



## Document Imaging & Workflow

Leveraging Fax Automation for  
High Productivity Gains

### Business Executive's Summary

Written by:  
D. Scott Riley, CEO, OTGT, Inc.

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One Touch Global Technologies, Inc.  
20371 Irvine Ave. 250  
Santa Ana Heights, CA 92707  
Tel +1-949-270-0300  
Fax +1-949-270-0290  
[www.otgt.com](http://www.otgt.com)

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### “The Problem”

As a senior level executive, you know the story, because you wake up to it every morning: How do I predict, maintain and increase top-line revenue? How do I improve the customer experience to retain and grow the customer base? **How do I reduce costs as a percentage of revenue** (especially those costs I can control directly)? In fact, how much control do I have of costs related to inefficiencies and processes of times-past?

Am I losing business to my competitors because they can do it better, faster and cheaper?

These are the questions and challenges I think about personally everyday. Then only further emphasized by the many organizations that ask One Touch to addresses these same concerns: *How do I purge cash-robbing business inefficiencies*. **These problems are solved on an everyday basis using electronic document technologies such as: fax server automation, document imaging, workflow, document distribution, output management, enterprise content management, and well, all that other technical mumbo jumbo.**

Let me pause for a moment. I am personally not a fan of complicated technology. Rarely does it deliver what an organization really craves, and more importantly, what a senior level executive expects. Corporate America has seen many successes and many failures with technology. Selective memory works well here.

**A majority of successes are attributed to technologies that minimize resource commitments required of the customer for implementation and maintenance**, maximize user acceptance (and in many cases, bypass the need for user involvement), leverage and simplify integration into your existing infrastructure and applications, meet rapid go-live dates (time to market is critical to initiate any return), and probably the most important, that the end product actually meets the goals and objectives of the company. Technology done right, and simplified, is a blessing.

Now back to electronic documents. Once documents and data are in electronic form, you can move or create this... (beware of fancy term) “business critical content” at light speed, make it available simultaneously to anyone, anywhere in the world, at any time. You can create and distribute documents and data on the fly, make decisions quickly, and compress your business processes using simple, powerful and proven technology.

*If your employees are constantly printing documents, on this basis alone you probably understand a dramatic opportunity exists to purge unnecessary costs. And these cost calculations go way beyond the obvious expense of paper, toner and equipment. It exposes the health of the organization by way of payroll burden, operational overhead, and (cash is king) your ability to satisfy whatever keeps that revenue stream alive, the customer.*

### About this White Paper – “Fax Automation”

Although One Touch Global addresses many components related to the lifecycle of electronic and paper documents, this white paper and executive summary is focused on “Fax Automation.” **Fax Automation is a missing link to many huge productivity gains.**

Why I get excited about this topic, aside from having implemented computerized fax server technology for 15 years, is simple. Certainly the idea of getting excited about anything like fax technology is a surprise to you, but I am not embarrassed to say so, because here is why:

Fax Automation delivers results to the bottom line, time and time again. As a business executive, I never tire of something so beautiful, so basic.

If you are in the **financial, banking, mortgage, insurance or healthcare** industries, you understand how **paper intensive** your front-line operation is. Undoubtedly, a great deal of business documents have and will be sent via fax for many years, period. You also know that a great deal of **business documents sent using the convenience of fax is actually an irreplaceable business critical delivery mechanism.**

**Today, there are those who believe the internet or email is an end solution to everything, and therefore these same people do not understand your business.**

For instance, how does a client send supporting documents for a loan package, or how does a remote employee or branch office send copies of receipts for an expense report, or supporting documents for an insurance claim? Fax automation addresses a critical and often-times missing link with regards to high volume fax management, and it bridges the gap to your back end line-of-business needs -- leveraging your document imaging, workflow or in house application solutions.

Fax is continuing to supplant email usage, particularly for transactional data. Email is broken due to high volumes of spam, viruses, and the limited authentication of senders' emails and attachments. Many legitimate email documents remain unopened.

