

The Present and Future of Corporate Archives: A Golden Age?

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Harvey S. Firestone, a man credited with supporting one of the earliest professionally managed corporate archives in the United States, once expressed a thought that has become familiar as a too-often-repeated, too-infrequently-heeded quotation among business historians and archivists: "History often provides cheaply experience which costs dearly." [3] It is a rare company or business in which experience is not valued to the extent that it is a major prerequisite for obtaining most management and professional level jobs. Yet, in this era of our placing high value on individual experience and depending heavily on information gleaned from practice and exposure, executives and managers change jobs, move to new careers, and/or shift responsibilities more often than ever, and analysts and information specialists are hired to sift data and identify useful information needed for decision-making. Many managers and executives no longer bring to their work the unique perspective or the breadth and depth of experience possessed by their less mobile predecessors. Industry analysts and planners frequently are ill-acquainted with factors that influenced decision-making fifteen years ago in the very industries with which they are working. Manufacturing companies in particular are having to adjust to a crop of managers who are doing their jobs with neither first- nor second-hand knowledge of the corporation's development or of the growth and history of their own divisions and plants.

Some of these problems have arisen because corporate managers tend to interpret experience as being something possessed only by individuals and history as a series of events rather than developments of policy, organiza-

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tional evolution, or production or service management. The broader, collective corporate experience that used to be represented by long-time employees and managers who had worked their way up through the ranks of the corporation is missing, however. That is not to say corporate experience does not exist; it simply is not recognized as being available in the form of corporate records. Insofar as business experience is chronicled in corporate records and the records are inaccessible, corporate archives can be identified as a seriously underutilized corporate asset in this country.

Maintenance and accessibility of significant archival resources should be an important priority for American business, but archivists and historians have yet to be adequately and generally convincing in their arguments for preservation of selected business records. How many companies have recognized that their records provide a rich source of information that constitutes corporate experience, not just history? How many company managers have access to the documentation that could provide information which would substitute for the first-hand experience they as individuals are increasingly unlikely to possess?

In 1982, authors Terence Deal and Allan Kennedy popularized the term "corporate culture" to refer to the invisible, functioning construct of values, myths, heroes, and symbols that influences how most corporations work. [1] In response, some corporations developed a new appreciation for, and understanding of, the cultures that influenced how decisions were made, communicated, and applied. Some executives recognized that passing a culture from one generation of employees and managers to another requires many types of communication, formal and informal. But how many managers grasped the importance of documentation and archival materials in their communication efforts?

Some corporation managers have come to realize that selected historical information and archival resources can be used to formulate and develop ideas, to design plans, and to prepare recommendations for action. A small number have come to value the guidance, factual knowledge, perspective, and issue-orientation that can be obtained from a corporate archives. A few make regular use of the information and materials their corporations' archives have carefully selected, organized, processed, and made accessible. But most corporations have taken no steps to create archival programs and many more that speak of "having archives" refer in actuality to a few filing cabinets in a public relations department or to storage rooms stuffed with boxes vaguely labeled "historical" and ledgers and journals that no one has wanted to examine for years.

In fact, despite a quarter century of proselytizing by corporate historians and corporate archivists, corporate America is only modestly richer in its ac-

cessible archival resources than it was in 1960. Most of the academic world continues to ignore the need for action and businesses themselves have remained frustratingly unconcerned about the disposition of all but their so-called "vital records," that is, immediate payroll, current accounts receivable, blueprints of operating plants and facilities, insurance records, and records retained to meet federal statutes.

The Business Archives Section of the Society of American Archivists has been gathering data on the number of corporate archives and on the extent of their programs and collections since 1969. Methods for the surveys have not been consistent, and, consequently, the comparisons of one survey's results with those of the next are regrettably unreliable. The newest data concerning the number and state of business archives are the product of a survey conducted at the close of 1983. Boring or meaningless statistics would do little to advance the cause of business archives and nothing to foster an interest in the subject of the so-called "golden age" of corporate archives. However, there are some figures from the survey data that are intriguing if not exciting and have provoked business archivists to think about the directions their work and careers may take.

