



Real-World Strategies for Effective Document Management

Introduction

Accounting firms run on information, and a properly organized system for managing documents can make a significant improvement in a firm's efficiency, accuracy and, ultimately, profitability. To achieve a good return on investment from any new document management system (DMS), you'll need to start with a well thought out strategy and a reliable process.

This paper will discuss:

- Key considerations for an effective document management strategy
- How to evaluate must-have document management features
- Top Tips for avoiding potential roadblocks
- Best practices for implementing a document management system

Emerging Trends in Document Management

Rapidly evolving technology such as hosted software applications, mobile computing and social collaboration tools are changing how, when and where accounting professionals can work. It's helpful to consider these emerging trends so that you can plan a new document management strategy and implement tools and solutions that will accommodate your firm's current and future needs.

Cloud Technology is being adopted more widely in the accounting industry as firms become comfortable with the security and disaster recovery capabilities of hosted solutions. The cloud reduces a firm's IT burden because the software and the firm's database are managed and maintained in the cloud by the vendor. Some cloud solutions are also designed with an open architecture that allows the applications to easily integrate with third-party solutions.

Workflow integration solutions seek to improve the efficiency of an entire process within a firm from start to finish. An example of an integrated workflow for document management might involve a DMS that integrates with the firm's scanning, knowledge management and email solutions.

Client collaboration tools such as secure, online portals are being adopted in more firms. These secure storage spaces can improve communication and service to clients while complying with security needs for clients' sensitive financial information. Portals are becoming more than just a place to deliver tax returns to clients; as more functionality is added to portal technology — such as e-payment and electronic signatures — adoption and usage will reach a tipping point for true collaboration.

Mobile access to a wide variety of firm software applications, combined with the proliferation of smartphones and tablets, is enabling accounting professionals to have access to their client and project information anywhere, anytime. Mobile devices and hosted solutions empower CPAs to easily work at home, from a remote office or at client locations, providing more flexibility than ever before.

Knowledge management systems focus on the internal knowledge of a firm and how to best collect, organize, store and communicate that information throughout the organization. When social collaboration tools such as wikis and blogs debuted, they were fun for personal use, but it was difficult to imagine how they would be used in business. Today, firms are starting to use social collaboration tools to share business knowledge across an organization and even with clients. CCH® KnowledgeConnect™ was designed specifically to help accounting firms collect, organize and preserve the internal knowledge of firm subject matter experts — a critical need as senior partners approach retirement.



Key Considerations for an Effective Document Management Strategy

The most important way to ensure an improvement in your firm's document management and achieve a good return on investment is to **embrace the opportunity to change your process**. A document management system is a significant investment. Many firms are inclined to put new technology on top of an old process. Before choosing a DMS, take a fresh look at your process and be prepared to embrace change in the following three areas:

Workflow

Get the document management workflow right *before* you evaluate and choose a new system. The DMS you choose to implement needs to accommodate your desired workflow, not necessarily your current workflow. Don't simply force a new DMS into an existing process that never worked well and expect to revolutionize your office. The only way to achieve true efficiency gains is to combine the right workflow for your firm with the most suitable technology, then lay out an intelligent process and train the right people to carry it out.

Integration

Integration ensures that any DMS you choose will be able to touch your workflows from end to end. Many firms have multiple systems that create documents, such as an engagement system that manages workpapers, a tax preparation system creating returns, and a knowledge management system, such as CCH KnowledgeConnect or Microsoft® SharePoint®, that will provide a repository of "how-to" information and firm policies. Integration of all these systems helps firms achieve maximum efficiency and accuracy while also yielding the best possible ROI for the document management solution.

People

A new document management strategy won't work unless your staff is fully engaged from the beginning. Creating buy-in means soliciting input throughout the process. Ensure key members of your team participate in the planning and help outline a better overall workflow. As you begin to implement a new process and tools, make sure the staff is trained and understands the workflow and policies as well as how to use any new solutions. Don't stop there; keep asking for input over time so that you can refine your workflow to maximum efficiency.