**Computer-Based Fax Report, 2003-2008, Peter Davidson**

#### *Food for Thought*

If you receive faxes now, even with a fax server, do you print them (automatically, or from an email or fax client)? Are they re-scanned and indexed back into an imaging system?

One must at the very least ponder why this needs to be done, especially if **documents that are faxed are already in electronic format.** Needless to say, this is almost a criminal offense. An electronic fax is again a complement because it also contains information about the document for making automated decisions, and this digital information is lost when printing back to paper copy.

## The Basics

- Fax Servers
- Document Imaging and Management
- Workflow
- Fax Automation

### What is a Fax Server?

**A fax server is a centralized, computerized faxing solution for an organization**, just like a mail server is a centralized email solution for many users or departments. All the managed phone/fax lines arrive into the fax server (the same way a phone switch or company PBX works), and are shared by a proportionally larger number of users, by multi-function devices (MFD's are printer, copier, scanner in-one solutions), and by other systems that may automatically generate faxes in the background.

The biggest feature of fax servers are providing faxing capabilities to employees at the desktop ("desktop faxing"). However, fax servers in general encapsulate all the needs of an organization with regards to managing their faxes electronically. In the case of desktop faxing, a fax server typically has its own "inbox" and "outbox," and also allows faxes to be delivered into your corporate email, to network printers, to network file directories and shared department workflow queues. Faxes can usually be sent from an email program, printing a document using a "print to fax" printer, and resulting from automated and user initiated documents originating from mainframes, homegrown applications and ERP systems.

**Good fax servers "fax enable" your existing in-house applications and back-end systems** (such as AS400's, SAP, Oracle Financials, accounting systems, client or vendor information management systems, imaging and workflow systems, Office applications, and so forth). Typically these assets represent the location of important information regarding your business, and this is where transactions and information delivery originate.

Between 2003 to 2008, the Compound Annual Growth Rate (CAGR) of fax server revenues is estimated at 8.7%, representing an increase from \$270 to \$410 million USD.

Computer-Based Fax Report, 2003-2008, Peter Davidson

### Why Fax Servers Matter

Fax Servers frequently eliminate the need for standalone fax machines spread throughout an organization, the time of manually delivering a fax, and printing, collating and routing a received fax (not to mention the real possibility of misplacing the fax). In addition, **fax servers are a critical delivery mechanism for transaction based documents** such as invoices, purchase orders and statements.

Cost Estimates (Direct Costs)	Manual Fax	Mailing	Fax Server
Average labor cost to receive 500 2-page faxes daily (locate & collate document, walk to fax machine, return to desk)	\$345 per day	\$0	\$0
Average labor cost to deliver 500 2-page faxes daily (locate & organize document, prepare cover, walk to fax machine, wait, return to desk).	\$849 per day	\$445 per day	\$54 per day
<b>Total Cost</b>	<b>\$1,194 per day</b>	<b>\$445 per day</b>	<b>\$54 per day</b>

\* Does not include the benefits of: Lower DSO; customer retention & acquisition; document imaging & workflow ROI, etc.

### What is Document Imaging and Management?

Although this can mean several things to several people, everyone agrees that **“Document Imaging” involves a computerized solution that allows one or many people to efficiently store, retrieve and work with images and documents electronically.** Document imaging is a centralized solution allowing your organization’s knowledge workers to collaborate and access business critical documents in real time, and for archival purposes related to compliance and legal initiatives. Document Management is the system of controlling both paper-based and electronic information from its creation to its archival or destruction.

Defined in a broader sense, the more current buzz word is **“Enterprise Content Management” (ECM)**, which is defined by the Association of Information and Image Management (AIIM) to be “the technologies and tools used to capture, manage, store, preserve and deliver content across the enterprise.” (I am glad we got that over with)

**Images** in this context are typically scanned paper documents and faxes (ultimately just a bunch of black and white dots). However, images can also include pictures like a person’s photo for HR, a picture of a car for an insurance claim, and anything captured with a digital camera.

