



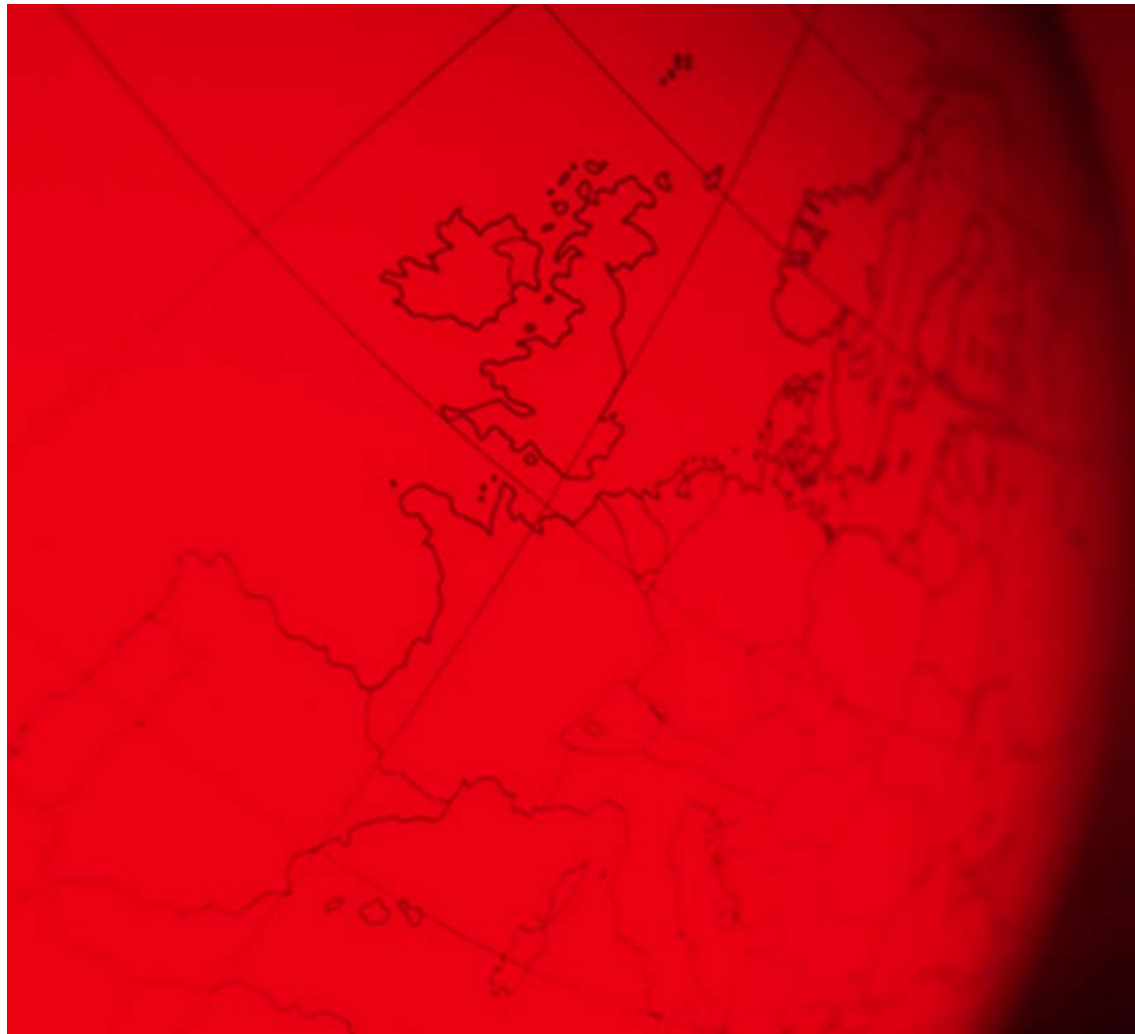
**NUCLEUS  
RESEARCH**

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# **ROI EVALUATION REPORT IMAGENOW**



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**THE BOTTOM LINE**

**ImageNow document management, imaging, and workflow functionality can be rapidly deployed and easily integrated with other applications to streamline processes and increase employee productivity — putting document management capabilities at the reach of organizations that found traditional document management too costly.**

Perceptive Software's ImageNow solution provides document management, imaging, and workflow functionality. Key components of the solution include:

- CaptureNow imaging enables users to image all types of documents for storage in the ImageNow document repository. Users can define capture profiles to optimize images based on their characteristics and quality, and images can be linked to individual records for rapid retrieval and annotation.
- ImageNow provides single-click access to relevant documents from any host application. WebNow provides browser-based access to ImageNow documents to authorized users in any location.
- The ImageNow Content Server provides a content repository and a full-text search engine that allows users to rapidly access scanned images and documents and retrieve any section or page of any document.
- The ImageNow Enterprise Report Management Server enables companies to capture data from electronic files such as ASCII, TXT, IBM AFP, Xerox Metacode, or PCL, convert them into searchable PDF files, extract index and line-item data based on search parameters, and store the data in the ImageNow Content Server.
- A business rules engine and workflow functionality enables users to rapidly define and manage processes and document-based workflows. ImageNow workflow automatically routes incoming documents to employee work queues; alarms and e-mail notifications ensure documents are processed in a timely manner.

Imaging, forms, workflow, and a content repository are common components of many document management solutions; however, key to delivering ROI is a solution's ability to be rapidly deployed and adopted.

The typical cost and time to implement traditional document management solutions have made them beyond the reach of many organizations — and integration and usability challenges have often limited their deployment to a departmental or functional basis.

Nucleus found ImageNow customers were able to integrate, customize, and deploy document management with a relatively short consulting engagement.

This was largely because of ImageNow's LearnMode, a point-and-click integration technology, which enables rapid integration with various applications and data sources without coding. This integration establishes a link between documents in ImageNow and records in the host systems, allowing users to rapidly retrieve documents from their host applications.

The relative low cost and ease of use of ImageNow enables customers to achieve a positive ROI from document management in a relatively short time frame with a significantly lower investment than traditional document management solutions.

### **KEY BENEFIT AREAS**

ImageNow customers have deployed document management solutions to address a broad range of business challenges, including order and invoice processing, accounts payable and accounts receivable, claims and case processing, and procurement. Key benefits they achieved included increased productivity, improved financial management, improved customer service, reduced administrative overhead, and reduced costs.

#### **Increased productivity**

Providing one electronic source for documents that can be searched and accessed by multiple users at the same time enabled ImageNow to reduce the amount of time spent searching for, reviewing, and filing paper documents. In some cases, this had a dramatic impact on productivity, as many employees were able to reduce the time needed to complete repetitive records management tasks.

Companies moving from paper-based document processes to ImageNow can expect productivity savings of up to 30 percent; many Perceptive Software customers were able to redeploy staff as a result of their ImageNow deployment.

Productivity savings were realized by Perceptive Software customers in a number of ways:

- One customer was able to grow its business while avoiding replacement hires as employees left the company.
- Another customer was able to grow revenues without adding additional staff.
- Another company redeployed three employees to other roles and eliminated overtime.

Citizens Memorial Healthcare found that electronic storage of documents enabled simultaneous viewing of documents by multiple employees — improving productivity in a number of departments including accounts receivable, accounts payable, and insurance administration. It was also able to improve its clinical staff productivity by 15 percent by reducing the need to search for physical documents, and achieved an ROI of 1321 percent and a payback period of one month.

#### **Improved financial management**

A number of Perceptive Software customers used document management to automate order invoicing, accounts payable, and accounts receivable processes — making their financial management more efficient. Companies can use ImageNow to link receipts and invoices electronically to accounts payable transactions in accounts payable software systems, retrieve invoice information and processing status to quickly answer vendor inquiries, and review purchase orders and invoices simultaneously to shorten the approval cycle.

Fluent used ImageNow to automate electronic transmission of invoices to customers and from vendors. This accelerated the invoice-to-payment process with customers and reduced days sales outstanding while ensuring bills were not lost and were paid on time to vendors — virtually eliminating late fees or interest payments. Fluent achieved an ROI of 50 percent and a payback period of two years.

A healthcare provider was able to reduce days sales outstanding from 70 days to 55 days using ImageNow to ensure complete and timely billing.

### **Improved customer service**

A key component of many customers' ImageNow use is the ability to provide employees with rapid searchable access to information, so they can respond to customer inquiries in near-real time instead of having to find the information and then follow up with the customer. This results in increased productivity but also delivered improvements in customer service and customer satisfaction:

- *"We can give our patients a better quality of diagnosis because the doctors have all the information available at once. The patient doesn't always know or have the information with them, and before only one user could have a patient's chart at a time. This way multiple users can view it simultaneously and we can reach it from different care facilities and hospitals when it's needed."*
- *"We wanted to stay ahead of the curve on customer service and reduce the time it took for our claims managers to answer clients' phone calls. We can now find the information and respond to the customer instead of putting them on hold."*

### **Reduced administrative overhead**

Because ImageNow can be rapidly integrated with other applications, and users can learn how to use the solution with limited training, companies can provide their users with rapid access to information, reducing the administrative overhead associated with filing and tracking documents and preparing for audits. This enables them to refocus administrative staff on other activities.

