Information Management software

Improving the efficiency, accuracy and cost effectiveness of core business processes

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Overview

IBM ECM enables organizations to improve efficiency and accuracy while lowering the costs associated with "core" content-centric business processes common to almost every organization.

Executive summary

Companies are challenged to manage a sea of information and leverage it in the most strategic way possible to meet business objectives and remain competitive. Not long ago, companies turned to document management to organize content in specific business areas. Yet today, many businesses understand that managing content is not enough. They are finding that they can seize new opportunities by putting their content to work for them by incorporating business process management (BPM).

Companies are discovering that an enterprise content management (ECM) strategy based upon an ECM platform that fully integrates BPM and compliance capabilities can address more diverse and increasingly complex business challenges. IBM ECM can help companies realize new operational efficiencies and importantly — make better decisions faster. An enterprise platform for managing content, process and compliance requirements can simplify the IT infrastructure, reduce costs and allow organizations to deploy a shared services platform, enabling interoperability with a wide selection of IT systems and products.

IBM ECM delivers flexibility in a services-oriented environment by empowering business users, shortening time to value and helping businesses respond more quickly to changing requirements. In particular, IBM ECM enables organizations to improve efficiency and accuracy while lowering the costs associated with "core" content-centric business processes common to almost every organization. This paper discusses these processes, their common attributes, the challenges associated with current practices and the ways that IBM ECM can improve each process. The paper also discusses the benefits of integrating IBM ECM with existing investments in ERP, CRM and other line-of-business systems. Through integration, organizations can further improve core business processes and deliver the business agility needed to quickly resolve complex business problems and enhance employee and customer decision-making.

Introduction

IBM ECM can improve a core set of content-centric business processes in almost any organization. Applying ECM capabilities to these processes has the potential to transform the way in which an organization conducts a particular facet of the business, such as customer service or human resources. By transforming current business activities into more streamlined processes, companies can reduce costs, improve customer service, increase productivity and efficiency, reduce risk and become more responsive to continually changing business climates.

However, many organizations improve a single core application yet fail to realize the additional benefit and return on investment that can be achieved by applying IBM ECM to additional business areas. Companies can gain significant value by extending IBM ECM to other areas, rather than purchasing point solutions for each application. Since many business areas need to share information across the organization, related content and business processes can be and should be integrated with other business activities. These business areas share a common set of content management and processing requirements which can be addressed through an ECM platform strategy.

Companies that initially employ IBM ECM to improve contract management or accounts payable can extend the benefits to other business areas. IBM ECM facilitates integration of content with other departments, processes and applications. By uniquely bringing together process and content, and integrating with existing IT environments and applications, IBM ECM enables companies to create highly adaptive processes so they can react immediately to events as they occur.

The core content-centric business processes presented in the following sections have similar attributes with respect to the manner in which documents are used. The content, process and compliance capabilities of IBM ECM can enable an organization to improve the efficiency of each of these processes while lowering IT costs:

- Human Resources

- Asset Lifecycle Management

- Collaborative Project Management

- Product or Services Information Management

- Contract Lifecycle Management

- Corporate Legal

- Customer Service and Case Management

- Electronic Bill Archiving and Presentment

- Accounts Payable and Invoice Processing

- Records Management

Human Resources

Business challenges

Organizations face considerable challenges in dealing with the growing complexity of managing increasing amounts of employee information related to both active and retired employees. The older the company, the greater the amount of unstructured content accumulated for each during the employee's tenure in the organization. Managing and storing countless paper employee files distributed across offices results in sizeable operational costs, unnecessary security and compliance risks, and inefficiency. Most companies retain files much longer than necessary, thereby compounding cost, inefficiency and risk. Many human resource activities, such as on-boarding, performance evaluations, status changes and retirements, are needlessly hampered by manual, paper-based processes. Corporate policies and procedures created and disseminated by human resources may be incomplete, inconsistent or difficult to access by employees if there is no formal publication process or central repository for accurate, current, comprehensive information.

Symptoms of inefficiency

Indications that the human resources organization could more cost effectively and efficiently manage employee information include:

- Excessive human resources budget spent on the physical storage of employee files.

- Relevant employee information is not readily accessible by human resources staff and is not adequately secured.

- Human resources staff spends an inordinate amount of time on administrative tasks.

