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SPECIAL
REPORT



SMALL BUSINESS SERVICES

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A SUPPLEMENT TO
ACCOUNTING TODAY
ACCOUNTING TECHNOLOGY
PRACTICAL ACCOUNTANT

Optimizing Business Operations

Document management technology has many benefits and they are applicable to accounting firms and by extension their clients. Some of key benefits include:

- Once documents are electronic, backup is relatively simple
- Finding documents is easy and efficient
- Customer service is more efficient as personnel can find client's documents while on the phone and directly answer questions resulting in happier clients
- Sharing documents is simple with a document management system. Hardcopy sharing incurs more cost
- Document workflow matching your firm's business processes is simple to install and insures the same process is repeatedly used resulting in productivity gains



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- Since data is now electronic, integration with other software packages is possible. This results in less data entry and more efficient use of time. The last bullet in the above list is probably the most dynamic that can

provide your firm (or your client's firm) with the most precious commodity—more time! If you can extend your technology platform to integrate with your other software packages such as accounting system, CRM, email applica-

APPLYING TECHNOLOGY TO THE DICTATES OF BUSINESS PROCESSES CAN PRODUCE OUTSIZED BUSINESS OUTCOMES.

tion, or contact management in a seamless manner, then you will save an enormous amount of time and more than likely assure that your data is more accurate, as well.

The integration of your document management with third party applications, as described above, must be seamless in order to gain optimized values. A good example is the case of a home builder and a lumber company and how they optimized their business partnership. These two companies were passing 500 paper invoices every week between them. The lumber company was already imaging the invoices as a matter of course and then printing the documents to send to their clients. These invoices reached the builder who was then imaging the documents by using a software application called CNG-Books from Cabinet NG and re-entering the data into their accounting system.

Now, if you allot two minutes per invoice entry, it was taking roughly 16 hours to re-enter the data and re-image the documents. At \$15 per hour, this amounts to \$13,000 per year just on the data entry/imaging of the invoices into the builder's accounting/document management system. Never mind the costs associated with tracking down data entry errors and the phone calls back and forth when an invoice was lost or mis-entered.

In order to overcome these weaknesses, a solution was developed in partnership between the lumber company and Cabinet NG. The solution was not as

difficult as one would have thought.

The lumber company developed a script for their accounting system that allowed them to export the data with the associated image file which was then sent to the home builder.

Cabinet NG developed an application that would read the lumber company's data file and import the accounting data and put it in the home builder's QuickBooks system, and take the associated image files and store them in Cabinet NG's document management system (CNG-SAFE).

A link was created between the transaction and the document, so that the image files could be viewed directly from QuickBooks. The process of entering the invoices from the lumber company has dropped from a two-day job to a 15-30 minute job (the data from the lumber company has to be verified). In this case, the document management software was able to link directly with QuickBooks system. When these applications are transparently integrated together, the entire system becomes automated. Both the home builder and the lumber company now spend less time doing tedious error-prone duties and have faster access to data in an efficient manner.

Finally, applying technology to the dictates of business processes can produce outsized business outcomes. So the lesson is to take a close look at the steps involved in your key business processes. If you have a bookkeeping department, then think about how data is being entered, tracked and used by your organization at large and by your clients. Automating data entry will save you time by speeding up the bookkeeping process and allowing you to devote more time and values to your clients. SR