**Documents** on the other hand typically represent files originating from a computer, such as word processor documents, spreadsheets, CAD drawings, PDF documents and so forth. In many cases it is important to store and later quickly and easily retrieve any specific documents in the organization meeting certain search criteria, and allow for reuse, referral, and/or editing revisions.

**All relevant document imaging, management and ECM solutions allow you to search for these “files”** using predefined fields (called “index or profile fields” e.g. invoice #, customer # ...), and/or by searching the content of documents, such as words on this page, or words created using OCR technology on a fax or scanned document. OCR stands for “Optical Character Recognition,” where a computerized system uses recognition intelligence to read an image and create searchable text.

Labor represents an estimated 80-90% of processing costs in the area of preparation, filing and maintaining documents. As operations become more sophisticated and time sensitive, additional and sometimes detrimental are the costs of working with documents at the peak of importance, and later retrieving those documents for better customer service, business retention, or compliance.

### *Why Document Imaging and Management Matters*

Someone told me that the United States goes through 1 trillion paper documents per year. Quite frankly, I have no real idea the current accurate statistic, however, it is far higher than it needs to be **(How many emails do you print? Do you try to use your email system as a filing cabinet?)**. These days, business profitability and survival is about productivity, and the faster you can process and retrieve information, the better chance you will succeed. By and large, your competitors that are gaining market share are doing so as a result of technologies like document imaging, workflow and fax automation.

The cost of doing business with paper is very high. Copying documents multiple times, storing files in expensive physical locations, retrieving and delivering documents to clients, vendors and field personnel (with incredible latency), and **the sheer productivity loss of searching lost files or accessing them in a single location is a profoundly discouraging cost.** Then there is the issue of regulatory compliance, exposure, and/or the production of documents for any potential litigation purposes. It is not a matter of going to an ECM solution, but when you do it, and whether you can survive long enough without it.

### What is Workflow?

**Workflow is about business process automation.** Workflow allows an organization to implement and automate business processes electronically. In our context, it is accomplished by presenting documents, images and data to employees, customers, and vendors, with the intent of making decisions and performing actions according to your business process definitions. **Workflow automates your front-line business, and back-end processes, and purges a great deal of inefficiencies and missed or neglected tasks plagued by manual procedures.** In many cases, workflow actions can occur without user intervention.

**Paper documents and faxes, once stored in electronic form, as well as existing electronic documents, can be added to a workflow process.** In many cases, a workflow solution is integrated into an existing document imaging system, or workflow is organically integrated into document imaging as a “one-in-the-same” product solution.

### *Why Workflow Matters*

Today’s businesses run on documents. **Embracing workflow means addressing the complete lifecycle of documents,** and managing this critical information flow in a competitive, “just-in-time” economy. Workflow reduces delays, manual inefficiencies, unaccounted documents and transactions, and provides far better error detection, resolution and auditing.

One great benefit of workflow is that it facilitates the documentation and implementation of your specific business rules, and then constantly allows you to fine tune those business processes to produce better results. In doing this, it helps to define gross inefficiencies in the organization, and it increasingly identifies vulnerabilities you may not know exist.

Ultimately, **workflow allows you to improve your cash position and earnings.** With workflow, you can accomplish more customer and vendor facing tasks in a shorter amount of time, allocate more resources on revenue generating business, and less time and energy accomplishing cost cutting strategies. One way to do this, and the topic of this paper, is fax automation. **If you are processing faxes, and these faxes are printed or delivered to an email, you are missing a valuable opportunity to employ one of the easiest methods of electronic document automation.**

### *A Note on Compliance*

Compliance regulations are a major driver of content and records management, but more recently, workflow is an instrumental and often critical tool in gaining and controlling the demands placed on medium and large organizations. As a CEO or CFO, workflow is a critical aspect of SOX compliance (and in other areas like the Gramm Leach Bliley Act – GLBA, and Health Insurance Portability and Accountability Act – HIPAA), as SOX is about defining your processes and maintaining an appropriate level of control over the company’s data, reporting requirements, and general exposure to improper procedure. New tools are available that provide accelerators to rolling out several of your procedures into electronic form, and that integrate at an organizational (enterprise) level.



