



# The 7 Best Practices

To Achieve a Digital Transformation

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# Introduction

No matter what industry you may work in, there's a common enemy: inefficiency. Inefficiency can be found throughout a business in many different ways. From Accounts Payable, banker boxes with unsorted documents, to even having out of date office equipment.

Inefficiency is the enemy for us all. Inefficiency wants to create disorganized chaos, take extra work hours from employees that are needed elsewhere, and burn money on employees spending work hours operating tedious manual processes.

How can we fight inefficiency? By digitally transforming manual business processes.

You can conquer inefficiency. Digitally transforming your business processes is a powerful way to save money and grow your company.

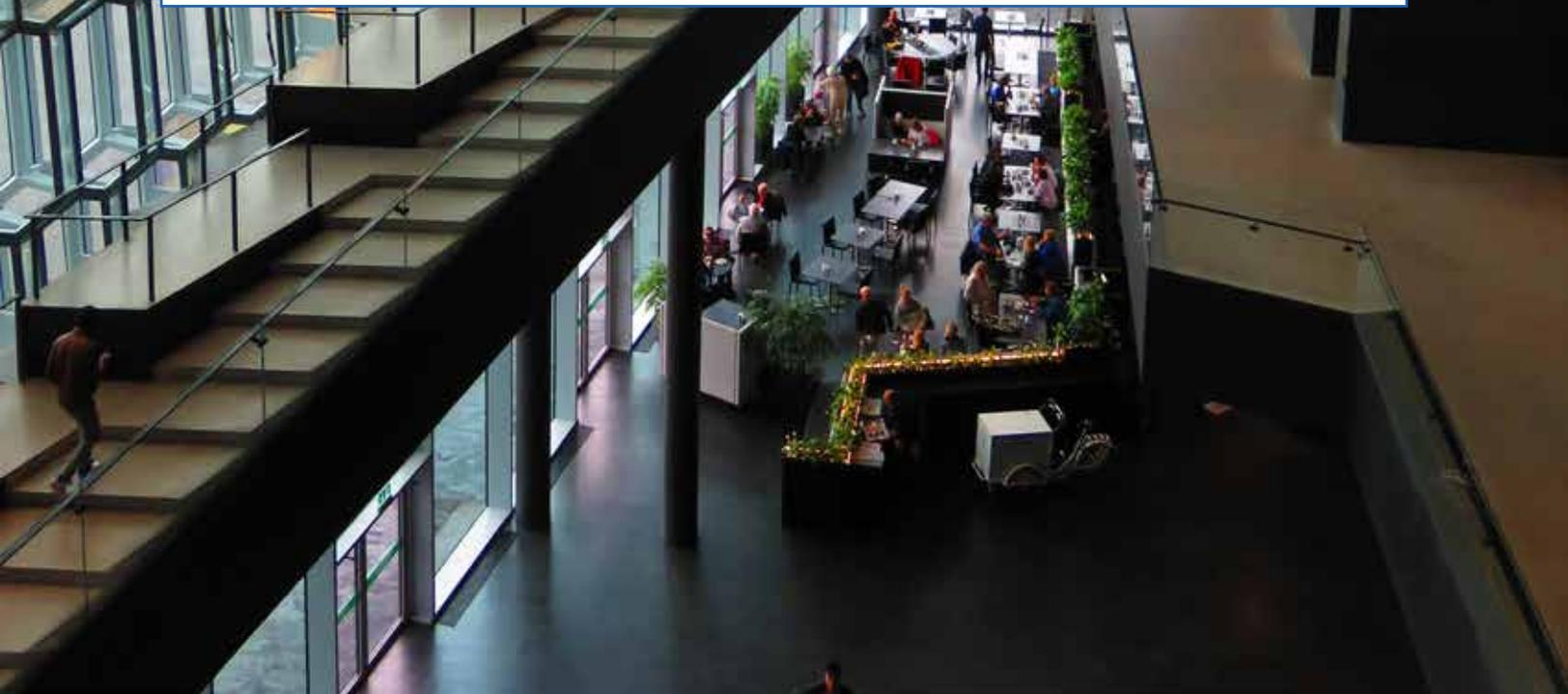
By "digitizing," one is able to eliminate bottlenecks and choke points. This creates processes that are adaptable to their specifications which in turn allow ease of use, quicker document finding times, and the ability to gain secure information transfers/authentications between peer-to-peer and business-to-consumer.