- No single source of corporate policies and procedures exists, a particular challenge if policies and procedures vary by geography.

How IBM ECM can help

IBM ECM can help organizations efficiently process and retain all content and documents associated with employees—from hire through retire. IBM ECM provides a repository to securely capture and retain employee documents. Human resource departments can apply business processes to manage high-volume human resource transactions such as hiring, performance reviews and changes

in job status and retirement, thereby reducing administrative overhead. IBM ECM can be integrated with existing human resource systems to create a single, comprehensive view of employee information. The combination of a secure content repository and BPM can also enable employee self-service. With a consistent process in place, human resources can create, update and publish policies, procedures, benefits information and more, which at the same time improves overall corporate efficiency.

IBM ECM can enable increased efficiency while reducing cost and risk by eliminating the need to store employee information in file cabinets and off-site storage facilities. The records management capabilities of IBM ECM help organizations to ensure that employee information is retained only as long as legally required, further reducing storage costs and risk.

Business case: Eliminate paper and implement process

A branded foods company extended their IBM ECM platform to address the needs of their human resources organization. In their paperless environment, they can securely manage employee documents. Employees, managers and human resources staff use electronic forms to capture information, update employee data in the ERP system and initiate workflows. These paperless processes reduce their administrative costs, improve data accuracy, reduce file storage and postal costs, and give them the ability to track and audit human resource transactions.

Asset Lifecycle Management

Business challenges

Typically, companies lack a single source for current and accurate capital asset information. As a result, incorrect or incomplete information can lead to improper asset use, as well as inadequate maintenance or premature retirement. Significant capital assets such as buildings, IT infrastructure, vehicles and real estate require volumes of documents related to their planning, acquisition, maintenance and disposal. Employees responsible for these assets need access to all relevant maintenance and operations information in order to maximize their availability and lifespan, yet most companies lack the content infrastructure to enable this. In addition, regulatory requirements for the management and disposal of hazardous materials are increasing in many industries.

Symptoms of inefficiency

Indications that a company can better manage documents and other unstructured content associated with capital assets include:

- All relevant documents related to assets are not readily available to employees who operate, maintain or account for those assets.

- Pending retirement of long-term employees who possess significant operational knowledge jeopardizes the company's ability to repair or maintain assets.

- Repairs to assets are sometimes delayed because of inability to access repair records, technical documents or procedure manuals.

- Needless retention of outdated asset information creates unnecessary storage requirements.

- Fines are levied for failure to properly document disposal of hazardous materials or assets.

How IBM ECM can help

IBM ECM helps companies manage documents and content associated with their capital assets, from asset planning through asset retirement. IBM ECM provides a single, secure repository to manage content from almost any source or format, including rich media, related to the planning, evaluation, procurement, operation, maintenance and retirement of capital assets. This facilitates efficient asset management, while making it significantly easier for employees to access accurate, current asset information. Companies can automatically identify, capture and manage asset information as a corporate record, improving efficiencies while enabling important business insight and regulatory compliance. By integrating with other applications such as ERP and IBM Maximo®, IBM ECM allows other lines of business and remote employees to access asset documentation when needed.

Business case: Economic benefit of complete asset documentation

A U.S. utility company uses IBM ECM to maximize asset availability. They maintain critical technical documents, procedures, repair notes and service bulletins in the IBM ECM repository. By linking relevant documents to the work packages, the mobile workforce—both employees and contractors—has accurate, current information required to perform their work. In this way, the company can put assets back online faster for both scheduled and unscheduled maintenance. Through these and other efficiencies, the company has realized an estimated $3 million annually in power generation availability improvements.

Collaborative Project Management

Business challenges

Any organization, at any point in time, has a wide range of projects in progress. While departments and teams vary in how well they manage their projects, many organizations poorly manage all of their project-related content and documents. Project documents and other information can usually be found distributed across employee desktops or on file shares. With no single source to store and manage current versions of project documents, productivity suffers and inefficiencies result, such as duplication of efforts because project participants cannot determine the current status of project information. Companies that utilize the collaborative environment of Microsoft® SharePoint® often lack the ability to identify, capture and retain critical project documents for secure, long-term retention.

