



## **Records Retention**

So, your company has adopted a business aircraft use policy. You've identified your company's uses of business aviation and the benefits they generate, and you want to quantify them.

Now, you need to make a commitment to follow-through on those decisions and record those value metrics that are at the heart of demonstrating why your company uses business aviation. Your commitment to consistent recordkeeping and retention is important. After all, there's not much point in tracking these metrics if you don't retain and report them. Once your process is created, it won't take a lot of time to maintain it.

This video is limiting our advice to records that are to be calculated and retained to help you make the business case for business aviation in your company. We are not going to discuss record keeping requirements for Sarbanes Oxley, the SEC, IRS, or the FAA.

Here are four primary components of a solid record keeping foundation:

- Ensure the metrics you are tracking and recording are in-line with your company's aircraft use policy and established utilization of your business aircraft;
- Keep your records current -- on a trip-by-trip basis -- rather than waiting until the end of the year to fill in the blanks;
- Maintain complete records to capture all of your flight segments; and
- Retain records for an appropriate amount time in order to assemble a powerful and effective data-driven argument for the value of business aviation to your company.

There are new enterprise value tools on this web site that point to important benefits delivered by business aircraft. Read "Business Aviation – An Enterprise Value Perspective" for background on these new concepts and to help generate ideas for the records you will maintain appropriate to your company. As you heard in the metrics video, key components for you to track may include:

- Logging trips for their applicability to "utilization strategies" such as moving customers or working closely with suppliers; and
- Finding out what benefits are being sought for the business. For example, is the trip all about boosting sales, building customer loyalty, or leveraging top talent for long term benefit?

You might find these additional tips useful in developing a record retention and reporting process:

Engage your internal customers – that is, the authorized users of the aircraft – to record the metrics you have identified as appropriate for your company. For example, if a sales manager used the aircraft to meet with prospective customers at their facilities, was the business aircraft instrumental in supporting that sales mission? Is there anything your customers can point to that measures the successful outcome of the business aircraft use?

Capture the information on a segment-by-segment basis. Certain trips might have multiple purposes and individual segments might provide a more accurate picture of the aircraft's benefits to the company.

A simple checklist approach to log each flight's purpose can work to expose the value created by business aircraft. NBAA and GAMA have provided a sample checklist, and other supporting documents on this website to help you identify and create useful records, so you can get up and operating quickly. You may want to gather enough information about the time or cost avoidance aspects of the trip so that a more detailed analysis of cost avoidance and enhanced productivity can be performed later.

Measuring the benefits of any business practice can be a challenge. Capturing the factual and anecdotal evidence of business aviation's benefits for your company can pay tremendous dividends when these unique assets are making an irreplaceable contribution to enterprise value.

Thanks for watching.

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