1

# Begin With the End in Mind





# Begin With the End in Mind

When it comes to beginning with the end in mind, you need to have a goal mapped out.

Now this can seem simple, but there are times when we lack understanding as to what our goals are at the current time. "Goals are like a map. They help us determine where we want to end up, and give us personal direction on which to focus our energy." - Catherine Pulsifer.

You need to determine what is acceptable goals versus lackluster inefficient goals. If Suzy from Accounts Payable works a 40 hour week but spends 10 hours of that week manually processing paper documents, she is 25% inefficient. Is 25% acceptable for your workplace? Or do you need to have higher goals to promote growth? In order to begin with the end in mind, you should go through a 7 Step "DIY Checklist" to make sure you think everything out.

7 Step DIY Checklist:

## 1) Identify the Process

E.g. Accounts Payable is the process.

## 2) Bring Together the Right Team

Bring together a team of individuals that may look at the Accounts Payable Process differently, such as a clerk, controller, and CEO.

## 3) Gather All the Necessary Information

E.g. the desired processing time.

## 4) Organize the Steps in Order

Enter the purchase order data, print the purchase order, transmit the purchase via mail/fax/email, etc.

## 5) Draw the Baseline Process Map

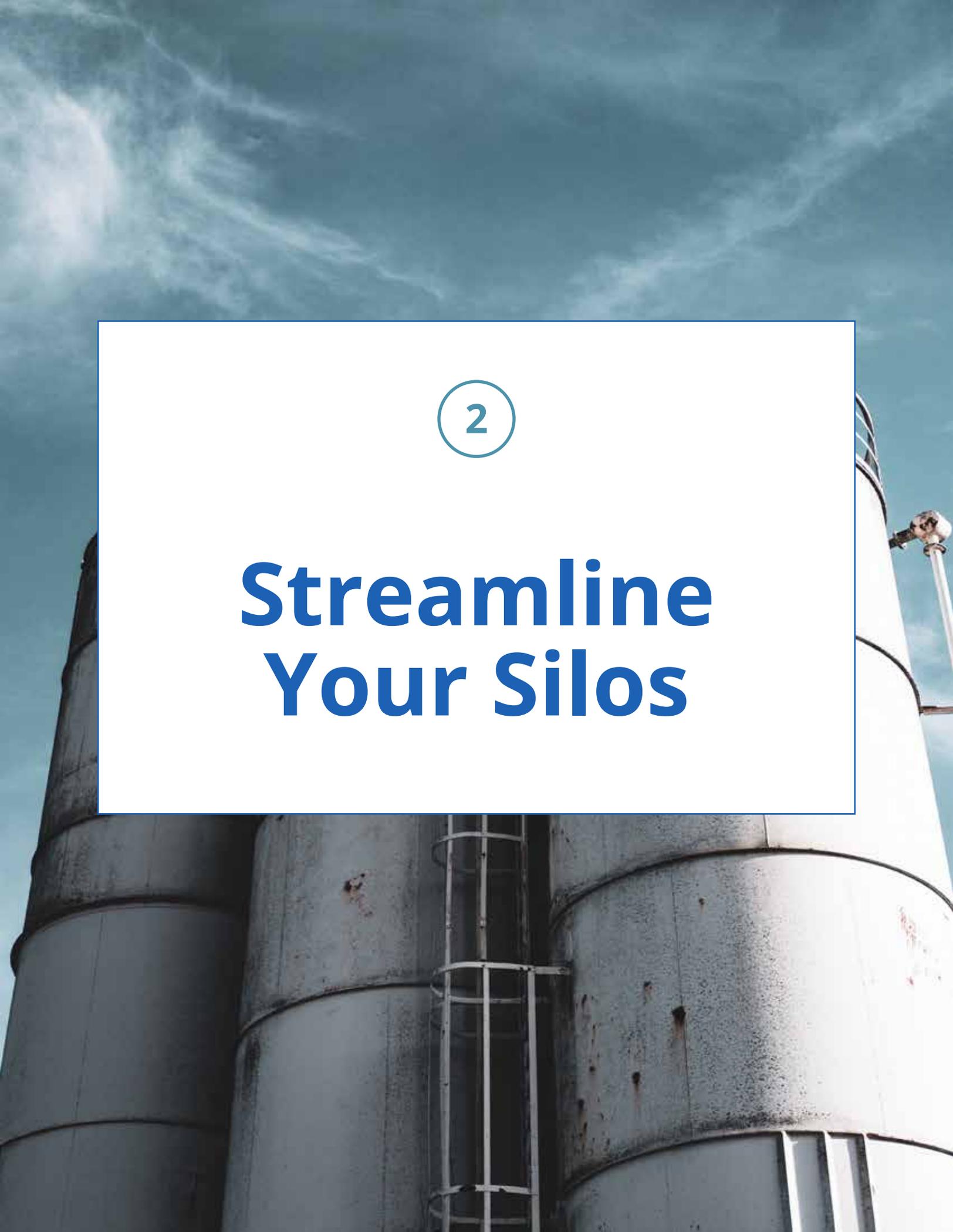
Draw it out! It can be a simple flow-chart or a very detailed multi-facing diagram.