How to Evaluate Document Management Systems

Once you have determined your goal and strategy, you'll want to evaluate several document management systems to find the best fit for your new document management workflow. Consider these areas to determine your "must-have" features and functionality:

Single repository

Your DMS should provide an organized, centralized location for all of your firm knowledge and client information. This repository should be accessible from a variety of devices and have good security features. Do you know how the DMS you are considering will perform in these areas?

- Storing files and routing documents — Today's firms are inundated with information, including email, reports, client files, and more. Does the document management solution you're considering support the file types your firm uses most often? All of these file types need to go directly to the database, and you need to understand how they are imported and indexed.
- Document searching — Robust and easy-to-use search and filter capabilities are essential in helping you locate information once it is in the document management system. These questions will help you assess the search functionality in any DMS you evaluate:
 - What types of searches are allowed (for example, can you search full text)?
 - Can you perform amended searches such as file classifications, year and keywords?
 - Are there any limitations to the searching or number of results you can receive?
 - Can you filter and sort your results in a way that is meaningful to you?

- Email management — No DMS is appropriate for use in an accounting firm unless it incorporates and integrates with your email system. Clients send too much information through email to tolerate a difficult or lengthy process for storing and organizing all of it in the DMS.
 - Does the system automate your storage of emails and attachments?
 - Can you integrate it with your client database or your Outlook® address book?
 - Does it offer you the ability to send files from your DMS securely to your clients?

Integration

Consider your current integration needs as well as technology that your firm is already planning to adopt in the future. It's vital that any DMS you choose provides specific integration capabilities that will allow you to exchange information with existing applications, including tax, engagement and scanning. Most vendors either offer best-in-class solutions or product suites to address integration needs. CCH Axxess™ was created to provide the best of both worlds, with fully integrated modules that are built on an open integration platform to enable easy third-party integration.

Top Tip

When comparing multiple products, create an integration matrix with your existing products plotting against the DMS you are evaluating.

Workflow

As discussed earlier, it's essential that you consider your ideal workflow *before* you evaluate a DMS. Do not try to digitally recreate your old paper-based workflow. Instead, maximize ROI by taking advantage of digital capabilities, including the ability to monitor, route, locate and control documents as they progress through your firm. Write down your firm's current process, and take note of any pain points, bottlenecks or roadblocks. For example, think about how documents come into your firm and how you will import paper into the DMS. At what point in the workflow do you want scanning to take place?

Here are some important workflow questions to consider:

- How will the DMS track documents through the workflow?
- Can more than one person work on a document at the same time?
- Can the system help implement and enforce firm policies about retention and deletion of files/documents?

Top Tip

Digital workflows may not always mirror your paper workflows, but they should always provide your team with efficiency gains.

Scalability

To achieve the best ROI, your DMS should be capable of serving your firm for a long time. It will need to accommodate future firm growth. Here are some scalability factors to inquire about:

- Can you easily add efficiency solutions such as front-end scanning or an application that automatically flows information from client organizers to tax returns?
- How much storage can the DMS support? What hardware or services would be needed to expand beyond those limits?
- What will be required if your firm wants to add new office locations or departments?

Top Tip

Consider your current and future storage and hardware needs.

Remote Access

Remote access and support for mobile devices will give your firm the flexibility it needs in the future to support remote professionals and stay in better communication with clients. Consider these questions:

- Can you access client information and perform all key document-related tasks from mobile devices such as tablets and smartphones?
- Will remote users enjoy good speed and reliability?
- Does remote access provide the same level of security?

Top Tip

Look for a DMS that offers mobile access to your clients' data and provides functionality that conforms to your document management policies.

Security

Security is a top concern of any firm. You must protect sensitive client information from outside theft as well as inappropriate access within the firm. To ensure robust security, ask these questions:

- Can you set up different layers and levels of access for certain users, groups or roles?
- Can you prevent some users from using certain functions?
- Can you restrict access to certain clients or groups of clients?
- Can you restrict access across departments or offices?
- Are files encrypted when not in use and during file transmission?

