



Digitech Systems White Paper

2012

Enterprise Content Management for You!

Feeling overwhelmed by your current filing system? Want to get rid of the burden and complexity caused by paper records and out-of-control electronic files? Enterprise Content Management (ECM) is designed to simplify information management across your business, but the messages and jargon of the industry can be confusing. Read on to get a basic understanding of ECM and what it can do for your day-to-day work experience. You'll learn essential ECM vocabulary, find out about the document life cycle and hear real stories of how customers in several industries are using the technology to improve their information management efforts. It doesn't have to be so hard!

Driven by the rapid rate of information growth, businesses are seeking better ways to manage both paper-based information and electronic files. The availability of lower cost, less complicated ECM options is turning ECM from a luxury convenience only available to the Fortune 500 into an essential element of any well-managed business. ECM doesn't have to be hard or expensive, but you may not be sure how to get started or know what questions to ask. This whitepaper offers a simple, straightforward explanation of ECM. We'll simplify the jargon and eliminate the spin. Plus, you'll learn about the three biggest benefits ECM can offer. Best of all, you'll get implementation tips from real customer stories in healthcare, finance, education, accounting and human resources. A recent study from Nucleus Research, an analyst firm specializing in the return on investment (ROI) for technology implementations, found that every \$1 spent on ECM returns \$6.12 to your business. You don't have to keep throwing money away on your existing filing system.



What is ECM?

ECM is the process of moving your paper documents and electronic files into an organized electronic format and then securely managing that data. In a nutshell, ECM takes you from cluttered to clear.



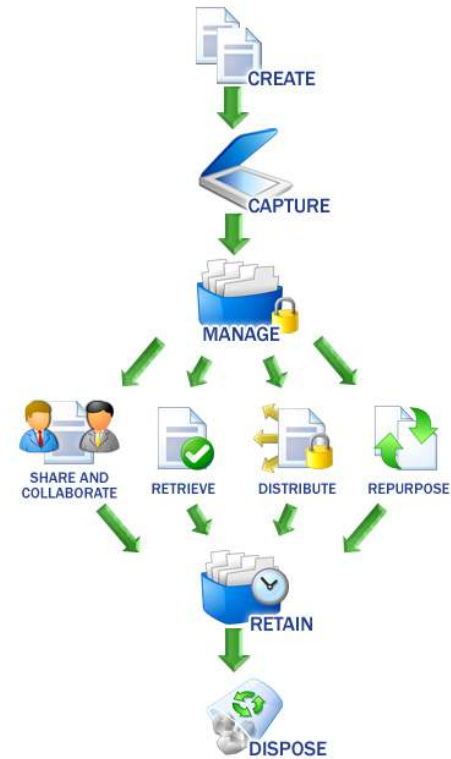
Seems simple enough, right? It is! As businesses continue to grow, they acquire more and more information. These files, either paper or electronic, need structure. Plus, the massive amounts of paper are literally piling up and taking over your existing space. This leads to adoption of off-site storage which can cost you thousands of dollars a month. Not to mention the time spent searching through file cabinets and traveling to storage sites to find a single piece of paper. Through ECM, the documents are visible on your computer monitor and are accessible with the click of a button. Before you can manage a file, either paper or electronic, you need to understand how it gets generated, sorted and archived. Knowing a document's life cycle helps you understand ECM. We'll start with paper.

Document Life Cycle

Every paper document has a life cycle. It has a beginning and an ending with predictable steps in between. The stages of a typical document are shown to the right.²

The Meat of the Sandwich

ECM is more than scanning a paper document or rearranging your electronic files. There are supporting technologies that help you efficiently manage your data with better protection and find that information in a customizable way that works for you. First, we'll take you through the steps of a document life cycle. How does it work? Let's take a look.



Capture



Document capture is the first step, and is the process of physically scanning your paper documents into electronic files.³ Scanning documents creates an electronic image of the paper document in a format that can be viewed on a computer. Once there, you will import that file into an organized and secure system.³

Indexing



Now that you've moved your documents into an electronic format, how do you find them again? Indexing lets you name and customize fields, making files easier to find later. For instance, you can sort by invoice number, vendor name, purchase order number, date, and department or any custom term you create. Indexing creates a path to your information.⁴

Buyers Tip

Whenever possible, choose an ECM system that lets you keep your documents in their native file format because being limited to a certain file type limits your flexibility to work with or share information, costing you time and money.

