

The Document Management Software Buyer's Guide

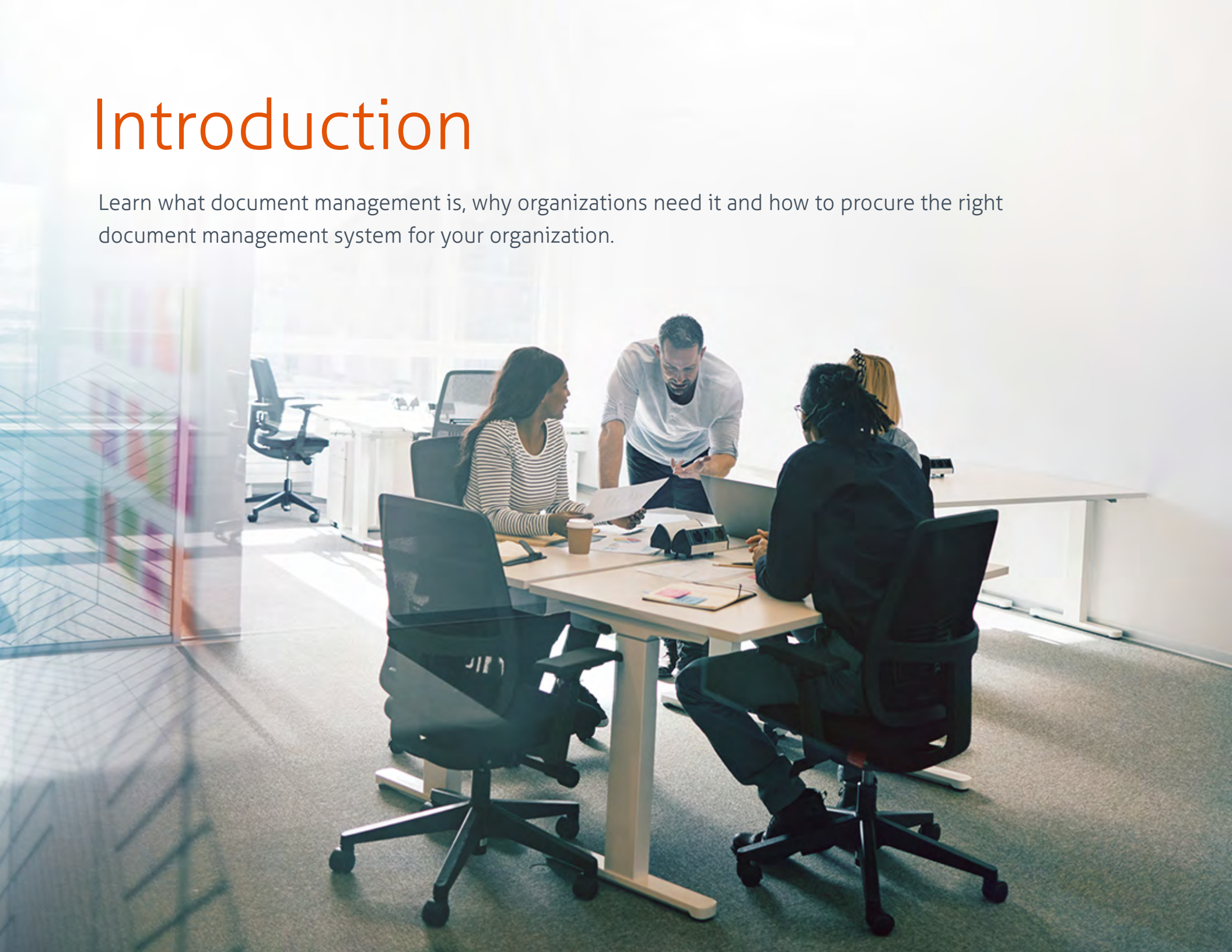


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Introduction

Learn what document management is, why organizations need it and how to procure the right document management system for your organization.



Chapter 1

What is Document Management?



