

Digital Mailroom Industry Primer

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Workflow Players

These are the people involved in the business process. Titles can vary from customer to customer but generally are segmented as follows with some title similar to the examples listed.

- Associate/Clerk - responsible for handling mail that is coming into and leaving the business. Interoffice communications also typically go through mailrooms. Duties include sorting, delivering shipping outgoing mail and packages, entering data on a computer, lifting heavy packages, tracking, and ordering supplies. They operate mailroom equipment, including postage meters, mail sorting machines, scanners, mail sealers, envelope openers, fold-and-insert machines, and labeling machines.
- Clerk/Data Entry – (with some capture automation) The Mail and Scan Production Operator is responsible for converting paper documents to images by opening mail (paper documents), preparing, removing staples, inserting bar code pages and scanning documents and envelopes, saving and naming document(s) and entering minimal information into system of record. Routes electronic documents to appropriate role or department for review and downstream business processes, Archives documents and data by following production guidelines and procedures for archival and data capture purposes.
- Coordinator - Duties include sorting, delivering shipping outgoing mail and packages, entering data on a computer, lifting heavy packages, tracking, and ordering supplies. They

operate mailroom equipment, including postage meters, mail sorting machines, scanners, mail sealers, envelope openers, fold-and-insert machines, and labeling machines.

- Customer Care Support - Duties include sorting, delivering shipping outgoing mail and packages, entering data on a computer, lifting heavy packages, tracking and ordering supplies. They operate mailroom equipment, including postage meters, mail sorting machines, scanners, mail sealers, envelope openers, fold-and-insert machines, and labeling machines.
- Indexer - responsible for handling mail that is coming into and leaving the business. Saves scanned documents into defined document taxonomy Mail Handler - Remove staples, paperclips, post-it notes, unfold documents, copy shipping labels as needed for scanning per current business rules and work instructions.
- Processor/Processing Specialist– Acts on electronic documents and data. Operating a variety of scanning and mail sorting equipment including I-Tran, IMBL, OPEX 30, 40, 50/51, Falcon. Prepares daily reconciliation and billing reports. In logistics, these people ensure supplies or goods are delivered/received. In insurance, a new policy admin or claims admin (processors) reviews documents and data to act. Records – Files paper files that are required to be retained in certain industries, retrieves paper files as needed for customer service and audit requirements.
- Scanning Assistant/Scanning Operator - Perform high volume document scanning and imaging work. Work in a document production environment, scanning/imaging documents in high volumes. Functions as back up to mailroom personnel with incoming and outgoing mail.
- Validator – Performs exception handling verification of extracted data by or data entry by reviewing the document information against the data that goes into these systems. When a validator works as an exception handler within an automated system tasks are performed in 3-10 seconds. When the processor is manual, titles vary and tasks are redundant. Professionals take 18 minutes on average to locate a document manually—20% to 40% of their time—and spend 50% of their time searching for information. (m-files whitepaper – “The Business Case for Information Management)

Target Buyers

In a central document or mailroom environment, you will most often work with document automation focused roles, technology, procurement, center of excellence or innovation teams. The automation done in a mailroom often impacts down stream business units, which means you may also encounter additional business focused roles. Ensure you review our “Personas” materials to ensure when you speak with executives, business, tech, etc. that you are speaking to what matter most to your audience.

- Center of Excellence Director, Manager, Technology, VP, Head of Automation – center of excellence teams can vary. They can be focused on a particular software of vendor, such as the Kofax Center of Excellence team or they can be focused on an objective such as improving the customer journey or improving efficiency across the enterprise.
- Chief Executive Officer (CEO) – manages all aspects of the company– products, services, sales, operations, customer service, etc. It is less frequent that the CEO is engaged in

automation opportunities because that is commonly delegated to the COO, CSO, CIO, CTO, procurement, or lower-level managers, but at some companies you will encounter the CEO as the person with signing authority and budget.

