

# Imaging Case Study:

TAB Helps Continental Paper Grading with Back-file Conversion



## The Challenge

Continental Paper Grading's accounts payable department had decided to convert to an electronic data system that enabled scanning of checks and backup paper documents for digital storage.

Because the conversion occurred midway through the year, files from January 2005 to August 2005 were not scanned into the system, resulting in a mix of paper-based and electronic files. In addition, the scanning process, while well designed, could not keep pace with the growing volume of checks and back-up documents that had to be entered daily into the system. Consequently, Continental Paper began to accumulate a backlog of unscanned files.

## Business Impact of These Challenges

The mix of paper and electronic storage media from 2005, combined with an ongoing backlog of more recent, unscanned files, impacted Continental Paper Grading in a number of ways, including:

- Decreased productivity resulting from staff taking time away from core business activities to search for back files
- Potential negative impact on Continental Paper Grading's relationships with vendors, due to delays in responding to queries that required retrieval of processed checks and back-up documents
- Undue strain on scanning department, which was struggling to cope with the daily incoming flood of documents while trying to address a growing backlog
- Potential increase in staffing costs – because of the persistent backlog, Continental Paper Grading was planning to hire at least one additional employee to help with the scanning process
- Potential negative impact on company's image should the IRS unexpectedly conduct an audit and find Continental Paper Grading's record-keeping system in a backlogged state

## TAB To The Rescue

For help in resolving these critical business issues, Continental Paper Grading turned to TAB, which promptly developed and delivered a two-pronged, progressive solution:

- Complete, fully-managed back-file conversion project with TAB supplying all staff, supplies, equipment, and processes needed to convert accounts payable files, dating between January 2005 and August 2005, from paper to digital format.
- Integration of Kofax Ascent 7.0 Software into existing electronic data system to improve efficiency of scanning processes. As part of this implementation, TAB designed a more streamlined scanning process and trained users on the application and production process.

## Working Out A Solution

To determine the scope and nature of the problem, TAB consultants Bob Whooley and Susan Lundahl met with Tony Aukett, Continental's CFO. From the first meeting, says Aukett, he was impressed with how TAB's consultants took ownership of his organization's challenges, working not only with Continental's scanning department but also with the third-party software company that had written Continental's accounting program.

"We told the TAB consultants our problem and they came up with a process to deal with it and brought in the people and equipment to do the job," recalls Aukett. "I didn't have to get involved at all, which I'm thankful for since I'm a CFO, not a records manager."

## Clearing Out The Backlog

To carry out the backfile conversion project, TAB set up an onsite climate-controlled office space, where it installed three file preparation stations, one scan station, one quality assurance and index section, one station for boxing records, and one supervisor station. TAB also brought in a scanner, three desktop computers, one Network Attached Storage Device, and several photocopiers.

## A Future-Proof Solution

As they assessed Continental's scanning process, it immediately became clear to Whooley and Lundahl that the company needed more than a backfile and backlog conversion solution. It needed a long-term technology solution that would allow its scanning department to stay current with the daily influx of checks and documents. Without such a solution, Continental would quickly accumulate a new backlog of unscanned files.

Whooley and Lundahl recommended that Continental enhance their existing custom-designed electronic data system by adding Kofax Ascent Capture 7.0 software. Installed as a network version on two stations, the new software would enable the stations to scan and index a combined monthly total of 25,000 images. More importantly, it would allow Continental to scan in large batches, and automate a number of manual tasks in the process. In addition to designing and implementing this solution, TAB would also provide user training and support.

## The Outcome

In less than a month, TAB successfully converted 12,400 back files consisting of about 55,800 pages, from paper to digital format. It also converted its more recent backlog, bringing Continental's scanning department completely up to date.

With a new scanning system and process in place, Continental can now keep up with its daily check volumes. And the system's large image capacity means there's room to grow as Continental's business continues to grow.

## Enjoying The Business Benefits

By converting Continental's accounts payable backfiles, and streamlining its check and document scanning process, TAB helped Continental complete its transition from a paper-based to an electronic data storage and retrieval system. With files now stored in one consistent format and in one central electronic repository, Continental's staff can spend more time on essential and productive activities and less on searching for information. Continental can also better satisfy their vendors and partners since the new and updated system has effectively shortened the response time on queries. Another benefit from TAB's solutions? Continental is now in a constant state of readiness for random IRS audits, says Aukett.

While it's difficult to quantify all of the benefits Continental has gained and will continue to realize from TAB's solutions, Aukett says he can identify yearly savings of at least \$30,000 – the annual salary Continental would have had to pay an additional scanning clerk. And since the electronic files can now be sent to vendors and other parties by email, Aukett says Continental is also spending less on paper, fax transmission and postage.

“We now have everything filed electronically, everything is easy to access and it was all done in a timely manner,” says Aukett. “Thanks to TAB, we went from having a major problem to having a highly efficient and cost-effective solution.”

# The TAB Difference

- Complete, fully managed solution that doesn't place additional strain on a client's resources
- Innovative and logical processes and systems customized to the company's unique needs and challenges
- Ability to build on existing infrastructure and work with other vendors
- End-to-end records management solutions that include user training and support

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