



International Accounts Payable Professionals

2009 Document Management Study



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About TAWPI

TAWPI is a membership association that facilitates the peer-to-peer exchange of actionable information, ideas and best practices on the converging technologies and processes that enable payments automation and document management.

The TAWPI 2009 Forum & Expo is a highly interactive, multi-dimensional event featuring ideas, information and advice on payments automation, distributed capture, and document & forms automation. For more information, visit TAWPI at www.tawpi.org.



About International Accounts Payable Professionals

IAPP is internationally recognized as the trustworthy guidance-setting association for the accounts payable profession. Serving members throughout the world, IAPP is the AP professional's global voice, chief advocate, recognized authority, acknowledged leader, and principal educator on all AP operational, regulatory, leadership, tax, control and fraud-related topics. IAPP has more than 70 chapters throughout the

United States, Canada and the United Kingdom, and provides training, conferences, knowledge sharing, AP certification, online resources, AP Matters magazine and more. For more information, visit IAPP at www.TheIAPP.org.



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About Kenneth Yokum

Ken Yokum has over 35 years of operations experience in the financial services industry. He spent his entire banking career with JPMorgan Chase, or predecessor banks (National Bank of Detroit, Chase-Texas, and Bank One). He mainly focused on Treasury Services operations and product management roles, specializing in lockbox, ACH, and wire transfer services. His expertise also covers various facets of product development, outsourcing, and offshore operations

Ken retired from JPMorgan Chase in 2008 to focus on other business opportunities, including consulting services for a variety of organizations. In addition to this TAWPI research initiative, he has also been engaged in due diligence projects, contract negotiations, pricing analyses, and has provided workflow and general management guidance.

Ken is a former Chairman of The Association for Work Process Improvement (TAWPI), and received the Herbert F. Schantz Distinguished Service Award from the group in 2005. He holds a BS in Business Administration (Finance) from the University of Detroit. Ken also has the permanent designation of Certified Cash Manager.

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The Study Sponsors

AnyDoc Software

Capture Sage LLC

eGistics

Integra Business Systems, Inc.

KeyMark, Inc.

Kofax

OPEX Corporation

ProfitStars, a Jack Henry Company

WAUSAU Financial Systems



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Executive Summary

This is TAWPI's third major survey of document processing professionals since the year 2000. We are pleased to have partnered with IAPP (International Accounts Payable Professionals) and our major sponsors (**AnyDoc Software, Capture Sage LLC, eGistics, Integra Business Systems, Inc., KeyMark, Kofax, Opex Corporation, Profit Stars, and WAUSAU Financial Systems**) in conducting this 2009 edition. Many trends we saw or forecast from the previous two studies have come to fruition. The growth of image technology has been significant and is now in place in virtually every document handling process imaginable. The automation opportunities have increased substantially and continue to be enhanced as firms look to drive efficiency and quality throughout their operations.

Although many processes have matured, the quest for additional uses and services never seems to end. We continue to evolve from data entry to data capture, with data mining utilized more and more in a variety of applications. This is in addition to front end auto classification, where documents can enter the system intermingled, and software logic sorts and routes them into different processing/handling streams. Even traditional hardware vendors are focusing more on the entire solution set being delivered, as well as entering into actual processing environments with BPO (business process outsourcing) operations.

As noted in previous studies, compliance requirements due to Sarbanes-Oxley and HIPAA, as well as recent highly publicized fraudulent and risky ventures, have increased the need for secure imaging and data gathering/storage systems. The need for quick access to complete and extensive data sets continues to grow.

Study Objectives

This particular study was mirrored after the first two, and is intended to provide participants comparative information covering document prep, document imaging, recognition and key entry, workflow, archival, retrieval and retention, disaster recovery, and outsourcing and off-shore capability. It may also be utilized by a variety of vendors to understand the various types of work being handled, volume levels, and the range of sophistication that exists in the marketplace. The only caveat in drawing direct correlations from study to study is the fact that the respondents to each survey are not exactly the same.

We were able to generate a large number of respondents (309) by canvassing the members of both TAWPI and IAPP, in addition to the user communities of our major sponsors. Nearly half of these respondents completed the entire survey. The vertical markets represented, as well as the range of volume and document types captured is extensive. (The "Methodology" section provides much greater detail on our participant profiles.)

