

Assessing ROI for Integrated Document/Content Management System

*A guide for evaluating return on investment on
SoftTech Information Management System™*



SOFTTECH HEALTH

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Executive Summary

SoftTech Information Management System™ offers a powerful combination of Document Management and Content Management functionalities, which healthcare organizations have deployed to:

- Better manage their policies and procedures
- Save time on updating their Intranets/Websites
- Simultaneously put policies online for rapid searching.

Rather than simply base estimates on a broad-based percentage value of every employee's salary, as some Content Management and Document Management vendors do, the savings indicated in the enclosed ROI Calculator are based on very specific numbers. Since every organization is different, this ROI Calculator helps you calculate the return on investment for your own hospital by inputting your own data into the spreadsheet provided (see Appendixes A and B, enclosed.)

While most healthcare organizations have these obvious "pain points" that need to be addressed, it's also necessary to make a business case for any software investment.

As an integrated, enterprise solution that addresses these major points, hospitals realize economies of scale in deploying a single solution, within a single project and deployment. Since SoftTech IMS™ encapsulates both Document and Content Management, hospitals will see exponential costs savings as a result of the tight integration of these powerful solutions.

Expressed in return on investment, SoftTech IMS™ provides ROI in less than one month, for the average hospital with 4000+ policies and a single Intranet or Website. Though each hospital will differ, average annual savings run between \$500,000 and \$1,000,000.

As the adage goes, a dollar saved is a dollar earned: by realizing efficiencies in managing both documents and information content, hospitals have more resources to devote to improved patient safety and quality patient care.

A word about ROI

In these times of budgetary constraints and increased calls for accountability, healthcare organizations nationwide are under pressure to ascertain measurable and significant benefits from their expenditures. A popular metric used to determine the financial justification for a planned purchase is ROI, or return on investment, and IT departments are requesting potential software vendors to demonstrate ROI for their offerings.

When evaluating and comparing software vendors' ROI calculations, hospitals should bear in mind that Content Management and Document Management Systems offer very specific benefits, to specific areas and functions of the hospital. While some vendors calculate ROI as a percentage of every employee's salary, this blanket calculation is rarely specific enough to provide accurate and predictive results. For example, stating

that ROI is based on the total number of employees multiplied by 5% yields a broad-based ROI that doesn't address the specific tasks and expenditures that are reduced by Document and Content Management Systems.

Instead, an accurate ROI calculation for Document and Content Management should pinpoint the actual processes and functions where your hospital can save time and money.

Immediate and measurable returns

As the first healthcare information system that addresses both Document and Content Management, SoftTech IMS™ is uniquely positioned to give maximum return on investment in one seamlessly integrated and easy to use system. SoftTech IMS's main components are:

- **Document Management** for better management of Policies, Procedures and other critical documents, while simultaneously publishing them online thus permitting rapid online searching
- **Content Management** to reduce the time and money spent to create, update and maintain Intranets, Websites, and Extranets, while adding enhanced site features such as forms, polls and bulletin boards.

Both components deliver immediate and measurable efficiency gains, with the result that hospitals can make better, more productive use of staff time. Since wages, salaries and associated costs make up the lion's share of the typical hospital budget, time savings translates to significant money savings. There are other, equally important returns that are less quantitative as well: for more information, see "An important component: the softer benefits". In both cases, the ROI (return on investment) is derived from the considerable savings seen, over and above the TCO (Total Cost of Ownership) of the SoftTech IMS™ system. Some of the most significant returns are discussed below.

Policy access savings: how long does it take to find a policy now?

In terms of measurable efficiency gains, the most striking improvement will be realized in the time that your staff spends accessing policies and procedures. In many organizations, clinicians must search through paper-based manuals to find a specific policy, often without having an understanding of what he/she is looking for: according to clients, this can often take 10-60 minutes per search. SoftTech IMS™ helps hospitals put policies online via their Intranet, so that now staff can perform keyword searches to find the policy they need. SoftTech IMS's online search engine will search through thousands of policies instantly, returning all relevant results, ready for immediate viewing online.

The cumulative effect of hundreds of policy accesses, reduced from hours per day to minutes per day, adds up to tremendous time and costs savings over the course of a year. Based on a hospital with only 4000 policies and a conservative estimate of ½-hour

per manual search you can see a savings of over \$400, 000 per year for policy accesses. To determine the savings your hospital will accrue, please contact SoftTech Health for your customized ROI Calculator.)

The benefits to patient safety, while more difficult to quantify, are immediate as well: when staff know that they can easily and quickly find the information they need, they are more likely to consult the proper directives before taking action. Clinicians report great satisfaction with the fact that they can now spend more time providing patient care and less time trying to find the information they need.