Companies often lack the capabilities and processes for formal classification of project documents and content. This can be a serious problem for major projects. Additionally, project content usually outlives the project, as many projects produce content and documents of lasting significance. As a result, once projects are completed, companies fail to leverage critical project information for the greatest benefit.

Symptoms of inefficiency

An ECM strategy may benefit an organization's collaborative project management practices if:

- There are many formal and informal projects currently in process.

- Team members cannot function as effectively and productively because there is no secure, single source for managing project documents.

- Proper security or access rights cannot be applied to certain types of project documents.

- Microsoft SharePoint is used widely but there is no means to effectively identify and retain critical project documentation.

How IBM ECM can help

IBM ECM provides a collaborative environment that allows employees as well as clients, partners and contractors external to an organization to contribute to project success. They can present ideas, develop plans, share information, make decisions, and manage documents and content (including e-mail) associated with a project, leveraging a wide range of sources and formats. IBM ECM allows organizations to organize and structure the document types associated with each project so that the employees have easy yet secure access to the information. Project teams can establish repeatable business processes to accelerate project completion. For organizations that have extensive project management activities, IBM ECM enables them to create templates, repurpose previously created work and maintain a library of project-related content that supports multiple project activities.

When current project information is available via a single, secure point of access, companies can gain in project management efficiencies. Employees can make faster, more accurate project assessments and decisions, while managers can secure project information based upon participant roles. They can also retain and classify critical project artifacts for future reference.

Business case: Collaboration equals faster time to market

A European communication services provider applied IBM ECM to assist with the process of evaluating ideas and developing new products and services. The combination of content management and BPM enabled more effective collaboration and sharing of information among its departments and offices. In contrast to the previous methods employed, IBM ECM allowed this provider to track the development of new ideas more consistently, efficiently capture a wide range of supporting materials during the development process, and more efficiently plan the delivery of new products and services. The provider estimates annual savings of €200,000 (approximately $258,760 USD) in process efficiency, and more importantly, 50 percent faster time to market for new services.

Product or Services Information Management

Business challenges

Companies that deliver product to market or offer services may lack consistent, repeatable processes related to the creation, review and publication of product or service information. For the same reason, they find it difficult or even impossible to maintain accurate information for their offerings, which can number in the thousands. Government regulations require manufacturers to provide increasingly detailed product information. Companies with wholesale or retail responsibilities are challenged to capture and centrally manage product information in multiple formats provided by suppliers. Discrete product information resides in a database and structured product information resides elsewhere, preventing employees, partners and customers from obtaining a "single view of product information." When organizations fail to combine both structured and unstructured information into a single view of the product, buyers and consumers cannot readily determine the capabilities, attributes and relevance of a product or service to their business needs.

Consumers expect retailers to provide highly detailed product information, yet many retailers do not have the capabilities to repurpose product information across multiple channels, such as the Web, stores and printed materials. In addition to the discrete data that manufacturers, vendors and service organizations use to describe their products and services, companies must contend with a growing amount of documentation and rich media used to describe, promote, market and support products and services.

Symptoms of inefficiency

The following situations or limitations in the way an organization manages information regarding the products or services provided may indicate the need to incorporate ECM:

- The organization is responsible for manufacturing or selling a small number of complex products or large volumes of commercial products.

- The process of creating product information is time consuming and costly.

- An increasing amount of rich media associated with the products manufactured, produced or sold is adding to information management demands.

- Vendors cannot easily incorporate "unstructured" product information from hundreds to thousands of suppliers into a product information management system.

- There is a need to repurpose product information across multiple channels or media.

- Suppliers are unable to provide the amount of product information customers demand, thereby impacting sales or customer service.

How IBM ECM can help

IBM ECM helps companies manage the wide range of content, along with related processes, associated with the production, delivery or consumption of products or services. IBM ECM provides a central repository to manage the creation, acquisition, updating and publication of product information such as data sheets, specifications, collateral, technical diagrams, warranties, price lists, digital photos and other rich-media assets. Companies can cost-effectively retain information about products no longer manufactured, but nonetheless supported. Vendors can capture, process and centrally manage new product information provided by a myriad of suppliers. Additional efficiencies may be achieved by integrating IBM ECM with product lifecycle management applications or other product information management systems such as IBM InfoSphere® Master Data Management Server for Product Information Management.