- Chief Information Officer (CIO) or Chief Technology Officer (CTO) – responsible for all software and/or hardware systems. You may find they are responsible for a specific department such as CIO Claims or CIO Mortgage. Larger companies may have additional specialized roles specific to document automation, or other software systems. It is possible that the business requires software, and the technology groups to conduct RFXs, investigations and the sales process.
- Chief Operations Officer (COO) – manages the operations of the business. Responsible for operational budgets, management, and processes. Frequently the businesspeople who can describe the challenges will report to managers that roll up to the COO. The COO may have budget or may share technology. You want the COO and his/her reports as champions.
- Chief Sales Officer (CSO) – responsible for sales. One of the more likely roles to focus on customer experience or the customer journey is because the salespeople interact with the customer. Generating revenue is a primary driver. It is infrequent that we engage with the CSO during a mailroom opportunity.
- Director of Digital Intake/ Data Capture – titles often include their focus (Healthcare), but some are more generic. Responsible for leading a team at a local service center to meet company goals and objectives, operate efficiently and service customers while maximizing profits. Manages fluctuating workloads. Often has revenue and earnings goals. Provides supports to operations managers across the organization. Has an overall knowledge of downstream departments.
- Director of Procurement – some companies will require all technology purchases to go through procurement. Be sure you learn the procurement process and if your customer has specific steps. It is possible that the business requires software, and the procurement group conducts RFXs, investigations and the sales process.
- Engineer (Software Engineer) - While an Engineer can be vague, you can find an Engineer working on lending, insurance, document automation, innovation teams, etc. that are very relevant to what you seek.
- Enterprise Strategist – titles often include their focus, but some are more generic – Sr. Lead Digital Strategy and Planning Consultant, Head of UI/UX Design, Strategy and Analytics lead, Senior Branch Re-Imagining Consultant, Strategy and Planning Director – Customer Experience Director. Look for Enterprise Strategists in Banking, Lending, Claims, Enterprise Document Automation, Data, RPA, etc.
- Global Head of Digital Implementations – titles can vary. Look for heads of document automation, document innovation, or digital transformation. Responsible for global resources and implementation activities including customer-facing program management, technical configuration of operational platforms, and ensuring operational readiness to produce revenue as quickly and efficiently as possible while meeting customer requirements and deliverables. Responsible for digital solutions services including Business Process Outsourcing (BPO) engagements, end to end document processing (mailroom, scanning, OCR, ECM) workflows, and data transformation. Leads a global team spread across regions consisting of customer-facing managers, technical project

managers, and technical resources. Responsible for constructing and testing workflows with customers and operations and for developing and evolving processes to enable swift and efficient implementations, identifying opportunities for improvement.

- Innovation Strategist - titles often include their focus, but some are more generic – Look for Enterprise Innovation Strategists in Banking, Lending, Enterprise Document Automation, etc. Innovation Strategist are responsible for identifying opportunities to drive innovation, solutioning, architectural support, research, and proof of concepts, etc.

Language

Learning the industry or use-case lingo or terminology is a major step toward success connecting with customers and being an expert that they can trust. When you talk the talk about the industry, it is like knowing the secret handshake that gets you into the club. Ultimately speaking their language will help you effectively communicate our understanding of their challenges and how Kofax can bring value to achieve their goals.

- Archive–Many companies in various industries are still required to retain some physical documents such as accounting, legal contracts, 5-key lending documents, etc. for a specified number of years. The question of legal admissibility of scanned documents in a small minority of documents requires retention of paper documents. Most digitized documents are now legally admissible in a court of law.
- Authenticity – ensuring a document is genuine, not tampered with, fraud- free. This may require tracking origin and movement of a document or looking for certification stamps or signatures.
- Electronic documents – digital representation of documents in varying formats such as PDF, JPG, TIF, fax, email attachments and email body, etc. Electronic documents are viewed on screen and stored in defined taxonomies with indexing (naming) and tagging. Some documents repositories have abilities to search while others’ taxonomies and meta data are immature or disorganized causing companies to spend a lot of time searching for documents and data.
- Physical documents – paper documents that can be touched and stored.
- Records Management – how a company manages and controls documents and data throughout their life cycle. This includes identifying, classifying, storing, securing, retrieving, tracking, and destroying or permanently preserving records. Often documents are kept as evidence of activity or decision. Data and documents are evidence of what happened and sometimes why, such as in lending transactions or insurance claims. Proper records management policies and adherence to the policies can mitigate litigation risk.
- Records Retention – the company or industry policy or regulatory guideline that defines how long documents and data must be retained and stored for retrieval and audit.
- Security – As the world continues to become more technologically advanced, fraud, data and identity theft, and cyber-attacks become more advanced and prevalent as well. The need to protect personal information and control movement and access has moved to the forefront of innovation. Regulations have also thrust security and control to the top of digital transformation requirements.

