AIIM Market Intelligence

Delivering the priorities and opinions of AIIM's 80,000 community

Industry Watch

Paper-Free Progress:
measuring outcomes

Executive Summary

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As the non-profit association dedicated to nurturing, growing and supporting the information management community, AIIM is proud to provide this research at no charge. In this way, the entire community can leverage the education, thought leadership and direction provided by our work. We would like these research findings to be as widely distributed as possible. Feel free to use individual elements of this research in presentations and publications with the attribution – "© AIIM 2015, www.aiim.org". Permission is not given for other aggregators to host this report on their own website.

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Hopkinton, MA 01748
Tel: 800-607-9546 or
+1 925-600-5802
Web: www.emc.com/ecm

ibml
2750 Crestwood Blvd.
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Email:sales@ibml.com
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Laserfiche
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Long Beach, CA 90807, USA
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Sales Tel: (562) 988-1688 ext.197
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OPEX Corporation
305 Commerce Drive
Moorestown, NJ 08057
Sales Tel: 856-727-1100 ext.2311
Email: tosman@opex.com
Web: www.opex.com

Papersoft
Rua Basílio Teles, Nr 35, 4º
1070-020, Lisboa, Portugal
Tel: +351 218 367 020
Email: hugo.pacheco@papersoft-dms.com
Web: www.papersoft-dms.com

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Swiss Post Solutions AG
Pfingstweidstrasse 60b
8080 Zürich
Switzerland
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Process Used and Survey Demographics

While we appreciate the support of these sponsors, we also greatly value our objectivity and independence as a non-profit industry association. The results of the survey and the market commentary made in this report are independent of any bias from the vendor community.

The survey was taken using a web-based tool by 430 individual members of the AIIM community between August 14, 2015, and September 02, 2015. Invitations to take the survey were sent via e-mail to a selection of the 80,000 AIIM community members.

Survey demographics can be found in Appendix 1. Graphs throughout the report exclude responses from organizations with less than 10 employees, and suppliers of ECM products and services, taking the number of respondents to 365.

About AIIM

AIIM has been an advocate and supporter of information professionals for 70 years. The association mission is to ensure that information professionals understand the current and future challenges of managing information assets in an era of social, mobile, cloud and big data. AIIM builds on a strong heritage of research and member service. Today, AIIM is a global, non-profit organization that provides independent research, education and certification programs to information professionals. AIIM represents the entire information management community: practitioners, technology suppliers, integrators and consultants.

About the Author

Doug Miles is Chief Analyst at AIIM. He has over 30 years' experience of working with users and vendors across a broad spectrum of IT applications. He was an early pioneer of document management systems for business and engineering applications, and has produced many AIIM survey reports on issues and drivers for Capture, ECM, Information Governance, SharePoint, Mobile, Cloud, Social Business and Big Data. Doug has also worked closely with other enterprise-level IT systems such as ERP, BI and CRM. Doug has an MSc in Communications Engineering and is a member of the IET in the UK.

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AIIM The Global Community of Information Professionals
1100 Wayne Avenue, Suite 1100
Silver Spring, MD 20910
+1.301.587.8202
www.aiim.org

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Introduction

For more than 25 years, AIIM has advocated the reduction of paper in business, initially to save office space and improve records retrieval, but in the past 10 years more focused on removing paper from business processes in order to improve productivity, accessibility and compliance. Despite the widespread acceptance that reducing and removing paper is a best practice, there is a huge difference between the best performers and the laggards. Piles of paper contrast with clear desks, post bags and delivery vans contrast with mobile capture, warehouses full of boxes contrast with electronic archives, and forms-based processes contrast with automated workflows.

Even amongst those who have transformed their back-office processes, there is still much work to be done to capture multi-channel customer communications and unify front-office response. The early movers in digital mailrooms and mobile capture are achieving strong competitive advantage by capturing as close to the origin as possible. Meanwhile, the efficiency, effectiveness and resilience of all offices could be greatly improved by removing those legacy hiccups of approval signatures and mark-up copies that still cause paper to pile up on the desk.

In this report, we take an in-depth look at the amount of paper in the office, the impediments to removing it, the take up of digital mailrooms and multi-channel capture, and the increasing exploitation of mobile and cloud. Above all, we look at the progress towards paper-free processes, the triggers and decision-making processes, and the issues, benefits and ROI.

Key Findings

Paper in Processes

- **Paper in the Office-only 17% of respondents work in what could be described as a paper-free office.** 31% admit their office is piled high with paper documents and paper processes. 40% still use paper for filing "important stuff", and 56% are wed to signatures on paper for contracts and order forms.
- **20% report that their consumption of paper is increasing; but for 49% it is decreasing, including 11% where it is decreasing rapidly.** This 2015 net of 29% compares with 23% net in 2014 and 3% net in 2011.
- **55% report that paper flowing through their processes is decreasing including 12% rapidly decreasing.** With 20% increasing, this net of 35% compares with 21% in 2014 and 21% in 2011.
- **The number of organizations actively looking at every process for paper elimination has grown from 9% in 2014 to 16% in 2015, including just 3% who feel they have reached the limit.** 36% feel they are making good progress, with just 7% sticking with paper processes – down from 11% in 2014.
- **Lack of management initiatives is given equal weight to staff preferences (49%) as the reason there is still so much paper around.** 39% feel there is a general lack of understanding of paper-free options.

Capture

- **41% are using OCR in some form. 23% are capturing process data including 9% using intelligent/ adaptive workflows.** 16% are not using OCR, but workflow flat images, and 18% scan primarily for archive.
- **The biggest driver for scanning and data capture is improved searchability and sharability (53%).** Higher productivity, reduced storage space and faster response are all key drivers. 27% have an environmental policy to reduce paper usage.
- **40% of organizations report that more than half of their invoices are now delivered electronically - but 35% agree that most get printed anyway.** 31% agree that most of the paper documents they retain are only there for the signatures, and that most of the documents they scan are unchanged from printer to scanner.

