

File storage: The case for electronic document management

By Mike Goodwin

I was reading an article in RV Executive Today that disturbed me. It was called "What Should You Keep?" by Stephan King, RV Executive Today, June 2007, p. 25. The article was about documents that a dealership should keep. He listed 4 categories containing 38 document types that should be kept for as little as 3 years to as long as... eternity. Wow! I started picturing how large the filing cabinets at most dealerships must be. Now I understand why so many self-storage businesses are popping up everywhere around my neighborhood.

But seriously, Mr. King correctly informed us that there are several IT solutions available today to help dealers overcome the physical limitations imposed by physical records storage. I am curious how many of you are adopting these technologies. From my visits to several dealerships, I would have to say that electronic document management is not mainstream or even on the radar. So how much does that self-storage space cost again?

In 1971, when electronic storage was first introduced to the market, 80 GB of electronic storage capacity would cost your business \$21,700. Absurd yes, but businesses actually paid for it. These days you can get 80GB of storage for under \$50. And it is more than likely available on your existing PC's hard drive at no additional cost.

Now you may be asking yourself, would storing my documents electronically really be beneficial to my dealership? What is my fiduciary responsibility? What can I as a dealer do to make electronic document management a reality? What do I need? What else can I do? Where do I start? Hold on; hold on, too many questions! Let me walk you through the ins-and-outs of electronic document storage.

The simplest form of electronic document storage (EDS) is file management. The upside to file management is that it is the most inexpensive and the simplest form of EDS to implement. You can start with a scanner and a computer and some form of backup device such as a CD writer, tape backup or online (web) storage service. All you need to do is scan the documents and save them to some basic directory structure that you create and that you are able to keep organized. You also need to back the data up from time-to-time. The downsides to file management are that security is difficult to maintain, document sharing and collaboration are next to impossible, and you might as well forget about

document versioning and enforcing business rules. So what should you do?

There are several flavors of EDS, and they go by several names, have increasing levels of complexity and functionality, and of course, come with higher price tags. In addition to file management, collaboration systems and document management are the two other types of EDS. You may be more familiar with the terms document imaging systems, content management systems, collaboration systems, document management, etc. The evolution of EDS has gone from file management to collaboration tools to document management systems. Document management systems are the pinnacle of this evolution and include both the familiarity of the file management systems and the efficiency and effectiveness of collaboration systems. But what makes document management "Document Management" is the additional capability of implementing business rules and legal and regulatory requirements. Wow! Do you really need all this?

Not really, especially if you are still using the "Self Storage" method of document storage.

Your objectives for implementing an EDS should be in the following order:

1. keep it cost appropriate;
2. keep it simple;
3. never lose a file again and have greater access and availability to documents and information;
4. security of documents and information;
5. sharing of documents and information, collaboration;
6. document versioning;
7. application of specific business rules, including regulatory and legal requirements.

Keeping it cost appropriate. How much money can you save if you eliminate physical storage of your documents? How much time will be gained in employee productivity? How does this translate into real dollars? This is how much; at the most, you should spend on replacing your current solution.

Keeping it simple. How long will it take to implement? How much training will be

required? How can you get your employees to adopt this change? How many features do you really need to get started? Start simple and add complexity only when you have mastered the basics. Always make sure that your organization's culture has adopted the current changes before adding more complexity.

Never lose a file again. Choose a system that provides data backup capabilities. Make sure that it has the necessary search and retrieval tools that will allow you to access the electronic document. Find a system that empowers your employees to find documents faster than searching through file cabinets or file boxes that may or may not be on site. Documents must be retrievable and readily available. A web-based system makes electronic documents available any-time, any-where.

Security of documents and information. What physical controls do you have in place today to ensure information security? Who has access to what documents? Can the electronic document storage solution offer you the same "virtual" security and access controls as your physical environment? This is your starting point for information security requirements and implementation.

Sharing of documents and information. How are documents shared today? What information needs to be shared? Do you need to apply workflow mechanisms to route information correctly? A physical file can only be in one place at a time. A virtual file can be available to multiple people at the same time. Work flow mechanisms pertaining to document management generally solve problems where documents must be routed for review and approval.

Document versioning. Do you need to keep a log of changes made to documents? Do you need to be able to revert to a previous version of a document? Most dealers will not need this functionality in order to permanently store the document types listed by Stephan King.

Application of specific business rules, including regulatory and legal requirements. Business rules functionality addresses how users create, categorize, secure, update, and destroy electronic documents. Stephan King recommends saving documents for an appropriate amount of time based on the type of information contained in the document. This would be a simple example of a business rule that you would look for in a document system. If the system retains all electronic documents permanently, and storage costs for you are not significant then business rule functionality is just an added expense that usually outweighs the functionality provided.

In my opinion, electronic document management is critical to the success of today's dealer. Electronically storing documents has many benefits. Retrieval of information is made much easier and is much faster than searching through traditional file storage boxes and cabinets. Storage costs are relatively low compared with physical storage space. An added benefit is loss prevention of misplaced files or potential destruction in a fire or flood.

Implementing electronic document management can range from easy to difficult depending on the complexity of the system you choose. This does not mean you choose a system of limited ability, but rather, implement basic functions and build upon the successes of your implementation. When starting something new, it is always best to start simple and keep it simple.

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