over the past few years. With this double-digit growth, it can be seen that there is a huge potential market for record management service to explore all sorts of services been offered in this line of business [4-5].

We can see CRC has gained more clients by providing the advanced services with latest technological equipment and standardize practices to meet their customers' expectations of service quality. Customer service quality is critical at a CRC for their sustenance and growth [6]. CRC has developed new initiatives and major changes has been made to provide good service that has fulfil most of the customer's concern. Variety of service that can benefit an organization has been introduced and implement from time to time. Most of them will emphasize in an effective cost savings because when an organization store their records in CRC, the cost to pay for space rental can be cut and they can use the space for administration purposes or tools storage.

Furthermore, CRC can minimize the operating cost. Record center provide efficient operating costs and eliminate an organization cost for filing appliances and storage to manage archives. Records centers have efficient systems that can store many more records per square foot than in the office. Record center also equip with an online database that can be accessed by the organizations to control their records stocks.

Maintaining steady temperature of office documents are very crucial. Most of CRC have a temperate temperature. Some important records need special climate controls that can be expensive and hard to apply in-house. Records Centers have special climate-controlled system resulting in total insurance for long-term preservation of records, saving time, money and aggravation.

A record center will systematically dispose an office files only with an official permit. With an appropriate authorization to avoid any possibility of reckless, discriminate or personal influence destruction of records, records centers have a mechanism, to ensure that above actions will not happen.

Record Centre guarantee an organization's records will not be destroyed prematurely or store longer than needed. The mechanism is ensuring to comply with organization, state and federal privacy laws

Another service offer by CRC is electronic vaulting (e-vaulting), an alternative to tape backup to make sure their services are up to date, depending on the information and business demands. Due to huge amounts of data need to handle, consistent demands and competitive pressure, E-vaulting are growing in its appeal for all range of business [7].

Other service offered by CRC is an online record management system that can control an organization entire business records or they can generate a digital archive for just a specific group of data. The company will not need to spend in the material for hardcopy or softcopy, and the records will be accessible anytime and anywhere the documents are needed, through a secured software system.

Company documents must be protected every time even when the fire or disaster strikes. Most of the design of the building saves against natural disaster including earthquake, fire and floods. Make a copy of organization's important records and keeping them at CRC will act as a backup if a disaster happens. Important records that essential to a company's existence will be protected, cutting the costly time and effort required to rebuild critical data in the event of disaster.

CRC policy understand how crucial and confidential a company information is and provide a controlled security for the records. They ensure the organizations records remain safe, secure storage and restricted monitoring and access.

### 3. Challenges

Any entrepreneur plan to start up this kind of service business must ready with their strategy with common problems in managing the semi-current record center especially the storage or the warehouse. Record manager has a big responsibility to take precaution step in managing the warehouse. Staffs work in CRC must equipped themselves with certain experience levels and variety of competency not only in its new IT area, but also in the business

analysis, large-scale obtainment, computer science, information management and content management, communications and organization-change management, training and project management staffs because it relates to technical issues.

Main challenges are to manage the record system. Nowadays, most of the valuable support-record are in a digital form including power point slide and spreadsheets, within the electronic version that are hardly for printing out. The data might be lost because saving such crucial form of records are typically not addressed. Other approximately advanced technologies that are already generating excessive amounts of unrecorded data are e-mail and instant messaging. Data produced using such devices must be kept in an integrated way maintaining their mutual context. Within Malaysia context, the government has implement some new application and software called e-government focus on citizen-centric results

Having insufficient cost will affect a CRC because they will have problem to provide a good service. Account department must have a good planning on the budget so that they will be able to justify an efficient way in managing record centre. Building rental, maintenance and other associated developing plan are included in the operation budget. CRC will be dealing with all the data from customers, without an appropriate management, the CRC may face difficulty to deal with all the record.

Government and private sectors are forming enormous volumes of records every day for administrations, efficiency and accountability reasons. CRC need to afford bigger area to cater all demands. Correct procedure must be followed to comply laws and regulation set by government in managing valuable records. For example, a common activity in a judicial system, is a huge pile of inactive records and general situation in the judicial system, for example, is the large accumulation of inactive records and an expanding output of new active records increasing output of new active records which combine to make a severe storage issue in court registries.

### 4. Marketing

Marketing strategy has the fundamental goal of increasing sales and achieving a sustainable competitive advantage [8].

Marketing strategy contains all primary, short-term, and long-term agendas consider the analysis of the strategic basic situation of a company. The production, evaluation and choice of market-oriented strategies that contribute to the company's goal and its marketing objectives [9].

Marketing strategy also known as an organization's strategy combining all of its marketing goals into one inclusive plan. A good marketing strategy should be drawn from market research and focus on the product mix in order to achieve the maximum profit and sustain the business. The marketing strategy is the foundation of a marketing plan. The objective of a marketing strategy is to make sure that the service meets customer satisfaction and establish long-term and profitable relationship with customers. To achieve this, marketing team need to prepare a flexible strategy that can adapt to customer's changing perceptions and demand. It may identify entire new markets that one can successfully aim. Once marketing team have generated and implemented strategy, observe and make any adjustments required to maintain the success.

