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Randy Johnston • Jan. 04, 2012

Do you have document management done? Have you considered your strategy, chosen a product and implemented everything to your satisfaction? If so, congratulations on a great start! Wait! You say you're finished? Are you sure? Would you like to improve the return on your investment? Would you like to be more effective and efficient?

Many firms that have implemented paperless document management frequently have only started the job, not really finished the job or have done it right. Think of your initial implementation as "Paperless 1.0". Some characteristics of a "1.0" installation include:

- Improved or easy access to data,
- Documents are stored in searchable database,
- Many docs are automatically filed,
- Reducing/eliminating misfiles and with Web-enablement and,
- Documents are available anytime, anywhere.

Some additional benefits of Paperless 1.0 are: improved Business Continuity/Disaster Recovery and security where you can lock down documents in database to prevent unauthorized access/changes. You probably also have some benefits with being environmentally friendly with a reduction in paper printed internally.

Finally, you may be able to encourage or mandate vendors and potentially clients/customers to transact business electronically, rather than via paper documents. More improvements are possible, and the cost and time savings from Paperless 1.0 is typically only 2-5% at best. Paperless 2.0 might yield another 2-5% or more, while you spend very little hard dollars, with a small investment of brain power and time.

Where can improvements be made?

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been enough improvements in the last two years to most document management systems that a review may be warranted. If you chose a do it yourself (DIY) approach, you may want to consider an Electronic File Cabinet (EFC) system, a Document Management System (DMS), or an Electronic Content Management system (ECM).

Possible candidates for providing document management for your firm include: Office Tools Professional, AccountantsWorld CyberCabinet, Thomson Reuters FileCabinet CS, Intuit DMS, Drake Document Manager, SmartVault, eFileCabinet, Doc-It, CCH Document, Thomson Reuters GoFileRoom, Conarc iChannel, and Autonomy Worksite. There are over 200 products that could work well in an industry implementation.

Third, you should have a portal. Besides the efficiency of creating final work products in an electronic format, you have a secure way for clients to pick up and drop off documents for your work together. Portals can be part of your practice management or document management systems, or they can be standalone utilities to get the job done. Possible solutions for providing portals for your firm include:

AccountantsWorld CyberCabinet, Thomson Reuters NetClient CS, SmartVault, ShareFile, eFileCabinet SecureDrawer, Doc-It Web Client Portal, CCH ProSystem fx Portal, Thomson Reuters GoFileRoom Portal, Conarc iChannel, Autonomy Worksite and SharePoint. These portals should be integrated into your web site as we have pointed out in prior articles.

Fourth, consider an electronic workflow strategy. Automating the procedures that you have documented in a debriefing can bring consistency and controls to your firm. The most common reason for not implementing workflow is too much visibility and partners not being able to do as they please. The most common reasons to implement an electronic workflow are: reducing the amount of processing time for any task, easily being able to see the status of jobs by authorized managers, sharing work among locations, and creating consistent steps that are followed. Options for

providing electronic workflow for your firm include: Office Tools Professional, XCM

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this year as well.

Taking your paperless implementation to the next level

Going beyond a simple starting implementation for paperless takes initiative and the ability to take a project to a new, better level. "Paperless 2.0" moves beyond merely storing and retrieving documents. It examines how information of all types flows through an organization, seeks to revamp and automate workflow, data entry, and document management whenever practical. The profit and efficiency gains are far greater than with Paperless 1.0.

Begin to picture where your organization is with respect to: Collaborative accounting, Billing, Business Development, Engagement processing, Forms, Vendor bills, Time sheets, PTO requests, Approvals, Email archiving, Purchase orders, Employee expense reports, automated tax return processing, and exchanging client data via portals.

How many more areas can you name that you would improve? Choose your highest value services to improve first, and then look for the areas where you think you have the greatest inefficiencies. Improving the top 20% and the bottom 20% processes can make you far more effective and efficient quickly.

Before you start, list all of the areas you intend to improve, estimate the amount of time needed, any hard costs and the probable gain to be realized. Adjust your list to select and refine the tasks with the most impact. Ask for assistance from key managers, and plan for training for staff at all levels once the procedure has been updated and placed into your system, manual or automated. Review the outcome of the revision, and refine as necessary. Repeat on other items on the list. The typical accounting firm will have 15-25 procedures to refine, where industry businesses will have 75-150.

One final planning note: Don't confuse efficiency for effectiveness. Consider your

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