The Association for Intelligent Information and Image Management defines document management as [“how your organization stores, manages and tracks its electronic documents.”](#) Electronic documents can include videos, text, audio clips and even paper documents scanned into a digital format.

By bringing an organization’s information together, document management systems can enhance collaboration and communication between individuals and teams, wherever they are.

While others may define document management more broadly to include the physical — such as filing cabinets and alphabetized documents — this guide will cover the benefits, uses and procurement of document management system software. When paired with process automation features, these systems may be referred to as enterprise content management systems or content services platforms.

Chapter 2

Why Might You Need Document Management?



A properly implemented document management system can offer a wide variety of benefits:

- **An organized and efficient office:** Increase productivity, improve process turnaround times and encourage an integrated, paperless work environment with structured digital storage that allows for easy search and retrieval.
- **Increased control of your documents:** Support data integrity and availability with a secure, centralized solution that can grant granular document or folder access to as few or as many users as necessary.
- **Improved team communication:** Avoid redundant work and confusing back-and-forth email threads with trackable version control and simultaneous document editing.
- **A streamlined audit process:** Enable your team to fulfill auditors' requests promptly and accurately with powerful search capabilities, audit trails and comprehensive reports of system activity.

Chapter 3

Examples of Document Management



Document management software can assist organizations with a wide variety of business challenges:

- **Government offices that go paperless** can more easily find documents to process FOIA and other records requests, increasing constituent satisfaction.
- **Accounts payable departments can quickly locate information needed to process payments**, decreasing turnaround times and costs by meeting deadlines.
- **Rapidly expanding enterprises can sustain growth** with a document management system capable of scaling with the business and integrating with applications across lines of business.
- **Manufacturing firms can keep complex projects moving** with collaboration and search tools, improving interdepartmental communications and vendor relationships.
- **Educational institutions can keep student records secure** with granular access and other security controls, reducing risk and supporting compliance efforts.
- **Healthcare professionals can locate patient records faster**, enabling them to more promptly assist their patients and get a clearer picture of their histories.
- **Finance intuitions can more quickly locate and analyze information** from a variety of documents, including clearinghouse reports and transaction records.

Chapter 4

Finding the Right Solutions



Finding the document management system that fits your organization starts with looking at your document management practices as they exist, identifying opportunities for improvement and evaluating the marketplace for solutions.

Identifying your needs

Before looking at any solution, you'll want to gather as much information as you can on how you plan to use your proposed document management system. This includes:

- What of content you plan to store in your document management system, including emails, videos, audio files or text documents
- If your solution needs to be used by one department, a few departments or the entire organization
- What you need to deploy your new solution, including any hardware upgrades, or integrations with current systems
- How many users will have access to the system and what privileges they need
- How much budget you have to spend on a solution

Conducting research

Before you decide on a solution, you might want to look at analyst reports from notable companies such as Gartner and Forrester, or read product reviews on G2. These firms build their reputations on reviewing software solutions, and can likely give you a snapshot of how each solution stacks up. Also be sure to look at each vendor's marketing materials, including:

- Product pages
- Blog posts
- Product demos
- Feature lists
- Videos
- Software trials

Consider whether a particular vendor has a specialized field of expertise, or if it's considered a thought leader in its industry. Also note that some vendors don't sell their software directly, and instead work through a network of software resellers. If this is the case, also be sure to vet the reseller to ensure that they provide the software and level of service your implementation requires.

Contacting vendors

Once this preliminary research has produced some viable candidates, communicate with stakeholders to decide on which vendors to contact. This can be done via a sales call or through email.

If you're interested in a more formalized buying process, you can also send a request for information document that clearly and specifically outlines the capabilities you want from a potential vendor.

The most important part here is to ask as many questions as possible. You'll want to have complete clarity about pricing, utility, support and more. We'll outline all of the factors to consider in the next section.

Chapter 5

Factors to Consider for Document Management Systems



When you communicate with vendors, whether through RFIs or otherwise, it's important to make it clear what you want from their solution. Here's some of the factors to look for when conducting your research.

