PayStream
ADVISORS

2016 Enterprise Content Management Report

Strategically Managing Important Business Information with Enterprise Content Management Software

Q3 2016 | Featuring insights on...

» Current Trends in Data Management Among Organizations

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Underwritten in part by

kwiktag®
by imagetag

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Introduction

The amount of information that a company must manage, in many formats and from different sources, can be staggering. Properly managing this data is a challenge for companies of all sizes and industries, but it is vital to ensure the integrity of sensitive company information. Many organizations strive to improve document management with strategies that support collaboration between departments, and with document archival that meets the standards of government and industry regulations.

Enterprise content management (ECM) technology is a strategic tool used to capture, store, and manage important business content in a secure digital environment. ECM offers document management and workflows that facilitate meaningful collaboration between organizations' back-office departments. ECM solutions also allow organizations to build uniform methods for handling a variety of content—reducing data errors, improving communication, and enhancing decision-making related to important business processes.

Many ECM solution options exist in today's market, and it can be difficult to differentiate between each solution. This report explores leading ECM functionalities and provides a guide to help organizations make educated decisions.

An Overview of ECM Software

The History – While ECM software is a relatively new category of back-office management software, it is a derivative of electronic document management systems (EDMS) created in the 1980s. Early EDMS systems comprised tools for document imaging, workflow, management, and retention. They were usually built for small-scale implementations, often with separate instances for each different back-office department. The initial goal of these tools was to get rid of paper and securely store business information. EDMS solutions were eventually applied to a broader range of business process needs, until new versions became more holistic and department-agnostic.

The term ECM was used in the early 2000s to describe a more integrated EDMS system—one that could apply to many different data types, departments, and processes. ECM software is defined by the Association for Information and Image Management (AIIM) as "the technologies used to capture, manage, store, deliver, and preserve information to support business processes."[1] Today, ECM solutions help organizations to do more than merely getting of rid of paper and storing electronic documents—they can now access and collaborate on content of all types in order to meet important business objectives.

The Use Case – While financial process solutions primarily manage structured and semi-structured documents, such as invoices, POs, and receipts, ECM software extends to many other types of semi-structured and unstructured data, including photos, videos, webpages, slide deck presentations, blog entries, Word documents, and emails. The ability to manage diverse data enables organizations to manage and store content in non-traditional document formats, and allows them to receive and manage more content from outside sources. As more organizations and systems are leveraging the web in daily business operations, the ability to properly intake and manage web-based data is increasingly important.

ECM solutions can manage documents at a both high level and granular level. These systems can manage documents for multiple business processes, including HR, AP, AR, expense reporting, and even customer-facing processes. Within these processes, the system can

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[1]Kampffmeyer, Dr. Ulrich. "Trends in Record, Document and Enterprise Content Management." PROJECT CONSULT. 2004. Accessed July 19, 2016. http://www.project-consult.net/Files/ECM_Handout_english_SER.pdf

support things like application processing, insurance claims, patient charts, loan documents, employee onboarding, customer service reports, and tax documents. ECM solutions can be used to send documents back and forth within one department, or more holistically with routing between departments and individual employees.

ECM systems are also valuable for their document archival abilities. The solutions organize data in secure document libraries, and keep track of documents' histories with audit trails. The ability to securely store a variety of business information is very beneficial to companies working to comply with ever-changing government and financial regulations.

The Challenges and Benefits – Organizations adopt ECM systems to increase overall efficiency and control in their back offices. These companies are motivated by the high costs of inefficient, manual-based processes. PayStream's research shows that most North American businesses are still heavily dependent on paper in their back offices. When AP professionals were asked to allocate by percentage the amount of invoices they received in various formats, paper was the most-used format, see Figure 1.