Manufacturers, producers, suppliers and service organizations can provide and maintain accurate product information, establish a standard process for updating product information and utilize product information across multiple channels and media. They can capture and aggregate product information to provide customers with comprehensive, detailed product or service information, to facilitate buying decisions or improve their competitive positioning.

Business case: Managing "rich media"

A major U.S. retailer uses IBM ECM to manage vendor and product information including artwork and collateral associated with thousands of products. The IBM ECM environment enables the retailer to verify that they have obtained all required vendor documents associated with a product, reduce storage space required for product samples by maintaining digital images in place of printed collateral, and achieve greater value from purchased digital images and other rich media. Centrally managing this product information allows individuals to simultaneously collaborate on the development of product collateral, thus improving the quality and accuracy of information and productivity of employees.

Contract Lifecycle Management

Business challenges

Most large organizations have hundreds to thousands of contracts in effect. Typically, these contracts are stored in file cabinets. These contracts define and drive business relationships and agreements, and serve as records for corporate agreements. Following a lengthy draft-approval process, these contracts may be in effect for a long time. Employees throughout the company regularly reference contracts in support of business transactions and decisions, which requires employees physically locating the files on site or in off-site storage. Besides being difficult to even access, the process becomes more complex when contracts are misfiled, in possession of another employee, or lost—all time-consuming delays for the employee searching for the contract file and any supplementary information. These inefficiencies make the access of current and relevant contract information difficult or impossible. Without centralized contract management, employees cannot accurately track and verify compliance with contracts, nor can they automatically track contract renewal dates.

Symptoms of inefficiency

An organization's contract lifecycle management practices can be hindered by one or more of the following problems:

- Inability to effectively manage administration, compliance and renewals because of the volume and complexity of contracts.

- Increasing costs related to the physical storage (on-site and off-site) of contracts.

- Contract and supplementary information is not quickly and securely accessible by employees who have contract responsibilities.

- Unnecessary financial burdens due to penalties for late contract renewals.

How IBM ECM can help

IBM ECM enables organizations to capture paper contracts and transform them into digital form. In this way, employees can quickly and securely access relevant contracts from a single, secure repository, eliminating the inherent problems of managing paper contracts. For contracts that originate in electronic formats, IBM ECM provides a collaborative environment and business processes so companies can easily manage the entire contract lifecycle, including drafting, negotiation, approval, storage, administration and renewal. They can also capture and manage supplementary documents associated with the contract, regardless of source or format. IBM ECM can integrate with ERP, CRM and other line-of-business systems for additional efficiencies in managing contract processes.

In the contract drafting phase, IBM ECM can enable organizations to apply consistent terms and conditions across contracts. A standard process for each step in the contract lifecycle improves productivity, reduces costs and increases contract accuracy. In addition, auditing is greatly streamlined and improved through automatic declaration and retention of contracts as corporate

records. Also, automatic notification of contract review and renewal dates can lead to more favorable contract negotiations and eliminate penalties for late renewal of contracts. Overall, IBM ECM can help companies conduct transactions more quickly and make better business decisions as a result of managing contracts and all supplementary information in a single repository.

Business case: Complex, long-term contracts

An aerospace company uses IBM ECM to manage thousands of contracts associated with multi-year projects. Long-term retention of contracts in a digital format allows quick and secure access by employees and contractors associated with a project. Their contracts can have hundreds of supplementary documents added or updated at any time during the contract lifecycle. In addition to enforcing confidentiality of documents via role-based security access, eliminating paper-based contract management significantly reduces administrative costs and risk while improving efficiency of accessing the hundreds of thousands of documents associated with the contracts process.

Corporate Legal

Business challenges

Many corporate legal departments continue to use standalone document management systems, which hinder cross-departmental collaboration as legal departments are increasingly involved in the business activities of departments across an organization. In the current business climate the legal organization needs ready access to relevant information created or managed by other departments. Regardless of source or format, companies must be able to ensure the security and confidentiality of legal documents, a difficult task without a central repository for all legal information to enforce document security and retention. Legal departments are challenged to conduct discovery against documents that are retained in a multitude of file cabinets, file shares, document repositories, e-mail systems and desktops across the enterprise. Yet electronic discovery conducted by outside services can be prohibitively expensive.

