

PUSHING THE PAPERLESS OFFICE

Is the paperless office a plausible scenario for accountancy firms? Paul Murray considers the results of a survey of companies who have taken the lead in this area

While there are different views about whether a completely paperless office is a realistic objective, everyone agrees that a 'less paper' office is both desirable and achievable. When prompted, most suppliers are happy to talk about business benefits, features and functionality. Some may even play on the fear factor of what might happen if you do not buy this technology while your competitors do. A recent CCH software survey explored the hard facts of implementation and highlighted four areas of importance in developing the paperless office.

Time is money

Saving the amount of time spent on information retrieval is a key benefit. From a ROI perspective, a system should greatly reduce the amount of wasted hours spent tediously walking to a filing cabinet, locating the right file (or chasing the person who has it) and then walking back to the desk. Anyone who has worked within an accountancy practice will understand the significance of this. In fact, so time-consuming is the act of filing that when this process is automated, eight out of the 10 accountancy practices analysed were able to reduce the amount of staff dedicated to administration and, in the vast majority of cases, these staff were reassigned to more cost productive activities. J.P. McGee, IT manager at Lalor O'Shea, commented "We can now be sure that everything is in the right place and that everyone is using the same method for creating and filing documents. All of our knowledge and information has been brought together and is located in one place – staff are no longer going from one office to the other to retrieve information."

In addition, the loss of the 'filing cabinet farm' within the office has another obvious cost benefit as a significant amount of space is freed up within expensive office suites.

It is not possible to give an exact figure on such a benefit, as the cost of office space varies radically from location to location and, of course, each practice varies in size and client base. However, in this survey, six out of the 10 accountancy practices pointed to tangible gains from reduced filing space and some of the cited examples were compelling.

Customer service

As accountancy practices increasingly migrate towards a 'less paper' office, their customers begin to expect more. In other words, early adopters gain a significant competitive advantage. The ROI analysis showed that eight out of the 10 accountancy practices witnessed a noticeable improvement in customer service as a result of implementation. This was because response times were significantly higher in two distinct areas. Firstly, should a customer make an ad hoc real-time enquiry, such as by phone, the accountant is able to instantly access the relevant information and respond. Secondly, should the customer be making an enquiry by letter, then the delay from that correspondence arriving and being dealt with by the appropriate person is greatly reduced, as it can be scanned and made available to the relevant member of staff in a matter of minutes. From a customer's perspective, this means that the accountant is providing a much more attentive and personal service. It also means that because any authorised member of staff in any office can access all information, the client's enquiry can be handled regardless of the availability of the correct client team member.

Operational efficiency

Of the 10 accountancy practices analysed, improvements in operational efficiencies were observed across the board. One noticeable trend (seen in nine out of the 10 companies) was greatly improved levels of internal communications. This is because using a web type portal also fulfils the more basic task of acting as an intranet for information dissemination and exchange. This has the advantage of being accessible by all staff members all the time, meaning that the information internally communicated has a far higher chance of being read.

Having easy access to information is a key benefit as it makes working life easier for both staff and management. This is because it allows far higher degrees of flexibility than would have previously been enjoyed. The knock-on effect for the practice is that operational efficiency is vastly improved. From a management perspective, a distinct advantage enjoyed by seven of the 10 accountancy practices was the consistency and control of documents. For example,

ensuring that standard document templates have to be used throughout the practice for document creation provides an excellent control mechanism.

Remote working is also a massive benefit to all members of staff, as shown by seven of the ten practices analysed. For the first time, accountants can work from home with the same (if not more) levels of productivity as they could in the office. Furthermore, there was clear evidence that staff find themselves far more efficient and productive when working on a client site as they can swiftly and securely access all the information they require.

Speed of ROI

The ultimate aim for any accountancy practice, when assessing return on investment, is how quickly costs can be recouped. This will greatly vary between accountancy practices and the way in which the technology is going to be used. However, through analysing the accountancy practices that formed this study, some impressively fast ROI times were witnessed. One such firm stated: "The system is working better than we could have hoped. We are saving a minimum of 15 minutes per day per employee – this equates to approximately seven hours per day, it's like having an extra employee. The system has enabled us to vastly reduce our non chargeable time and we are confident that the system has already paid for itself and has given us a return on investment of over 300 per cent."

Cultural change

Have you ever walked around your office and noticed the printed documents on people's desks? The point is that starting the journey towards an office with less paper is as much about cultural change as it is about bringing in a new piece of software. Properly managed and implemented there is no doubt that substantial improvements to practice efficiency, increased chargeable time and most importantly enhanced client service can all be achieved.

Paul Murray is General Manager of the Irish division of CCH software