



15-Minute Guide to
Instant Document Management

Foreword

For you as a business professional, time is a precious commodity. When you need to know something, you need that knowledge in a form that can be assimilated quickly—forget the mind-numbing detail and get to the point.

With that in mind, we've developed our series of 15-minute guides to essential topics in information technology. This guide focuses on mastering three challenges that information—especially paper-based information—presents in a business environment. Those three challenges are information capture, information management, and the integration of information with business processes.

In this guide, we'll take about 15 minutes to examine the concept of instant document management and how it can help businesses capture the information they need, manage it effectively, and leverage it to enrich and improve business processes. We'll also assess the technologies that enable an instant document management solution and make it a realistic alternative to paper filing and storage—reducing the glut of paper that businesses must cope with while lowering costs, improving productivity, and managing risk.

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There's no replacing paper

Despite the ascendancy of all things digital, paper is still the most ubiquitous medium of information exchange. The U.S. uses about 4 million tons of copy paper every year; that's 10,000 sheets annually for the average office worker.¹ No one's office is paperless and with good reason. As Abigail Sellen and Richard Harper explain in *The Myth of the Paperless Office* (©2002 Massachusetts Institute of Technology), paper has many advantages when it comes to performing certain cognitive tasks.² And cognitive tasks are the realm of today's knowledge worker.

In fact, even piles of paper have their uses. New Yorker writer Malcolm Gladwell points to research done by Apple Computer, which found that “piles represent the process of active ongoing thinking.”³ Psychologist Alison Kidd concurs. People use the papers on their desks as contextual clues to the complexity of what's going on in their heads.⁴

It's not using paper that creates problems. It's storing it, retrieving the information it contains, and applying consistent governance policies to it that cause difficulty.

Instant document management—taking the pain out of paper

There is little to be gained by efforts to eliminate paper. In many industries, such as insurance, the public sector, healthcare, and financial services, paper still plays an important role. Firms in these industries depend upon paper documents to initiate or support many of their core activities—new account opening, for example.

Yet the expense and inefficiency associated with unmanaged paper are legendary: excessive distribution and storage costs, lost documents, and time wasted filing and retrieving. Add to that substantial regulatory and legal risk. Moreover, reliance on paper for mission-critical business processes locks knowledge workers into a linear morass of paper-based bottlenecks.

When there were few alternatives to paper, organizations were skilled in developing systems to cope with it. But as more and more business processes move to automated systems, the organizational ability to cope with paper has actually diminished. Traditional imaging solutions, which transform paper documents into electronic equivalents, have been around for decades. Nevertheless, they only address one of the problems that paper presents—getting it out of the process and storage queues. They don't make the information that paper contains available to business processes or easily searchable by and accessible to the knowledge workers who might need it.

To address all the challenges of paper, instant document management combines capture technology with secure, policy-based information management and process automation, monitoring, and reporting capabilities.

Capture: gain control

Capture enables organizations to gain control of their paper documents, reduce the amount of paper that must be dealt with, and convert paper documents into an electronic form that can be quickly and easily accessed.

On average, a single paper document costs:

- \$20 in labor to file
- \$120 in labor to find
- \$1 to store
- \$5 to retrieve
- \$25 hours to re-create if lost

¹ Cutting Paper.” <http://eetd.lbl.gov/paper/html/concept.htm> (accessed November9, 2009).

² Gladwell, Malcolm. “The Social Life of Paper: Looking for method in the mess.” *The New Yorker*, March 25, 2002.

³ Ibid.

⁴ Ibid.

In large organizations, the most common deployment of capture technology occurs in centralized back office scanning and imaging operations. These deployments, including mailroom capture solutions, address the first difficulty of paper at its root. For small and medium-size businesses as well as larger organizations that support a network of branch and regional offices, distributed capture can also deliver tremendous value through desktop scanning, fax, and other remote capture technologies.

