

Paperless Office: Save a Tree, Save Some Green

A paperless office eliminates tedious filing of invoices and receipts; saving distributors time and money

By Brendan O'Brien
Email the SM editors

File cabinets upon file cabinets are home to thousands of accounts at [Armchem International](#), a jan/san distributor in Fort Lauderdale, Fla. These storage units and the paper files inside them have become the target of a crusade Owner Andy Brahms has set out for his company in an attempt to go paperless. "We are guesstimating conservatively that we are going to save \$40,000 to \$50,000 a year going paperless. That does not include the human cost in hours that we save. We are just talking about hard goods," says Brahms.

That is where the rubber hits the road with jan/san distributors, who are taking a new paperless route to run their business. Instead of hard copies of bills, invoices, statements and delivery receipts, distributors are turning to software suites, servers and computers to maintain and track their business and store important customer account information.

The overarching benefit, according to distributors, is the efficiencies that are gained in a paperless enterprise, namely with man hours and the saving of office space that does not have to be filled with file cabinets. The same employees who used to print, copy and file paperwork can be used to work with potential and current clients.

"If you cross train employees to do other things, they become more customer-service oriented," says Brahms, who adds that employees enjoy having variety in their daily routine. "You are able to do other things without hiring more people because they have three or four more hours in the day that they don't have to devote to what they were doing before."

Some distributors have set up electronic filing systems that include portable document format (PDF) software, paperless accounting programs and customer relationship management platforms. When married together, these systems allow staff to view bills, invoices and orders pertaining to the client.

How It Works

Brian Sanford, president of [Sanford Company](#) in Erie, Pa., wanted to eliminate the busy work created by printing physical copies of documents, especially when it came to backorders. At times, three or four pieces of paper were produced because of one backorder, Sanford says. So, he took the company paperless. Sanford started with a simple word processing software program to handle his company's account receivables and payables. His company then graduated to eliminating handwritten and typed invoices and delivery forms. If a hard copy of this information is needed now, it is printed on a simple piece of 8- by 11-inch stock paper on a laser printer.

"Our delivery receipts are now the only required piece of paper in our business," says Sanford, who still stores them. "I save them long enough so that if there is a problem within a two-month time span I can find it."

When Sanford's company needs to fax an invoice or receipt, it uses a faxing application on its computers rather than a traditional fax machine and paper. The company also prints its own catalogs and pages of its catalog, instead of sending it out to a printer.

"I organize my own information," Sanford says. "I don't have any literature stored on site, none. I can print the same quality of literature that my supplier can but that adds another layer for them, so why bother?"

Going paperless requires an investment in devices such as laptops, smartphones and PDAs for sales staff. This creates the need for software applications that allow for paperless remote order taking and client management.

"We download (information) on the laptop onto the server. Once the material is downloaded into the system, we can manipulate or share it without passing a piece of paper to anyone," Sanford says. "That takes the paper out of the order entry side of the process completely."

Those distributors attempting to go paperless are putting their entire catalog on their Web site. However, according to Brahms, it's a good idea to print a few hard copy catalogs for customers who still prefer to look at a physical document rather than shop online.

Some distributor Web sites allow customers to view their account along with tracking and placing orders, which can cut down on the amount of paper used on both sides of the transaction. If distributors do not feel comfortable about having client information stored on an Internet server, they can set up a system in which clients can request electronic copies of documents sent to them through e-mail.

A Value-Added Service

A paperless initiative can be used as a value added proposition with current and potential clients. At **H.T. Berry Co.** in Canton, Mass., the company offers a program called Savings Solutions, in which the concept of a paperless relationship is front and center. The more H.T. Berry can save on paper, postage, printing and man hours, the more efficient the company can serve its clients, says Chris Nolan, the company's president.

One of the components to this program is a system for general ledger coding in which electronic invoices have the client's own particular account codes on them. This cuts down on the back end accounting procedures for the client which, as a result, saves them man hours and paper costs.

"In our industry we all have the same products," Nolan says. "You have to show people value-added stuff. If you are not on the bus with value-added service, you are going to get run over by the bus. That's the bottom line."

Another benefit of going paperless, Nolan says, is with the company's Web site. Before the paperless initiative was launched in his company, sales calls lasted 10 to 15 minutes. Now, with the sales force giving Web site tours to clients where they teach them how to keep track of their accounts online, some sales calls are now an hour.

"Clients have millions of questions and there is nothing better than being on a sales call when people have questions," says Nolan, who adds that his company's clientele has been receptive to the concept. "It allows you to spend time with your customer; they get to know you a little bit better."

Payroll, time clock management and human resources records can also be paperless with intranet Web sites that are on a secured network. Paychecks can be distributed through direct deposits. Some distributors are also attempting to do most if not all of their banking without paper. Systems can be set up with some banks in which financial transactions and record keeping are done online or through a secured network.

"Our bank transactions have reached about 40 percent paperless, maybe 50 percent," Sanford says. "Of all of the entities that we have to deal with, the ones that are the most resistant to paperless are banks. Banks like to use paper checks."

Some distributors are using barcodes and scanners in their warehouses to pick orders. These systems remove the need for paper orders, since all of the inventory and order movement in the facility is automatically entered in the company's system through scanner devices and a WiFi system. Clients will need to be informed of the changes that will be occurring with order processing, invoicing and billing. This may mean a mass mailing to customers in order to gather e-mail addresses and fax numbers while informing them of any changes they may experience.

It is suggested that distributors who want to go paperless should assign a point person that takes the lead on the initiative. This person should understand both the internal and customer relationship benefits of going paperless as well as the challenges that the company faces.

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