- Paper — 50%
- Email — 30%
- Fax — 4%
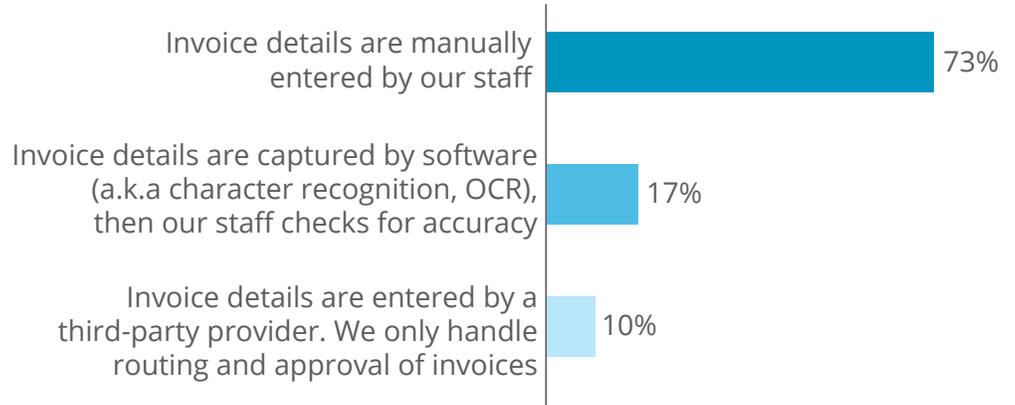- EDI/XML — 8%
- Web Upload/ Supplier Portal — 8%
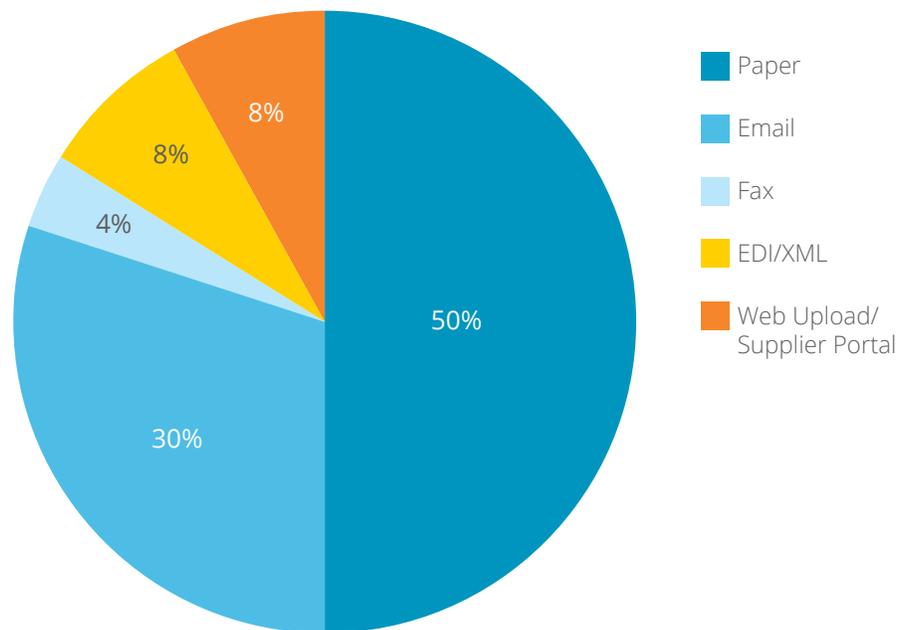
Paper-based processes are also common in expense reporting, payables, and HR processes. PayStream has also found that the majority of organizations' traveling professionals juggle paper receipts and expense reports to report their travel spend, and that most organizations still pay the majority of their payments with checks.

When organizations do try to input paper-based data into their system, most are entering information manually, see Figure 2. This process is time-consuming and prone to human error.