In fact, many departments and branch locations have multi-function peripherals (MFPs) that print, scan, and copy. Yet a 2009 AIIM survey devoted to the ROI of capture technologies revealed that among survey respondents 41 percent of forms generated by field staff were manually processed. This is clearly a missed opportunity on two fronts. First, distributed capture eliminates the cost of shipping documents to a central location. Second, it makes documents available for processing almost immediately, which means, for example, that insurance customer service representatives can have nearly immediate access to information regarding a claim or customer.

Moreover, while dealing with paper is a critical issue for most businesses, it should be noted that capture encompasses the collection and digital conversion of any structured, unstructured, and semi-structured document into electronic data, regardless of source—scanner, fax machine, e-mail, file system, or digital data stream.

Capture alone can deliver some pretty impressive return on investment. Industry statistics concerning productivity suggest that in departments with paper-intensive operations, office workers spend 10 hours a week on average managing paper documents. That's 25 percent of a typical 40-hour week! For a worker making \$50,000 per year, that's \$12,500. These numbers explain why a capture solution can pay for itself in as little as six months.

Manage: secure, store, and retain

An instant document management solution provides secure, high-volume storage and long-term, policy-based retention, seamlessly integrated with its capture capabilities.

It is much more cost-effective to store the electronic equivalents of paper documents rather than the original paper. It costs about \$3,000 per year to maintain a four-drawer file cabinet of paper documents. On the other hand, maintaining one gigabyte of electronic files costs only \$1,200 per year. And one gigabyte is the equivalent of *two* four-drawer file cabinets. That's an 80 percent savings in storage alone. Plus, electronic files are far faster and easier to access than their paper equivalents, which is critical during eDiscovery.

Nevertheless, as a business's volume of electronic information grows, it still faces escalating storage costs, which eventually become burdensome. More critical are the regulatory pressures, litigation risks, and eDiscovery expenses that come with retaining electronic information.

Instant document management solutions enable businesses to configure document retention and disposition policies to mitigate risk, reduce costs, and meet compliance goals. These policies can be applied automatically and enforced from the solution's repository or "electronic file cabinet"—completely behind the scenes and transparent to knowledge workers who rely on documents in their daily tasks. Documents automatically inherit protections specified by policies applied at the repository level.

With these retention and disposition capabilities, businesses can manage the entire lifecycle of standard business documents, corporate records, and other information. And they can respond quickly to changes in internal governance requirements, federal regulations, industry best practices, and judicial mandates.

The most sophisticated deployments of instant document management add another layer of protection for business documents: information rights management (IRM). IRM technology embeds security in the document so that even when it leaves the control of the repository and travels outside the organization, the policies that govern it remain in force. These policies enable a very granular level of document control. They define who can open a document and for how long this access will be allowed. They also control whether a document can be copied, saved, printed, or forwarded to another party. IRM policies can even prevent screen captures.

Instant document management plays a key role in helping Allen County comply with state regulations for retaining and archiving legal and other documents. For example, the Treasurer's Office uses the solution to provide an audit trail of all tax transactions and correspondence for legal protection.

Process: automate, route, and monitor

Capturing, managing, storing, and securing documents are all important tasks that can be mastered via instant document management. Nevertheless, all these tasks can be grouped more or less under improved digital housekeeping, which is fine as far as it goes. But what underlies the importance of these tasks is the value of the information business documents contain. All of what's led to this point sets the stage for a business to use its documents and their information more effectively

Many small and medium-size businesses struggle to speed transaction processing and reduce cost, while improving process quality and control. Once they've employed capture and management technology to cope with the volume and variety of content that drive their business processes, the next step is process automation. Process automation can improve efficiency across a range of transactional activities from invoice and claims processing to loan origination and case management. Process automation is the third component of instant document management.

Automated workflow and business rules are the tools of process automation. Workflow ensures that the steps in a process are handled in the correct order. When integrated with workflow, business rules capture and enforce the business requirements of a process such as approvals, activity queue length and wait time, financial limits and thresholds, exceptions and exception routing, regulatory guidelines, and so forth.