Licensing structures

When choosing document management software for your organization, it's worth discussing how you want to license it. Below are a few key considerations:

- **Individual vs. volume:** Many of today's software vendors offer both individual and volume licenses. An individual license can be applied to a single machine, user, or in some cases a few more as part of the package, but usually less than ten.

Volume licenses can be applied a few different ways, but usually represent a single license that can be applied to an entire organization, saving time and resources for both the vendor and the customer.

- **Perpetual vs. subscription:** When purchasing software, you may have a choice between a perpetual license and a subscription license.

Perpetual licensing offers indefinite use of the purchased software for a large upfront cost, and may require you to update your software manually to take advantage of new features and bug fixes.

Subscription licensing does not require you to pay as much upfront and instead offers software that's automatically updated for a monthly fee. Typically, you also have the option to pay the monthly fee on an annual contract basis at a discount.

Software resellers

Many vendors offer their product exclusively or semi-exclusively through software resellers, who package hardware, services and/or software together to provide comprehensive and effective solutions for customers. Here's what you'll likely want from a reseller:

- **Proven experience:** Make sure they know the software, and preferably your industry, well enough that they can provide you with the resources and knowledge you need.
- **Comprehensive services:** You'll want to make sure that a reseller provides all the services and equipment you need to get your solution fully up and running and working as intended.
- **Personalized attention:** The right resellers will work directly with your IT department to determine the best course of action as far as implementation.

Deployment methods

Some vendors offer the choice to deploy your solution in the cloud, or on-premises at a site owned by your organization:

- **Cloud:** Cloud-based software offers customers an opportunity to install their document management system on another organization's servers. Popular platforms offering these services include Amazon's AWS and Microsoft Azure. You may also be able to use your software vendor's own cloud platform infrastructure.

These platforms and software solutions are usually offered as part of a subscription-based model, as an alternative to purchasing, maintaining or upgrading your own hardware. Although the solution is stored in the cloud, most modern cloud software vendors offer extensive security capabilities to address any concerns. Many cloud platforms even offer automated backups, increasing your ability to recover information in case of disaster.

Cloud platforms also offer the choice to run your software and services as part of a multi-tenant or single-tenant architecture. Multi-tenant solutions share your computing resources with other organizations that have opted to use the multi-tenant cloud. This may cause your performance to be more variable than a single-tenant solution, where your solution's computing resources are completely yours to use at any time.

- **On-premises:** This option has you install software on your own hardware that you can configure how you see fit. If you are capable of procuring your own hardware and want complete control over security, this option may be preferred. However, on premises solutions are more resource heavy and cost intensive.

Implementation

A smooth implementation process is essential to realizing a return on investment in your expected timeframe. Here are some important characteristics you'll need to look for as far as implementation:

- **Configurability:** Many document management systems have simple and advanced setup options. Simple setups can be fast, but you may want an advanced setup's configurability based on what other systems or databases your organization already has in place. The most powerful systems will allow you to set up an advanced solution just as easily as a simple one. In addition to the system itself, you'll also want to ensure it's easy to set up user accounts and administer security settings.
- **System requirements:** If you're using an on-premises solution, make sure that your hardware meets your software's system requirements and that you purchase any specialized components needed for the software to run. You'll also want to note if any firmware is required to run a particular piece of hardware, or if it can work as soon as you plug it in.
- **Scalability:** Even the simplest setup packages can become tedious if you need to utilize them multiple times for large deployments. Consider your prospective system's installation process at scale and if it can be configured or installed on multiple machines at once when choosing your solution.
- **Records management and archival:** If your organization is a part of or affiliated with a heavily regulated industry such as finance and government, you may find records management and archival features essential to supporting compliance efforts. The best document management systems can even provide features to update statuses so you know immediately when records are ready for archival or disposition.

