

Document imaging: no high-tech panacea

A number of organizations have replaced paper records with electronic document imaging systems, but not all have achieved the time and space savings that were anticipated



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Even after the burst of the “dot-com” bubble last year, there is still a fascination with document technology in the business world. Some of the more outrageous expectations of technology have been tempered, but many records managers still pursue a 20-year old vision.

The quest for the paperless office has led many organizations to consider a technology known as document imaging. Document imaging involves scanning paper documents to convert them to a digital format. The digital version of the document can then be used in a computing environment in much the same way as any other electronic object. It’s a wonderful vision. But is it a vision or a hallucination?

Studies have shown that only about one third of deployed imaging applications were considered by end users to deliver the intended results. There are three main reasons for this:

- Lack of a thorough requirements analysis;
- Lack of a sound business case; and
- Inaccurate or incomplete systems specifications.

The desire to save space

How can you learn from the mistakes of others?

The first issue is to define the objective of your imaging system. As a fa-

cilities manager, you will be tempted to say that your objective is to save space. After all, scanning all of that paper into the computer will free up a lot of costly floor space. But, before you act on that thought, consider the following.

Imagine a typical filing cabinet. That cabinet occupies about ten square feet of floor space, all things considered. For the sake of argument, let’s assume you’re paying \$15 per square foot per year. That means that our filing cabinet is costing us about \$150 per year in terms of floor space.

Now, let’s assume we decide to scan

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the contents of that same filing cabinet. A four drawer cabinet that is full of paper contains about 12,000 pages of information. To scan 12,000 pages at fifteen cents per page will cost you \$1,800. So, the payback on that scanning effort will be \$1,800 divided by \$150 per year, or twelve years.

Since most records have a retention period of less than ten years, and become inactive in less than two years, this is hardly a promising investment opportunity. Remember, as well, as we discussed in a previous article entitled “Hard Dollar Savings” (*CFM&D*, April 2001, page 8) there are lots of simpler ways to reduce the space occupied by paper records.

Executive viewpoint

Electronic document systems are often proposed as ways to save space and time, since they can compress large amounts of information into compact equipment. However, they are not always cost justifiable, because of cost per square foot occupied by filing cabinets and the time needed to index the information.

The hope of less time

But perhaps saving space is not your objective. You may be planning to justify your imaging system on the basis of saving clerical time. The problem with that argument is that it will usually take more, rather than less, clerical time to manage a document imaging system. The reason is that every document scanned into the system must be meticulously indexed.

In the paper world, we usually index file folders, not individual documents. Then, we flip through the file folder to find the document we need. In the electronic world, we need to locate the individual document in what amounts to a digital haystack. In most cases, the indexing required in an imaging system actually increases the clerical time associated with managing records.

The place for imaging

Is it impossible to cost justify an imaging application? Not at all. There are many highly successful imaging installations in place around the world. What makes them successful is that they are aligned with the business objectives of the organization. By carefully planning how the system can improve business processes to deliver specific business goals, many organizations use imaging to give them a strategic advantage. The difference between success and failure is in doing your homework.

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