The same technology that enables processes to be automated via workflow also makes processes auditable. As transactions pass from step to step in a workflow, they create audit trails. Audit trails can be used to analyze process efficiency and prove compliance with internal guidelines and regulatory mandates.

For companies that deploy an instant document management solution with process automation capabilities, the benefits are impressive:

- Reduced cycle time
- More efficient operations at a lower cost
- An integrated view of process information
- Greater accuracy and fewer manual processing errors
- Improved response to compliance and litigation inquiries

Most business processes involve several departments within an organization. They may also include parent company subsidiaries or even third-party participants outside the organization such as partners and suppliers. As part of instant document management solution, workflow technology includes the process management and analysis capabilities necessary to create departmental and horizontal workflows and improve process efficiency. It enables small and mid-size businesses to improve performance and reduce costs within and across functional business units by automating and optimizing manual, document-intensive processes such as those found in AP and loan origination.

Instant document management delivers measurable business benefits

Investing in instant document management technology makes sense for any organization in any industry and EMC customers typically point to three areas where it can make a substantial impact: reducing cost, improving productivity, and managing risk.

Reduce the cost of managing paper

Dealing with paper documents is costly. They are expensive to move and store. Using valuable real estate to store paper documents—no matter how well organized—simply wastes resources. Storing documents off site may be cheaper, but it makes them that much more difficult and time consuming to access when needed. Electronic document capture largely eliminates this problem and when capture is distributed it slashes shipping expense as well.

Paper documents also require too much manual intervention to process. Manual intervention means labor costs and process bottlenecks. The capture component of instant document management solutions enables organizations to scan, process, and deliver important documents—and the information they contain—directly to the business systems that need them.

Finally, transforming paper documents into electronic data via automated classification, recognition, and extraction tools improve information quality

Improve compliance

Beyond the inefficiency paper documents impose on business processes, they also complicate the task of compliant information management. Remaining compliant with industry regulations and internal governance mandates, especially those pertaining to eDiscovery, requires uniform records management and retention policies and consistent enforcement of those policies. But companies can be wildly inconsistent in their management of paper documents and whatever flaws exist in their methods are simply magnified as the volume of paper grows.

Once documents are converted into electronic images and business data, instant document management solutions can exert precise control over documents via automated retention and disposition policies and information rights management. And they can ensure that this information is delivered directly to the purpose-built systems that manage regulatory compliance, eDiscovery, and litigation. Electronic documents are also easier to access and search than their paper counterparts, accelerating response to legal or regulatory actions.

Accelerate business processes

It's no longer acceptable in any business for transactions to take weeks or even days to complete. Nevertheless, when business processes still rely on paper documents, using aggressive service levels to gain a competitive edge remains out of reach.

With automated workflow, instant document management can accelerate business processes by enabling parallel task processing, which reduces transaction cycle time and boosts service levels. It can also eliminate the boundaries between automated processes and paper documents by integrating document images and data with downstream business systems

EMC—the leader in instant document management solutions

EMC solutions for instant document management provide end-to-end control of the business content lifecycle. Thousands of organizations have turned to EMC to solve their paper management problems, while realizing dramatic operating cost reductions, significant process improvements, enhanced customer service, and fewer compliance risks.

These solutions deploy quickly and can be applied to virtually any business area overwhelmed by either paper or transaction volume—activities such as insurance claims, accounts payable and receivable, new account enrollment, loan origination and underwriting, and public sector case management. They also integrate seamlessly with enterprise applications such as Microsoft® SharePoint® and SAP, and provide native, out-of-the box support for the entire Microsoft Office suite. With all that it has to offer, instant document management from EMC speeds time to value and can deliver positive ROI in as little as six months.

About EMC

EMC Corporation (NYSE: EMC) is the world's leading developer and provider of information infrastructure technology and solutions that enable organizations of all sizes to transform the way they compete and create value from their information. Information about EMC's products and services can be found at www.EMC.com.

To learn more about instant document management from EMC and its partners, visit www.EMC.com or call **800.607.9546** (outside the U.S.: +1.925.600.5802).

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