Why Electronic Document Management?

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Electronic document management means learning to manage content and the documents that support it in a digital world. Being Paperless could mean different things to different people.

- **Document Management** - The management and retrieval of both paper scanned images and electronic files such a MS-Word, Excel, PDF, AutoCAD and email.
- **Content Management** - Software that controls a standardized method for collecting, indexing, storing, and managing access and control of all valuable digital assets. The digital assets are generally available to users with secure web browser access. More than one product may be required for Document Capture, Document Management and Records Management.
- **Business Process Management** - The automation of business processes with the use of information technology. Human-driven processes in which human interaction takes place in series or parallel with the use of technology. For example, a workflow case when individual steps in the business process require human intuition or judgment to be performed, these steps are assigned to appropriate members within the organization. The automated business process is pushed through an organization along with available decision making information, utilizing the most efficient means of processing the transaction.
- **Document Imaging** - The retrieval of document images, with an association to supporting data.
- **Records Management** - Generally thought of as retention policy making for paper, electronic images and data.
- **Document Capture** - The capture of paper from an electronic scanner, such as a digital copier, scanner and fax. In addition to images, Index data such as a name, number or document type descriptions are generally collected during the capture process. Document Capture will store the scanned documents on hard drives, network or CD with no capability to manage, locate or retrieve the documents at a later date.

To be paperless you should consider the importance of managing digital information and maintaining the integrity of the document as the source. Managing digital documents requires a certain degree of discipline. Consider the following:

- *What is the document?*
- *Why is it needed?*
- *How will the documents be accessed and used?*
- *Who needs access to it?*
- *Is the information sensitive?*
- *Am I fulfilling my responsibilities for legal compliance and privacy laws?*
- *How long the documents are active and frequently reviewed vs. archived for legal retention?*
- *How long the information must be kept?*

Your source files must be reliable or an accurate representation of the original.
When you are evaluating going paperless, the archive file you choose must be reliable 5, 10, even 30 years from now.

For electronically born documents, such as MS-Office, retaining the native format is the most desired practice. For paper to image files, PDF is the ideal format for sharing, archiving and meeting legal requirement.

PDF image + text is a searchable document and a viable archive file format for storing scanned paper. PDF image + text stores both color and B&W images in the form of tiff and jpg. PDF will store the entire multipage document in one file as opposed to file formats that store one page per file. In addition to the image and fully searchable text, a PDF file may also be the storage container for the meta data record or field data associated with the document images contained in the PDF file.
This type of PDF remains independent of proprietary external database index tables, links and pointers.

A completely paperless office in a typical business environment today is not realistic. However, there is no reason not to begin the initiative, improve processes and benefit from better leveraging information immediately.

The Cost of Paper

Are you ready to go paperless? Not yet, what are you waiting for? "I can't afford to go Paperless, it cost too much!" The following will reveal why you really can't afford NOT to manage document electronically.

- Information is doubling every 2.5 years. (Gartner)
- Pages per employee is increasing at 10% per year. (Gartner)
- Organizations now maintain 30 times more data than in 1999. (Gartner)
- The U.S. annually spends $25-35B filing, storing and retrieving paper. (IDC)
- The number of pages consumed in the U.S. offices is going up at the rate of 20% per year.
- Dollar cost of a document, as a percentage of total company revenue, ranges for 6-14%. (All Associates)
- 75% of the cost of a document is in management and logistics. (All Associates)
- Typical office workers spend 40% of their time looking for information.
- Professionals spend over 500 hours annually reviewing and routing files, and another 150 hours looking for incorrectly filed documents.
- The average document is copied 9 times. (Gartner)
- It is estimated that 80% of information is still retained on paper even though more than 80% of the documents we work with are already in a computer somewhere. (CAP Venture Group)

Cost of Handling Paper

A survey published by futurelawoffice.com with regard to a modern law office shows:

- 70% of time is spent processing paper
- 90% of documents are paper
- 7.5% of documents are lost
- 15% of documents are misplaced
- 30% of documents contain obsolete information
- One four drawer file cabinet holds 15K-20K of pages, costs $25,000 to fill and costs $2,000 per year to maintain

Cost of Mishandling Paper

According to INC Magazine.

- It costs $20 to file a document
- $120 to search for a misfiled document, that is if you can find it
- It costs approximately $250 to recreate a lost document

So why do we still have so much paper in the office?

- Paper is comfortable to many
- Paper is easy to use and requires no special training
- Comparing documents is easy
- Paper requires no technology

Paper is an expensive luxury in comparison to what it cost to manage it digitally.

How do I begin going paperless with Electronic Document Management?
It depends on your objectives, but you could begin by selecting the document collection that requires the most storage capacity, sensitive files requiring extra security or the document collection that requires the highest rate of reference, especially between multiple locations.

1. Choose a software product that meets your objectives. There are plenty of packages out there that will sell you more features than you will ever use.

2. Choose a folder method of storing your digital files. For many, it is a similar method to storing the physical paper. It is important that the Document Management software automates this process, eliminating user errors associated with human filing.

3. Settle on a file format that is not dependant on the software or proprietary in any way.

4. Visualize the paper-to-digital process as working within your existing daily workflow.

5. Choose a document management product that will locate and retrieve both electronically created (Microsoft office, email, line of business files) and paper converted digital files (PDF).

6. Standard file security should include classic user authentication supplied by the application, the management of document check-out, version control and activity logs. Advanced security will include active directory user authentication, digital certificate authentication, SSL connection, and file permissions with mandatory and discretionary access controls

7. Select a Document Management solution offering low cost start-up and ongoing care by utilizing server based browser applications, licensed at your location or an online remote server.

8. Select a solution offering modern records management.   Modern records management and document retention takes into account not only paper documents and storage issues, but also electronic documents and legal requirements. The modern standards of document retention require that documents be organized in accordance with a multi-level classification hierarchy, that documents (paper or electronic) be securely destroyed, that destruction be halted at the first threat of impending litigation, and that all retention standards meet all of the federal, state, and local legal requirements..

Finally, there is still the very real issue of compliance with the ever increasing legislature regarding regulations, requiring you to keep and be able to readily access vast amounts of information.

Sarbanes-Oxley
Regulation #302 & 404
DoD 5015.2 (records management standards)
ISO 15489
HIPAA
Gramm Leach Bliley Act
SEC
FTC, Safeguards ACT