Invoice details are manually entered by our staff — 73%

Invoice details are captured by software (a.k.a character recognition, OCR), then our staff checks for accuracy — 17%

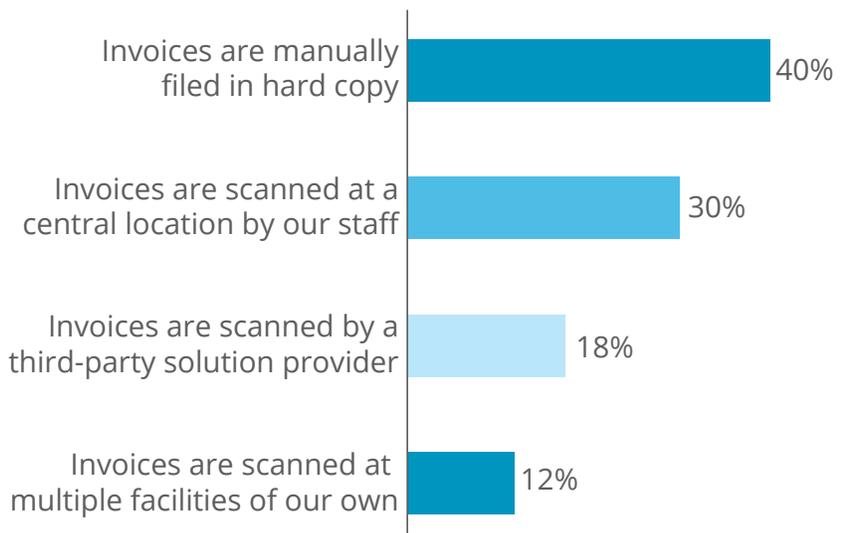Invoice details are entered by a third-party provider. We only handle routing and approval of invoices — 10%

Many organizations do not enter invoice information at all, instead filing records as hard copies, see Figure 3. When important business documents are stored in filing cabinets or in individual employees' offices, employees must sometimes spend many unproductive hours tracking them down, and these items are subject to loss or theft. When documents are manually entered into a computer, most organizations do not have an efficient way of organizing the data, with documents spread across multiple systems or on many different individuals' computers. This can make search and retrieval almost as time-consuming as when files are stored in their paper format. A disorganized storage system also makes regulatory, tax, and industry compliance much more difficult, and in the event of an audit, organizations run the risk of major legal fines.

Invoices are manually filed in hard copy — 40%

Invoices are scanned at a central location by our staff — 30%

Invoices are scanned by a third-party solution provider — 18%

Invoices are scanned at multiple facilities of our own — 12%

ECM solutions reduce processing costs by eliminating paper, manual data entry, and lengthy, manually-driven workflows. They increase efficiency and facilitate more strategic allocation of back-office labor, and provide secure digital storage for important business documents, with extensive audit trails for compliance with governmental, financial, and industry regulations.

ECM solutions go far beyond simply managing AP, HR, expense reporting, and other financial documents—ECM also serves as a single repository for all content, collecting the information within a uniform structure. This method reduces issues of inconsistent or redundant data, and greatly improves an organization's access to necessary information. In all, ECM allows companies to control their information according to their specific business needs, with full transparency and security throughout their many departments and processes.

Today's Leading ECM Features

Today's ECM solutions come with many features, but most systems provide the following basic tools.

Data Capture

ECM uses data capture software to automatically extract content from paper documents or electronic files and input it into the system for management and storage. This process also involves organizing data using a consistent structure, which allows the system to manage content from a scanned invoice or employee application just as efficiently as from a slide deck presentation or email. There are many data capture technologies; among the most common are Optical Character Recognition (OCR), Intelligent Capture Recognition (ICR), Handprint Character Recognition (HCR), Optical Mark Recognition (OMR), and barcode recognition.

Data capture technologies are leveraged to process both manually-generated items (paper, photos, emails, etc.) and computer-generated items (EDI, XML, etc.). For manually-generated items, many ECM providers supply their clients with physical scanning hardware or a software plug-in that connects to their own scanning machines. ECM solutions also offer forms processing, which enables organizations to capture data from electronic files such as web-forms, e-forms, e-billing, EDI, and XML.

After data is extracted, the solution typically cleans up the scanned image and stores it along with the extracted data. The ECM system aggregates extracted information from all sources and inputs for indexing. Indexing and categorizing lead to better storage, search, and retrieval. Indexing is performed by users, or automatically by the system, depending on the solution's capabilities.

