Document Management

A classic case for sustainable business practices

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The convergence of print and digital technology has created a new way for organizations to think about their document management requirements. Instead of getting the best price on networked multi-functional devices – consider how to reduce the number of devices dramatically and reduce the use of paper overall to obtain the best value. Most organizations struggle with the need to manage massive amounts of data and print is still one of the most common formats – in spite of digital options. Enter managed print services.

Traditional supply management strategies look at driving down their acquisition costs for print devices (copiers, scanners, fax, and printers), service, consumables, and the cost of supplies and paper. The use of competitive bids is a common tool to achieve this end. For the most part this strategy seems to be effective with nominal savings of 5-10 percent per year being realized.

An emerging practice reduces the number of devices and the use of paper concurrently. There is now the possibility to have all print related devices, regardless of brand, managed by a single-service provider, often referred to as managed print services. The capability of systems to manage agnostic brands is one of the keys. Savings of 15-20 percent per year are being realized! Organizations can leverage this market opportunity by issuing requests for proposals and analyzing these for business solutions which address communications, print, technology, and digital record systems over the next decade.

Most organizations lack a good understanding of their current total cost of ownership (TCO) as it relates to document management. The main areas of focus are: internal printing/copying; contracted printing/copying; the management of print devices; graphic design; and record

archiving and retrieval. These account for a significant part of the budgeted operational costs. TCO includes capital, operating, energy, space, obsolescence, and labour costs.

Document management strategies are organization-wide solutions which start with a strategic commitment from the senior management team. This foresight acknowledges that the transformation to digital records begins today. The business plan quantifies sustainability factors such as reduced energy costs, reduced CO_2 emissions, and a smaller carbon footprint identified through a TCO analysis.

The process asks the potential suppliers to share their vision for a transformational business model; their capabilities in project and change management; their methodologies of assessment for device rationalization; their ability to measure and track energy-related savings; their commitment to milestones of progress; and most importantly, their information technology expertise and ability to integrate with other hardware and software systems. Juxtaposed on the IT issues is the protection of confidentiality for personal information and system security.

Some Canadian organizations have estimated their document management costs at $30M+ per year. They are running 5,000+ devices, consuming 100M sheets of paper annually. Countless wasted hours of time is spent collecting data, filing paper records, while storing and retrieving them again throughout the year. They deal with 30-40 suppliers related to document production. These inefficiencies are being addressed through single-service provider, document management strategies. What is the best part? There is often no capital outlay required by the customer. The savings create

a self-financed solution with surplus funds being available for other services.

IT plays a critical role in the business process improvement related to document management. The ability to share information across an organization changes the work flow processes of a paper-based model. This contributes to improving customer satisfaction. Not only does it complement other digital devices it creates the ability for customers to interact globally without the need for on-site paper signatures or access to forms and other business documents. For the public sector municipalities, universities, schools, hospitals, and crown corporations which are financially constrained, the payback from a document management strategy is too good to overlook.

One of the original traps organizations fell into with the introduction of the computer was to take paper-based processes and simply replicate them as is, through computerized functions. There was a modest productivity gain in doing business electronically, while regrettably not doing the right things initially by analyzing business processes for redundancies. The strategy of an organization-wide document management strategy requires a fresh approach without the self-limiting constraints of conventional thinking. The purpose is to look at the future possibilities for exchanging information with internal and external stakeholders connected through an integrated system.

The University of Calgary has been rightfully heralded as bringing one of the first large-scale document management strategies into effect. They have driven out considerable overhead costs and made it much easier for its student body, faculty, and administration to run their business

processes and communications through a new paradigm. It was a risky undertaking which has blazed the way for followers to benefit from and use the lessons learned to their advantage.

From a marketing perspective document management has created a new sector that adapts the traditional selling of devices with the integration of services through IT connectivity. This is changing the skills sets of the sales organizations. While inter-personal relationship skills are critical, it requires the ability of sales organizations to create their own application teams. There is a more vital role for sales groups to have their internal sales, marketing, product support, business analysis, and IT gurus also identifying external third party software partners that can work with "any system and device configuration." Although most managed print agreements start with the current fleet of printers, copiers, ERP and legacy systems, there will be a sales strategy that leads to a standardization favouring the least number of manufacturers – with a preference for one brand only. This isn't necessarily a negative. It is an awareness that buyers are committing towards a brand

standardization that optimizes the value for the parties to the agreement over time.

Managed print services projects benefit from utilizing external resources to objectively assess the current state and assist to transform the organization. There is a tendency for existing departments to feel threatened by the large-scale change requirements. Resistance is not uncommon where disruptive technologies are being introduced. Internal time constraints are exacerbated when considering a managed print service without additional resources.

Organizations that effectively deploy change management strategies will benefit from the advanced systems methodology. External consulting resources can assist with the strategy development and enable the organization through the collaborative leadership of supply management and IT staffs to affect the change, mitigate the financial and legal risks, and achieve the desired results. A managed print service is a game changer and that implies a new level of competition. Get your team ready now for a new season.

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