Becoming Paperless for Effectiveness and Efficiency

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Efficiency expert K.J. McCorry, author of Organize Your Work Day In No Time, thinks that the world could be a better place if we'd all cut back on our consumption of paper. With the help of technology, that long-awaited goal might even be manageable.

Today's employees are inundated with data, finding it more and more difficult to manage this overwhelming amount of data and yet be effective and efficient at their jobs. One of the keys to gaining efficiencies in data management and increasing productivity is to reduce the paper pileup.

Disadvantages of Paper

Although some workers still need, desire, and perhaps even love paper, it comes with some disadvantages:

- It takes up a lot of physical space. In fact, paper costs on average $314 per filing cabinet solely for the real estate it consumes.
- It has limitations, being accessible in only one place, and difficult to move in large quantities.
- It doesn't offer easy ways to alter or edit its contents, without printing the entire document again.

Frankly, paper doesn't provide users with advantages other than a physical form.

TIP

For a more detailed look at the costs involved in running your office on paper, see

By contrast, electronic data has much more flexibility:

- It can be filed easily in many folders, instead of just one physical file.
- It can be searched by keyword.
- It can be cut, pasted, and moved easily.
- It allows for better collaboration among employees, who can share, edit, and develop documents together.
- Electronic data also allows employees to work where and when they're most productive. In this electronic age, workers have the opportunity to work from home or another location that might offer a more suitable and less interruptible environment.

Starting the paperless momentum offers an organization four primary advantages:

- It improves knowledge and data management.
- It increases data efficiencies.
- It improves worker productivity.
- It prepares the organization for the increasing mobile workforce trend.

Improving Knowledge and Data Management

In this new knowledge economy, intellectual property and information are just as important as the manpower that produced them. Longevity of knowledge is achieved through successful organization of documentation. Information that workers produce can get lost with the passage of time and/or people leaving an organization to go to another job. Paper files have buried nuggets of information that tend to be more useful to the person who created the file than to the organization. Instead of sorting through paper documents, most workers prefer to search electronic hard drives for past knowledge and historical data. Improving knowledge and data management within a company means having data readily accessible and available to workers in an instant.

Even in this digital age, paper is still abundant as a primary data source. Much of corporate memory still resides on paper. But a single piece of paper usually can be used by only one person at a time, making it difficult for others to use the information on that paper. The

ability to access, edit, and distribute documents at any location and time can increase knowledge and allow information to be used more effectively. Workers already spend too much time looking for missing information stored on paper. Deloitte & Touche reported in the early 1990s that U.S. managers spent an average of three hours a week looking for paper that had been misfiled, mislabeled, or lost. The act of becoming paperless can help with finding and retrieving information instantaneously, ensuring that an organization uses its personnel effectively and makes information available immediately.

Increasing Data Efficiencies

In some cases, paper can be an effective tool and medium, but more and more businesses are finding that reducing paper increases efficiency in the office. Managing paper is very time-consuming, as workers are inundated with more and more paper. Once a printout to hardcopy is made, that paper must be handled and managed—processes that could include sorting, organizing, copying, filing, purging and eventually discarding. These labor costs are often more expensive than the paper itself. According to PricewaterhouseCoopers, the average organization spends about $20 in labor to file each paper document, approximately $120 in labor searching for each misfiled document, and $220 in re-creation of a document. In addition, when paper is the primary source of data and information, we have to spend additional time and money purging outdated information—at some point, all data becomes obsolete. By contrast, electronic information is easy and cost-effective to file, access, search, and purge.

Improving Worker Productivity

Large quantities of paper on work surfaces create a feeling of being overwhelmed, which tends to paralyze workers, causing procrastination and avoidance of important tasks and activities. Getting rid of the paper clutter helps individual workers to focus better, improving their productivity. Working in a clutter-free workspace leads to deeper concentration.

Reducing the paper pileup also gives workers the option to work in other environments. Most workers are located in the "active-communication" zone every day. This zone is usually at a person's desk, where the computer and phone are located. In this area, workers check email, manage day-to-day tasks, and conduct central communications via email and phone. It's a busy environment where employees are accustomed to multitasking and providing immediate response. This location is often in an office-wide "open" setting, conducive to employee interruption. Although this is a necessary and primary zone for most workers, it isn't the best zone or environment to accomplish certain tasks (such as reading, writing, development, and strategic thinking) that require more thoughtful attention, concentration, and less external distraction. Being paperless gives workers the flexibility to work in other "zones" to increase their effectiveness.

Another way to increase worker productivity is to create more automated processes, replacing paper-intensive procedures. Before going to an automated paperless system, it's important that you understand completely how paper inhibits or improves a particular work process. Often, a worker's attachment to paper, as well as lack of trust in equipment such as computers, inhibits processes from becoming more automated. However, inefficient work practices can often be blamed on out-of-date and obsolete paper processes. As they move toward paperless processes, companies often find these processes to be an improvement over traditional paper-based processes, because searches, retrieval, editing, communication, and archiving can be done more efficiently and quickly.

Preparing for the Mobile Workforce Trend

According to the most recent IDC Worldwide Mobile Worker Population Forecast, close to 75% of the U.S. workforce will be mobile by the end of 2011. This increase is due to the fact that organizations have multiple locations, office space is costly, and workers are seeking companies that offer flexible work environments. Such flexible work environments can improve productivity; some studies suggest a 40% increase in productivity for teleworkers. This improvement is due in large part to savings in commute time, fewer interruptions and distractions, and more concentrated work time.

Companies need to prepare for this mobile workforce trend by eliminating the paper barrier and increasing accessibility with electronic data management systems. It's difficult for a worker to be mobile while lugging filing cabinets from one space to another. The volume of paper is usually the biggest obstacle and challenge for most remote workers. Encouraging a paperless office creates easy access for remote and teleworkers to come and go from the office.

It's also important from a team collaboration viewpoint. Work teams are constantly formed between various departments and divisions, often located in multiple offices around the U.S. or worldwide. As an office becomes more paperless, managing data within project teams becomes much easier.

Summary

In today's knowledge-based economy, relying on crucial data and information on paper is an outdated strategy, and can be a tremendous detriment to an organization, regardless of size. It's important for businesses to understand the use of paper in their own office before

undertaking radical paperless-office changes. Even a preliminary investigation of paper use will often show immediate opportunities for reduction. Possible approaches to these paper reductions vary in labor intensity and IT investment; some are simple, some can be larger initiatives. Each business must understand the role of paper in its operations, as well as how reducing paper and using electronic data systems can not only reduce paper but improve efficiencies, reduce personnel time costs, and increase worker effectiveness.

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