Policy updates and revisions: finding the efficiencies

There are additional risk management benefits to be derived from online policy publishing over paper-based manuals. Traditionally, as an updated policy is printed out and distributed, staff must find the appropriate hard-copy manual, remove the outdated policy, and file the updated policy in its place. In practice, this time-consuming chore is put off, resulting in a mixture of old and new policies potentially misfiled within one manual. Online policies eliminate this wasteful and potentially risky management process: as each policy is updated and approved, the old policy is automatically archived and the new policy is published online in its place.

At the same time, while policies are made centrally available, SoftTech IMS™ provides security features that enforce best practices for collaboration on authorized policies, with staff members both inside and outside the firewall. The system's security features can be configured to prevent unauthorized access while allowing users to work remotely, resulting in greater productivity.

A more tangible metric is the time spent in updating policies and approving updated policies in the first place. Since different policy manuals have different "owners" when it comes time to update a policy, often there is no clear idea of where the latest, best version of a policy can be found. Policies are locked away in silos throughout the organization, and time is wasted trying to track down the latest version prior to updating it. By providing a centralized repository and predefined processes, SoftTech IMS™ improves overall operational efficiency and facilitates collaboration among all users, including offsite clinics and partner hospitals. This ultimately improves quality and boosts productivity by ensuring that come revision time, the documents that policy authors will access have been properly reviewed and approved.

With the Auto-Notification feature, which notifies policy authors when it's time for a policy to be reviewed and updated, SoftTech IMS™ enables policy review compliance and promotes compliance with policy practices: critical for organizations operating in a highly regulated environment. From an ROI perspective, this provides savings in terms of reducing the time spent in administering policy reviews of a hospital's thousands of documents, many of which must be reviewed annually.

Compared to other systems, SoftTech IMS™ provides benefits in its ease of use and integration with familiar office software tools. Policy authors can continue to use their customary desktop tools to create and edit their policies, and with SoftTech IMS™ they have the ability to store content directly in the repository and then publish approved

information dynamically. This integration with office software enables fast uptake of the system, speeding time to ROI.

Policy approval workflows: streamlining the process

Once a policy has been revised, the policy author often spends valuable time trying to identify the next steps: who should approve this policy, what is their contact information, and how do I ensure that the policy gets to these people in the correct sequence? These workflow challenges are greatly streamlined with SoftTech IMS™, resulting in significant efficiency gains.

The SoftTech IMS workgroup features allow each policy to be pre-configured (and later re-configured if necessary) so that it is automatically emailed to the correct people, in the correct sequence, when the author submits his/her revisions for approval. The author does not need to identify the approvers, find their contact information, or even spend the time it takes open an email message and attach the policy. SoftTech IMS™ automatically composes an "Approval Waiting" email message and sends it to the correct editors in that policy's workgroup, in the correct sequence. When the final approver clicks the **Approve** button, the policy is immediately and automatically published live and is online, ready for searching and viewing.

In addition to automating these collaboration processes, for greater efficiency, SoftTech IMS™ this provides quality benefits by ensuring that policies are approved by the correct person(s), which ultimately improves patient safety and regulatory compliance.

Intranet/Website creation and maintenance savings

Websites, Intranets, and sometimes Extranets, are quickly becoming invaluable ways to communicate and collaborate with patients and community, staff, and partner organizations. The drawback is that a site can quickly become a huge drain on resources, especially as the site continues to expand with ever-increasing volumes of content.

Hospitals are turning to Content Management systems to help them rein in those costs and better manage site creation and maintenance. In addition to its Document Management System, SoftTech IMS™ also includes a full-fledged Content Management System, which allows you non-technical staff to build richly interactive Intranets and Websites, complete with online application forms, surveys, bulletin boards, graphics, and more.

Whether you deploy SoftTech IMS™ to power your existing Intranet/Website or whether you're starting from scratch with our custom-designed templates, you'll find the same result: Putting control of the site in the hands of the staff that create the content makes the Intranet more relevant, fresh, and cost-effective to maintain.

The measurable financial benefit is derived from the savings in outside Web consultants and other third-party providers who often charge high fees to make simple updates, and/or in savings on the time and salaries of in-house Webmasters. By freeing up your Webmaster from time-consuming and tedious updates, you can make more productive and efficient use of his/her skill set, resulting in salary savings that accumulate year after year.

Additionally, there is an upfront return at the time your organization chooses to deploy SoftTech IMS™, in terms of the savings on re-formatting and publishing thousands of policies on your Intranet. SoftTech Health provides a one-time automated batch integration of all of your policies, as part of the license price, meaning your organization saves thousands on this time-consuming chore – and your policies are ready to view and search online in weeks, not months or years.

SoftTech IMS™ enables your non-technical staff to quickly and cost-effectively add features to your Intranet and Website that, in themselves, will save your hospital time and money.

