**The Paperless Office**

By David L. Lawrence

Converting an office to a paperless environment can be a daunting, if not overwhelming set of tasks. For some financial advisors, the prospect of such a conversion could entail months of preparation and work. Yet, there are solid reasons to strongly consider creating a paperless office that go beyond environmental reasons. Cost savings, rapid and ready access to files, file sharing with clients and other professionals and protective backups are only a few of the reasons. And, there are also ways to mitigate what might seem like lengthy and exhaustive work to complete a conversion. Here are a few steps to help you get there quicker and perhaps with less expense.

**Step One: Create a Project Plan –** It is important to consider an office conversion to paperless as one part of a larger picture of what you are trying to accomplish with overall office operations. Simply jamming paper into a scanner and sticking the files into a hard drive is nowhere near enough. Consider the development of the file structure, for instance. If your physical files are constructed with tab sections, you may wish to emulate this in your electronic files, particularly those associated with clients. Having a common filing structure means less time for staff to understand it and find files.

In creating the project plan, consider developing a timeline for completion of the project with specific goals at various points in the timeline. Consider also determining the extent of the paperless conversion. For example, some firms may wish to determine a ‘line-in-the-sand’ approach, where they identify only those files that are current and not subject sun-setting rules to be scanned and continue to hold the remaining paper files until they can be safely destroyed under IRS and/or SEC rules. For some, this may represent a seven year rule or potentially more. The reason to consider this is if your office has, for instance, 350 clients with 30+ years of paperwork, attempting to scan all of this could turn out to be a mammoth job that not only would be expensive, but a major time-consumer. For active financial advisory firms, this could mean hiring extra staff just to complete the scan and store processes. So, the ‘line-in-the-sand’ approach is intended to take a practical view of what the firm actually needs and can sustain without a major interruption of staff time and without incurring a major expense.

**Step Two: Select the technology**

There are literally dozens of choices when it comes to creating a paperless office. The simple truth may be that you already own what you need. In many cases, financial advisors may own equipment and software capable of the task, but may not fully understand or utilize what they have. Software companies have partnered with equipment manufacturers to create combinations of technology and software that can get the job done. However, if those solutions are not compatible with the firm’s Client Relationship Management Software, then it may turn out to be a lot bigger job and more expensive than it needs to be. So, the advice here is to do your homework. Investigate your current technology and software to determine if the functionality already exists to create a paperless office environment. And, make certain that whatever systems you may have are fully compatible. If not, then take a look at what is out there that is compatible with what you already own.

As an example, If you are using Redtail Technology ([**www.redailtechnology.com**](http://www.redailtechnology.com)) as your CRM, Redtail offers a seamless solution called Redtail Imaging that can coordinate with the client files and documents, allowing you to automatically scan and store directly to the document tab in Redtail. Junxure ([**www.junxure.com**](http://www.junxure.com)) CRM offers a similar functionality as does most other CRM’s designed for the Financial Services Profession.

If there is a fair amount of accounting related paperwork involved, you may wish to take a look at Neat Receipts ([**www.neat.com**](http://www.neat.com)). Neat offers not only a scanning system, but an intuitive software that can recognize the paperwork it is scanning a potentially file it according to its content. NeatDesk is a high-speed, duplex desktop scanner and Digital Filing System. You can scan receipts, business cards and documents in one batch while the software identifies, extracts and organizes key information. Neat brings scanned documents to life, using Intelligent Text Recognition technology to read and understand key information, and then automatically organizes what it sees. The resulting digital files are useful and usable – easy to find, easy to access, and easy to share. The scanner is capable of scanning at a rate of up to 24 pages per minute, and can handle double-sided pages. You can feed up to 50 pages at a time.

Neat also offers a portable scanner for use outside the office, or at a client’s home or place of business. With their NeatCloud solution, access to files is potentially available anywhere, anytime. However, the included software may need to be adapted for use with a CRM. Also, 24 pages a minute, while seemingly fast, can be slow when faced with mountains of paperwork to be scanned.

So if speed of scanning is the issue (and why would it not be), you may wish to consider the Fujitsu fi-6130z ([**http://www.fujitsu.com/us/services/computing/peripherals/scanners/workgroup/fi-6130z.html**](http://www.fujitsu.com/us/services/computing/peripherals/scanners/workgroup/fi-6130z.html)**)** . It has blinding speed, with up to 40 pages per minute in color, monochrome, etc. The 6130z has exceptional clarity with 300 dpi scanning resolutions and comes with Kofax® VRS® Professional and ScandAll PRO 2.0 software. However, this scanner can work with a variety of different document management solutions.

Among those are such industry leaders as Laserfiche and Docupace. Laserfiche ([**www.laserfiche.com**](http://www.laserfiche.com)) offers document management solutions for both RIAs and Broker Dealer affiliated advisors. Because Laserfiche provides both departmental flexibility and enterprise control, thousands of leading RIA firms use Laserfiche enterprise content management to create a user-friendly, standardized system for managing client information, company records, correspondence—even e-mail and social media—in a way that’s convenient, comprehensive and compliant.

Using simple but powerful automation tools, Laserfiche accelerates and streamlines business processes, saving time and money while reducing security risks. The Laserfiche Avante software, for instance, includes workflow management features to speed the process of document management.

However, Docupace ([**www.docupace.com**](http://www.docupace.com)) has made great strides in this marketplace by offering their document management solutions at an attractive price, often discounted through broker dealer and/or custodians. Docupace claims to be the industry’s first web-based SEC/FINRA compliant paperless processing system.

Docupace is an industry leader in delivering SEC/FINRA compliant paperless processing systems to financial services firms. Their document management and workflow solution simplifies the process of capturing, organizing, routing and accessing information. And, it is compatible with most current CRM software solutions used by financial advisors.

**Step Three:** **Get staff buy-in on the project**

This is critical. Your staff needs to fully understand the scope of the project, the potential benefits to the firm and, perhaps most important to them, the potential end use benefits to them. Once the system is in place, they could end up saving hours of labor through automation of document management processes and electronic file handling. If your staff realizes the benefits, they are much more likely to embrace the front-end commitment to make it happen. And, the firm is much more likely to end up with a more efficient and productive office as a result.

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