Symptoms of inefficiency

A legal organization faced with the following concerns may wish to adopt an ECM strategy:

- The current corporate legal document and collaboration application is a standalone product.

- The legal department has ongoing responsibilities for contract management, yet cannot easily collaborate with other departments to effectively negotiate and approve contracts.

- An increased need for electronic discovery services provided by external organizations is becoming cost prohibitive.

- Corporate legal is involved in determining or directing the company's compliance strategy or policies.
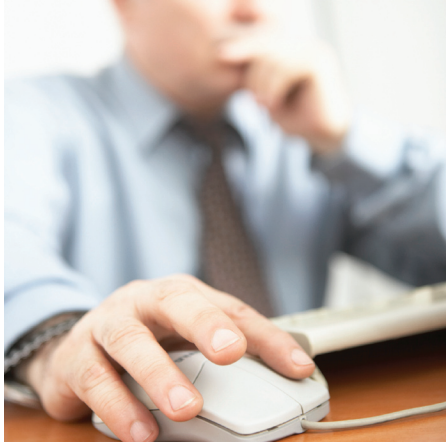
How IBM ECM can help

IBM ECM provides a collaborative environment for managing and accessing materials—such as electronic documents, scanned documents, e-mails and photos—related to legal correspondence, contracts, policies, briefs, precedents and much more. Rather than an isolated, standalone application exclusively developed for a legal organization, IBM ECM provides a single, secure repository that can effectively manage documents and content related to legal matters as part of an overall ECM strategy. In this way, legal departments can securely and effectively collaborate with individuals and departments across the organization. In addition, IBM ECM enables electronic discovery across a wide variety of content sources, such as e-mail, file shares, desktops, SharePoint and third-party document management repositories. Corporate legal departments can easily conduct early assessments of corporate content, locate important pieces of evidence, and place key documents on hold, if necessary. An ECM strategy may allow an organization to significantly reduce related costs by conducting electronic discovery in house.

Business case: Legal department adopts ECM strategy

A major insurance company's 170-member legal staff located in corporate headquarters offices and worldwide uses IBM ECM to collaborate on legal matters with clients throughout the organization. By extending IBM ECM to the legal department, they have lowered direct cost to the legal department, since the ECM infrastructure is supported by the central IT organization. The integrated records management, imaging and workflow capabilities of IBM ECM will further increase the legal department's ability to support the legal needs of departments across the enterprise.

Customer Service and Case Management

Business challenges

Customer service is a critical part of any business, especially those with hundreds to thousands of customers. Yet customer "on-boarding" is often a tedious process. Organizations must balance customer service costs with quality of service. High-volume customer service requests need to be handled consistently and efficiently. Increasingly, customer communications, whether by phone, letter or e-mail, need

to be retained. However, customer service representatives often do not have instant access to all relevant customer information to quickly resolve calls. Self-service capabilities that could simplify customer service processes, lower customer service costs and improve customer satisfaction are often inadequate or poorly designed.

In industries such as healthcare, insurance, government and social services, where case management is a standard practice, employees need secure access to all information, regardless of source or format, in order to manage cases. However, relevant customer information, which is often unstructured data in the form of e-mails, bills, contracts and other forms, stored across the organization in various systems can be difficult to locate. Ideally, any employee providing customer service requires a "single view of the customer" to efficiently and effectively respond to customer requests. Often, employees must re-enter customer data to process customer requests or inquiries, and delays in resolving customer issues result because of a lack of complete or accurate information. Once accumulated, documents associated with cases may need to be retained for specific time periods after the case is closed, causing additional case management requirements. Companies burdened by the inefficiency, cost and risk associated with a paper-based approach to case management or the inability to provide a single view of the customer have difficulty determining the status of customer requests, resolving customer issues and providing other services that can improve customer satisfaction.

Companies that have already established a reputation for exceptional customer service may be missing out on opportunities to gain additional customer insight by analyzing e-mail, correspondence, customer service representative notes, as well as social networking sites—all sources of "unstructured" information—that can provide valuable information on customer trends, attitudes and concerns that would otherwise go unnoticed.

Symptoms of inefficiency

An organization may be able to make significant improvements in customer service by employing ECM to address these issues:

- They are not able to integrate a wide range of "unstructured" customer information such as e-mail, contracts, customer service representative notes, voicemail and outbound customer communications with customer information contained in databases or CRM systems to create a "single view of the customer."

