Building a Business Case for SharePoint ECM & Records Management Initiative
Defining Value

Understanding Costs

Realizing ROI

Business Case for SharePoint ECM & Records Management
ABOUT NEAL FISCHER
Founder & Principal of Hershey Technologies

Provider of document automation solutions that provide improved organizational efficiency and solve enterprise compliance needs.

**Founded:** 1991  **Staffing:** 20 FTE Consultants  
Top 15 Software Companies in San Diego County

**Married** 25+ Years, Father of 3

**Passions:** Being outdoors...run, bike, surf, & swim

www.hersheytech.com
Similarity between Running and Records Management.

Implementing a records management program is a daunting, time consuming, often lonely and an expensive task and rarely...................... is an organization’s highest priority.
Project Charter Essentials.

Lays the foundation of the project. It includes a statement of your business's needs.

- What is the history and key business drivers that has led to the need?
- What deliverables can you promise?
- What are the risks, costs & ROI?
- What are the proposed technologies?
- How will you reach your goals?
DEFINING ECM / RM VALUE TO YOUR FIRM
Defining a SharePoint Specific Value ECM Business Case

- #1 Business Application with over 70% Fortune 1000 companies using SharePoint

- SP is a web development platform that provides the ability to consolidate applications lower IT costs, improve compliance and organizational efficiency.

- Microsoft has a large ecosystem of partners that provide add-on products and local support services for SharePoint

- Faster adoption with common UI.
Key Business Driver ....Reduce Redundant Solution Costs
ECM from Microsoft

Foundational ECM/RM (out-of-the-box)


80% ECM/RM Solution Additional Technologies Often Required

Three Big “E”s contribute to SharePoint Success

**Everyone Participates**
- Everyone in the organization has access to and benefits from features
- Capabilities can be adjusted – everyone sees as much as they need

**Easy to Use**
- Easy for IW: supreme user acceptance & supreme adoptability
- Easy for IT: great OOB, fast to deploy & easy to manage

**Enterprise Ready**
- Consistently high performance at scale
- Feature depth, customizability and extensibility
SharePoint 2013 Usage Trends and Specific Value

- 400 Customers
- 38% Return (150) over 6 month program
- Lessons Learned

56% of the companies plan to expand their SharePoint deployments in the next 6-12 months

One in FIVE companies rely on third-party vendors to resolve SharePoint issues

56% indicated that SharePoint was customized to fit organizational needs before deploying

Only 33% implemented SharePoint straight out of the box

67% need administration and set-up support

MOST WANTED: SharePoint improvement

64% of businesses want easier report and dashboard creation

What’s the biggest challenge to bridging the SharePoint and ERP/CRM gap?
30% see time and effort to build business applications as a major hurdle

62% want simplified application integration

Less than 4% found integrating SharePoint “extremely challenging” and 18% found it “not challenging at all”

“Disaster recovery” (40%) and “site maintenance” (38%) are the two main SharePoint administration challenges

32% use it to connect to ERP/back office

28% use it to connect to CRM applications
SharePoint 2013 Usage Trends and Specific Value

- Intranet & Knowledge Management #1
- Workflow
- Eforms
- ECM & Records Mgt emerging

Survey Results: Value of SharePoint Adoption

- Knowledge management is the top function for using SharePoint amongst companies interviewed

- Knowledge management: 74.8%
- Innovation management: 28.7%
- 5S Sigma or ISO document review and management: 25.9%
- Legal document review: 36.4%
- Proposal and quotation management: 28.0%
- Master data approval for common master data: customers, products, employees: 25.2%
- Contract initiation and management: 29.4%
- Employee on-boarding and off-boarding: 37.1%
- DND/Not sure: 6.3%

Source: WIFS Survey N=148
Review Industry Analysts

- Gartner
- Forrester

- Beware of recent M&A activity...industry is still consolidating.

- Will your ECM/ RM be the platform moving forward?
SharePoint Business Case

- Prepackaged software reduces need for customization and configuration services
- Automated pre-classification reduces ediscovery and record hold improving records management practices
- Advanced retention/disposition processes reduce storage costs
- Transparent records management increases employee productivity and satisfaction

Key RM Add-on Software Suppliers;
- Gimel Software & Collabware
- Both have DOD 5015 Certs and focus on RM
SharePoint’s ECM/RM model will support a cradle-to-the-grave RM project in one unified solution.

- Centralized file plan and retention schedule management
- In-place Records Management
- Automated content classification and preservation
- Automated configuration of SharePoint environment
What is Your Vision?

Strategy #1 - Add Quantitative Value to the organization.

- Meet regulatory requirements
- Improve transparency
- Reduce discovery costs
- Reduce storage costs
- Reduce licensing costs
- Reduce risk and exposure
- Increase productivity
What is Your Vision?

Strategy # 2 : Add Qualitative Value to the organization?

Qualitative Value Statements

- Increase information findability (SEARCH)
- Increase employee satisfaction
- Improved decision support
The Second Type of Value Statements

Qualitative Value

- Increase information findability (search)
- Increase employee satisfaction
- Improved decision support
- *It feels like the right thing to do.*

**Lesson** - today's business climate, everything typically comes down to numbers.

What is your business case?
What is your Vision?

