Should You Outsource Your Document Scanning?

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Document management is finally becoming a priority for Local Government. As the volume of paper that we manage each day continues to increase, there is now no option but to seek sophisticated solutions to manage the paper trail.

Many organisations are seeking to convert their vital hardcopy records to electronic format. The images (and accompanying metadata) might then be imported into an EDRMS1, or might simply be burned to a disk for archiving purposes. Either way, this approach provides for better and more efficient access to your information, as well as freeing up precious space and, at the same time, meeting your disaster recovery needs.

The dilemma that all organisations face when confronted with a major document scanning project is whether to outsource, or to do the work internally. The answer is not always obvious. The first step when embarking on any scanning task is to get a sense of the volume involved. It may be that it is possible to cull some of the files at the outset to reduce the volume. It’s worth noting that, in some circumstances, it is more efficient and therefore cheaper to cull electronically2.

Scanning all the legacy material rarely stacks up from a cost/benefit perspective. The key is to look at the behavior around accessing the hardcopy files. It may be that most retrievals occur on files less than two years old, and that the remaining material is rarely accessed if at all. In these circumstances, you would ‘backscan’ two years of material and then introduce ‘day-forward’ scanning.

Once the volume of material is determined, you are then in a position to look at whether you have the capacity to perform the work yourself. The most common scenario is to outsource the ‘backscan’ part of the project and then establish an in-house facility to process the ongoing material. The next issue to address is available resources and whether or not funding is allocated. If you have existing scanning infrastructure3 that is being under-utilised, and project staff available, then it may make sense to perform the work yourself. If not, outsourcing may be the best option.

One issue that may make the decision on whether or not to outsource a simple one, is whether you are prepared to send the material in question off-site. If the files are active and are being accessed constantly by your stakeholders, then you may have no choice but to do the work internally. Similarly, there may be a directive from above that, due to the extreme sensitivity of the material, the scanning is not to be outsourced. These are all considerations prior to embarking on your scanning project.

For further information, email John Groom, General Manager of Acrodata, at john.groom@acrodata.com.au.

Acrodata provides document management consulting solutions to Tasmanian businesses, including the Local Government sector. In addition to advising on whether to outsource scanning or not, Acrodata can assist with evaluating EDRMS, Business Classification Schemes, or conducting a records management health-check.

1 EDRMS stands for electronic document and records management system.
2 i.e. scan everything and dispose of images as required, as opposed to culling and disposing of hardcopy files.
3 Scanning infrastructure includes document scanners, pc’s etc as well as scanning software.
Parliamentary oversight committees, particularly public accounts committees, are a distinctive, yet poorly understood aspect of public sector governance and accountability. A leading academic from The Australian National University visited Hobart recently to give finance and business leaders an insight into these direct-democratic structures at a recent CPA Australia public sector event.

Away from the spotlight and theatrics of parliament, exists the Public Account Committee (PAC) that plays a critical role in ensuring public sector financial accountability and effective governance. The committee holds the government accountable for its use of public funds and resources, including the examination of public accounts, however, most members of the public know little about the structure, responsibilities and working practices of PACs.

To shed some light on the issues of accountability and governance, Professor Kerry Jacobs FCPA, led a discussion with a group of Tasmania’s CEOs and senior finance managers to examine the changing nature of accountability within the Australian public sector. This included the all important role of the PAC. Within the parliamentary committee system, the PAC is one of the oldest committees and one of the most significant committees of Parliament. It is the cornerstone to effective financial accountability and governance in the public sector.

KPMG recently carried out a review of public accounts committees and has published its findings in a 51-page comparative study titled: The Parliamentary Public Accounts Committee: an Australian and New Zealand Perspective. The study incorporates the PACs of all eight Australian states and territories as well as the Federal Governments of Australia and New Zealand.

Today, the role of the PAC has been relatively unchanged. Its principle role is to review public accounts and auditor-general reports - they are the primary mechanism for scrutiny of governments. A key way to reduce corruption and to improve accountability, is by strengthening parliamentary oversight through the work of the PAC and the auditor-general. When a PAC is working well, its members should be asking the hard questions and this does create legitimacy within the parliamentary system.

Tasmania is the only state to have an independent Chair and the Tasmanian PAC is a joint committee, enabling members of both Houses to work together. Tasmania was the first state to initiate a PAC, although very little is known from early documents, as the records to support this belief aren’t particularly accurate.

PACs must focus on core business and not be directed by politics. There must be a clear link to the Auditor-General, there should be a strong Chair willing to act in an independent way, they must be well resourced, well staffed, and there has to be a way in which a PAC measures its own performance. But more importantly, PACs must begin to engage the public in ways they haven’t before. They are a direct-democratic structure that can connect Parliament with the people, and future generations will demand closer scrutiny of the PAC to ensure that their tax dollars are being used accordingly.

A PAC should:

• Focus on core business and not be directed by politics;
• Have a strong Chair willing to act in an independent way;
• Have a clear link to the Auditor-General;
• Be well resourced and well staffed;
• Have the ability to measure own performance; and
• Increase its public visibility and engage the people.

To obtain a copy of KPMG’s study, contact Tracy Graham at the KPMG Hobart office on (03) 6230 4090.
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Australians are chronically underinsured, with Australia’s income protection gap the largest of any industrialised nation in the world. Insurance is something many people would rather not think about. In reality, accidents and illness occur and for many of us, the effectiveness of our insurance will define the quality of life going forward. For many people, this is not good news as they are underinsured.

Questions you should ask yourself to determine a need for further insurance cover include:

- What type of education do you want to provide for your children? What will the cost be? If something were to happen to you, as the major income earner, could your partner continue to pay for your child’s education?
- If you have a mortgage, could your family continue to live in the same house and retain the same standard of living?
- Have you considered what may happen if you can no longer work? How will your debts be covered?

Australian women are one of the groups who are underinsured, holding about half the insurance that men do. The age group of 25-40 is another group that is not carrying enough cover. People in this age group are quite often feeling good about themselves and don’t consider that anything could happen to them. The majority of people in this age group are working and feel they have adequate insurance cover within superannuation to cover their insurance needs. However, in reality, the average mortgage is significantly larger than the average insurance cover within superannuation.

If you have not already done so, it is prudent that you should address the questions raised, as accident or illness do not discriminate, and you and your family may suffer financial hardship as a result.

To discuss your insurance needs, contact Mark O’Neill Financial Planning Pty Ltd on 6244 8990 or email mark@oneillfp.com.au.

Mark O’Neill is Managing Director of Mark O’Neill Financial Planning, located at 9 Cambridge Road Bellerive. Mark has worked in Banking and Finance for over 21 years and has worked in Financial Planning for the past eight years. Mark is an Authorised Representative of Charter Financial Planning Ltd and specialises in superannuation, retirement planning, risk insurance and investments. Mark welcomes all new enquiries and offers his first hour of consultation free of charge.
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