- Customer service representatives cannot quickly determine the status of a customer inquiry.

- Many high-volume customer service activities are manual or paper-intensive.

- They need to reduce customer service costs and improve customer self-service by making information available to customers via a secure Web site.

- Important customer trends, issues or attitudes remain buried in customer correspondence such as e-mail and customer service records.

How IBM ECM can help

IBM ECM can facilitate better customer service, self-service and case management through better management of content and processes associated with customer information and transactions. IBM ECM can be integrated with CRM to enable a single view of the customer. This allows customer service teams to quickly, effectively perform customer service functions, including customer acquisition and addressing customer requests initiated by phone, Web, e-mail, written correspondence and in person. Quality of service may be improved, without adding new staff, as the result of new customer service efficiencies, along with a consistent approach to customer service enabled by BPM. Managers can use process metrics to evaluate customer service trends and efficiency, and can analyze customer correspondence to uncover trends, needs or issues. Organizations that dynamically generate volumes of communications in response to customer requests or inquiries can capture and retain those as part of a single view of the customer or records management strategy.

Government and social agencies that are characterized by a case management approach to customer service can utilize IBM ECM to facilitate smooth case management throughout the lifecycle of the case. Then, when cases close, the organization can automatically retain case information as long as legally required.

Business case: Quick customer "on-boarding" makes a positive first impression.

A global financial services company with 200 million customer accounts and presence in more than 100 countries applied the capabilities of IBM ECM to support the application and complaint-handling processes of its credit card business. The IBM ECM solution reduced the application process from over two weeks to just two days. The company estimates that the centrally managed ECM strategy delivers cost savings of several million U.S. dollars annually, improves response time to customer requests and allows work to be shifted around the region according to the availability of staff, resulting in lower staffing costs.

Electronic Bill Archiving and Presentment

Business challenges

Companies face many problems associated with the paper billing process. Detailed billing information and growing market penetration in many geographies requires increasing amounts of paper to support the billing process. At the other end of the supply chain, manufacturing, processing and shipment of paper have inherent negative environmental impact. Printing monthly statements or bills is often a lengthy and costly process, and printed bills have added handling and processing costs. Companies must devote time and costs to packaging the bills and delivering them via post or courier, and can face potential delays in the actual delivery of the bills to customer homes or offices. Not uncommonly, duplicate bills must be printed, processed and delivered for any number of reasons. To make matters worse, continually rising energy prices will be reflected in an increased cost of delivery. Depending upon local environmental initiatives, a significant portion of the paper bills may never be recycled and might end up in the landfill.

Symptoms of inefficiency

A company can benefit from electronic bill archiving and presentment when facing the following issues or concerns.

- They are burdened by monthly volume, cost and overhead of printing bills or statements.

- A growing percentage of customers would accept an electronic statement in place of a printed statement.

- A high percentage of customer service calls concern billing inquires.

- The reduction of paper usage, printing and post is part of an organization's "green" initiative.

How IBM ECM can help

Electronic Bill Archiving and Presentment offers many benefits to companies, especially reduced costs, streamlined processes and improved customer service. IBM ECM can help reduce the costs of printing and distributing paper bills, foster a positive environmental impact and shorten the overall billing process. Companies can provide access to more accurate, up-to-date billing information, and can deliver it via the desktop over the Web or to cell phones. Online access to billing information may also help accelerate customer adoption of online bill payment, which can accelerate monthly payment as well as reduce processing costs. Accessing bills or statements via a secure Web portal can reduce the cost of customer support by enabling a greater degree of customer self-service, offering customers 24/7 access to current and past billing statements.

The billing process can also be leveraged as an up-sell opportunity. Using customer profile data contained in CRM or a database, promotional offers or messages can be included in a customer's bill. IBM ECM can eliminate the outdated process of archiving billing statements to microfiche. Instead, companies can electronically archive billing statements, simplifying the process and improving access to billing information once archived. Organizations that need to retain bills or statements in accordance with industry or legislative regulations may wish to apply IBM ECM's records management capabilities to meet these requirements.