Digital Mailroom and Multi-Channel Inbound

- **26% scan in advance of the process, including 7% using a digital mailroom and 11% with multi-channel capture.** 22% scan to archive after the process – much more so in North America (26%) compared to Europe (10%) where digital mailrooms (10%) and multi-channel (14%) are more popular.
- **A hybrid of centralized and distributed is the most popular digital mailroom scenario (40%), with a further 25% using only centralized floor-standing scanners.** Faster turnaround to customers (54%), improved mail productivity (48%) and improved data capture quality for downstream processes (41%) are given as the biggest benefits.

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- **40% admit that they deal with multi-channel content in an ad hoc way. 35% are likely to print electronic inbound and process as paper.** 32% deal with paper and electronic through the same workflow, but just 3% have a comprehensive multi-channel system across paper, electronic and social.

Process Optimization and Workflow

- **In 40% of organizations, line of business heads and departmental managers are deemed responsible for "radical process review".** For 14%, the head of IT is tasked. 33% place responsibility with a central efficiency department or the main board.
- **For 14%, the rate of converting key processes to paper-free is moving quickly or even completed (4%), and for 48% the rate is increasing slowly.** 15% admit they are stalled after the first few, and 37% are making little progress or have as yet no projects (11%), including 7% of the largest organizations.
- **36% have no access to workflow capability, plus 13% who have it but don't use it.** 34% make use of basic workflows in imaging systems or SharePoint, 17% have full workflow/BPM.
- **The biggest benefits reported from paper-free processes are faster customer response (43%), then productivity and compliance, then better monitoring of the workflow.** The biggest lessons learned were to establish executive buy-in, and to gather input from all stakeholders in advance.
- **59% achieved a payback in less than 12 months from their paper-free projects, including 26% in 6 months or less.** 84% achieved payback in less than 18 months – the highest we have ever recorded.

Mobile Capture

- **24% are not looking at any mobile projects and 39% are still in the planning stage.** 12% see mobile access, data capture and forms input as a required option for any process update.
- **For those with mobile capture projects, speed of data availability and keeping paper out of the process have been the biggest benefits.** Connection bandwidth, connection security and device security have been the biggest issues.

Cloud and Outsourcing

- **11% are already using cloud products for capture, and 17% have plans in the next 12-18 months.** 21% are unlikely to use cloud (down from 25% in 2014) and 49% still have no policy or decision on cloud capture (21%) or cloud in general (28%).
- **Data capture is the biggest growth area for outsourcing, along with managed capture services. Archive scanning and back-scanning still have growth – as does shredding.** Box storage is still popular, but in decline. Managed print services and outbound print are stalled.

Opinions and Spend

- **80% agree that paper content and processes are a huge impediment to remote access and teleworking.** 72% feel that "business at the speed of paper" will not be acceptable in 5 years' time.
- **57% say they are committed to digital transformation, and paper-free is an essential starting point.** 79% agree that all businesses should have an e-signature mechanism.
- **Workflow/BPM and mobile data capture are set for the strongest growth. Capture, OCR and AP are still strong, then mobile image and MDM.** Some MFP growth is likely, but scanners are mostly flat - although this is an improvement on 2014 projections.

The entire report is available at no cost to AIIM Professional Members.
For only $169, you can become an AIIM Professional Member to access this report and many other valuable resources.
Please visit www.aiim.org

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AIIM Scanning and Capture Resource Centre

Learn how to scan documents, automate data extraction, and drive paper out of your processes. These resources get you started.

PUBLICATIONS

Industry research reports, whitepapers, and toolkits

- Case Study: MN Dept of Revenue streamlines state tax & revenue ops w/ capture solution
- Managing Inbound Communications to Optimize Customer Experience
- Capture to Cloud: automating AP for large and small enterprises
- Multi-Customer Process Software for DPOs – improving time-to-profit

PERSPECTIVES

Community insights, opinions, and discussions

- Kickoff Meeting (Oct 22 2015, 11:00 AM - 12:00 PM (ET))
- EuGH kippt Safe Harbor - wohin nun mit den Daten?
- Q3 Summary from a SharePoint of View
- ECM & EIM Basics | S21 | 3. – 4.11.2015 | Hamburg

WEBINARS

On-demand webcasts led by industry experts

- Drive Paper Out of Your Processes: 4 Tips to Digitize and Automate Document-Intensive Workflows
- How We Captured 10.3 Million Pages of Documents – and Lived to Tell the Tale
- Everything you Always Wanted to Know About Capture
- Content in the Field: capture it, process it, and get work done!
- Who's Afraid of Mobile Capture?
- Revealed: The 5-Step Formula for Reducing Document Capture Costs
- The Future of ECM: new models for success

TUTORIALS

How-to videos developed by industry experts

- How to Automate Metadata Collection and Classification
- How to Use Metadata and a Taxonomy to Improve Access to Information
- How to Use Digital and Electronic Signatures
- How To Prepare For 35mm & 16mm Digital To Film Conversions
- How to Establish an eForms Strategy
- How to Start Planning Your Capture 2.0 Strategy
- How to Tame Information Chaos with Artificial Intelligence
- How to Capture Twitter Content as Records
- How to Capture LinkedIn Content as Records
- How to Capture Facebook Content as Records

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AIIM
1100 Wayne Avenue, Suite 1100
Silver Spring, MD 20910
301.587.8202
www.aiim.org

AIIM Europe
Office 1, Broomhall Business Centre,
Broomhall Lane, Worcester, WR5 22NT, UK
+44 (0)1905 727600
www.aiim.eu