Document Management

Document management identifies certain characteristics and qualities of a document: What purpose does this document serve? To which department should it be sent? What user should see, edit, and approve it? How should the file be stored? Most documents in an ECM system are either active or passive. Active documents, which

could be employee applications, legal documents, and in some cases open invoices, are sent along a workflow route to different users for review, editing, completion, or approval. Passive documents are typically entered and stored with the system's retention and records management tools, and generally do not require extensive routing. An efficient document management system should give organizations full control over and visibility into where the document is routed, and should provide tools like version control, searches, and customizable organizational structures.

Workflow functions in ECM solutions, often leveraged as a business process management (BPM) tool, allow organizations to transcend traditional department, process, and system barriers to share documents and work on projects. Collaborative and groupware tools are key elements for managing active documents, allowing professionals in many different roles to take part in the documents' lifecycles, assign tasks, reroute documents, and view audit trails. Most ECM approval workflow capabilities include alerts, reminders, and escalation procedures that ensure necessary actions are taken in a timely manner.

ECM workflows are also highly configurable; they are built to adapt to an organization's existing approval hierarchies and enable complex routing. During and after initial setup of a solution, organizations can easily adjust workflows according to their own business rules, legal requirements, and document specifications. Advanced solutions facilitate this customization through visual workflow editors with detailed process flows and drag-and-drop functionality.

Storage and Preservation

Document archival provides companies with an organized, manageable environment for any business data they wish to store. This component is sometimes referred to as records management; one of the primary purposes is to securely store critical business records that apply to regulatory, legal, and industry compliance.

The ECM solution should offer a flexible archival framework that is compatible with different storage technologies (e.g., hard drives, CDs, cloud), and maintains a records retention schedule. Some ECM solutions also offer features for digital asset management, which is a tool specially tailored for storing and managing a company's digital media files. The ECM provider should also offer robust system security to protect against breaches, fraud, and loss of sensitive information.

Search and Retrieval

Sometimes referred to as library services, this function facilitates the ability to search and collect documents using advanced search methods, check in and check out documents, run version comparisons, and view audit trails. These searches and features should also be subject to role-based access controls. For example, in most cases, it would not be appropriate to allow a customer service representative to retrieve a sensitive legal or financial document normally exclusive to executive members of the company. In addition to retrieval, the ECM solution delivers documents in the formats of the users' choice, such as XML, email, or PDF.

Some ECM providers offer additional modules, including special support for email management and content and analytics tools for researching stored data. These are usually offered natively or through a third-party integration. Some of these leading functionalities are further outlined in the following section.

Buyers' Guide—Picking the Winners

In order to differentiate between the many available ECM solutions, PayStream has provided a brief list of considerations that organizations can leverage in their solution search, highlighting aspects of technical applicability and leading features.

When selecting an ECM solution, organizations should ask...

How far does the system reach? Leading ECM solutions are compatible with web-based business operations by integrating with online platforms. Some ECM solution providers offer a content management system (CMS) module with their solution, either natively or through a partnership with a standalone CMS provider (e.g., Wordpress). CMS allows organizations to manage the content on their websites and online portals (both employee- and customer-facing). It supports online access and collaboration between users, and some of its key features include web content editing systems with templates, version tracking, workflow, and web design features for creating website tools. By leveraging a CMS system with an ECM solution, an organization has more holistic control of both its internal and online company data.[1]

Social content management is a special module that is used to better manage a company's use of interactive web platforms. This module allows the ECM solution to integrate with social platforms to monitor online document creation, providing collaborative authoring workflows and administrative features. This integration gives organizations more control over content published online, minimizing the risks that come with sharing company information in informal online environments.[3] Social content tools are available natively or through third-party partnerships.

How advanced is the data capture technology? Whether data capture is offered natively or through a partner, the level of technical capability should be carefully considered. Leading ECM providers offer a variety of data capture technologies to transform as much data as possible into a consistent, usable format. Some providers guarantee

[2]Ibid.