Business case: A positive impact on customer service and the environment

A California utility company is advancing its green initiatives, eliminating half a ton of printed paper daily by delivering bills electronically. Utilizing IBM Content Manager OnDemand, customers are able to review current and prior bills online. By implementing electronic billing, the utility company was able to retire their microfiche operations and redirect the skills of a seven-member team that resolved customer billing inquires to more valuable customer service activities. Customer Contact Center employees now have instant access to all customer bills to enable faster resolution. IBM ECM also addresses the department's future compliance requirements regarding records retention of customer bills. Based upon the success of electronic bill delivery, the utility company is planning to deliver additional customer communications electronically.

Accounts Payable and Invoice Processing

Business challenges

Accounts payable is the focal point for managing payment terms, capturing discounts earned, avoiding duplicate payments and maintaining a vendor master file. Companies continue to receive invoices via paper, verify them, assign a GL number, review them against the existing prescribed payments system, approve, process exceptions and then execute payment. In some organizations and for some invoices, numerous approvers are involved. Throughout the process, organizations must be able to adhere to internal audit controls and demonstrate compliance to regulatory requirements such as the Sarbanes-Oxley Act (SOX).

For many organizations, accounts payable is a highly inefficient, paper-intensive process, yet is critical to ongoing business operations. Without a tightly controlled process, companies risk duplicate or erroneous payments, missed invoice discounts, late-payment penalties, misuse of funds, fraud and noncompliance. From an accounting standpoint, disparate systems and disjointed processes can jeopardize a company's ability to maintain compliance. At the very least, accounts payable inefficiencies cause an assortment of problems, such as end-of-quarter reconciliation delays due to unrecorded liabilities. When the Accounts Payable department is the gatekeeper of the organization's funds, inefficiencies and errors can be costly and sometimes devastating to the company's reputation.

Symptoms of inefficiency

If an organization is confronting any of the following, an ECM approach can help a company streamline its accounts payable process:

- The current accounts payable process is paper-intensive and document retention, required by legislation, is costly.

- They are unable to take advantage of discount opportunities because of late payments.

- Requisite processes that could minimize fraudulent payments are insufficient.

- The accounts payable approval process is not thoroughly auditable.

How IBM ECM can help

IBM ECM leverages BPM to reduce or eliminate manual administrative tasks related to accounts payable and to streamline invoice processing. Accounts payable driven by IBM ECM can automatically capture invoices and enable greater invoice and payment accuracy. BPM allows the department to process invoices much faster and more consistently. An enforceable accounts payable process enables SOX compliance and allows organizations to make timely payments to vendors and take advantage of related discounts. Real-time invoice tracking can help eliminate unrecorded liabilities due to missing invoices. IBM ECM can help accounts payable teams accommodate increased invoice volumes without a corresponding increase in staff.

Business case: Enabling best practices for accounts payable

A global leader in the footwear industry uses IBM ECM to process more than 6,000 non-merchandise invoices monthly. The system establishes and maintains authority levels to control the processing, review and approval of invoices by more than 100 employees. Using IBM ECM and BPM, and integrating content management and electronic forms with the ERP financial system, the retailer has reduced cost and greatly increased efficiency in accounts payable processes. They also have achieved faster approvals resulting in timely payments to vendors, thereby taking advantage of discounts. Real-time invoice tracking enabled the retailer to eliminate end-of-quarter unrecorded liabilities due to missing invoices.

Records Management

Business challenges

Companies must keep extensive business records in accordance with industry or legislative requirements. Yet long-term storage of paper documents is costly, risk-prone and overall inefficient. Organizations often lack methods or processes to correctly identify, classify and retain documents as corporate records. Particular challenges arise when teams are tasked with effectively managing an increasingly diverse spectrum of electronic content created and utilized throughout the organization as records. Typically, companies lack the strategy and means to centrally manage corporate records regardless of the source or format of the document. Companies must contend with a multitude of new regulations and enforcement initiatives that result from increased regulatory oversight. Though regulations vary by industry, almost every company has some requirement to retain certain sets of business records for a specific period of time.

Symptoms of inefficiency

Indications that records management should be addressed as part of an ECM strategy include:

- The company is faced with excessive costs for on-site and off-site storage of corporate records.

- Documents are being retained longer than legally necessary and therefore introducing added risk.

- The records management process across all departments in the organization is inconsistent.

- The records management strategy needs to include physical documents, a wide range of electronic content including e-mail, images, rich media and Adobe PDFs, as well as content that is maintained in file shares, SharePoint, existing document management systems and other sources of electronic content.

