



## Managing Profitability in Today's Economy

### ***Cost Reduction and Productivity Enhancements with Document Management Solutions Help Companies Manage Their Bottom Line***

A recent independent study by Fujitsu Computer Products of America and the AIIM Board found that in today's economic environment, 46% of small to medium businesses have experienced a decrease in business revenue, while 38% have seen revenues run flat. With only about 16% of these businesses enjoying an increase in business revenues, a large proportion of companies are left with two main options: They must determine ways to expand their market, and thus grow their revenues; or they must cut costs and streamline operations to maintain profitability.

Even if you have the financial reserves to weather an extended down period, survival in today's turbulent economic climate is dependent on remaining profitable. Cost reduction for a company can mean anything from reduced spending on marketing programs and employee travel, to lessened quality standards, to even full-blown layoffs in the workforce. This same study shows that 46% of these small to medium businesses have frozen the hiring of new positions or reduced headcount at their firms altogether. About 48% of the companies have indicated that they have reduced their travel and entertainment budgets and marketing spend. Cost cutting measures alone without proper counter-balances can have a potential negative spiraling effect. The dilemma for many companies: How can companies reduce costs while maintaining a high level of quality and service levels to keep existing customers satisfied and ensure new prospects return when the economic climate has changed?

Many companies have been turning to IT for technology solutions. Interestingly, half of the companies in the survey cited that automating or streamlining processes coupled with long term cost reduction initiatives were key factors driving their IT purchases.

Many companies are implementing a document management and workflow solution such as *doc-link* by Altec to reduce costs AND improve efficiencies. As a basic document repository system alone, *doc-link* can help companies significantly reduce the cost of utilizing, filing, storing and retrieving paper in an organization. Existing office equipment such as fax machines and multifunctional devices as well their ERP applications can be leveraged to capture documents directly right into the *doc-link* repository. With proper security rights, workers can quickly and easily access documents from any workstation, whether in the office or remotely via the web. The time spent searching, retrieving, filing and photocopying documents is eliminated. Additionally, the cost of the physical office or offsite storage space can be greatly reduced or eliminated. Eradication of paper storage has proven to be a tremendous cost savings, especially for companies who are required to archive records for a predetermined number of years. The fees charged by an offsite storage facility each time a file storage unit must be pulled to access the needed document can be staggering.

Beyond just a robust document repository, *doc-link* features an electronic workflow module that can be configured to mimic your company's existing business processes. Based upon certain

actions or events, *doc-link* workflow can automate business rules and bring visibility and control to critical transaction processes. Now instead of physically routing hard copy documents throughout a company and its remote locations for approvals, *doc-link* gives you the ability to route, annotate and approve documents, providing an audit trail of every action taken. This greatly reduces the amount of lost or misfiled documents, which can lead to information gaps and delays – hidden costs that can greatly hamper worker productivity. Furthermore, *doc-link*'s Output Manager module allows documents and reports to be automatically distributed to business partners in the appropriate format and method required by the recipient.

In a 2008 study conducted by the Aberdeen Group, it is calculated that for best in class companies, or the top 20% of companies, it takes approximately 4.4 days and costs \$4.60 to process a single invoice. The time and cost vary by company and can take up to 34.4 days and cost \$55.00 to process a single invoice in some less efficient companies.

*doc-link* further compresses cycle times and drives costs down through its integration to your ERP application. By leveraging information already known in your ERP system, *doc-link* reduces data entry steps, improves accuracy and strengthens your accounting controls. With *doc-link*, companies have been increasing employees' output by automating laborious paper-intensive tasks. Other benefits include faster invoice processing, which can lead to the ability to take advantage of early pay discounts and improved financial close cycles.

Additionally, *doc-link* gives full visibility to the history of a particular document, which supports a company's efforts in being in step with mandated compliance regulations such as HIPAA or Sarbanes Oxley. Annual audits which are often dreaded and intrusive can be greatly simplified as auditors can be trained in minutes to retrieve a particular document and see who, where and when a document was routed, as well as all of its annotations and approvals along the way.

Aside from its cost reduction and productivity enhancing benefits, *doc-link* offers other "soft" benefits that may not have ROI tied to them but can be invaluable to an organization. In a study by Coopers & Lybrand, it's been determined that 90% of critical business information exists only on paper and that 70% of today's businesses would fail within three weeks if they suffered a catastrophic loss of paper-based records due to fire or flood. *doc-link*'s electronic document repository can be utilized as a back-up archive of business critical documents and is a hedge against those types of disasters. As well, the movement to a paperless work environment using *doc-link* allows companies to become socially responsible by "going green."

To navigate through today's economic climate and ensure business continuity, make sure you pack the right tool. Look to *doc-link* document management and workflow solutions to help reduce overall operating costs, increase efficiencies within your organization and properly position your organization for success when the economy recovers.

[Click here for more information on doc-link Document Management Suite for Sage Accpac powered by Altec](#) or to schedule a personal solution demonstration for your company, please call your Partner Advocate