Here are iron-clad rules in effective ECM and records management:

1) Gain support of upper management
2) Demonstrate a Return on Investment
3) Create accurate record classification strategies
4) Deliver on Time and within budget
5) Minimize the burden on the end user and
6) Focus on building user adoption.
BUILDING YOUR BUSINESS CASE
....UNDERSTANDING COSTS
Understanding Costs

- Cost of hardware and software
- Cost of implementation services
- Cost of content migration
- Cost of training and support
- Cost of productivity loss
- Cost of ongoing sustainment
Rollout Plan

- Identify key stakeholders
- Training Requirements
- Desired outcomes
- Identify tangible measurements
- Measure before/during/after
- Incrementally improve

* Sample ....
## Defining Value Worksheet

### Meet Regulatory Requirements
- a) Fines or penalties for non-compliance
- b) Recertification costs
- c) Impact of lost customer and/or shareholder confidence
- d) Litigation/damages avoided or successfully defended
- e) Employee staffing

### Reduce Discovery Costs
- a) Reduced third-party fees
- b) Reduced legal and administrative costs

### Reduce Storage Costs
- a) Reduced content duplication
- b) Purged content
- c) Tiered/cheaper storage*

### Reduce Licensing Costs
- a) Decommission systems*
- b) Reposition supporting staff

### Reduce Risk and Exposure
- a) Reduce incident response times
- b) Increase information accuracy

### Increase Productivity & reuse
- a) Reduce time filing information*
- b) Reduce time searching for information*
- c) Ability to reuse application for eforms mgt, workflow automation, document mgt, intranet s

### Total Potential Value

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**Example:**

Costs for e-discovery, based on Rand Corporation report “Where the Money Goes: Understanding Litigant Expenditures for Producing Electronic Discovery”:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Cost Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection</td>
<td>$125 to $6,700 per GB</td>
</tr>
<tr>
<td>Processing</td>
<td>$600 to $6,000 per GB</td>
</tr>
<tr>
<td>Review</td>
<td>$1,800 to $210,000 per GB</td>
</tr>
</tbody>
</table>

Research cost of labor, office space,
Project Charter Costs Worksheet

Cost of Hardware and Software
a) New hardware
b) Software build (if building vs. buying)
c) Software licensing (if buying vs. building)

Cost of Implementation Services
a) External consulting fees
b) Internal employee allocation costs

Cost of Content Migration
a) Content inventory/audit
b) Migration software licensing
c) Staging/testing effort

Cost of Training and Support
a) Training program design
b) Training courses
c) Training delivery
d) Support personnel costs

Cost of Productivity Loss
a) Issues related to system/process changes
b) Acclimation time

Cost of Ongoing Sustainment
a) Software annual fees and/or upgrades
b) Hardware expansion/upgrades

Total Potential Costs

Considerations:

- Buying: Budget 1x to 3x software costs for consulting and implementation services
- Building: Plan to staff a team of 4 (dev, bus analysts, SME) for 12+ months
- Migration software costs and services if you need to migrate content
- Don’t skimp on training and adoptions programs costs – you can significantly reduce productivity lag and employee satisfaction with in-depth training
- Contingency Plans for some initial rollout pain with end-users – it never goes completely smoothly
- Don’t forget about ongoing sustainment – care and feeding is required – Internal vs. External
Understanding Costs of Compliance

- Cost of hardware and software
- Cost of implementation services
- Cost of content migration
- Cost of training and support
- Cost of productivity loss
- Cost of ongoing sustainment
- Loss of public trust

Vs. Costs of Doing Nothing

“Flawed record-keeping and negligent maintenance have been determined to be the primary causes that contributed to the San Bruno explosion” - Calif Public Utilities Commission - June 2011

IRS lost Lois Lerner's emails in tea party probe

WASHINGTON - The Internal Revenue Service says it has lost a trove of emails to and from a central figure in the agency’s tea party controversy. The IRS told congressional investigators Friday it cannot locate many of … CBS News · 6/14/2014

IRS chief defiant on Lois Lerner email loss

Politico

Is there an electronic fingerprint trail in Lois Lerner's 'lost' emails in the IRS targeting scandal?

FOX News

In-depth coverage

On his first full day in office, San Diego Mayor Kevin Faulconer postponed a newly announced policy of deleting all city emails older than a year.
Tips about Microsoft Licensing

• Several organizations have ENTERPRISE LICENSE AGREEMENTS

• Microsoft provides FREE or bundled vouchers – Planning & Deployments Services

• Use a LAR focused on licensing – Large Account Reseller or Experienced Gold Partner

• Leverage existing State / Local Contracts
SharePoint Choices......

- License costs are often \( \frac{1}{4} \) of competing ECM systems from IBM, EMC, Oracle etc.

- Build vs. Buy

- What model is best? Cloud, On-Premise, Hybrid

- To perform at high ECM/RM levels... **Plan to purchase add-on software**
In the race to excellence…
There is no finish line.