FileHold
Document & Record Lifecycle Software

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"The Paperless Office" is *'all Talk – no Action'*
Why your company may struggle to reduce paper and cut costs

The idea for this article came to me as I was delivering a sales proposal. The prospective customer wanted to reduce paper consumption by installing a document scanning system and create a secure electronic document library. The prospect required the proposal be printed and bound (5 copies of a 60 page document) that filled a medium sized box with paper. It made me think about their commitment to reduce paper; they could have set the tone for this initiative by having the proposal provided in electronic form for review and action by their selection committee (simple e-mail processes could have done this). It seemed to me that this well intended project was not setting the right example.

Nobody expects the "paperless office" to be paper free! The form, transportability, friendliness and legal certifications provided by paper cannot be completely replaced by electronic media. What can be achieved is a significant reduction in the volume of paper through the elimination of: redundant forms, draft documents and duplicates of the same content. "Paperless office" represents the ability to improve business efficiency by creating functioning, sharable, secure libraries of electronic information.

Companies and Governments have good intentions to "go paperless" but when they try "decision paralyses" sets in and the project too often ends up on the back burner. The following explains why that happens and how the paralyses can be overcome.

Introduction

A good part of my work life was spent encouraging companies to increase paper usage – the more the better (for me). As an account manager for Xerox I used to encourage customers to make multiple copies of everything. *"Why have just one copy of an invoice when you could copy it in 4 different colours and have it filed in every department".* I actually had customers who purchased paper; not by the case, pallet or truck-load but actually by the trainload. My sales objective was to add a copier in every department and on every floor of business and government buildings so that users could copy cartoons, recipes and hockey schedules not to mention agendas and multi page handouts for everyone at the social club meeting! I was very successful. I am sure I contributed to creating many filing cabinets full of redundant copies of information. That was the norm for business then; and in many cases is still the norm today.

Now; I am on the other side of the fence and trying to sell the idea and technology of the "paperless office". Four years ago I was presented with the business proposition to: "Build an affordable, easy to use software product that would help companies get rid of paper and organize their electronic Intellectual Property so they could find and work with it". This seemed like a good idea and so we started. After approximately 25 man years of software design, development and testing FileHold Document Management Software (DMS) was born. The product has been a success. Satisfied customers are reducing their paper usage and taking advantage of the FileHold version control, secure user rights, search, workflow, and are doing it from anywhere they can access the internet.

Paperless Office: Why everyone wants it?

Who would not want to reduce the mountains of paper they have and give their employees easy access to their electronic documents?

- Save resources which means reducing our consumption of paper: *"A ton of recycled paper saves 17 trees."*
- Reduce office rent which can be done by getting rid of file cabinets: *"Each four-drawer file cabinet takes up to 9 ft. of floor space."*
- Protect their Intellectual Property by organizing and securing it: *"20% to 40% of a workers time is wasted searching for documents."*
- Be able to find information when they want it: *"More than 70% of today's businesses would fail within 3 weeks if they suffered a catastrophic loss of their paper documentation (fire flood)."*

The Paperless Office is: "All Talk"

Type the words "Document Software" into a search engine and FileHold pops up. In the last two years we have had near 70,000 visits to our web site resulting in many sales proposals and uncountable meetings with prospects. The end result is a trickle of customers who actually go ahead and implement a system (FileHold or others). These prospects come to us articulating the problem:

- *Why is it; I can find anything on Google but I can not find the proposal I wrote last month?*
- *Why is every single version of this contract different, what is the most recent version and who was working on it last?*
- *Why do we have so much paper and so many filing cabinets, what do we have to do to move into the 21st century?*
- *Why are 5 different people writing the same policies, why can we not share our work and avoid duplication of effort?*
- *Why does everyone have access to my files on the server? Can I not have some system of user rights that restricts the view of documents to only those I want?*
- *Why is it so difficult to get the 5 different approvals I need on a revised policy document?*
- *How can I securely distribute sensitive but different information to all of our employees on a 'need to know' bases?*
- *How are we going to stay in compliance with Sarbanes Oxley rules regarding record retention?*
- *Do we have any idea how we can get rid of all of those files we pay to have stored off site?*
- *Why can't I get automatic notification of contract renewals – there must be a system that just sends me a reminder and gives me access to the contract?*
- *Does each branch office need to keep their own sets of files on all of the same topics; it seems like needless duplication to me?*

The Paperless Office is: "No Action"

We have many motivated prospects who have identified a serious business problem and taken the initiative to look for a solution. The excuses, for not proceeding, that we might have heard just a couple of years ago, have disappeared:

- *We don't have a document scanner:* Document scanners have dropped in cost and have become pervasive both at the desktop and as shared Multi Function Centers (MFC).
- *Our IT infrastructure needs to be upgraded:* The modern operating environment (OS) for document management software (FileHold) is Microsoft based and often already in use in the office or is available for free from Microsoft (i.e. SQL Express).

