

The Life of a Document

Document management should be considered a cradle to grave solution for documents. In its simplest terms, documents must be captured, distributed, and archived. Traditional document management follows a primitive, expensive, and inefficient process. First, documents are created electronically and then printed. Once printed, they are distributed by various styles. The following represent traditional approaches: mailed, faxed, emailed, hand delivery, courier delivery, overnight delivery, etc.

All these methods help form a workflow that is part of a business's fabric. As documents work their way through this workflow, many opportunities for waste occur in the process. Besides the time it takes for people to prepare and move these documents, opportunities for documents to get lost or misplaced grow common place. Once this happens, recreation is required at—enormous cost. National consultancies such as the Gartner Group estimate this cost at between \$120 and \$230 per document, depending on whether it has to be created or just found. Either way, considering that 15% of documents wind up one of these two ways, document distribution is an expensive proposition in the document management process.

Finally, documents get to their final destination—either destroyed or archived for future use. The traditional archiving of documents is the use of file cabinets and boxes. The first stop in the archival process is usually a file cabinet. These documents were created recently and possess a likelihood to be required again. If needed, they are logically placed in some type of order for retrieval. Over time, as these documents age, they are purged and moved into cardboard boxes for long term storage.

Often, these documents are rarely needed, so businesses offload their boxes to long term storage facilities until the unlikely event they are needed. Such storage companies charge monthly storage fees, as well as retrieval fees, destruction fees, and other fees to terminate the storage of the boxed document.

Computers have given rise to an enormous ability to create documents. The simplicity of the creation process has caused the need for more efficient methods to manage these documents. Although incredible electronic methods have emerged to manage these documents, rarely do businesses invest in the technology to do so. Most of the investment has been on the creation side of the document, rather than the distribution, archival, and retrieval.

PRINTING

Once a document is created, if needed in print, this becomes the first highly wasteful part of the document workflow process. Many forms of printing take place, at tremendous cost to a company. Analysis reveals that somewhere between one and six percent of a company's top line revenue is spent on printing in its various forms. Outside of payroll, it can comprise one of the largest expense line items.

Most companies produce short run or convenience printing on one of three types of devices—local printers, single function laser printers, or multi-function or “all in one” printers.

LOCAL PRINTERS

The first and most expensive printer on a per page basis is the Ink Jet. These prints can range from five to fifty cents per page, depending on the device. The cost of one gallon of this ink, if you could purchase it that way, can range up to \$3,200. Manufacturers produce low cost printers to promote the usage of this highly profitable ink. They use the “give away the razor to get the blade business” approach. Businesses have little control of the purchase of these printers since they can be hidden in an office supply purchase.

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Additionally, these ink cartridges cost around \$30 and get purchased around most companies' purchasing systems, making it easy for them to "fall through the budgetary cracks." Most of these types of printers are localized and off the radar of IT departments. Many IT departments see printing as a necessary evil and if it isn't on their network, then it isn't in their purview. When these types of printers break, they get discarded, causing a repeat purchase and a detriment to the environment.

The second most expensive approach to printing a document is a "single function" laser printer. These printers can be localized or put on a network. Although still relatively inexpensive to purchase, IT usually purchases and controls them. When these printers break, they typically get fixed rather than trashed.

The cost per page on most single function laser printers remains in excess of two cents for black and white, and over ten cents for color. In all single function printers, coverage or the amount of ink or toner placed on a page determines the actual cost. HP has run extensive studies that determine the average page possesses a five percent coverage ratio. Obviously, coverage is determined by the type of application is run on a printer.

The final and least expensive cost per page for localized short run printing is the multi-function or "all in one" printer. These units rank as the most expensive to acquire, but typically cost less than one cent per page for black and white and from five to ten cents for color. This type of printer nearly always resides on the network. Pricing per page on these units is determined on monthly volume. The higher the volume, the lower the cost.

Describing a multi-function printer and its functionality usually starts with a glass on top for scanning. Other features typically include document feeders, finishing options like sorting, stapling, hole punching, etc., multiple drawers for multiple sizes of paper, fax capability and email.