## 6) Analyze for Bottlenecks and Choke-points

This is best done with an open mind heading into this. Avoid the pitfalls of "we've always done it this way" and "business as usual."

## 7) Implement & Monitor the Improvements

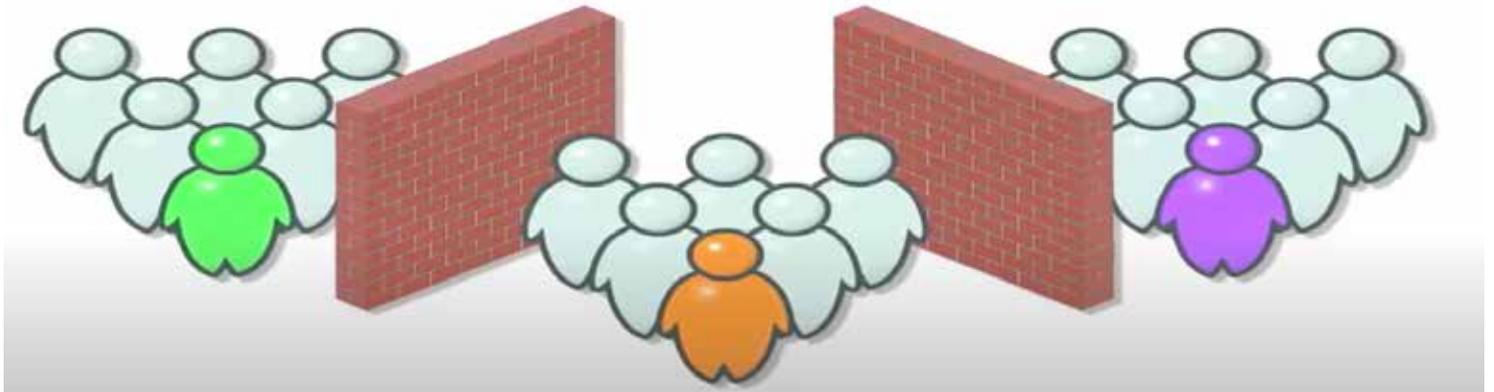
Adapt to changes throughout time.