Integration capabilities

Most organizations need their document management systems to work with other enterprise software. You'll want to make sure the solution you're assessing works with any software you're using or plan to purchase in the future, and that you have the IT resources to set up, implement and manage any integrations. Here are a few types of integration tools vendors usually offer:

- **Application programming interfaces:** These can be thought of as a list of commands you can give an application with code. If you have the staff resources, you can code custom integrations with APIs to creatively solve any communication issues between systems.
- **Pre-built integrations:** Typically offered by the vendor, a third party or built natively within the software itself, pre-built integrations should only need a few details about an external system to integrate with it, and can appear directly within an application's graphical user interface.
- **Code-free tools:** In cases where a pre-built integration or an API doesn't exist and you don't have the resources to code your own solution, some vendors offer code-free integration tools. Many of these tools work by simply mimicking human behavior, but with the processing speed and accuracy of software.
- **Capture tools:** You'll need to make sure your solution provides technology to capture and digitize your documents, such as invoices and contracts. The best ones can gather data from documents using optical character recognition, organize documents in the correct folder automatically and even process multiple documents in bulk.

Support

Proper support and training are essential to ensuring user adoption of your new solution and its success. Here are some of the prominent types of support you want to look for when choosing a solution:

- **Hands-on training:** You'll want to see if your solution's vendor or reseller offers in-person training or workshops. Online training is also an attractive option, provided it offers comprehensive curriculum and opportunities to answer questions from learners.
- **User community:** Whether in-person or online, a vibrant community is a powerful resource for users looking to troubleshoot and share their expertise. You'll want to see what community resources and events your vendor offers — such as industry conferences, networking opportunities and user groups — when making a decision.
- **Online and phone support:** Most vendors should offer phone or online tech support. However, make sure to check the availability of your prospective solution's support team, and ensure that they'll be available when you need them.
- **Documentation:** Even solutions with the most intuitive interfaces and experiences need documentation. As many document managements offer a robust set of features, clear and concise learning materials become essential tools for users to get the most out of their product.

Security

Security is necessary and critical in today's world — your document management system should be no exception. These are some characteristics to look for when deciding on a solution:

- **Access rights and privileges:** Your solution should have configurable access so that users can only to edit, add or remove content as authorized by their role. The most sophisticated solutions will be able to balance this security with accessibility and transparency.
- **Compliance and certification:** Some industries have particularly strict compliance requirements, such as HIPAA for healthcare and FINRA regulations within the financial sector. Some may even require specialized hardware, such as Write Once, Read Many storage for retained records. Make sure the software you choose has the features you need to meet these requirements.

A good place to start is looking at certifications, such as the American Institute of Certified Public Accountants Service Organization Controls 2 (SOC 2) certification. Vendors must meet a high standard for security and privacy controls, and prove this to auditors to receive such recognition. It's thusly a good measure of the vendor's ability to support your compliance efforts.

Ease-of-use

How quickly users can pick up the software and put it to productive use should be a primary consideration when looking at different solutions. The best document management software offers powerful capabilities with a short learning curve:

- **The user experience:** You really need to know if your users will know what to do once they're using your solution. Make sure the interface is easy to understand and intuitive.
You may even want a specialized experience for new users that walks them through important features to encourage adoption of the new software.
- **Collaboration tools:** Working on documents together should be easy for the users and teams using your solution. Part of this includes providing the most up-to-date versions of documents, while also keeping the older versions for reference. To encourage an even faster and more collaborative document editing process, some document management software solutions even offer co-authoring, allowing multiple users to simultaneously edit the same version of a document.

Chapter 6

The Procurement Process



Once you know what to look for, it's time to start thoroughly comparing your options so you can make the right decision. Read on to discover strategies you can use to stay informed at each step in the solution procurement process.

Compare and contrast vendors

If you sent out RFIs during your research process, look at vendor responses – the relatively formal presentation of RFIs should make the distinctions between your options easy to identify. In situations where RFIs aren't used, internal staff should still conduct thorough assessments of potential vendors that clearly outline their offerings.