Amfed deployed ImageNow to automate and streamline its claims and bill review processes, increasing staff productivity while reducing administrative overhead and improving customer service. It achieved an ROI of 82 percent and a payback of 1.4 years — and continues to develop new projects on the system that will deliver greater value.

### **Reduced costs**

Many ImageNow customers also use the solution to eliminate or reduce paper-based processes, eliminating paper, filing, storage, and postage costs. For example:

- One company began distributing all its invoices to customers electronically, eliminating postage costs as well as cost of storage space to store customer invoice records.
- Another company was able to sell previously-used filing cabinets that were no longer needed, and reduced rental storage and paper costs.

- Another company reduced paper purchase and storage costs by scanning an average of 1.75 million documents per year directly into the system.

### **KEY COST AREAS**

ImageNow customers invested in software, hardware, consulting, personnel, and training to support their deployments.

Nucleus found the typical time to deploy ImageNow is two to six months, depending on the integration needs, number of sites, and volume of information to be entered into the system.

#### **Software**

Software tends to be the largest investment area for an ImageNow deployment, with customers paying a typical initial license fee and then annual maintenance charges. That said, the typical license investment is less than \$200,000. One customer that spent slightly more than \$200,000 in license fees has almost 3 million documents in the current system and is planning to add more.

#### **Hardware**

Hardware investments to support an ImageNow deployment often include servers and scanners. One ImageNow customer also invested in dual monitors for key users so they could look up documents in the system while interacting with another application at the same time. The typical hardware investment to support ImageNow is less than \$100,000.

#### **Consulting**

Consulting fees for an ImageNow deployment typically represent less than 10 percent of the entire deployment budget — in contrast with typical document management deployments that can have a considerable services component. Nucleus found ImageNow customers were able to plan their deployments with limited-on-site intervention from ImageNow or other consultants, and rapidly learn how to manage and configure the solution to meet their needs. This is largely because of the intuitive nature of the solution but also the LearnMode point-and-click integration technology that enables rapid integration with various applications and data sources without coding.

*One customer said, "We wanted to make sure we could do what we needed — it looked like we could do it without them and we could really try to learn it by ourselves. Perceptive Software tells us what to do and gives us training and then we can make it happen. We've rolled it out with very little assistance from them."*

Others noted that they were able to continue to expand their deployment beyond the initial project without additional investments in professional services, because they had learned enough about how to use the solution during the initial deployment to make changes themselves.

#### **Personnel**

Most companies had an initial project team that included both line of business and IT staff to support the project. Those personnel often spoke with other ImageNow

references to gain insights into best practices for deployment and fine-tune their planning.

Companies also invested in some ongoing IT personnel to support further development and ongoing maintenance once the initial deployment was completed.

Typical ongoing support for maintenance and development of an ImageNow deployment is one full-time IT staff equivalent.

### **Training**

The intuitive nature of the ImageNow application made training requirements fairly limited; most companies only required their users to complete a few hours of training. Companies may want to consider the “super user” training approach that seemed most effective for adoption efforts: select a core group of users that will use the system most often and invest in in-depth training for them, and less intensive training for more casual users.

### **DEPLOYMENT STRATEGIES**

Companies that were most successful in deploying ImageNow followed a number of key strategies:

- They identified and mapped key business processes to be supported by the solution and then looked for opportunities to make those processes more efficient before the deployment phase.
- They leveraged the knowledge of Perceptive Software project managers and reference customers to gain guidance on how to best deploy the solution to meet their business needs.
- They included both line of business and IT staff in the planning and implementation process.
- They integrated ImageNow with other key applications and systems including Lawson Financials, Great Plains, Meditech, and other host applications.
- They deployed the solution to a broad user base and provided appropriate training to ensure adoption.

### **CONCLUSION**

ImageNow customers can leverage the benefits of document management technology to increase employee productivity, improve financial management, reduce administrative overhead, and improve customer service — without breaking the bank on a long and costly document management solution implementation. Straightforward integration technology can enable non-programmers to rapidly integrate ImageNow with their other data and solutions, and adapt the solution as needed over time without an additional consulting investment. This enables both short-term ROI and the ability to continue to manage the application to maximize value over time.

Organizations that have not considered document management technologies in the past because they perceived them as too costly or time-intensive to implement and manage should consider the alternative technology offered by vendors such as Perceptive Software as an opportunity to leverage the benefits of document management with a much lower scale of investment.