Top Tip

Configure and utilize role-based security groups to assign pre-set access rights to files and client data.

Efficiency

The primary goal of document management is to gain efficiency, so your DMS should be easy to use, provide instant access to documents and be able to track documents throughout your process. During evaluation, look at how easily and quickly you can:

- Enter documents into the DMS
- Find documents
- Edit documents
- Protect sensitive information on a document
- Distribute documents inside and outside the firm
- Manage email within the DMS
- Work between the DMS and commonly-used applications such as Microsoft® Office or Adobe® Acrobat®

Top Tip

Look for products that solve existing efficiency pain points.

Support for Administrative Staff

The DMS should save time for everyone on your team — including partners, administrators and firm managers. To support administrative staff, it's important that the system have an audit trail that can track every action performed by each user, with details such as workstation, network address, time and date. The DMS should also help managers monitor the progress of employees in order to increase staff accountability and better inform the delegation of tasks.

Top Tip

Make sure your Firm Administrator is on your Champions team.

Protection

Disasters can happen, and if the worst occurs, your DMS needs to protect your information against hardware damage and power failure. If your office is damaged, a hosted DMS can get you up and running quickly with access to your client information from home or an alternate location. Understand how your new DMS will protect your firm in these areas:

- **Backup and restore:** Does the DMS architecture provide for minimal, incremental backups as well as full, extensive backups? Do the backups require work from you or your staff?
- **Computer virus protection:** How are your files protected from viruses and other threats?
- **Return of your data:** If you choose a cloud-based DMS and your needs change, can you get your data back from the vendor? Does it cost extra? How long would it take? Would it be downloaded, or returned on a DVD or hard drive? How would the data file be formatted?

Top Tip

Make sure your data can be returned if stored in the cloud.

Compliance

In addition to offering tight security, the DMS you choose should keep you in compliance with any regulations that are important to your business or apply to your clients' businesses. Any good DMS should offer 128-AES encryption. Here are some questions about compliance to consider:

- Does the DMS protect all files from tampering?
- Are documents in the DMS as legally valid as originals? Documents that are traditionally stored in a conventional network folder do not guarantee document authenticity.
- Is the system compliant with HIPAA, SEC or other regulations?
- Does the system automatically enforce document retention policies?

Top Tip

Leverage the DMS to automate management of firm record retention policies and guidelines, ensuring compliance throughout the firm.

Implementation Best Practices

Your plan for DMS implementation should be able to evolve with your firm's long-term document management strategy. CCH has helped many firms improve document management processes. Through these experiences, we have distilled a number of best practices:

- **Start with a scope.** Create a high-level overview of the firm's goals for the paperless office, including any constraints you anticipate. Clearly define what you really want to accomplish throughout your strategy and then share that with everyone on your Champions teams.
- **Define a new workflow.** As mentioned earlier in this paper, you will want to define and develop a brand-new workflow. This will ensure the DMS adds value to the firm's internal and client-facing processes to achieve stated business goals.
- **Recruit an "Executive Champions" team.** This team, comprised of senior partners and executive management, will work through the high-level scope and develop the new workflow for the firm. Executive Champions will identify best practices and lend their experience and leadership to guide the overall strategy.
- **Organize a "Paperless Process Champions" team.** This team of staff members will lead the implementation of your paperless (or less paper) office, including developing new processes, providing input for solution evaluation and giving continual feedback to refine and improve the document management process over time.
- **Develop a training plan.** To achieve the best ROI for document management, you'll need to offer at least two types of training — end-user system training and firmwide process and policy training. Training will be most effective when you can include all staff and departments and roll out new policies to the entire firm at once.
- **Time the implementation carefully.** Try to get as many different departments as possible onboard at the same time. That way you will not have to do much, if any, retraining, and it will be easier to ensure firmwide standardization and use of best practices.

Achieving your goals with document management takes a firmwide commitment. Start with thoughtful planning and get the right people engaged to develop a truly effective new workflow. This will be the key to evaluating different document management systems and knowing when you've found the right fit for your firm.

For More Information
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