Common Challenges

Modern Digital Mailrooms are the central platform for the flow of information. Modern digital mailrooms ingest hundreds of thousands of documents and data for hundreds of departments. The documents can be physical or electronic with a multitude of formats. Data also comes from numerous sources in varied formats. The documents and data must be ingested. Documents are indexed and data is extracted, converted, and distributed to systems and workers across departments and locations. Organizations today require quick and accurate flow of information. Customers spend billions of dollars annually turning data into useful downstream business information that fuels their business to run their processes.

Bad Data

Process across multiple departments and locations run on data from numerous sources. Manual data entry throughout industries, increases error rates, processing time, and costs. Very few industries or companies have automated data entry for business processes as of early 2021. When data must be reliable, numerous redundant steps are taken to ensure <1% error rates (tolerance). Bad data slows operations and increases risk.

Beyond the modern digital mailroom, within the business, customers commonly believe higher “OCR accuracy” directly equates to fewer reviews and increased productivity. What they fail to realize is that the costs associated with verification of accuracy (redundant checks) can greatly exceed the costs of correcting inaccuracies upfront. That may sound confusing! What it means is this... It is easier to correct known errors than it is to find unknown errors. If mistakes are discovered late in the process, after the data has moved into the business processes, they can cause the business to mistrust the system and the negative impact on ROI is dramatically increased (as downstream errors are far more expensive to correct).

Modern digital mailrooms who oversee data ingestion, validation, transformation, and sync can be the first step in ensuring accurate and reliable data reaches downstream business processes.

Inaccessible Data

Back-office processes often span multiple departments, locations, and systems. Document taxonomies can be inconsistent and multiple documents might even be saved in a single file. Data may be scattered, hidden, or even missing. Frequently viewing or accessing data in alternate systems is so labor intensive, it doesn't happen or slows down processes. Disconnected systems breed inefficiencies and lead to customer and employee dissatisfaction. Maintaining data across multiple systems is necessary but opens opportunities for errors, redundant time-consuming checks to ensure reliability, slower processes and higher operational costs.

Unsecure Data

Processes that lack automation create risk to sensitive information. Documents sitting on a printer and process breaks create security risk because you lose visibility and control during those manual steps. Fraud detection and prevention today rely on human review. Human fraud review is inferior to an automated solution. Fraud prevention, fraud and data breaches result in high dollar, reputation, and attrition costs.

Slow Processes

Manual document recognition and naming, data entry, coding, disconnected systems, and redundant checks cause the process to be extremely slow. Insurance applications for individuals require data from various sources including the proposed insured, labs, medical reports and for commercial customers additional documentation such as, financials, payroll, property lists, etc. Slow processes are costly in dollars, risks, dissatisfaction, competitive reputation, and agility.

Complex Content

The complexity of documents and data will vary based on industry and use case. A modern digital mailroom will frequently face complexities processing documents and data for the enterprise.

Documents -high number of documents required, highly variable formats from numerous external sources, document quality continues to improve year-over-year as faxing has nearly been eliminated. By 2025, 80% of content will be unstructured which requires content understanding via artificial intelligence to recognize documents and extract data. Even semi-structured documents have complexities within tables, format variations, etc. Bank statements and invoices are great examples of semi-structured documents that are complex to automate. Customers who do not understand the details of artificial intelligence and document recognition will often expect solutions to recognize all document types and their similar variations auto-magically, much like we do as humans. What they do not understand is the level of experience and intelligence we apply when we recognize document types and variations. A successful solution also requires a level of intelligence, maturity and experience to recognize and extract data from these complex documents.

Data extraction– required data can be a vast quantity (100s of fields) from numerous sources, mostly machine print, and some handwritten, this varies by industry and use case. Complex data comes from semi-structured and unstructured documents, some tables, some single fields with some varied wording such as on a bank statement = deposits/additions and withdrawals/subtractions. Legal, lending, global trade, financial and commercial use cases may require phrases such as legal descriptions or paragraphs in contracts and governing documents. Error tolerance is frequently low which means data requires “golden truth” source and must be reliable.

