



How ECM Solutions Reduce Paper Costs

5 years ago, it was estimated that 90% of business information was still being stored on paper (Source: Assoc for Info & Image Mgt). Not much has changed, and paper continues to be a grossly underestimated cost of doing business. There are numerous overlooked pieces to the paper price tag ranging from ink and toner to storage and handling. While these countless costs may seem uncontrollable at first, there are ways to identify, calculate, and mitigate them.

The Price of Paper

It is estimated that between printing equipment, toner, filing materials and equipment, storage space, postage, shredding, disposal, and paid hours for handling, filing, and distributing paper documents, paper costs can exceed 31 times the cost of paper itself. Among the largest of these money sinks are storage and handling. A four-drawer filing cabinet can cost \$25,000 to fill and \$2000 to maintain with the average business's need for paper storage doubling every three years. Among the documents stored, it is estimated that on average, half of them are duplicates, and 80% are never accessed again. While you may be thinking that regularly cleaning out these cabinets is the solution, labor costs are an even higher cost to using paper. American companies spend as much as \$20 on labor to file a single document. In addition, misfiled documents can cost \$120 to find, and lost documents can cost up to \$220 to replace. Even with a rough cost analysis, you'll be able to understand the cost of paper in your organization.

Going Paperless

ECM solutions can eliminate paper costs almost entirely. Digitally storing documents on site or in the [cloud](#) removes the cost of paper, paper storage such as file cabinets, and the office space used to store all that paper in those cabinets. At the same time, [optimized workflows](#), [keyfree indexing](#), intelligent data population, and digital searching make filling out, storing, and distributing documents faster and less costly than ever. Take a W-4 form, for example. While a

paper W-4 form can have repetitive or mistotalled information and can be lost or misfiled, affecting your company's compliance, a W-4 completed through GlobalForms, for example, can remember and auto-populate data, total incomes, and other numeric values and instantly route the form directly to the GlobalSearch repository or to a manager for review.

Beyond cost efficiency, there are a slew of other benefits ECM solutions can provide. Giving employees real-time, updated access to centralized versions of documents boosts collaboration while secure servers, data exchanges, and internal controls can drastically enhance security. Solutions such as Square 9's GlobalSearch supports regulatory compliance helping you avoid costly penalties and giving you peace of mind. Finally, choosing a cloud solution helps mitigate the cost of [disaster recovery](#) which can be enormous. To learn more about business continuity, read [Is Your Business Disaster Ready?](#)

Calculating The Value For Your Organization

While most growing businesses that work with paper can benefit from an ECM solution, a few formulas can help you calculate your paper costs and determine the value yourself.

Monthly Cost for Paper x 12 Months = Annual Amount Spent Solely on Paper

(Number of Filing Cabinets x 16 sq. ft.) x Cost per sq. ft. of Office Space = Costs of File Storage

(Monthly Rent of Off-Site Storage + Utilities) x 12 months = Annual Off-site Storage Costs

(Annual Printer Rental Cost + Annual Printer Maintenance Cost) + (Monthly Toner Cost x 12 Months) = Annual Printing Cost

((Hours an Employee Spends Managing Paper x Number of Employees) x Average Hourly Wage) x Number of Workdays in One Year = Annual Amount Spent on Time Employees Spend Handling Paper

These quick calculations can reveal a lot about what your business spends on paper and help determine if a digital solution is right for you. To learn more about how your organization can benefit from ECM, Web Forms and other digital transformation solutions contact us at Square 9 Softworks.



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Sam is one of the dynamic voices behind Square 9 Softworks. Delivering highly effective messaging across reseller channels, end-user communities, and outside agencies, Sam develops, drives, and executes communication plans that effectively support Square 9's overall marketing goals and objectives.

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