Management and Retrieval



Once you have scanned and indexed, you'll need to locate and manage your files. With ECM, locating a paper document no longer means digging through file cabinets or driving to an off-site storage location to retrieve your information. ECM achieves this by storing paper documents on a computer system, allowing you to retrieve your files with powerful search capabilities, at the click of a mouse. Documents can be stored on your own network and servers or in the cloud, which allows you to store and access your data online. Utilizing cloud ECM

"Did you know that 75% to 80% of invoices in the United States are still paper-based? Many companies are still struggling to find better ways to manage financial data, and chances are, you're one of them! Would you like to convert to electronic records, streamline accounting processes, and reduce the overall cost of managing financial information? ECM systems are a great place to start."⁵

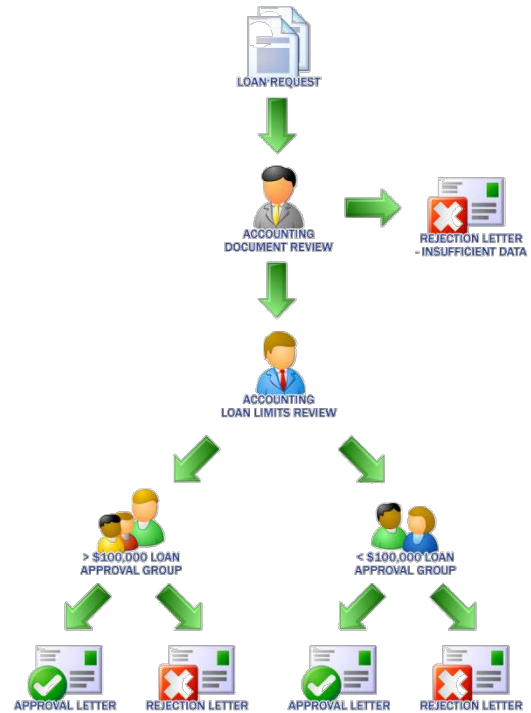
ECMConnection, The Real World of Cloud ECM

provides you with the storage and safety capabilities you need, but without bogging down your servers.

Workflow

To improve productivity, you can implement a tailored workflow to help process documents. Workflow is a series of steps a document takes during its lifecycle. Workflow efficiently improves your business process management (BPM) by electronically routing your documents from step to step, then alerting users of pending work assignments and tracking progress steps.

For example, let's look at a sample for a mortgage company. When a loan request is received, it routes to the loan approval workflow, seen here. A rejection letter could be sent. If all information is present, the file forwards to the accounting loan limits review. From there, it can either move to one of two loan approval groups, depending on the amount. Finally, the request is moved to approval or rejection. With workflow, it's all about customizing a process to suit your needs as a business, and each of these steps is tracked and handled electronically by the ECM application.⁶



Retention



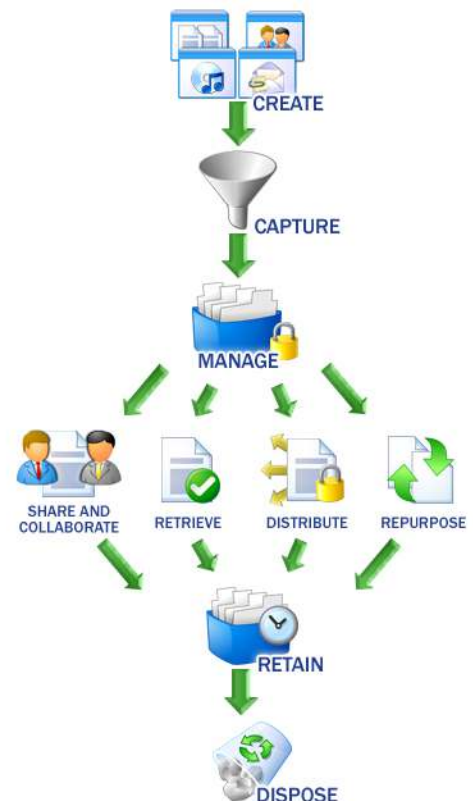
Once you are finished with a document, you must decide what to do with it. Your records used in daily transactions are considered active for as long as they are needed to be easily accessible.

When that document becomes unnecessary to daily tasks, it becomes inactive. But you must keep or "retain," that document as long as it is needed to meet the organization's administrative, fiscal, legal, or historical requirements. This length of time is known as a retention period. ECM helps you manage your retention process.