Documents

Documents will be specific to the industry of the modern digital mailroom services. See industry specific primer for a list of common documents.

Systems

The number of software apps deployed by large firms across all industries world-wide has increased 68% over the past four years, reaching an average of 129 apps per company by the end of 2018, according to an analysis by Okta Inc.

Nearly 10% of businesses now have more than 200 apps in their enterprise information-technology systems. (source: San Francisco-based identity-management firm report via WSJ)

- (SOR) – vary by industry.
- Mailroom hardware and software
 - I-Tran
 - IMBL
 - OPEX 30, 40, 50/51
 - Falcon
- Customer Relationship Manager – CRM
- Document repository – often short-term docs are stored in the one repository, but long-term document archive is an ECM or repository such as FileNet. It is not uncommon for businesses to have >2 repositories. The average number of content management systems in one organization is four. (Source: AIIM)

Process Orchestration

There are numerous areas where we can illustrate process orchestration. Many companies lack the maturity to fully understand and appreciate and implement process orchestration to the fullest benefit for this use case. Process Orchestration within modern digital mailroom will likely be limited to document handling, document lists, task routing, and automated data entry. More detailed process orchestration examples are found in downstream business processes.

Examples of Process Orchestration:

- Automated document handling – this is the flow a document goes through from recognition to exception review, to extraction, to validation, routed to business and document repository or any variation of this specific to your customer’s business.
 - Automatic routing of tasks with a dashboard to show assigned tasks by team or individual. This eliminates email, XLS, pulling daily reports, outlook, and other manual task assignment efforts. It is not uncommon for customers to believe they have task automation because they manually assign and track tasks in a homegrown system.
 - Automatic completion of tasks such as”
 - Document lists –workers spend time requesting, reviewing, and chasing proper documentation from various sources depending on the use case. Getting the proper documents is important for timely internal processing of a transaction, application, service, or inquiry. This can replace manual checklists used by operations. There are quite a few “if/then” variations that can exist here, so it requires some reimagined questions to help this automation along with dynamic lists.
 - Automation of data entry – This is ultimately a proper way to reimagine the process, but most customers are uncertain about trusting the technology, or too immature in their automation efforts to take on this transformation. This would help to reduce errors, stare, and compare, quality and compliance checks. Often best practice would be to automate data entry prior to automation of data comparisons and checks, but it is common for customers to automate process redundancies prior to data entry.
- Beyond Digital Mailroom (knowledge to expand use cases)
- Automatic completion of tasks (solution completed or human-assisted) such as:

Data comparisons (stare and compare) –Operations team members spend time searching for data in systems, vendor reports, on the web and within documents. They spend time opening documents in the repository, scrolling through documents and checking information in the documents against data entered the system, sometimes in multiple fields. By gathering electronic data, extracting the data from the documents, and putting it all on screen, we save them from opening and scrolling through documents. Some examples include:

- Equipment lists and values vs. inspection reports or appraisals.
- Fraud indicators
- Governing document rules and guidance
 - Wealth – Trustee distributions
 - Global Trade – contracts terms, transaction processing
 - Syndicated Lending – loan terms, authorized signors
- Claims processing – medical and property casualty
 - Medical reports, treatments, dates, requests
 - Incident reports - dates, damage location, description, people involved.
- Loan processing – mortgage and commercial.
 - Income, asset, credit, identity, fraud, tax, insurance, and property reviews
- Annual financial reviews – compare year-over-year assets.
- Lockbox – verify payee, compare payments figures, route exception handling, and post transaction.

Solution capabilities required

The common capabilities needed to address customer challenges are:

KTA – Document Intelligence: capture, transformation including extraction, artificial intelligence, machine learning.

KTA – Process orchestration: routing tasks, completing tasks such as document lists, data comparison, internal and external communication, and task or processor review UI.

KTA – Connected Systems: entering data, syncing data across systems.

RPA – gather structured data from documents, internal systems, and external websites or vendor services.

Insight – Analytics for view of solution such as document ingestion channel, processes and process business views including process flows, and bottlenecks.