2

# Streamline Your Silos

# SILO MENTALITY



## Streamline Your Silos

You may be asking yourself, “what is a Silo?”  
Don't worry, you're not alone in asking that!

Silos are those large tower containers that sit by themselves in the countryside that are filled with grain, feed, and other things. Simply put, a silo is an isolated group of data.

Silos frequently occur due to the 'Silo Mentality' that businesses have from their corporate structure. Departments make processes that may be the best for them at the time, but it isolates their processes from others.

The Silo Mentality is dangerous as departments focus on their individual desires and needs, rather than what works for the entire business.

This can cause issues with financial planning and budgeting, IT staffing and effectiveness, human resource evaluation and management, and much more!

### **Tear down your silos!**

Take the route less traveled when tearing down your silos. Do an audit of all the different silos. Cover all the silos that you may not expect, from desk drawers locked with documents to intranet cloud storage files being held by certain groups only. Cover all your bases.

View potential silos from all viewpoints/departments and why the silos currently exist. Remember that silos do not arise overnight, rather they become silos over years. It may take years to tear them all down, but it will be worth all the hard work.

Reinforce this tear-down by making it a corporate strategy. Incorporate the plan to different departments so you get different perspectives in how to accomplish this strategy effectively.

You can change the culture for the better!

3

# Adhere to Structure





# Adhere to Structure

The reliance on a single person or a specific group of people to retain key knowledge of how a process should flow is a huge trap that many businesses fall into!

This is known as informal knowledge.

Informal knowledge is information that has not been externalized or captured and the primary locus of the knowledge may be inside someone's head. This is dangerous for a business!

In some businesses, there can be a disconnect between the front-line employees and the back office employees due to a lack of an information sharing process.

Information loss can occur if an individual leaves their department, whether due to transferring, a firing, or a retirement.

Vital information can be put on paper blueprints and forgotten or misplaced after time. It is quite easy to end up losing important information over time without realizing it's gone until you are in need of it!

Information that is not documented well can lead to confusion. It becomes like playing a game of Telephone. One office worker may tell another coworker how to do a process, who then tells another. And so-on until you're 10 coworkers removed and the misinformation has spread and harmed the manual process.

Adhering to structure is a powerful way to digitally transform inefficient processes. Go over the staffing at your workplace and determine how many of your processes are tied up into a subject matter expert. See if you are able to either find a way to document information to be shared by multiple individuals, or if a new individual can be trained.



4

# Provide Permissions



## Provide Permissions

Permissions provide you with a peace of mind knowing that your data is safe and sound while answering, “who has access to what information and why?”. Permissions allow you to maintain the appropriate balance between collaboration and control.

The first step with providing permissions correctly is that you need to identify the individual. That can be obtained via: name, email address, living address, company, company role, status, IP address(es), etc. You have to identify who that person is first before you can correctly understand and identify the specific permissions they have.

Permissions have been pushed to the forefront of importance because of the surge of internal and external governance implementations.

You must focus on the “i” in compliance facets. Am “i” in compliance with my practices?

Items that demand compliance can come with very heavy fines and even jail time if you fail to pass compliance requirements. Failure to provide a history of who had access to your data can be extremely costly.

An example is a HIPAA violation that happened in 2019 to Sentara Hospitals in Virginia and North Carolina. They mistakenly were sending private data from a patient to a completely unrelated patient. HIPAA and an OCR investigation discovered that Sentara Hospitals had repeated this same mistake to 577 other patients due to the wrong addresses on their files being listed. The lack of compliance led to them having to pay a \$2.2 million fine!

Keeping track of your documents is vital to remaining compliant. Digitally transforming your business to have your data accessible online, with traceable logs of who enters into the database, ensures you are better legally protected.

A woman with brown hair tied back, wearing a red blazer, is looking down at a document she is holding. The document is a checklist or form with some text and a circular graphic. The background is a blurred office setting with other people and glass partitions.

5

# Actively Audit Activities



# Actively Audit Activities

An audit can apply to an entire organization, a department, or even a specific process. The main reason to audit is to ensure compliance.