Data Life Cycle

As mentioned previously, ECM is not limited to managing your paper files! Your electronic files and data already stored on your computer go through a similar life cycle. In fact, aside from scanning it is almost identical. See the diagram to the right. You will import your mp3s, word documents, PDFs and other electronic files into an organized ECM system, manage them and set up workflows. With data, the importing step is more prominent.

Email also presents unique challenges. Let's dive in!



Email Management



What is your first thought when you have an important piece of information you need to share? Where do you instinctively look for missing files that someone sent you? What is your number one form of communication during the day? Email. Let's face it, when it comes to inter-office and external communication, email is the de facto standard across organizations.

In fact, the average information worker spends 20% of their day dealing with email and sends and receives about 200 emails every day.⁷ But, like any other type of business information, email

"U.S. companies face an average of 305 pending lawsuits internationally. The average litigation expenditure for U.S. companies surveyed has increased by 50% from 2005 to \$12 million—a figure that does not include ultimate case settlement or judgment payments. Litigation costs loom even larger considering that they represent more than 70% of overall legal spending."⁸

-Fulbright & Jaworski
Third Annual Litigation Trends Survey

must also be organized and attended to. You can include email management in your ECM system!

At their core, email management systems capture emails that your employees create and receive, index those messages for faster retrieval and apply user-defined rules to govern where and which messages are stored in your secure ECM system. If you're not managing your emails, it is difficult, if not impossible, for your organization to meet legal preservation requirements in the event of litigation and government investigations.⁹ In particular, the Federal Rules of Civil Procedure (FRCP) requires every company involved in lawsuits and federal litigation to preserve and recover electronic documents and email messages as part of the discovery process. ECM helps enable FRCP compliance, especially now, when it is more critical for companies to know what information they have and where it is. With email management, you can pull up any email quickly and immediately make it available.

Why do I need ECM?

Now that you are more familiar with ECM, you might still be wondering if ECM could benefit your organization. What are the real benefits? How will it help you meet your long term goals? Take a look at the common benefits, broken down into three categories detailing how you'll improve efficiency, gain better control and ultimately save money for your organization.

Improve Your Efficiency



Do you have employees that spend more of their time searching for paper documents and electronic files instead of helping customers? What if you could improve your business efficiency? When you need to access paper documents and electronic files on a daily basis, looking for those documents can end up monopolizing your time.



Strengthen Your Control



Are your documents out of control? Are they protected from both theft and disaster? Keeping your files and records in paper format where they can be physically touched puts them at risk. They could wind up in the wrong hands, be lost or even get destroyed accidentally. Electronic files on your computer, without proper organization, are also in harm's way. This happens more than you think. In 2010, *Processor* reported that 86,000 U.S. laptops were lost, costing 329 companies \$2.1 billion!¹⁰

All Island
Gastroenterology
and Liver Associates, P.C.

After implementing ECM, All Island Gastroenterology & Liver Associates (AIG) gained 4,000 hours each year in staff productivity, worth \$100,000 annually. Doctors at AIG are so much more efficient that they are able to see 25 more patients each week.

How does ECM strengthen your control? With ECM, you can see who sees what, how often and all records are password protected. Another bonus? With ECM, rest assured knowing that if disaster strikes, you will still have access to your data. ECM both in enterprise and cloud formats, can back up your documents and your electronic files so you'll retain access to them even if your computer is lost. ECM also takes care of encryption of your documents, both at rest and during transmission.

Are you concerned about regulatory compliance? You should be! ECM was designed to help you manage each stage of the document life cycle. You can leverage the technology to meet the increasing demands of regulatory compliance. The key is to adopt a system that will ensure information is tightly managed and secured, while providing flexibility in terms of how people can access and share that information.¹¹

Whether you work in the medical, accounting, education or virtually any other field, sensitive information must be protected and accounted for. For example, if you are trying to sustain Health Insurance and Portability and Accountability act (HIPAA) compliance, ECM helps you better protect patients' medical records by moving them out of a file cabinet that anyone could access and securely placing them in a password-protected, electronic environment.