With this new information, you should be able compare the particular benefits – such as those outlined in previous sections – each vendor offers for your organization. You'll want to look at criteria such as:

- **Price:** Look at any preliminary or previously researched prices to get a relative idea of how much each solution costs compared to its competitors.
- **Utility:** Make sure this solution has the features you need and want.
- **Usability:** Assess whether the software is easy to set up and work with on a daily basis.
- **Security:** Ensure the solutions you're considering have the right security measures that enable you to support compliance with any current or upcoming industry regulations.
- **Support:** Clarify that both your vendor and reseller can help meet your deployment needs as well as provide ongoing support.

For a more detailed analysis of a vendor, you may want to schedule a general demo to test the software, gather more information via phone or email, or submit a request for proposal to prospective vendors.

RFPs typically include specific solutions and packages you want to purchase, and are usually created after consulting your internal stakeholders about items to include.

Identifying your top contenders

When you start getting responses to your questions from vendors, use their answers to narrow down your options to a few main contenders. You'll want to make sure that the solutions you choose at the contender stage share most, if not all, of the major capabilities you want. Comparing solutions with similar options helps to simplify the decision by making key differences much easier to identify.

Scheduling a specialized demo

With only a few similar solutions left to decide between, you'll want to schedule a custom demo with each of these vendors. Although you may have seen a demonstration earlier in the procurement process, it's important to get a specialized demo that addresses deeper interaction – such as a fully featured sandbox environment, or a custom environment that fits your organization's expected use cases.

Note that at this stage, you'll likely have to be even more inquisitive than you were on the phone. It's important to test both common and fringe use cases, and to ask if you can test out installing and deploying the software. Testing with these criteria in mind will help you ensure that the proposed solution will meet your needs and is easy and intuitive to use.

Making the purchase

Once you have a list of options you're considering for purchase, it's time to start negotiating price.

This includes more than just the base price for the application itself. Many vendors charge per-user, so you'll want to be careful about balancing your costs with your needs — if you don't purchase enough user accounts upfront you may limit scalability, while purchasing too many may make your solution unnecessarily expensive.

On the other hand, some vendors offer steep discounts for large-scale solutions compared to smaller-scale ones. You'll want to find a balance here to get the largest return on your initial investment.

When you have final prices for each solution, you'll want to compare them and understand why one vendor has a lower or higher price than another. At this point, most vendors' offerings should be comparable, which can again highlight differences more clearly, so you can make an informed decision.

Still, you'll want to make sure all stakeholders are aware of and approve of a vendor before making your final decision to purchase, as your understanding of a vendor's options may have changed during the solution procurement process.

Most importantly, be sure to do a detailed financial analysis, looking at the initial cost of your system, its recurring costs and the money you'll save over time. This will help you determine the true ROI of a solution, which might ultimately be the deciding factor on which vendor you decide to go with.

Implementation

When you finally decide on a solution, it's time to start getting value out of your purchase. Here are a few things you should keep in mind when implementing your solution:

- **Familiarize yourself with the software:** The software you procure may likely accomplish tasks in a different manner than your previous solution — which is probably one of the main reasons you purchased it. Be sure to use this change as an opportunity to reevaluate how your processes work and how you manage content. Come up with new best practices that take advantage of your new software, instead of trying to imitate how you used your previous system.
- **Contact support when you need it:** Many vendors and resellers offer implementation and support packages to get you started. If the staff and resources you can dedicate to implementation are limited — or if you just want to utilize best practices when setting up your system — it may be beneficial to purchase one of these packages. If you do, make sure your IT department clearly and regularly communicates with support staff for a smooth implementation.
- **Make an onboarding plan:** It's important that, in addition to your IT department and main stakeholders, end users are also familiar with your solution. It may be a good idea to set up training programs to help users get accustomed to the new system and ensure that they know how to effectively use it.
- **Come up with a change management strategy:** Even if your users know how to use the software, you'll still want to advise and instruct them — through department or company-wide announcements, information sessions, online training or downloadable resources — on how the new solution will impact their day to day work and existing processes. Also, be sure to roll out your software on a timeline that limits potential disruption, such as a time of year when the system won't be used as frequently.

A woman with dark hair pulled back, wearing a patterned top and a pearl necklace, is smiling as she works on a laptop. The background is a bright, out-of-focus office space with large windows.

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