The Paperless Office for Small/Medium-Sized Businesses (SMBs): You're So Close!

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If your SMB is like most, you've probably kicked around the idea of going paperless. You've weighed the pros and cons of the benefits vs. the expenses of an electronic document management (EDM) system, but you still haven't taken the plunge. Maybe the expenditure seems a little beyond your budget, or maybe the idea of implementing a new technology is intimidating. Meanwhile, while you continue to straddle the fence regarding an implementation, more and more of your incoming business documents are electronic. You're probably saving them in the My Documents folder of your computer, and wondering whether there is a more logical way to organize your information.

You're probably also already using scanners and electronic faxes in addition to your computer storage media. In terms of hardware, you've made investments that offer the potential to significantly increase your output. Unfortunately, in a mixed environment that uses paper and electronic processes, documents often do not offer the ability for search and retrieval. It can be difficult to access your corporate information, and difficult to reap the potential for profits that are offered as part of your existing investment in technology.

An ECM solution provides SMBs with the ability to capture, organize, and immediately retrieve documents. With workflow, ECM minimized the potential for human error by ensuring that the right information is electronically routed to the right person at the right time. ECM allows SMBs to manage the entire document lifecycle—when documents are backed up, how long they are stored, and when they are purged from the system. All of these components are critical in today's environment.

For many SMBs, transitioning to paperless processing is not a choice any more. In order to remain competitive, they need to be able to integrate their existing technology into their line-of-business applications. Paperless processing offers a means to increase turnaround and decrease processing time. The good news is that there has never been a better time to invest in an EDM system—even for those organizations with limited monetary and IT resources.

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Can you afford to go paperless? Can you afford not to?

Usually, one of the biggest hurdles for SMBs with respect to an EDM system is the cost. Once organizations commit to making that initial investment, however, they have the potential to reap tremendous ROI. EDM gives them the ability to automate processes, which helps them increase their output without increasing staff. EDM is finally affordable to SMBs. One small insurance company was anticipating the ability to pay off their EDM investment by selling their fireproof filing cabinets—once paper was eliminated, they no longer had a use for them. Add to that the elimination of paper storage costs, as well as savings in toner, ink, paper, mailing, and improved internal communication, and SMBs are able to see the potential for immediate ROI.

The reality is that for most SMBs, going paperless is no longer a choice. The world is transitioning to electronic communications whether or not your infrastructure is set up to handle it. The majority of business communications take place using technologies using email messaging, faxes, voice files, text messages, and digital photographs. The business world is inundated with electronic communications as well as paper. Transitioning to paperless processing seems like a logical step for SMBs; however, perceived pricing and IT considerations often hold them back.

As EDM has evolved, so too has the pricing structure of implementation. It is not uncommon for smaller companies to implement systems for less than $25,000, depending on their needs. There are even less expensive systems on the market; however, often these solutions do not offer the functionality that is scalable enough to grow along with a company as it expands. This functionality might include barcode recognition, and/or conversion to TIFF images of data from Windows applications (data generated by Windows applications). The latter offers organizations the ability to index and save incoming materials to an electronic repository. The system takes data from any Windows application such as Word or Excel—or a Web page— and converts it to a TIFF image that can be easily accessed. By eliminating the need to copy and scan electronic documents, organizations are able to reduce paper processes dramatically.

For organizations that are intimidated at the thought of implementing new technology, it is encouraging to note that EDM systems are more user-friendly than ever. Often, EDM systems work behind the scenes. End-users are unaware that new technology has even been implemented. Users are able to continue to work in their familiar software environments, and do not have to learn any complicated new programs.

Facilitating improved communication with electronic access

The prevalence of electronic communications has led your customers (and your partners) to expect immediate service. The ability to provide self-service over the Web is now an imperative for organizations that hope to sustain growth in today's marketplace. An EDM workflow engine can combine with Web technology to give SMBs the ability to provide instant results in response to customer submissions. EDM helps organizations reduce errors, costs, handling, and delays. Without EDM, a younger, tech-savvy customer base will quickly bypass your organization if it does not offer the ability to communicate via the Web.

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EDM can also help you connect to data that is currently residing in stand-alone applications. This is another example of an opportunity to get more out of your existing investments in technology. One area at which SMBs differentiate themselves from larger organizations is their ability to provide personalized customer service. Customer service representatives will no longer have to put customers on hold, or make follow-up calls. EDM allows SMB to serve customers with immediate answers. Authorized employees can have the information that they need for processing available at their fingertips.

Some savvy organizations serve customers by using EDM automation to trigger phone messages or email notifications in order to inform clients of a need for updated address information. Others are able to improve service by placing bar codes on their outgoing mail. When mail is returned, processing can be expedited with automation that is triggered by the barcodes.

Simplifying compliance efforts: "I can't find it" is no longer an acceptable answer

More often than not, compliance requirements involve privacy, security, tracking, monitoring, auditing, and the ability to perform advanced analytics that are well beyond the scope of capabilities

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offered by a paper system. Companies, regardless of size, have to be able to demonstrate accountability. It is not a valid excuse for a company to claim that it is too small—or doesn't have the resources—to address these issues. Retention and destruction schedules are also an important compliance measure. Under a paper-based system, it is very possible that you are holding on to documents (and paying for their storage) well beyond the time that is required. On the flip side, it is possible that documents that have to be saved for a number of years are being destroyed prematurely. An EDM system allows you to automate retention and destruction schedules, taking the potential for human error out of the equation.

Should your organization find itself in the unenviable position of a litigation scenario, EDM can help you locate and retrieve materials that are required as part of the eDiscovery process. Companies that have not transitioned from paper processes to electronic have learned the hard lesson that in an eDiscovery situation, the cost of locating hard-to-find (or missing) paper documents can often pay for an EDM system many times over.

Disaster recovery is another area in which an EDM more that pays for itself. A solid disaster recovery plan, coupled with an EDM system, can help you get your business back up and running after disaster strikes. In such a scenario, it can mean the difference between survival and collapse.

Taking advantage of all that the technology has to offer

One of the most exciting components of EDM technology is that it can be customized to help you get the most out of your processing—regardless of your size and your industry. It is true that there are organizations that implement EDM just because all of their peers have it. Some of these companies are amazed at the ROI that they get simply from electronic storage and retrieval, but, to their detriment, they don't take the technology any further.

For SMBs that really do take advantage of the potential that EDM has to offer, the ability to electronically store and retrieve information is a launching point. These are the companies that tie together their existing technologies, connecting the entire enterprise. They take advantage of the expertise of their EDM vendor's services team, and consider suggestions that stem from a wealth of experience. They implement workflow so that they can take advantage of automation technologies, reducing errors and decreasing turnaround time. Companies with the vision to implant a system that grows with them are able to tailor their EDM system in a way that connects their entire operation, making their business more efficient and their enterprise more productive. Talk to your peers who have implemented EDM. Look into the differences between vendor offerings. Define for yourself what constitutes easy-to-use, adaptable, and scalable functionality. You may be more ready than you think!

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