These products are feature-rich, sometimes so much so, that companies buy more product than needed. The 11 x 17 paper feature represents a classic example of overbuying. This feature comprises only five percent of the pages produced, yet appears on ninety five percent of multi-function machines. A very costly feature, 11 x 17 requires a larger machine, with a larger glass and engine. It typically adds fifty percent or more to the cost of the equipment.

ON-DEMAND PRINTING

On-demand printing has been around for years and provides printing at an even lower cost. It requires more volume than a typical locally-produced job, but still constitutes a viable option for a medium volume of prints—usually between 100 and 1,000 of the same original. Sometimes, on-demand produces one off or variable printing. This type of printing involves the same original document with slight variations such as names and addresses.

These types of jobs require proofing and delivery, complicating them more than localized printing; whether the job will go off campus or stay local in the company's in-house printing department depends on the size of the company. Many vendors offer on-demand printing, and in metropolitan areas, they usually reside nearby. Localized printers cannot match the quality and price an on-demand printer can produce on a larger project.

OFFSET PRINTING

The oldest and most traditional style of printing, offset still provides the highest quality at the lowest cost, depending on volume. You cannot produce variable printing on offset, and it normally requires a minimum of one thousand or more of the same original to produce product at a lower cost than on-demand. This type of printing requires plate making, proofing, and delivery, and almost always gets done off campus, regardless the size of the company.

MANAGED PRINT

A myriad of ways exist to print documents. Most businesses face a lack of control in managing this output. Most of the outside or off-campus printing is managed through purchasing and can be controlled through a bidding process. Control is lost, however, through local printing. Prints run in every department, on all types of equipment. Ink Jet and Laser Printers produce without any reporting structure. This produces enormous waste in time and money, and inflicts tremendous damage on the environment. Most companies split the purchasing of printers between two departments—single function printers to the IT group and multi-function printers to facilities management. How did this unusual circumstance originate?

Let's go back a few years ago when facilities managers authorized the purchasing of copying equipment. Not that long ago, copiers only copied and did not serve as printers. As they grew more sophisticated, however, the printing feature was added. Most businesses did not change the structure of purchasing when this occurred. Since printers went on the network early on, they became part of the IT infrastructure and were placed under the IT department to purchase and manage. Copiers, meanwhile, did not go on the network, and thus did not fall under IT.

Now the two products have merged, yet most companies have not adjusted the management of their printing process. This has generated stress between purchasing and the IT group. Sometimes the choice is made by IT based on price rather than ease of management. Conversely, IT sometimes chooses printers based on the ease of putting them on the network, rather than the cost of operation. When purchasing printers, either single or multi-function, both considerations should be studied before purchasing. Purchasing and IT should work together to leverage the best of both worlds, reducing cost while saving the IT group time and management hassles.

A managed print provider can improve the process of printing by helping oversee the use of all printers within the business. New technologies can scan networks to find all printers sitting on the network. These scans can find meter readings and network addresses, and sometimes determine coverage ratios and other data. They cannot usually find locally connected printers and they sometimes miss printers that cannot send proper protocol to be seen. Nevertheless, this represents a good place to start in locating printers within an organization.

The next step in the process is the old fashioned "walking the floors." As a MPS provider walks the floors, they can print configuration pages from printers that give detailed information regarding the printers' past. These pages help determine the rate of coverage, number of cartridges used, total meter count, and more.

As the MPS provider walks the floors, they should execute a mapping that shows the locations of all printers. This mapping later serves to determine the best locations for printers, the type needed, and the optimum number. A thorough printing research project should include a meeting with accounts payable to determine the current expenditures for the equipment, service, and supplies. Many multi-function machines get leased, while most single function printers are purchased. Costs should be pulled related to dollars spent on cartridges for Ink Jet and Laser printers, as well as service calls and maintenance contracts purchased by the company.

