

Is Paperless *Really* The Answer?

If you are looking to get rid of your paper more quickly, simply buying a faster scanner won't help you. You're going to have to dig a little deeper than that.

Compiled by Vicki Amendola, editor of ECM Connection

Hey! We're going paperless!" Yeah, right. And I've got a big bridge that I'd like to sell you, too. The paperless battle cry has lost its effect for most audiences, and rightly so. For the most part, we create more paper in our society today, not less. The good news, however, is that we have been able to take some of the paper-handling load out of some of our most labor-intensive processes, such as in AP (accounts payable) and claims processing. The continued evolution of document scanning and capture technology has seen to that.

In a recent conversation I had with Mark Messier, product specialist at OPEX, we were discussing the digital mailroom concept and the discussion took a brief sojourn into the realm of scanning technology. I thought I'd give you some insight by sharing a few of Mark's thoughts with you. It helps us to see that going paperless isn't truly what we are after. It's simply leveraging technology to make our paper work for us, rather than against us, in the most efficient way possible.

Q: IS THE BUSINESS WORLD EVER GOING TO BE TRULY PAPERLESS?

Messier: When I accepted my first job in this industry in 1983, I was warned that it would likely be a temporary thing because — as I was assured — we were becoming a paperless society and there would be no reason for scanning. Makes you want to ask, "How's that going?"

Over the intervening years we have certainly made more attempts to go paperless than at any time since the stone tablet, but the fact is that we are still converting mountains of paper into digital images at an astounding rate and will continue to do so for years to come. As always, there have been changes to what we scan and for what reasons. With continuous improvements in technology, the evolution and commoditization of scanners, and improvements in data recognition software, the breadth of document types that can be scanned and classified has expanded. However, other formerly high volume paper sources have diminished; paper checks being one example where we have seen a steady drop in volume in recent years. Additionally, with the advent and wide use

of email and other electronically sourced documents and the proliferation of web-based commerce, the amount of paper that will need to be scanned will surely continue to decline, even though that decline may be mitigated for some time as we continue the task of converting all the old back files that fill warehouses, closets, and other storage facilities.

Q: IF THE GOAL IS FOR A COMPANY TO INGEST CONTENT AND INFORMATION QUICKER, WHY NOT JUST PURCHASE FASTER SCANNERS?

Messier: Scanning, particularly in a mailroom environment, is not typically a singular event. It is a process that starts with opening an envelope, continues with document prep and, downstream processing notwithstanding, culminates at the scanner. The idea that substantial efficiencies can be gained by buying a faster scanner is a false economy. This is proven daily in practically any scanning facility. Let's look at an example. Say, for illustration purposes, that you have a volume of mail that takes 50 labor hours to open and prep, and takes 8 hours of scanner time to consume at whatever speed your scanner operates. Along comes a scanner vendor who says his scanner is twice as fast as yours so, excited at the prospect, you buy it. Now you prep for 50 hours and scan for 4. Not saving much, you buy another at twice that speed; now you prep for 50 hours and scan for 2. You can see where this is going. If someone builds a million-page-per-minute scanner, unless you do something about the prep, you really aren't going to save much time at all. This is something we have recognized



Moderator:
Vicki Amendola,
editor,
ECM Connection



Guest:
Mark Messier,
product specialist,
OPEX Corporation

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and addressed here at OPEX; if you're not doing something to reduce prep, a faster scanner will neither save you money nor get your work done any faster.

Q: IF FASTER SCANNERS ARE NOT THE ANSWER, AND DOCUMENT PREP IS, HOW CAN A COMPANY BREAK DOWN AND UNDERSTAND THEIR PREP REQUIREMENTS?

Messier: Well, actually, document prep is not the answer. Reducing or eliminating document prep is. In most situations, document prep is lost labor. There is no value, just hours of work to get paper ready based on the needs of the scanning device, rather than the needs of the business.

