

# Improving Back Office Operations with Enterprise Content Management

## What is it?

The foundation of an organization's business processes often lies in the hands of departments such as human resources (HR) and accounts payable (AP). These divisions maintain the underpinnings of operations, including hiring new workers, maintaining compliance records, recording credentialing data, conducting critical background checks and covering all aspects of payment processing. They ensure the people and the funding in an organization run smoothly so customer service levels can remain high.

Without fully functioning HR and AP departments, an organization can suffer complications such as processing slowdowns, potential safety issues or even legal liability or fines. Yet, when economic challenges strike broadly — as they have during recent years in both the public and private sector — these “back office” operations are often the first roles eliminated to save costs.

Public sector and other governmental and quasi-governmental entities such as school districts; publicly owned utilities; state, county and local governments; and special districts are all experiencing financial challenges. Facing pressure not to reduce front-line services, these organizations are cutting back in administrative services.

Enterprise content management for administrative functions like HR and AP can help manage workloads when staffing has been reduced, and even potentially make an organization more efficient than before.

## Why is it important?

Despite elimination of positions in HR and AP within public sector organizations, there are ongoing demands for paperwork and account maintenance. Even a fully staffed HR or AP department can experience processing slowdowns; whenever paperwork moves through various departments or positions — as it often does in a centralized system — it costs time. With every desk a document crosses, reviewers ask questions, make changes or even misplace papers — all resulting in processing delays. When staff or resources are cut within these departments these processes slow even more, which presents a variety of potential costs to the public entity.

An organization can incur costs through fees for late or missed payments to vendors, or loss of early payment discounts should processing of invoices not happen quickly enough. Misplaced or lost paperwork can cause clogs or gaps in the system. Incomplete record keeping and personnel file maintenance can also result in compliance issues or legal vulnerability (e.g.



relating to teacher credentialing, background checks, reference checks or licensing verification). An organization can also experience damage to its public image caused by these inefficiencies. If a public sector entity does not make timely payments to its local business vendors, it can affect the entity's reputation and call into question the broader ability to serve constituents. So why would decision-makers opt to cut back such integral services, and how can organizations expect to function properly without these crucial roles?

## How can ECM help and what are the benefits?

Enterprise content management (ECM) software can not only help an organization's existing solutions such as GIS, asset management or case management software, but can also fill in the gaps in administrative services, like those caused by lost HR or AP positions. The value of ECM software is even greater than its role in assisting with the mission of the agency; the benefits of ECM software also include cost reduction, and improved efficiency and transparency.

### *Creating Higher-Value Work and Reducing Costs: Allegheny County*

ECM software can help with workflow automation and eliminate filing responsibilities, which reduces costs for paperwork

and other low-value tasks. In Allegheny County, Pa., Manager of Services Nick Pisciotano says that the county has saved \$50,000 by moving personnel away from basic-level paperwork functions to perform higher level work tasks.

In the case of public sector organizations, this means more funding can go to constituent services and front-office personnel. “Hard ROI is hard to document, because people are not usually laid off, but we have seen a substantial reduction in paper, office and wear and tear on printers,” says Pisciotano. In the Department of Health Services, he reports, they estimate saving close to \$35,000 just on paper, ink and files in the year that they have been doing voucher processing. “Their copier maintenance went down \$5,000 because they are just using them less,” he says. “But the real ROI is delivering constituent services at a faster pace.”

#### ***Improving Efficiencies and Transparency: Arlington County***

Another benefit of enterprise content management software utilized in public sector work is improved efficiency in paperwork processing. On the AP side, this can translate to staff time savings, cost savings in the form of early payment discounts (when invoices are processed quickly) and avoidance of late fees (when invoices are processed too slowly or error occurs). On the HR side, this can address concerns around maintenance of personnel records and background checks, and upkeep of credentialing documentation, ensuring the organization’s workforce is qualified to perform duties and that liability is avoided. Arlington County, Va., Information Technology Manager Paul Carter says his county’s integration to ECM software helped improve HR record keeping in multiple ways.

With Arlington County’s paper-based system, HR records took up a significant amount of physical space, were retained for lengthy periods of time, and were carried in duplicate by many different people and offices — making for a complicated and tedious system. Accessing the paperwork was difficult, as it was kept in a remote location. Even the record keeping itself was spotty, Carter says.

However, this all changed when an ECM software system was implemented. “Once we started to migrate and digitize records to electronic watts to ease the burden of archiving, we became much more efficient — there was no longer ambiguity about which file was most updated because there was only one version now in the electronic file,” says Carter. In addition, access to files became much faster, he explains. “[Employees] could now access files through their daily software interface — they didn’t

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even have to leave their daily software to find the HR files they needed.” Overall, Carter observes, “this is a very powerful HR solution that provides us with several advantages.”

Finally, ECM software can bring a new level of transparency to a governmental or quasi-governmental organization’s work. When documents and processes become digitized, public access to documentation through Web functions allows constituents access to better understand the organization’s work and internal processes. This creates a greater sense of accountability for the organization, as well, so both the public and the serving agency have an improved relationship based on a better sense of disclosure and understanding.

#### **Where can I find out more?**

[www.hyland.com](http://www.hyland.com)

***Maricopa County increases transparency and services level with Hyland and OnBase***

[www.youtube.com/watch?v=43iF0LK92yI](http://www.youtube.com/watch?v=43iF0LK92yI)

***Allegheny County improves constituent services with Hyland and OnBase***

[www.youtube.com/watch?v=g2wjkLCOvq0](http://www.youtube.com/watch?v=g2wjkLCOvq0)

***The Hyland Blog: When the Back Office is the Place to Start in Government***

<http://blog.hyland.com/back-office/when-the-back-office-is-the-place-to-start-in-government-flipping-around-the-document-management-decision/>

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#### **About The Hyland Software Solution, OnBase**

One of the world’s largest independent ECM software vendors, Hyland Software is the developer of OnBase. An award-winning suite of document and process management solutions, OnBase has a proven record of solving problems resulting from time consuming, costly and error plagued manual tasks. Available on-premises or as software as a service (SaaS), OnBase installs quickly, cost effectively and is designed to grow with organizations. Today, people at more than 10,000 organizations in 67 countries have the time to do the things that really add value thanks to OnBase. For these and other successes in its 20 year history, Hyland Software is a Leader in the Gartner Magic Quadrant for Enterprise Content Management, 2010. For more information, visit <http://www.hyland.com> and <http://www.hyland.com/government>.