Malaysia has a huge potential on CRC. This is because of the risen of many new successful business company in Malaysia. With a good approach and effective marketing plan, CRC can widen their service to new market or customer. Some of the company do not realized the advantages and benefit of storing data or files at CRC. Marketing plan by CRC team may be one of the reason of this occurrence. The importance of great marketing strategies to boost a business is undeniable.

Dube [10] has done a case study in marketing activities of CRC in one of a company named Archive-It Services in Zimbabwe. He

defined marketing as the process of planning and executing the conception, pricing, promotion, and distribution of goods, services and ideas to create exchanges with target group that satisfy customers and organizational objectives.

The results of the study found that, although there are some financial and technical challenges they faced, marketing are actually one of the top priority functions at Archive-It Services as manifested by the number of marketing activities that the company carries out. This eventually explains the company's success in introducing such an uncommon idea especially in the Zimbabwean market where the current economic conditions are not so favourable whereby companies or institutions simply had (and some still have) limited financial resources.

A challenge that is specific to the field, is that the marketing team does not have a background in records management therefore they are not so effective to convince the clients on the importance of records management.

Given the fact that records management, is a relatively strange idea about the Zimbabwean community, there is obviously a need for a comprehensive explanation of the service and its benefits before a client can agree to release their records for sorting and storage.

Developing a marketing strategy is vital for any business. Without one, your efforts to attract customers are likely to be haphazard and inefficient. One of the key factors of a successful marketing strategy is the acknowledgement that the existing and potential customers of CRCs will be divided into particular groups or segments, characterised by their specific "needs". Identifying these groups and their needs through market research, and then addressing them more successfully than competitors, should be the focus of the strategy

A key element often overlooked is that of monitoring and evaluating how effective a strategy has been. This control element not only helps marketing team to see how the strategy is performing in practice, it can also help informing a future marketing strategy. A simple device is to ask each new customer how they heard about the business

Once decision been made on the marketing strategy, draw up a marketing plan to set out how to plan to execute and evaluate the success of that strategy. The plan should be constantly reviewed so it can respond quickly to changes in customer needs and attitudes in this information industry, and in the broader economic climate The strategy must consider how this strengths and weaknesses will relate to the marketing. Set up the marketing strategy paper with a fair, accurate and proper SWOT analysis by looking at the strengths, weaknesses, opportunities and threats. It is a good plan to run some market research on current clients at this point, as it will help marketing team to build a more genuine picture of reputation in the marketplace.

#### Strengths

1.

To make a CRC different with other competitor, you can offer a personal and flexible customer service that provide a quick delivery of the data or files in specific area. When a company have a numbers of specialist knowledge or skills in managing records, this is a good advantage for a company. This include service of providing and developing new methods of record management that utilize current technologies. Consider to hire more specialist in process knowledge including the ability to respond to inquiries from the records disposition authorization and specialist in law and regulations of a company governance.

#### Weaknesses

Limited financial resource could materially affect the business. The establishment of company reputation play a big role too. Inefficient accounting system and retrieving concept are also one of the weaknesses.

#### Opportunities

Day by day demands from new market and companies or organization are increasing. This is a good planning to apply progress strategy in developing new markets and expand business before current market flattens. Other than that, we can use the Internet to reach new markets because it will help marketing team to explore new markets across borders. The next opportunities are a new technology that allow a company to improve product quality because world are evolving, as well as technology of managing records. Offering the latest technology with a very sophisticated computer-based indexing will help marketing team a lot in promoting the services.

#### Threats

The emergence of new competitor that offer a more practical, potential or low-cost version of the product service. Then, when CRC have a new legislation that increasing the operation costs, it will affect the whole service and product offered by company. Then, a downturn in the economy will impact the reducing of overall service.

By understand the business' internal strengths and weaknesses and the external opportunities and threats, the marketing team can develop a strategy that focus on their own strengths and matches them to the emerging favourable circumstances. They can also recognize the weaknesses and try to minimise them.

Before looking at new markets it is better to focus on the existing customers. This is way of a company can get the most out of their existing customer base, it's usually more cost-effective and quicker than finding new customers. Consider whether can perform better to the existing customers or look at technique to improve the retention of key customers.

## 5. Conclusion

Small number of company that offer this kind of services in Malaysia offer huge advantage to new entrepreneur to set up their own company. To become a successful and established company in RMS, the company must deliver their service in a proper manner, boost staff efficiency, good management in cost control and record volume, comply law regulations, and improve managing system and offer advanced technology. As a conclusion, CRC is important and reliable to the information industry in Malaysia. CRC in Malaysia, is a potential business services offers lot of opportunities for those who aware of the advantages.

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