The first step to understanding your prep requirements is to realize that you have a problem! In most cases, if you ask the scanning manager about prep, they will tell you there is no problem at all. Prepped work magically shows up at the front of their scanner and off they go. If you ask the operations manager, they will shrug and tell you it's just the cost of doing business, explaining that if you want to scan, you have to prep, nothing much to talk about. So to understand the issue of prep you have to go back further in the process to understand exactly what takes place with the paper. Just a few questions to ask:

- How does the paper come to you? Is it delivered by the post office? Inter-office mail? In banker boxes or just a stack of file folders?
- How many people touch it before it is scanned? Does it go from department to department? Desk to desk? Person to person?
- What do you have to do to it? Do you open it? Remove staples? Tape torn pages? Sort it into batches? Log it? Copy small items or tape them to larger pages? Stamp received dates? Stage it for scanning? In fact at OPEX we have identified roughly 25 prep activities to date.
- Is there a different scanner that can help mitigate this prep?
- Why you do all of these tasks? Do you perform all these steps for the business? Or are you performing them to match the capabilities of the scanner?

Just as importantly, you need to understand how much time you could save if you eliminated some, or better, most of these steps. How much more efficient could you be and how much better could you serve your customers if you changed the process? What higher-value purpose could you use your document prep employees for? And perhaps overarching all of this, you have to overcome the granddaddy of all objections. "But that's how we've always done it!"

Q: HOW CAN A COMPANY DETERMINE WHAT THE CORRECT SCANNER SPEED OR CAPACITY IS TO PROVIDE EFFICIENCY?

Messier: This is dependent on a few things. The volume and nature of the work will definitely make a difference. For example, whether the work comes in at a steady pace or if there are significant periodic peaks. Such things as SLAs (service level agreements) that are in place also can weigh in on the matter, as in does the incoming work have to be finished same day, or can there be carry-over? The specific document makeup also has a very important role in this. Is it clean, like-size paper, or are the documents of intermixed size and weight? Are there envelopes involved? Are documents typically folded or stapled? If your documents are all the same size, then a center feed scanner can work, but if your workload consists of mixed size documents, an edge guided feeder will work better. You also need to consider how small or large of a document the scanner transport can accommodate? All these factors and more determine the best device and how much or little prep may be required.

Figuring the speed of scanner needed often comes down to the rate of prep versus the scanner consumption. In a multistep process, as we have discussed before, keeping a piece of capital equipment running efficiently means putting enough staff in front of it in prep to keep a constant flow of documents streaming through. However, throwing more staff at the task means that, although prep may be finished earlier, you will be using the same amount of labor hours to create a stack of work to be scanned when the scanner catches up. On the other side of the labor argument, put too few folks out in front in the prep process and you may starve the scanner for work or not finish in accordance with your SLAs. It's quite an expensive balancing act.

In a one-step process, one that we advocate, the equation is much simpler. One person opens, preps, and scans. Once you know the rate at which they can perform those tasks, then it's just a matter of simple math to determine what is required for a given volume and given SLA. You can also then determine what savings can be realized over the multistep processes outlined earlier.

Q: WHAT FACTORS SHOULD A COMPANY EVALUATE TO DETERMINE WHETHER A DISTRIBUTED OR CENTRALIZED SCANNING SOLUTION SHOULD BE PURSUED?

Messier: When I am discussing this with potential clients I ask them a question, "How many workflows do you think you have in your company?" Now, after they roll their eyes and the count



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gets higher, I tell them to stop, as it's a trick question. Then I explain to them this answer — when you boil it down, there are only two fundamental workflows in any business. There is a physical workflow, which includes all the mail, paper, packages, and folders that move throughout the office, and an electronic workflow, which includes all the email, faxes, images, and data that stream through a modern business. Since the goal is to kill the paper and digitize it, or kill it at the point of entry, it only makes sense to centralize it to a single point. Logically this leads to the digital mailroom concept.

Q: WHAT IS YOUR OPINION ON WHAT THE FUTURE OF SCANNING WILL LOOK LIKE?

Messier: We have just about run the gamut on the various technology features that make an impact during scanning. Over the years we have seen scanners go from bitonal to grayscale to

full color; serialization, from stampers to multiline ink jets. Image enhancement is ubiquitous. We scan at resolutions that now are approaching the ridiculous; 600 dpi and climbing. The differentiators between most scanners have diminished to a point where all most vendors talk about is going faster or making bigger images. Going faster is a false economy and going bigger just because you can, well that's not really gaining anything for the user, either. What is really needed is a holistic approach to the scanning event. This is where the digital mailroom will start to reach its full potential — receive, open, scan, classify, and distribute...done.

I think that the recentralization of scanning is a trend that will continue for the foreseeable future. Distributed scanning has its place but the idea of the digital mailroom, consolidating imaging at the point of entry, is gaining momentum as an idea whose time has come. ■