While the amount of steps can vary based on the organization, the majority of audits are four steps.

## **Step 1) Planning:**

Define the objective of the audit.

What are you hoping to get out of the audit?

Who is involved in the audit? Is it an internal auditor or an external auditor?

## **Step 2) Fieldwork:**

Gathering of the relevant data of what is happening.

## **Step 3) Reporting:**

Show the variances between what the objectives are and what the realities of the data state.

## **Step 4) Correction:**

Put into play any corrective actions that are needing to be implemented. Some corrective actions can be quick stop-gaps while you work on implementing long-term solutions.

The benefits from auditing include reduced errors, improved business quality, increased cash flow due to decreased overhead costs, and increased compliance with internal and external governance.

A photograph of a warehouse interior. In the foreground, a wooden pallet is being moved by an orange pallet jack, carrying several cardboard boxes. In the background, there are metal shelving units with orange beams. One shelf is filled with stacks of white plastic jugs, while another shelf below it has cardboard boxes. The floor is a dark, polished concrete.

6

# Religiously Enforce Redundancies



# Religiously Enforce Redundancies

The purpose of redundancy is to prevent any disruption in an operation. Redundancy helps guarantee that work will continue! Redundancy can be applied to many different environments. Some environments are obvious to companies, while others may have been forgotten. Here are the essential ones:

## 1) Hardware:

Redundancy is ensuring that you have a system to ensure that proper replacement hardware equipment is in place if a piece were to go down whether due to electrical issues, physical damage, or corruption. Taking inventory of your commonly used hardware and then creating a list of backups needed is a solid way to enforce redundancies.

## 2) Power:

Redundancy is having multiple power sources within your organization. This may include a backup generator, solar panels, wind turbines, or even a second line coming into the power source.

## 3) Network:

Redundancy is having multiple internet providers in case one goes down, so that you can temporarily switch to an alternative solution. Even having backup ethernet cords is a good starting point.

## 4) Geography:

Redundancy is having the ability to go from one workspace location to another in case there is an emergency such as a fire or a mandatory quarantine.

## 5) Data:

Redundancy is being able to access your data via a backup option, such as on a digital cloud.

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# Retain Only The Required



# Retain Only the Required

The first question you may ask is, “why?” Why should you retain anything at all once you’re done with it’s initial use? You might state how retaining information takes up a ton of space, uses up a large number of resource, is inefficient, and is time-consuming to manage.

But consider, the primary reason to retain anything is compliance! This applies to compliance requirements both internally and externally.

A good rule of thumb is to keep documentation for 7 years. This is due to the IRS requiring that many years worth of documentation on-hand. To stick with the rule of 7, always keep these legal documents for at least 7 years minimum: Benefits, Investments, Insurance, Legal, and Tax Documents.

However, there is one exception to the rule of 7: personnel files. For personnel files, you are only required to keep them for 2 to 3 years.

Keeping documentation for the required length is vital to avoid IRS fines. In 2017, Morgan Stanley had to pay a \$13 million penalty to settle.

One of the primary reasons was due to Morgan Stanley failing to maintain and preserve client contracts. This led to major errors for their independent public accountant. This could have been easily avoided had they simply retained the required documents that were essential.

Albeit, keeping documents too long can have negative consequences. They can be expensive to retain for too long, they open up risk of litigation, and they can cause potential exposure to privacy rights law violations.

With the continually changing retention laws and regulation frequencies, it’s important to create a plan for retaining documentation.

Develop a plan, maintain it, and conduct audits on retention policies that need to form.



# Inefficiency is the Enemy!

At Document Mountain, we make business processes simple. We believe that if you have manual and/or inefficient business processes you will lose. That inefficiency is the enemy. That digitally transforming your processes is a powerful way to save you money, grow your businesses, and help conquer your inefficiencies.

Schedule a process map solution to start conquering inefficiency and growing your company, today!

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