In 1980 when the *Directory of Business Archives in the United States and Canada* was updated for a Third Edition, the Business Archives Section found that over half of the archives listed had come into existence since 1969 when 138 were listed. The growth that was reflected in the 1980 listings, which numbered 210, did not include many full-fledged corporate archival programs. A large number were of the public-relations-department-filing-cabinet variety. Between 1980 and 1983 when the next survey was conducted there was a gain of 91 new collections of business archives, but of the new total of over 300, only one-third, 103 could be identified as completely operational corporate archives. Moreover, only 43 of the 103 were managed by professional archivists on a full-time basis. The remainder were operating under the auspices of a part-time archivist or were part of a corporate library or records management center.

When one compares this 43 per cent growth to the number of new companies started annually in the United States alone from 1980 to 1983, the number of newly established corporate archives defined by any standards seems meager indeed.¹ With approximately 12.5 million businesses in this

¹It is estimated that there were 11 million businesses in the United States in 1980. The annual growth rate of new businesses between 1980 and 1986 is cited on average to be between 500,000 and 600,000. Though many of these are small businesses with little need for archives, a respectable number are corporations that will produce documentation of policy formulation and business decision-making.

country in 1983 and 14 million today, it is evident that the archives sales pitch has not been effective and conversions to the faith too few. The 1983 survey results do not elucidate why the number of business archives has not grown at a faster pace, but they do point to several areas that deserve more attention and consideration.

Six hundred thirty-five companies and repositories specializing in business records received the 1983 survey questionnaire from the SAA Business Archives Section. Of these 436 had been previously identified through earlier mailings, questionnaires, inquiries, and contacts with Section members. The response rate was 26.5 per cent, somewhat less good than that for the 1975 survey conducted by the same group. The number of questionnaires mailed represented the widest cast of the net made to date by the Business Archives Section. For example, it was the first time that the mailing list had included all of the Fortune 100 industrials and Fortune 100 financial and service companies. The Business Archives Section learned that in the eight years that had elapsed since the 1975 survey, three corporations actually had closed their archives, while 65 per cent of the 1983 respondents had begun their archival programs since 1970. By plotting the data, those doing the analysis were able to see that a majority of the corporations were "mature" by the time they founded archival programs. That is, only 13 per cent of the 1983 respondent corporations indicated that archives were formed prior to the corporation's 46th founding anniversary.²

The survey provided some useful information on what kinds of businesses and industries were more likely to establish archives. Manufacturing companies, financial institutions, and insurance companies were most widely represented. Since corporate age appears to be a factor in whether or not a corporation has an archives, this larger representation in older industries is not surprising. The business sectors having the fewest number of archives were communications, computer/high technologies, transportation and aerospace, food and beverages, and retailing.

Most corporate archives reported that their collecting policies dictated that they collect, in large part, company records only. Thirty-four percent of the total answered that the collections in their archives consisted entirely of corporation-generated records only. An additional 46 per cent had collections in which corporation-generated records made up not less than 90 per cent of their holdings. Sixty-five percent responded that there were company records on deposit at another repository such as a historical society or a university;

²Thirty-three percent of 1983 respondent corporations indicated that their archives had been established when the corporation was between age 46 and 75, 40 per cent when the corporation was between its 76th and 125th founding anniversary, and 14 per cent when the corporation was 126-195 years old.

35 per cent indicated that some amount of their corporation's records had been given to another repository.

Professionally important archival concerns such as square footage of space, allocation of space to various uses, ratio of cubic feet of records to square feet of space, composition of collection by media type, environmental controls, security measures, reporting structure, budget, staff experience and education levels also were explored in the 1983 survey. While these hold little promise of being useful to the researcher such as a business historian, they are subjects that business archivists must take seriously in order to do their jobs well.³ Several questions were dedicated to a few areas that especially may intrigue those working in the field of business history, however. One of these is accessibility of the records to outside researchers.

