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NAID ADVISORY

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Subject: Why small offices should use a shredding service

With information destruction compliance issues requiring more businesses to destroy discarded personal information, their typical response is to purchase a moderately-priced office shredder. They often do not know that there are services that can provide shredding more efficiently and effectively. Even if the business is aware of such services, they sometimes feel that they will have too little material to interest such a vendor, or that it will be more expensive. Managers at small offices may also feel that shredding materials in the office is more secure than letting a contractor do it. These are all misconceptions that this advisory will address.

For those office managers who feel they have too little material to employ a shredding service, or that a service would be much more expensive a closer look refutes that idea.

True compliance with the growing number of regulations in this area requires that an increasing percentage of discarded office paper be shredded. To ensure compliance, many businesses are destroying virtually every piece of discarded office paper.

Small office shredders will only handle a few sheets of paper at a time. With more and more paper needing to be shredded, this method is time consuming. In a small office, employee productivity is very important. An already overburdened employee uses valuable time shredding paper when they should be focusing on core tasks. This is expensive and demoralizing. Ironically, the smaller the office is, the bigger the impact on productivity. This can lead employees to by-pass the shredding process so that much of what should be destroyed is simply discarded. Of course, this practice is unacceptable because it places the organization and its customers at risk.

On the other hand, by using a security collection container provided by an outside shredding service, compliance is easy. Materials that require shredding are simply deposited and forgotten. Once or twice a month, the service comes by to gather and destroy them.

But the expense of in-house shredding goes beyond loss of productivity. Small office shredders, when worked to the extent required for full compliance, often break down. Between the cost of replacing broken shredders and the loss in productivity, a shredding service would cost significantly less.

With regard for the security of the process, outsourcing of shredding services is actually preferable for several reasons.

First, as mentioned above, using a shredding service substantially increases the likelihood all that should be destroyed is destroyed. So it is more secure in that respect.

Second, it is common knowledge among security and insurance professionals that employees constitute a greater risk to the misuse of information than contractors. Employees know the value of the information, have more of an opportunity to remove it, and are most interested in the organization's financial and payroll information. The security collection containers provided by shredding contractors actually protect the materials from employees who have no need to see it – and so, using a service to do the shredding is more secure in that regard.

Lastly, it is quite common to discard the shredded material from a small office. This is not secure. Shredded material, even cross cut, can be put back together easily. There is even software available to scan and reconstruct shreds. Shredding contractors control access to the shredded materials. After the materials are destroyed, they are sent off to be made into paper again. So, even the shredded material is protected after the fact when using a service.

All things considered, any small office should consider using a secure shredding service. It is more secure and more economical than in-house shredding, and, when care is used to choose the vendor, it also complies with the "reasonable measures" as defined by virtually every present regulation regarding information disposal.