A Digitech Systems Case Study

Key Benefits

Case Study Facts:

CLIENT: The United Illuminating Company

DIGITECH SYSTEMS RESELLER:

Digiscribe International

PROBLEM: Microfilm and paper-based processes made operations costly and inefficient in several key financial departments

SOLUTION: ImageSilo

RECOGNIZED BENEFIT:

Significantly enhanced productivity in the accounting, payroll and journal entry departments and produced legal and compliance savings

United Illuminating Sees ROI in Less than One Year with ImageSilo®

Executives and employees at The United Illuminating Company needed to revitalize their approach to document management. A microfilm-based records system slowed accounting procedures and sometimes made documents entirely inaccessible. Valuable paper employee records dating back to 1943 were slowly disintegrating with time as they sat in overflowing boxes in the basement. Plus, audits were an ongoing drain on employee efficiency. It was time to find an affordable solution for their document problems.

After replacing their microfilm and paper-based processes with Digitech Systems' Enterprise Content Management (ECM), United Illuminating (UI) provided immediate access to

records, saved hundreds of work hours annually,

• Recognized Return On Investment (ROI) in less than 12 months with

• Eliminated \$20,000 annually in overtime expenses

ImageSilo

- Improved audit efficiency by more than 50 hours per year
- Simplified compliance with Sarbanes-Oxley Act (SOX)
- Avoided a legal suit and potential court awards amounting to millions of dollars

enhanced customer service and helped the company avert legal action that could have cost millions.

The Situation

United Illuminating (www.uinet.com) was established in 1899, and is a Connecticut-based regional distribution utility with 1,000 employees. UI is engaged in the purchasing, transmission, distribution and sale of electricity and related services to more than 324,000 residential, commercial and industrial customers in the Greater New Haven and Bridgeport areas.

Operations in key financial departments were hampered by cumbersome, labor-intensive procedures that were costly and inefficient. In the accounts payable department, employees used a microfilm-based system that required four to six hours per day for document preparation and retrieval. Only one person at a time could access information stored on microfilm, so it took an average of 10 minutes to pull each invoice. In addition, critical documents were largely inaccessible during the filming process, which often took up to two weeks. As a result, employees worked overtime, creating more than \$1,600 each month or \$20,000 each year in additional payroll costs.

Long records retention periods presented challenges for the payroll department. Employee history records dating back to 1943 were required to be kept indefinitely and federal regulations state that records for non-contributory pension plans must be archived and accessible for 50 years. Consequently, UI had a basement overflowing with valuable paper records, many of which were disintegrating over time. It was increasingly difficult to locate an individual record when needed, and legal risks were hard to manage. To make matters worse, quarterly and year-end state work order audits, which required pulling and photocopying history cards, wasted time and decreased productivity.

UI needed a permanent archive that would make records easily searchable and retrievable. And, they wanted a secure records system that would easily integrate with their accounting software, Oracle PeopleSoft®. Most of all, they wanted an easy-to-use technology that wouldn't break their budget or strain their IT resources.

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The Solution

Digiscribe International, a Digitech Systems Reseller, told UI about ImageSilo, a Software as a Service (SaaS) ECM technology that would allow them to implement a solution without capital outlay and enable them to gain online access to their information. They chose ImageSilo, because it was affordable, it was convenient to use and its scalability would allow them to expand the service. Better still, the outsourced data management service could help UI conserve IT resources.

UI hired Digiscribe to pick up, scan, index and upload thousands of UI files to ImageSilo. Within days, Digiscribe prepared and uploaded tens of thousands of records for secure and immediate employee access, and they continue to provide reliable scanning services today.

Recognized Benefits

Now, the microfilm system is dead. The accounting department accesses their electronic files within 48 hours after pickup, and authorized employees can simultaneously retrieve documents online in just three seconds. Plus, the entire ECM service was seamlessly integrated with

PeopleSoft®, providing a keyboard shortcut that shows all linked accounting documents. Six hours of document preparation now takes minutes, and overtime costs were

"We recognized ROI in less than one year with our ImageSilo implementation."

-Major A. Ruth, Accounts Payable Supervisor

eliminated, saving \$20,000 every year. With audit trails, recorded disclosures and documented evidence of system activity, the accounting department is simplifying SOX compliance.

Other company managers were so impressed with the savings and ease of access that they built business cases for similar systems. Subsequently, Digiscribe implemented ImageSilo in the payroll and journal entry departments, allowing more interdepartmental access and collaboration.

With electronic documents just a few clicks away, the payroll department is simplifying audits and avoiding legal action. When a claim ensued with a former employee, UI had critical employment information on hand and was able to respond quickly. Legal action and the potential for millions in court awards were successfully averted. Furthermore, state work order audits, which occur four or five times a year, are now much easier. Employees save four hours of work with each audit. "Our Director of Industrial Relations immediately loved our ImageSilo services," said Diana Saunders, Payroll Department Manager.

After ImageSilo was also seamlessly rolled out in the journal entry department, they experienced substantial savings with audits and regulatory compliance. Employees give auditors secure access to ImageSilo and save up to 50 hours each year on audits. In fact, very little document preparation time is required, and audits cause no disruption to normal work. Additionally, the department dramatically reduced the time and cost needed to organize data to support a rate case. If UI needs to defend their utility rates to the state, they can easily retrieve the required evidence.

"ImageSilo is now an entrenched part of our business process. Our employees are more efficient, which in turn has improved our customer service," said Ruth. As UI continues to recognize the business value of ImageSilo, further expansion is being planned.

About Digiscribe

Digiscribe implements cost-effective document management services that allow companies to operate more efficiently and more profitably. Our comprehensive range of services include: document scanning, digital imaging, indexing, workflow, e-forms, forms processing, email management, full-text OCR, mailroom services, secure web-based repository services, in-house document management systems and box and media storage. We will reduce operating costs, streamline key business processes, ensure regulatory compliance and help businesses go green by eliminating paper copies. No capital investment or IT support is required. Implementation is quick and easy. For more information call 800-686-7577, email mtaube@digiscribe.info or go to www.digiscribe.info.