Buyer's Tip

The American Recovery and Reinvestment Act (ARRA) is extending HIPAA's reach and "sharpening its teeth" according to Nossaman LLP, a national law firm specializing in healthcare. Nossaman warns healthcare companies and their business associates that "the HIPAA enforcement atmosphere is becoming more aggressive."¹²



You will find the protection you need by looking to ECM for help. Other common regulations ECM can help you with are the Sarbanes-Oxley Act of 2002 (SOX or Sarbox), the No Child Left Behind Act (NCLB), the Check Clearing for the 21st Century Act (Check 21), the Federal Rules of Civil Procedure (FRCP) and more. Maintaining compliance is extremely important and not always easy. ECM can help.

Save Money



On top of improving efficiency and better securing your vulnerable information, wouldn't it be nice to save money while doing so? You are already spending money on your manual system by paying for off-site storage and for costs associated with manual paper management, printing, faxing and mailing. ECM will save you money! In fact, Nucleus Research reports that for every dollar spent on ECM, you see a return of \$6.12!

Also, when you start getting rid of paper, you can eliminate filing cabinets. This will allow you to reallocate that storage space to money-making activities. Many businesses reallocate staff or add to services offerings with the extra space and time, allowing you to increase profits.

Who else is using ECM?

Everyone! If you are using paper documents and electronic files to run your business, you can benefit from ECM. Depending on your industry or function, managing your documents electronically will provide relief in different ways. Take a look at these examples for some ideas on how ECM may help your business.

Healthcare



If you work in the healthcare industry, you are likely feeling the pressure that congressional acts have put on your Information Technology (IT) systems. Your electronic health record system might not be enough. ECM can help you transition from partial electronic document and information management to a fully efficient automated system. ECM also helps the healthcare industry maintain accounting, insurance, purchasing and any other document electronically. You'll find compliance with HIPAA, ARRA, HITECH, etc., to be a breeze!



The Mental Health Center of Denver adopted ECM to help with installation and maintenance of its electronic medical records. Not only were those expectations met, but MHCD also saw impressive money savings, not to mention 1315% ROI in six weeks. In fact, they won the Nucleus Research 2012 Technology ROI Award.

"With the help of PaperVision® Enterprise, we're able to ensure protection of more than 10,000 records. Vulnerable information is no longer just sitting in drawers. And the cost savings are remarkable. Digitech Systems' products have helped us save more than \$250,000!"

-Mary Peelen

Director of Health Information Services, Mental Health Center of Denver

Education



What is more important than protecting our children? In the United States, schools and universities have a responsibility to protect massive amounts of information, which can be overwhelming and costly. With ECM, you can condense school records into a simple, searchable source. You'll also eliminate time spent managing and retrieving paper documents across many departments. ECM manages electronic files, centralizes record systems and streamlines information to improve data accuracy. You'll also find it much easier to comply with FERPA, NCLB and other regulations.

LIMESTONE COLLEGE

Limestone College felt the need for ECM first-hand. More than 475 boxes of historic and valuable documents were aging quickly and deteriorating. Staff was not only put at risk retrieving documents in this condition, but it was extremely time consuming.

"We are a summation of the lives we have changed, and our records are evidence of that. If we lost the Administration Building, it would be horrible, but if we lost it and the documents, that would be catastrophic. PaperVision Enterprise has allowed us to avoid a potential disaster. Now we don't have to lose a part of our history even if we lost a building."

-Adam Long

Associate VP for IT, Limestone College

Financial Services



If your finances were only somewhat protected, would you feel secure? Probably not. In an ever-changing, constantly evolving and extremely important industry like finance, document protection is critical. You need the best IT systems to efficiently and safely manage financial data. You'll also find it easier to uphold regulations such as the Check Clearing for the 21st Century Act (Check 21), the Gramm-Leach-Bliley Act (GLBA) and the Home Mortgage Disclosure Act (HMDA).

Within these and other industries lies an enormous opportunity to enhance efficiency, tighten security and save money too! And if you look deeper, at some of the horizontal industries within many fields, many professionals' day-to-day tasks would be easier with ECM.



Eppy Financial Group ECM stepped in and helped Eppy Financial Group when business boomed. After adding new and unique services, the firm added more customers and subsequently, a lot more paper. It was more information than they could handle, and ECM helped them get their bearings and get back to business.

"ImageSilo® has made a phenomenal difference in our compliance. We decreased audit preparation time by 88%, which has made compliance a breeze. Preparing for audit checks takes a few hours instead of three days."