How IBM ECM can help

IBM ECM enables users to streamline records management processes and automate manual user and administrator activities throughout the record lifecycle. IBM ECM enables companies to automate the capture, classification, retention, analysis and discovery of unstructured corporate information regardless of source or content, including desktops, e-mail, file shares and third-party document repositories. Through IBM ECM and BPM, organizations can efficiently and systematically control the creation, receipt, maintenance, use and disposition of records. This includes the process of capturing and maintaining business records that serve as evidence of and information about business activities and transactions for corporate legal requirements, litigation holds and industry regulations.

Business case: An enterprise approach to records management

A U.S. university with more than 44,000 students makes extensive use of the records management capabilities of its IBM ECM platform, which supports document-centric business processes in accounts payable, contract administration, the student business center, purchasing, the CFO office, the budget office, human resources and food services. IBM ECM Records Management provides the ability to automatically tag university records upon receipt, eliminating concerns about policy compliance. Managing the documents and business records electronically enables the university to free up large amounts of physical storage space and apply the professional skills of staff to more productive activities.

IBM ECM: Enhancing core content-centric business processes throughout the organization

IBM ECM can address a wide range of content-centric business processes that are critical functions in most organizations. Most of these business processes share a common set of requirements, including the need to:

- Securely and centrally manage a group of related documents or content of varying types to achieve a specific business goal.

- Incorporate BPM to facilitate the creation, sharing, processing and retention of content.

- Selectively share or collaborate with employees involved in the business activity.

- Integrate documents and processes with other information systems and processes to achieve greater value from the information.

- Retain certain documents according to applicable industry or legislative requirements.

Implementing an ECM strategy to support core business activities and requirements has numerous benefits. IBM ECM can enable an organization to lower IT costs (in comparison to multiple, isolated point solutions), eliminate on-site and off-site paper storage costs, and reduce information access and processing costs. Companies can enable faster decisions when all relevant information is provided to employees or customers. Organizations can also eliminate redundant tasks such as re-keying information, enable faster process throughput and facilitate more efficient use of existing information and assets. Companies can increase information and process quality, consistency and accuracy, with continued opportunities for process improvement. In addition, companies can reduce risk and enhance compliance efforts by retaining records only as long as legally required.

One of the greatest advantages that IBM ECM provides involves the key integration points across departments and lines of business, among any business areas leveraging IBM ECM and even external entities. In many of the examples identified, content created by one department is referenced or consumed by individuals in other departments or external groups. The diagram below indicates typical interactions among departments, illustrating the rationale for establishing a common ECM repository fully integrated with BPM and compliance capabilities.

Cross-departmental document sharing — Documents originating in one department can be referenced or used by other departments.

Documents originating elsewhere may be referenced or used by these departments

Documents originating in these departments

>> >> >>	Accounting	Customer Service	Finance	HR	IT	Legal	Marketing	Operations	Procurement	R&D	Sales
Accounting	—	•	•	•		•		•	•	•	•
Customer Service		—	•				•	•		•	•
Finance	•		—	•		•		•	•		•
HR	•	•	•	—	•	•	•	•	•	•	•
IT	•	•	•	•	—	•	•	•	•	•	•
Legal	•		•	•	•	—	•		•	•	•
Marketing		•				•	—			•	•
Operations								—			
Procurement	•		•					•	—		
R&D			•			•	•			—	
Sales	•	•	•			•	•				—

Conclusion

Every organization depends on increasing volumes of documents and unstructured content to effectively conduct business activities and guide decisions. All of these documents serve important business functions in their associations with critical business relationships such as employees, customers and suppliers, as well as key activities and functions such as asset management, planning, project management, ERP, supply chain management and compliance.

IBM ECM can help an organization to significantly improve content-centric business processes, productivity and overall efficiency when they adopt an ECM strategy. Through the application of ECM and BPM, organizations can become more efficient and effective in managing contracts, employee information, supplier agreements, customer relationships, capital assets, accounting processes, technical document publications, projects, change management processes, compliance initiatives and much more. By combining the power of enterprise content with highly efficient business processes, companies can streamline and optimize their business processes, access and manage all forms of content and automate records management to help meet compliance needs.

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