# The Missing Link to High Productivity Gains

**Traditional fax servers and ECM solutions (i.e. document imaging and workflow), by and large, are poorly integrated.** Bridging the gap between two high productivity technologies is a phenomenal point of leverage. Fax automation provides a specific solution to this problem, because it bridges these technologies into a single flow of documents sent from important business partners and customers, directly into your document imaging, workflow and backend line of business applications.

Separately, these technologies are excellent, but what is unfortunate is that this incredible power (and investment) is wasted by many companies who have managed faxes like all the other “paper” documents in the organization.

**The invention of the fax server was great, and so was document imaging. As always, none of this technology is any good unless it works together.** These two fairly different technology disciplines placed their efforts on their core business. Desktop fax servers have traditionally focused on delivery and receipt of faxes to individual users and email integration. Document imaging systems have focused on paper document capture via scanning, and more recently importing network documents as well as remote scanning applications.

**Fax automation simply focuses on integration,** and on the extensibility to a larger set of specific business rules regarding document handling and distribution. In this way, you have not bypassed and under-utilized the automation capabilities of these two technologies.

### *Personal Story*

My first epiphany with regards to fax automation and document imaging was in the late 1990's. I was tasked with legal discovery, and this required the “production of documents” related to fax transactions over a four year period.

Fortunately, I maintained inbound and outbound fax traffic in electronic form, and with automation, was able to “capture” tens of thousands of pages within minutes. Then I did a rapid cross-reference of relevant names and subject matter by searching the text content of the faxes (using OCR), and **within 1 minute, was able to find every single relevant document produced in a 4-year period.**

In the next section, I have provided just a few examples of the many applications we have seen implemented with fax automation .

### Fax Automation Usage Scenarios by Industry

Below, by industry, are just a few examples of fax automation. However, no one knows your business as well as you do. These examples may empower your staff to find large productivity opportunities based on exact business requirements with fax. These opportunities certainly exist for the industries noted below.

- I. Financial and Banking
- II. Mortgage
- III. Insurance
- IV. Healthcare
- V. General Corporate

#### I. Financial and Banking

- Consumer Credit Applications. Receiving and scoring credit applications originating from typical retailers is common. Fax is one consistent and effective technology available for this large customer base. Fax Automation facilitates the delivery of applications to credit processing centers automatically and immediately, without the burden of a “middle layer.” The middle layer I refer to is unnecessary equipment and labor that can be replaced by automated processes, such as sorters/collators, runners, fax machines and even surplus credit analysts. Customer acquisition is greatly enhanced by scoring and returning results quickly.
- Trade Orders and Confirmations. Trades must be executed accurately, and confirmations or changes need to be accounted for in a timely fashion with the brokers. Trade orders can be sent via fax from back end host systems. In addition, confirmations or changes can be received and reconciled. Having accountability and documents to back up trade orders and changes is critical to mitigate financial risk.
- Corporate Actions. These can be critical compliance documents sent to brokers relevant to specific portfolios. Sometimes they must be sent in high volumes, and are time sensitive. They also require the documentation to be returned signed and accepted, or with changes marked.

#### II. Mortgage

- Residential and Commercial Loan Processing. Streamlining the delivery and review of loans faster, and at a reduced cost, creates massive profitability gains (did I have to say this?). One great application is collecting supporting documents and delivering those to the underwriter directly in a manageable and organized way. With fax automation, you can deliver the loan packages from the field instantly to the proper underwriter, and those same documents are available to other knowledge workers at any time for the entire origination, underwriting, closing, post-closing, audit, servicing and secondary market lifecycle.