Two-thirds of the respondents did indicate that they permit outside access. Of those permitting outside access, 67 per cent dedicate more than three-quarters of their time and resources to in-company use and service needs. In other words, very few corporate archivists gear their activities, collecting, processing, reference and research service to the scholar. For the business historian operating from an academic environment this may not appear encouraging, but it is important to remember that unless the corporate archivist is successful in selling the archival program within the corporation and justifying its existence from a business standpoint, there probably would be no access for anyone, least of all scholars.

The correlation of archives' founding dates, access for outside users, and industry type suggest some useful directions for study among those pursuing business history. In general the survey results showed that the newer archives are less likely to permit outside use than those that have been operating for more than ten or twelve years: Of those responding archives founded between 1970 and 1983, nearly half permit internal use only, while less than 20 per cent of the archives founded between 1955 and 1969 permit no external use. The oldest corporate archives, those founded prior to 1955, had the best record of being open to outside users--86 per cent. An explanation of the relationship between archives' ages, business sector, and outside access probably relates to several factors:

- (1) The types of businesses that are establishing archives are changing. More of them are in such industry sectors as computer hardware and software, communications, and food and

³Other members of the Survey Committee of the Business Archives Section will be publishing in professional archival journals on the data related to these subjects during 1986.

beverages. These are newer areas of entrepreneurial activity and newer companies tend to generate more proprietary information. They depend more heavily on technology that is not in the public realm than do the traditional manufacturing, banking and financial companies.

(2) An increased emphasis is being placed by archivists on collecting executive-level records as opposed to public relations type materials. While this makes the archives more vital to the corporation, it places more restrictions on who can use the archival collections. Newer archives, where there is no established policy of permitting scholarly access based on earlier experience, would be less inclined, therefore, to open any collections at all outside research.

(3) As the threat of litigation has become more prevalent, some corporations are taking steps to avoid the potential problems created by permitting access to archival materials for anyone outside the company. Corporations most likely to be so affected are those dealing in consumer goods, services, chemicals and pharmaceuticals, transportation, and recently communications.

(4) Archivists, realizing that their budgets are limited and that they must prove their usefulness to the corporation, place less importance on accessibility for scholars. This is a practical response that results from there having been a lack of strong, reinforcing interest on the part of business historians in past.

Considering the foregoing, business historians justifiably can ask and should, "How does the future look for preservation of and access to corporate records?" There do not seem to be any bright lights on the horizon. No new business records repositories like the Baker Library or the Hagley Museum and Library have been established. Historical societies and university collections are finding acceptance of business records burdensome because of their bulk and the restrictions on access that often accompany them. And finally, growth in the number of corporate archives seems to have slowed. The "mature industry" archives will be increasingly hard-pressed to justify expenditures in those situations where scarce resources will be needed for major capital investment or moves into different industry sectors. The newer businesses are more inclined not to open their archives, if they have them, to outsiders, and at their young ages do not seem to feel compelled to establish archival programs at all. At the same time, litigation and competition will tend to alter the very structure of corporate entities in the country, pushing them to decentralization of core businesses and affiliation. This will make the chances for survival of centralized corporate archives fewer.

The "golden age" of corporate archives, if there was one, is past. The most promising element in the current scene is a growing desire on the part of business archivists and historians to cooperate with one another in a way that we have not seen since the 1950s. Perhaps together we shall be able to establish an agenda and communicate the concept within the business community that we have not succeeded in communicating as separate professions: History is the foundation of the future and for business that foundation can make a substantial contribution to the information and management resources necessary to compete.

REFERENCES

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3. William D. Overman, "The Pendulum Swings," *The American Archivist*, Vol. 22 (1958), p. 5.
4. Society of American Archivists, Business Archives Section, Survey Committee, unpublished survey data analysis, 1983.