-Fran Eppy
Director of Operations, Eppy Financial Group & Wealth Management Strategies

Accounting



Do accounting processes consume much of your time and energy? Today, regardless of the size or function of your company, accounting is a task you cannot escape. ECM can relieve accounting headaches with efficient processing and security control. Trying to find a single file in a massive collection can take hours. Wouldn't it save time to access them in one place, electronically? Chances are your accounting employees are screaming "YES"!



Genzyme's accounts payable department recognizes tremendous benefits from the conversion to ECM. Fourteen of Genzyme's AP employees are using ECM daily to manage documents, process invoices and respond to audit requests, making processes much more efficient.

"With so many people handling documents, it was difficult to find records. Everyone had their own concept of the alphabet, so records were often misfiled to begin with and rarely made it back to their proper position once pulled for an audit."

-RuthAnn Cohen
Genzyme Corporation

Human Resources



It's no secret that human resources (HR) maintain records for the most precious part of your company—people. As you know, this is a department that quickly becomes paper-heavy. With new hires, terminations and benefits, a lot of paperwork is involved. The amount of information flowing into HR continuously increases. From the moment a position is created or becomes available until well after an employee is no longer with your company, detailed information must



be documented, archived and accessible. ECM enhances record-keeping efficiency and ensures that personnel files are protected.



Since implementing ECM in its worker's compensation and human resources departments, Adams County School District gains one full day of productivity each week!

"It enables us to do more with our current staff. If we had to keep paying for paper and temporary employees, we would have had to make cuts to our full-time staff."

-Sandra McClure,
Director of Finance
Adams County School District

Whether you are looking for a solution to reducing your paper collection, a way to manage your electronic files or an alternative to the money spent on storage/paper costs, ECM can help. Replace your inconsistent, manual paper-based document management with ECM to improve efficiency, heighten control and boost money savings.



Additional Resources

There are a lot more opportunities to learn about ECM! Take advantage of the resources below to answer your questions and provide additional guidance while navigating your way through the world of ECM.

Digitech Systems

At Digitech Systems, ECM is our bread and butter. We want to help you understand what ECM is and our website is one of the best places for you to learn more about the technology, accompanying products, education and expertise we offer.

www.digitechsystems.com

www.digitechsystems.com/adams-school-district-50-saves-jobs-and-wins-awards-using-imagesilo

www.digitechsystems.com/aig-gains-4000-hours-of-productivity-with-papervision-enterprise

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www.digitechsystems.com/limestone-college-manages-100-year-old-records-and-creates-room-to-grow-with-papervision-enterprise

www.digitechsystems.com/mental-health-center-of-denver-uses-papervision-enterprise-to-complement-emr-security-and-efficiency

AIIM

Get more information on ECM news and industry research from the ECM industry perspective.

www.aiim.org/What-is-ECM-Enterprise-Content-Management.aspx

Microsoft

Microsoft has developed its own technologies, SharePoint included, that are meant to work alongside ECM. Get more information on ECM and how to incorporate its functions with SharePoint.

sharepoint.microsoft.com/en-us/Pages/default.aspx

Kollabria

Kollabria is an analyst firm that tracks companies in the ECM technology sector. Managing Director, Raimund Wasner, and his team have more than 25 years of industry experience, which they are turning into whitepapers, briefings and webinars to help you.

www.kollabria.com

Nucleus Research

Nucleus Research, Inc. provides investigative information technology research and advisory services. Advising both vendors of technology and the organizations that use technology, Nucleus Research provides information and data to help users make the best-informed decisions. Their analysts are experienced technology experts who concentrate on the financial impacts of technology decisions.

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Digitech Systems, Inc.

About Us

Digitech Systems, Inc. enables businesses of any size to more effectively and securely manage, retrieve and store corporate information of any kind using either PaperVision Enterprise content management (ECM) software or the world's most trusted cloud ECM service, ImageSilo. By significantly reducing the cost, Digitech Systems has moved ECM from a luxury convenience to an essential element for every well-managed business.

Digitech Systems continues to raise the standard of excellence in the ECM sector, as evidenced by the numerous awards they have received including the InfoWorld 100, CRN's Emerging Tech Dynamos and multiple Nucleus Research ROI Awards. In addition, Buyer's Lab recognized PaperVision Capture as the Outstanding Enterprise Capture Product for 2012. To learn more about the company's software and services that deliver any document, anywhere, anytime, visit www.digitechsystems.com/.

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