Once the mapping and data collection conclude, the MPS provider can generate a report on the current state of printing in the company. Some providers charge for this research, while others conduct it for free in hopes of achieving a long-term business relationship with the client. Immediately following this report, a recommendation report should demonstrate a more efficient layout and use of printers. Remember that all printers are not equal. It usually makes sense to distribute the most printing to the least expensive device. However, convenience needs to form a part of the equation, and recommendations should include the needs of the people within the department. Cheapest isn't always best in printing a document.

It only makes sense in choosing a MPS provider, to select a company that can manage the entire fleet. Without having one company in charge, your best interest can suffer when a single function

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printer provider attempts to move prints to these devices, while a multi-function printer provider tries to move prints to their devices. A total management provider should have the company's best interest in mind, moving prints to the most practical devices and improving the bottom line.

A quality MPS provider should provide reports quarterly and recommendations semiannually on ways the company can eliminate or move prints to lower cost devices without causing hardships on employees. These reports should include prints by device and new technologies to control printing, since these technologies continue to improve. A relationship with a MPS provider should require that the provider continually strive to improve printing within your printing environment.

DOCUMENT WORK FLOW

Many people mistakenly confuse document management with the ability to scan and archive documents for later retrieval. Although that represents one small part of document management and certainly saves time and money if ever a document is needed again, it should not be confused with a document management system. A quality document management system should be comprised of the former along with an automated process for moving documents from department to department or workflow on the way to the documents' eventual archival. Archiving can save some money, but allowing a document management system to prioritize who sees documents and in what order provides the single biggest cost savings. Once a document has been reviewed, simply approving and closing it moves it along a workflow process.

Every department within a business possesses documents requiring review at a certain stage. Some departments, like accounts payable and receiving, handle documents that necessitate marrying before paying a bill. Such processes can be automated, thus saving time and avoiding slowing the pace through misplacement of documents. These slowdowns can cause lost payment discounts or interruption in the daily workflow process, leading to staff friction and lost productivity.

When businesses implement a fully automated document management system, they normally find it difficult to quantify savings. At first, they must operate two systems, while the bugs work out of the new one. This causes employee frustration due to the additional workload. Management must remain steadfast through the implementation process, remembering how greatly the long term benefits outweigh any short term pain the new system may cause!

Management should also avoid taking on too much, too fast. Automating one process or department at a time proves a wise course. Most vendors and companies alike lack the manpower to manage simultaneous implementation. Moving carefully while prioritizing the highest needs will ensure a more seamless implementation. Once implementing an automated document management system and operating it for at least six months, businesses can begin to see the enormous value.

Dual monitors provide another huge time and print saver within the workflow of documents. Dual monitors improve accuracy and conserve time for any staff member working with two or more software programs, through reducing toggling between programs. Lacking a second monitor, most people print from one program to add information to another. This practice wastes time and money.

LEGACY FILES

Which documents should a company scan into the new document management system? Many businesses take the "from this point forward" approach. It eliminates several unwelcome processes: having to determine which old files to scan, perhaps hiring an outside company to orchestrate the scanning, and paying to scan the files. Not scanning the old files reduces the initial value of immediate retrieval and the cost savings for no longer-needed file cabinets and old boxes. A cost analysis can determine the value of legacy file scanning.

DISASTER RECOVERY

Retrieving needed documents with a few keystrokes delivers one of the great benefits of electronic archiving. This holds true in case of disaster. With a well planned backup system, traditional paper files otherwise destroyed by fire or natural disaster return on line in no time. As many businesses have found out with the increase in hurricanes and other acts of God, electronic file storage can save a business and careers.

ENVIRONMENTAL IMPACT

You can profoundly impact the environment when optimizing document workflow, particularly through reducing the amount of prints or copies. Following are a few important facts about printing:

- Each employee prints an average of six wasted pages per day
- Forty five percent of printed paper winds up in the trash
- Americans annually throw away enough paper to heat 50 million homes for twenty years
- Rather than recycling print cartridges, Americans dispose of eight cartridges per second
- One print cartridge requires 3.5 quarts of oil to make
- Recycling one cartridge four times saves 3.5 pounds of solid waste from going into a landfill

Designing a document management system that improves paper usage allows your company to help save the environment, while saving your own time and money.