[3]Miles, Doug. "Managing Social Content- to Maximize Value and Minimize Risk." AIIM. 2011. Accessed July 20, 2016. http://www.aiim.org/pdfdocuments/MIWP_Manage-Social-Content_2011.pdf.

data capture accuracy rates, or provide an intelligent technology that can adapt to repetitive forms in order to increase its accuracy rates over time. Some data capture technologies can also read data in multiple languages. These tools can often be installed on desktops for each department to use, or in an organization's mail processing room for a more centralized method.

Some leading ECM providers offer mailroom services for organizations that want to outsource their document management and data extraction process. Business documents are mailed to a centralized location and processed with advanced data capture technology. In some cases, mailroom operators conduct double-blind keying, a process that involves multiple operators surveying the same document to ensure the extracted data is correct. This can often deliver the same accuracy level guarantees as a plug-in data capture tool. In all, the more services and technology the solution provider offers for extracting and processing content, the smoother the long-term management of that content will be.

Are the solution's extra components native or through a partnership? If the system doesn't have a tool, is the provider willing to create it? Not all ECM providers offer native modules for leading ECM components such as CMS or social content management. Many providers partner with leading third-party developers to bring clients these services, while others work with clients to create custom tools specific to their needs. It is important for organizations' IT teams to measure the technical flexibility of both the provider's and partners' systems, and also to evaluate the provider's willingness to adjust their own solution to the clients' existing systems.

How does the system make information accessible to existing systems? Leading ECM solutions will seamlessly integrate and coordinate with organizations' other business process systems. Some ECM solutions provide access to information through independent desktop clients, while other solutions integrate directly with existing applications so that users do not have to leave the solution they're working in for ECM services and data retrieval. Depending on an organization's plans for the ECM solution, they should evaluate a provider's integration capabilities to determine if it fits with both their IT environment, and their workforce needs. For some organizations with highly mobile workforces, another important consideration is whether the provider offers a mobile version of their solution.

How strong is the data security? The strength of an ECM solution's security measures are vital for preserving the integrity of a company's information, and organizations should be diligent in their search for a provider that makes security a priority. Providers should conduct regular system audits, and should have multiple security certifications and partnerships with outside security and compliance experts. Some additional security controls within the solution itself can include electronic signature integrations, data encryption for content in transit (SSL/TLS) and in storage, and roles-based access controls.

Is the provider experienced and versatile? It is just as important to look at an ECM provider's track record as it is to look at their solution. Organizations should evaluate the provider's versatility by reviewing their experience with the organization's own business type, industry vertical, geographic location requirements, and company size. They should also measure the solution's ability to integrate with different financial system/ERP systems, and whether it offers support for several different languages and currencies—if applicable. Organizations should also review a provider's implementation agendas and average timelines, training methods, and support programs offered both during and after implementation. By judging the provider by these holistic elements, an organization will increase the likelihood of an open, successful relationship with the provider—and a smoother transition from manual to automated information management.

In all, ECM adopters should not settle for a solution that is not perfectly suited for their specific business and industry needs. Organizations should work to find a provider that is flexible and capable in order to ensure the long-term success of their information management.

To further aid in the selection process, the following profile highlights the features of one of today's leading ECM solution providers.

ImageTag

ImageTag is as a document management and business process automation solution provider for the mid-market. The company first offered its ECM solution in 1997, later adding ERP system integration and workflow automation to its core capture platform, KwikTag. Today, KwikTag provides ImageTag customers with a holistic system for managing document processes across their entire organization. The KwikTag solution includes several advanced tools for capturing, storing, and searching for documents, and for routing using dynamic workflows for any necessary reviews and approvals.