Our prospects invest a lot of time and energy in the exploration process. They collect a few quotations, learn a bit about the technology and usually have at least one product demonstration. In many cases they prepare requirements, interview several suppliers and even issue an RFP.

Once all the information is collected, and with a solution in mind, the research team reports back to management and **the process comes to a screeching halt.** Reality hits home that this practical, businesslike and beneficial solution is not going to be as easy as it seems:

- **Practical Hurdles to overcome:** The overworked IT department is going to have to install and support a new application and they will resist (as usual). Someone is going to have to analyze / prioritize the existing "high-value" content to determine what can be converted to electronic form and what can be discarded (who knows what being in "compliance" means). The organization will be faced with a massive training challenge to get 100% of the employees using new software, scanning devices and new business processes (who will do this training?). Financial and human resources have to be allocated (how much will this cost? How long will it take?).
- **And, there are Cultural barriers:** The "paperless office" threatens the status quo relative to business information ownership and visibility. There will be business process changes to outside suppliers and partners (don't send us any more paper invoices!). The "paperless office" encourages sharing of information because it now becomes easy to do so (not everyone likes to share). It means standardization of documentation such as contracts and proposals (people are individuals) and it means visibility of workflow throughout the organization (not everyone likes their progress to be seen). In the "paperless office" the hording and storing of corporate documents on desktops is discouraged. Individual ownership of information is prevented (information is power). The "I know where all my stuff is" filing approach is stopped. Employees must comply with new taxonomy and metadata standards that allow everyone to easily find and work with the most recent copies of documents. No more files secreted on desktops for private use, no more multi tiered file-share storage systems that encourage homemade filing systems - is it filed alphabetically, by date or by importance?

Turning Talk into Action

In spite of the difficulties and resistance to the "paperless office" the payback is obvious and at some point in time some form of implementation is coming. There are two approaches:

1. **Take the Big Plunge:** This is the scary approach; the one that needs a big budget, time and resources. Implement the "paperless office" using the big bang theory – do it all at once. This requires; lots of preparation and consultation with employees. It absolutely requires a strong, visible mandate from senior management. It requires a formal, certifiable process of employee training. It needs detailed documentation of the re-engineering processes. It affects every corner of an organization. All inclusive, participation is not negotiable. It probably will be very expensive, requires outside consultants and compresses a lot of activity into a specific time frame that is rarely met. The project is; all or nothing and succeeds or fails but usually failure is not an option. Resources will be consumed and money will be spent indefinitely until implementation is complete.

2. **Dip in a Toe:** Starting at the *departmental* level is a low risk and practical approach to implement the "paperless office". Often it is departments themselves who recognize their problem and want a solution – they are very motivated. The cost and risk of a departmental solution is not high and if it never expands beyond the department it can still be justified. Training is simple and the IT effort is not massive. In the case of FileHold the solution could be installed using remote installation techniques and users would be trained via the web or by video – this keeps the cost low. After it succeeds the solution can be expanded to other departments based on a filing hierarchy and "best practices" that have been learned and are now entrenched. New departments will learn by the test department's errors and successes.

   Targets for a departmental solution are document intensive groups such as: the HR department that manages employee documentation, the ISO certification group who must conform to strict filing practices and the engineering teams who work with large contracts and bid submissions that include CAD drawings. These are the people we at FileHold hear from all the time with a cry for help.

Summary

Every company wants to find a way to reduce paper, encourage sharing and keep their documents in compliance. FileHold has broken the paradigm of the "paperless office" being complicated, hard to use and expensive. With a small investment and in a short time a departmental solution can be up and running setting a model for the rest of the organization.

A clean desk has been called Ground Zero in the fight to have a clean organized office. In the same way the desktop computer is Ground Zero in the fight for the paperless office. After the desktop comes the overstuffed file shares and after that starts the conversion of paper to electronic form.

Slightly more difficult will be the cultural shift that encourages sharing and distribution of intellectual property. Users have to be confident that long term benefits will come from structured storage processes. Simple but practical IT practices can ensure security and redundancy.

FileHold advocates; *"Go Paperless"* – save or share this document electronically.

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