

Case Study



Document Management Solution Helps Union Improve Processes, Save Nearly \$1 Million



MOEITS is the IT branch for one of the nation's largest labor unions—the Midwest Operating Engineers, Local 150 of the International Union of Operating Engineers. To gain control over huge amounts of paper documents, MOEITS deployed a KnowledgeLake solution to scan and index documents that are stored on a Microsoft SharePoint-based intranet. The solution is helping the union streamline daily tasks and cut hundreds of thousands of dollars in expenses from its budget.



Business Needs

MOEITS is responsible for managing the systems and processes used by Midwest Operating Engineers, Local 150 of the International Union of Operating Engineers and one of the largest labor unions in the United States. As part of its duties, MOEITS oversees the technology used to run various programs and services offered by the union, including a credit union, a pharmacy, insurance and legal services, and union grievance processes.

These programs and services have generated millions of paper documents over the years. This vast amount of hard-copy documentation created significant business problems for the union, such as lengthy document approval cycles, paper files damaged by flooding, and excessive time spent by employees searching for and handling paper documents. For example, it would take an average of 4.5 hours to handle the paperwork on a typical grievance process, including printing, copying, and distributing paper files. Moreover, paper-based processes added to the challenges of complying with federal and state statutes governing insurance, financial, and labor practices. The union also incurred significant costs for the labor and capital expenses needed to manage and store paper documents. “We were spending about \$9,000 per quarter for off-site storage and using microfiche, and we were facing a cost of about \$80,000 to add high-density filing capabilities for our documentation,” says Ron Borden, Executive Director of MOEITS.

In late 2008, MOEITS decided to look for technology that could provide a better way to manage enterprise content.

Solution

MOEITS decided to install a KnowledgeLake solution that integrates with the union’s Microsoft SharePoint system. “I downloaded KnowledgeLake Capture and reveled in its ease of use,” says Borden. In addition to KnowledgeLake Capture, MOEITS deployed KnowledgeLake Imaging for SharePoint.

The union is also using Fujitsu scanners, including the Fujitsu fi-6130, the Fujitsu fi-6140, and the Fujitsu fi-6010. MOEITS chose the Fujitsu scanners over a competitive product because of their durability and ease of use. “I put an fi-6140 based through its paces,” Borden says. “It was easy to use, it had a very small desktop footprint, and the speed smoked the competition.”

MOEITS first deployed the KnowledgeLake solution in the union’s legal department. Employees attached barcodes to legal documents, with the codes read during the scanning process by the KnowledgeLake software. Metadata generated during this process is used to expedite data searches and to integrate the information with the organization’s enterprise resource planning system. **“In a matter of weeks, our legal interns scanned more than 80 boxes of paper,”** says Borden.

Benefits

Deploying a KnowledgeLake enterprise content management solution helped the union in several ways. The union quickly achieved a substantial return on its investment in the solution, recovering the cost in about four months due to significant savings in time and capital expenditures. Routine daily processes have been dramatically streamlined because of the ease of finding indexed documents on SharePoint. The solution is also easy to use, and provides a complete document workflow system that the union can rely on now and in the future.

ROI in Four Months, Nearly \$1 Million Saved In Three Years
 MOEITS achieved a quick return on its investment in the KnowledgeLake solution. **“By using KnowledgeLake and Microsoft SharePoint, Midwest Operating Engineers Local 150 achieved our original payback projection of less than five months, and we have found other savings that have improved our business processes,”** Borden says.

The additional savings amount to nearly \$1 million over three years. For hard costs, the union estimates it will save \$182,000 over a three-year period by reducing off-site storage needed for paper documents, by eliminating file cabinets and related office equipment, and by reducing mailing and fax services. The union also estimates that soft savings will lead to more than \$794,000 saved through various efficiencies, such as eliminating the manual labor required to find lost or misfiled paper documents, helping executives find information faster, and eliminating the need to copy documents.

Internal Processes Streamlined

The KnowledgeLake solution is helping the union streamline common daily processes, enabling employees to get more done during the workday. “For example, once we were able to use KnowledgeLake and SharePoint, we cut the labor grievance process to about 10 minutes per grievance, down from about 4.5 hours in the past,” Borden says. He notes that this 96 percent reduction in the time spent on a single grievance adds up to substantial cost savings.

“When you calculate the cost of things like salaries and attorney fees, the time and cost savings are significant,” he says. “Just as important, we’re able to give our agents the tools they need to deal with grievances very rapidly and to make the process less painful for everyone involved.”

Comprehensive Workflow Solution

Borden notes that it takes 45 minutes or less to train employees on how to scan documents and upload them to the SharePoint system. “As one of our users noted, if you can use a fax machine, you can certainly use this system,” he says. He adds that this contributes to one of the most important benefits of the KnowledgeLake solution—the fact that it provides a comprehensive workflow solution for managing the union’s paper documents.

“KnowledgeLake was able to address the challenges related to potentially scanning millions of documents into SharePoint. But this solution addresses more than just scanning and storage and IT architecture,” Borden says. “KnowledgeLake helped point us in the direction of creating a complete document workflow solution, which is where the real value of document management lies. For the first time in my career I’ve had the privilege of watching senior executives and staff finally getting excited over a piece of technology that very quickly adds real quantifiable business value.”



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