#### III. Insurance

- Claims Requests and Supporting Materials. Most insurance companies employees’ spend hours per day handling high volumes of printed faxes, with numerous fax devices spread throughout the enterprise. Dealing with this hefty demand causes copious and laborious methods of sorting and distributing paper. Ultimately, insurance companies suffer greatly because they cannot properly meet demand, without heavy cost burdens. Finally, security of documents “floating” around is a compliance risk. Fax automation facilitates the electronic

delivery and organization of claims documents. Barcodes augment the ability of receipt, categorization, distribution, and archive.

- Worker's Compensation Claims Processing. By using fax automation, service bureaus or providers can separate hard copies of multiple faxes into separate documents (many times using barcode cover pages), and enter patient data directly into a corporate database. Data entered is frequently performed on a legacy or proprietary systems, and hard copy electronic fax images with all supporting data, can be matched up with the patient history files. As a result, patient documents can be processed in less time, with more accuracy and in higher volume. It also significantly reduces the risk of lost faxes.

### IV. Healthcare

- Prior Authorizations and Requests. Providers such as doctors and clinics can fax patient visit requests for prior authorization, in order for the provider to receive approval for providing treatment and receiving payment. Requests can be received, reviewed and decided on in an expeditious manner without manual paper processes, and authorization determination can be retransmitted back to the providers automatically from a host application.
- Prescriptions. Fax automation can be used for receiving prescription authorizations as part of a workflow and fulfillment process. Authorization requests can be approved, denied or routed for escalation to a pharmacist for exception processing. The patient's information can be entered stamped on the fax image and inserted into a separate database. The image and data can also be stored in a document imaging system. Faxes that are approved or denied can also be sent back to the originator with the proper annotations and decisions. Because documents are maintained electronically, privacy and security can be enforced.

### V. General Corporate

- Expense Reports. Medium and large organizations process a great deal of expense reports, and in virtually all cases, supporting documents such as receipts are required. Fax automation can be used to collect and identify these documents, provide a workflow process for validation, and to retain these documents for tax and other record keeping purposes. It is not uncommon for companies to use a web portal where an employee completes an electronic form that distributes the data entry responsibility to them. Subsequently, a hard copy transmittal document is printed on their printer with a barcode, and supporting receipts can be sent along with the transmittal cover page. These documents are later matched up in the document imaging solution. A web page can be created for your company and dropped into your website, and a printable transmittal sheet can be printed from any location in the world. This routing sheet can be created using validation data from your backend database systems.

## **About One Touch Global**

Founded in 1991, One Touch Global is a **Platinum** systems integrator, **Microsoft Certified Partner**, and Subject Matter Expert (SME) specializing in the design and deployment of technologies for delivering, managing, storing, retrieving and processing electronic and paper documents.

Our suite of solutions encompasses traditional and carefully selected products for the **network fax server, document imaging, workflow, and content management space**. However, these offerings are significantly augmented and integrated with technologies that allow **complete process automation and the reduction of manual labor, while still touching your customers and vendors more often**, such as: Document output management for hands-free delivery of critical documents (electronic or hard copy), host-ERP-EDI integration without programming, document distribution using existing network attached devices, intelligent document recognition and business process automation (BPA).

**One Touch Global will recommend and deliver** powerful and scalable technologies that enable small, mid-tier and enterprise implementations to be accomplished under the constraints of tighter budgets, limited internal resources, compliance and “go-live” objectives. We focus our attention on products that address the larger pains of an organization, and achieve higher degrees of rules-based automation, eliminate costly manual processes, improve customer responsiveness, and more effectively utilize existing IT investments. The net and measurable results are successful solutions that increase the success and profitability of your business more rapidly and at a lower risk.

For more information, please contact us by phone at **+1-800-233-3619**, or email **sales@otgt.com**.