Founded	1997
Headquarters	Tempe, Arizona
Other Locations	Tucson, AZ and Fort Lauderdale, FL
Number of Employees	50
Number of Customers	1,000 companies; 120,000+ business users globally
Target Verticals	Healthcare/Insurance, Financial Service, Manufacturing, Restaurant and Food Service, Construction, Professional Services, Sports and Entertainment, Education and Government, Non-Profit
Partners / Resellers	Tribridge, SBS Group, Socius1, RSM
Awards / Recognitions	Microsoft Silver Partner, 9 Patents; Previous: Microsoft Partner of the Year Finalist

Solution Overview

KwikTag integrates directly with Microsoft Dynamics GP, NAV, SL, and AX through ImageTag's ERP connectors, allowing customers to tag, view, search for, and retrieve any document that has been captured by KwikTag from within their own system. The solution is offered on mobile devices through the KwikTag Anywhere client, a responsive design application. The system also integrates with Microsoft Office and Office 365, enabling users to leverage the system for collaborative internal activity.

KwikTag provides security at multiple levels, including user authentication, site and drawer level permissions, and file-specific access. All security is handled with Active Directory-driven control settings and single sign-on Windows authentication at the user level. KwikTag's security measures enable compliance with SOX, HIPAA, and other financial and corporate regulations.

KwikTag is designed to accommodate a variety of back-office document lifecycles, including those for accounting, expense management, and supplier or employee onboarding, and it can be tailored to meet the needs of any additional business process. These applications are found in ImageTag's catalog of KwikApps®, which are packaged and semi-packaged workflow applications designed to automate a specific process for any department (e.g., Payables Automation, Expense Management, Corporate Forms Automation, Employee HR Files). The system also offers a role-based client strategy, providing different client experiences for different roles and activities.

In order to input customers' documents in the system, KwikTag facilitates batch scans using full OCR capability, as well as add-on products and services that perform intelligent capture (Zonal OCR) with auto-learn capabilities. The intelligent capture tools decrease the occurrence of low-confidence character recognition over time, in some cases reaching capture accuracy rates of up to 99 percent.

Once documents are in the system, KwikTag Workflow allows customers to route them across many different departments and roles. The solution supports mobile email approvals to accelerate the process, as well as automatic escalation routing. KwikTag enables users to update workflows in real time with its Workflow Assignment Matrix Management tool.

The KwikTag system has a flexible repository that allows documents to be archived outside of the KwikTag server on distributed customer storage systems. Built into the KwikTag system is a sophisticated Document Lifecycle service that enforces retention and archiving rules based on document type.

KwikTag provides a number of methods by which users can search and retrieve documents. Document search comes by way of KwikTag Global Search, which is an advanced search function offering everything from simple text queries to proximity searches.

Because document metadata is stored in ImageTag's relational database, customers' documents are linked to each other via common field values. KwikTag allows users to retrieve a document and all related documents in the system, grouping them together in "Cases" for a broad view of a common area of interest. One example of this is an Employee Case, where all documents related to an employee are grouped together, making the navigation experience simpler for the employee, payroll, and HR.

The KwikTag system also supports the full digital asset lifecycle, including creating, managing, distributing, retrieving, and archiving digital assets. The company's professional consultants work with customers to recommend best practices and tailor solutions to meet their digital asset management needs.

Implementation and Pricing

The average implementation of the KwikTag solution typically runs between 2 and 3 months, depending on the customer's schedule and availability. ImageTag offers hands-on administrator training and video tutorials during implementation, as well as hands-on power user training.

After implementation, customers receive unlimited technical support via a dedicated US-based support team. They also have access to a dedicated Technical Account Manager (TAM) and proactive server maintenance for an additional fee. ImageTag's pricing structure varies between on-premise and SaaS implementations.

About PayStream Advisors

PayStream Advisors is a technology research and consulting firm that improves the way companies plan, evaluate, and select emerging technologies to achieve their business objectives. PayStream Advisors assists clients in sorting through the growing complexities of IT applications related to business process automation with the goal of making objective, analytical, and actionable recommendations. Wherever business process automation technology is an issue, PayStream Advisors is there to help. For more information, call (704) 523-7357 or visit us on the web at www.paystreamadvisors.com