Trends and Outlook

Although capture technology and automation techniques continue to expand, our user base feels the need to utilize many of these tools to a greater degree. Aging systems also require upgrades and capital expenditures to simply meet market, compliance and competitive positions. The reality, though, is that internal competition for technology resources and capital dollars exists in most firms. If the document workflow in question is not a key component of an overall firm's main lines of business, it does not always get the development dollars needed, regardless of the efficiencies that could be

gained. This makes it imperative that strong solid business cases are developed, and is an area that vendors can provide significant assistance.

Major vendors continue to bring capture and content management tools to the table. This is evidenced by the survey responses to the use of systems like Microsoft SharePoint, which appear to be experiencing enterprise-wide acceptance in more and more firms. We may see more and more overall solutions being introduced in the workplace, which will bridge data content across various lines of business and disciplines within firms, including sales, product development, marketing, billing, accounts receivables, compliance, etc.

User Requirements

As mentioned earlier, users have a great desire to understand and implement new technology. The challenge becomes quantifying the benefits and obtaining project approvals. Vendors need to keep this in mind in helping to sell their solutions, and associations like **TAWPI** and **IAPP** will also continue to provide statistical information and credible examples of working solutions.

Mergers and Acquisitions

This is an area that has shown significant movement since our last survey and does not appear to be slowing down anytime soon. Whether it is on the vendor side or the industry verticals they support, consolidation will continue. The obvious driver is cost reduction, but increased service level offerings, and leveraging the global nature of most industries is also prevalent. More and more foreign firms are investing in the U.S., while American firms continue to look for overseas opportunities. The reality of all this consolidation should be enhanced product delivery and capability, as well as a growing appetite for workflow solutions and/or BPO (business process outsourcing) opportunities. Cost/benefit analyses will drive solutions more than ever before, and will be more pronounced in these times of economic uncertainty.

Mergers such as EMC and Captiva, and Kodak with Bell and Howell, appear to have resulted in stronger combined entities, but the overall impact to end users is still not certain. Are the product offerings much stronger, service levels much higher, and price points more competitive to the end users? These will be the questions to answer for all of the previous merger activities, as well as those that will surely occur in the near future.

Compliance

Regulatory compliance, similar to Sarbanes-Oxley and HIPAA, will increase. The prevalent view that lack of oversight contributed to recent market declines, and highly visible fraudulent operations have been allowed to exist unabated, will result in further oversight. Although much of this may be viewed as positive steps, virtually every industry will be affected and required to strengthen their risk controls in one form or another. System and solution providers, as well as users, will both need to stay abreast of the regulatory environment and be in a position to react to whatever changes lie ahead.

In addition, the whole topic of *litigation preparedness* has surfaced and resulted in numerous *eDiscovery* solutions entering the marketplace. Regardless if a firm's

objective is to be prepared for potential litigation or simply to provide efficient client services, any system solution that is put in place needs to have a robust and manageable archive retrieval mechanism. Users need to assess risks with their legal counsel and determine their readiness to pull together information and records in quick order. Whether firms call them “eDiscovery” solutions or not, a strategy for accessing data is imperative and cannot simply be a reactive approach as situations arise.

Need for Education

The current economic landscape highlights the need to stay informed about technology advancements. Often times, knee jerk reactions result in budget cuts around education, training, and market research. The reality, though, is that cost efficiencies and revenue growth are paramount, and enhancing the knowledge base of a firm’s employees is the only way for them to succeed. Short term pull backs on educational opportunities end up negatively impacting firm’s abilities to grow and prosper. This is where the value of associations like **TAWPI** and **IAPP** become even more valuable as they bring the user and vendor community together. The conferences, case studies, webinars, white papers and research studies are exactly what firms need, especially in today’s competitive marketplace.

We thank all those who participated in this particular research study. Your responses will help identify adoption rates of various tools and experience across industries. Even if there are only select areas of interest, we expect you will find value in the full study results. We at **TAWPI** and **IAPP** also look forward to serving you in a variety of ways in the weeks and years to come.

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2009 Document Management STUDY



This report provides comparative information covering

- Document prep
- Document imaging, recognition and key entry
- Workflow
- Archiving, retrieval and retention
- Disaster recovery
- Outsourcing and off-shore capability.

It may also be utilized by a variety of vendors to understand the various types of work being handled, volume levels, and the range of sophistication that exists in the marketplace.

TAWPI Member Price: FREE; Non-Member: \$225

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