



# Tales from the Document Storage Crypt

## Scanning versus Paper Storage

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### Biography

*Stewart Wright is Founder and Director of YourDMS Ltd ([www.yourdms.net](http://www.yourdms.net)), which provides bespoke, efficient document management solutions to companies seeking to reduce costs by improving their data capture, workflows, print reduction and email management.*

*Following a successful career in the document management industry spanning over 20 years, Stewart set up YourDMS in 2007, to offer a wealth of expertise and business understanding to customers searching for innovative help with document management.*

*Working with companies such as Invu, EasiFile, PCdox, Fujitsu, Xerox, and Abbyy, YourDMS delivers business critical software and solutions to organisations from 3 to 3000 users.*

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### Abstract

*Managing the flow of documents is an immense, complex, and critical task for many companies. From the handling of customer orders, bills, manufacturer and design, etc through incoming documents from suppliers etc, to internal documentation for employees – and it is easy to see how businesses are struggling to handle, store and access both electronic and physical documentation throughout the organization. In this article, the author addresses how businesses can put in place a document management strategy to not only organize documentation, but reduce business costs as well.*

### Introduction

In the last 30 years or so businesses have surrounded themselves with billions of paper documents. Some of this information, once created has never seen the light of day. Others have been used so many times, the history of time is ingrained in their physical form.

In that time the world and communication has changed so dramatically that the physical document form has become one of three things:

1. “Just in case / legal” document;
2. “I like to feel it” document; and/or
3. An “advertising” document.



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*Technology and Innovation*

However, in years gone by the physical document was a must for keeping business moving, sharing ideas, development, production and selling goods and services. Therefore, the physical document was essential to any and all businesses. The document storage aspects also became great as room dividers or in some high-status businesses art. As time moved on, businesses realized that having high-cost floor space taken up with dull, gloomy looking paper holders was expensive and in a lot of cases very high maintenance.

### **Document 'gold rush'**

Off-site storage then became the de-facto standard for "keeping it", "forgetting it" or "pretending both". Storage companies sprang up everywhere and businesses lapped up the low cost, out of sight, safe, secure aspect of a document once revered but now relegated to the realms of an "I think I need it" or "we should keep it". This for a while seemed the logical and cost-effective.

Next, however, came the multiplication of information, the torrent of freely available data and documents shared between every business and nearly every individual in business.

The neatly aligned document folder became an electronic version with many versions and copies instantly accessible to whoever, and some who didn't need it.

Document printing became the new gold rush with copier companies and office stationers the wild west facilitators, making huge amounts of money out of the need to print and keep. It was hinted that in the late 90's over 40% of a company's documents were duplicate and of those duplicates each one could have 15 identical photocopied brothers or sisters.

The storage companies went wild, building and renting space wherever they could find it. The document gold rush had started.

As we now know there are other ways to manage documents minimizing the duplication, being smart about what we keep and how we share it and as such a reduction in the amount of paper used and storage space taken has been the outcome. This is good business practice.

### **Paper storage versus scanning**

We all know that on the face of it scanning can seem a higher overall cost for storing information than storage. However, when you look at the average amount of time a document is held and the cost of retrieval (£25 per box plus transport):

- General financial records – legal requirement 6 years, average length of time kept – 10 years.
- Personal financial records (pensions, investments etc) – legal requirement kept for 10 years or more.
- Manufacturing records – legal requirement anywhere from 10 years to life of the product – average length of time kept – 10 years.



The cost of scanning the bulk and removing the ongoing cost is very attractive indeed.

Comparing to the above, scanning your documents can save 2p per image stored over its lifetime so for every 100,000 (50 storage boxes) document stored you could save £2,000. No small sum and that's without adding in any retrieval costs.

When you start to factor in the benefits of easy access, document control, records management, proper audits, disaster recovery and back up. The benefits of scanning become even clearer.

### **A lesson learned ...**

As you mull this information over, I would also like to give you an insight into the world of paper document storage from my own experience. I am not going to name names and not all paper document storage companies are the same but ...

On one occasion, I accompanied a client who wanted to have his paper documents uplifted from his off-storage solutions provider so they could be securely scanned by our company.

As we made our way down a farm road, there in front of us was an unused, damp barn which was packed to the rafters with storage boxes containing documents from his company and countless other organizations from the UK.

It was a shocking discovery to make, but it is happening every day on our doorsteps and wouldn't look out of place as an interesting topic for a TV documentary!

### **In conclusion**

An integrated document management strategy can realize significant savings for many businesses. Given the current challenging environment, document scanning will suit many companies looking for significant cost reductions but are under pressure to minimize investment.

The structure also produces value beyond the tangible cost savings. Customer experience can also be improved with the use of document services to individualize communications – particularly in a regulated market such as financial services – so better document management may reduce compliance risks too whilst “greening” business operations. Result – a win/win for all.