Some of the thousands of such features include self-service online forms, FAQ's, training materials, contact lists and more, all of which enable greater efficiency through streamlined collaboration and communication:

- Job application forms
- Employee referral forms
- Vacation forms
- Benefit claim forms
- Medication incident forms
- Patient incident forms
- Course application forms
- Cheque requisition forms
- Tuition reimbursement forms
- Abilities Assessment forms
- Medical leave forms
- Performance appraisal forms
- Staff contact directory
- "Doctor Away" Lists
- Cafeteria menus
- Equipment requisition forms
- Housekeeping Notices
- Interactive Content Searches
- Collaborative bulletin boards
- Bulletin boards for staff notices
- Drs' Comm. book forums
- Clinical programs list
- Useful Internet links
- Online polls and surveys
- Confidentiality policy and form
- FAQ's and How-To's
- Orientation presentations
- Training/Course calendars

Additional cost savings

There are other areas where hospitals will see immediate and quantifiable financial gain as a result of deploying SoftTech IMS™ Document/Content Management. These include call-center savings, printing and distribution costs, courier/mailing costs, and saved time for duplicate entry of application forms.

Call Center Savings: Because SoftTech IMS™ makes it so easy and fast for each department to keep their own information timely and useful, particularly in times of crisis management, your patients, staff and partners will learn that your site is a reliable, up-to-date and comprehensive source of information. As a result, they will no longer need to make time-consuming and repetitive phone calls for basic queries. The average number of phone calls that must be dealt with will drop incrementally, providing a source of efficiency improvement for your staff.

Printing and distribution costs will drop as you put your information resources online; you'll be able to reduce printing budgets for some recurring print expenditures by 90%, especially for large and expensive jobs that must be distributed to multiple recipients, such as policy manuals. Expensive colour printing, such as for annual reports and patient information pamphlets, can also be cut by offering these resources as downloadable files online.

Reduced courier /mailing costs: Concurrent with printing costs, your hospital will spend less on courier, fax and mailing charges, when you make needed information, forms, etc. available online. Communication with offsite partners and satellite clinics can be greatly streamlined, made cheaper and faster by using bulletin boards and other web-based means of communications.

Forms processing savings: Finally, SoftTech IMS™ includes a full-featured and easy-to-use Forms feature, making it simple for your non-technical staff to build customizable application forms, requisition forms and surveys. Where formerly you would need to hire software programmers to build these forms for you, now they can be created in minutes, including the backend processing of the forms.

This results in some ongoing financial returns to your hospital: first, in that staff no longer need to waste time in finding, faxing and mailing the forms they need to send out, since they can readily find them online. Secondly, since SoftTech IMS™ automatically saves the form responses in spreadsheet, database and text files for you, your staff no longer needs to waste time entering hand-written form responses into a computer. Self-service forms therefore save significant time in reducing duplicate entry, and also cut down on the number of errors as data is captured second-hand.

An important component: the softer benefits

While your ROI assessment will show tangible and measurable returns, among SoftTech IMS's benefits are "softer benefits" with less tangible returns that are hard to assess quantitatively. These indirect benefits may be difficult to quantify but have real value to your organization.

Some of these benefits can be regarded as an "insurance policy". For example, although your hospital may never be faced with an infection control crisis that requires fast, secure hospital-wide communication, nor with litigation that requires a readily accessible, auditable record of all of your Policies, the return on this insurance policy may prove to be huge. Some more examples are given below:

- ✓ The risk management benefits provided by being able to do comprehensive keyword searches through Policies and thus identify any conflicting policies and directives
- ✓ Improved adherence to accreditation requirements that policies be regularly updated and correctly archived by enforcing regulatory compliance for record-keeping systems
- ✓ The "insurance policy" that an auditable record of all site content provides. In case of potential litigation relating to Policies and Procedures or site content, an automated and complete record of all content at any given day could prove an invaluable resource
- ✓ The efficiency gains realized by eliminating hybrid systems of archiving and paper auditing, particularly for audit trails
- ✓ The professionalism and consistency of your site's look and feel and what that communicates to patients and staff about your organization
- ✓ The timeliness of information on your site, particularly in response to crises, and how that affects how patients and staff perceive your organization
- ✓ Productivity gains realized by centralizing all content and documents, so that every employee can quickly access the latest, approved version of a Policy at editing time, and Policies are no longer lost to local disk crashes or employee turnover
- ✓ Reduced employee training costs with the provision of easily accessible online departmental FAQ's, Orientation Packages, HR information, online courses etc.
- ✓ Increased patient safety: When a clinical worker must respond to a patient situation, she needs to find the right policy information or clinical guideline in seconds. By giving clinicians fast, comprehensive access to policy information, patient safety is not compromised.
- ✓ The assurance of authenticity and integrity of content and documents, with security features and rules-based authorization schemes
- ✓ The quality and regulatory compliance improvements brought about by Auto-Notification reminders of out-of-date policies
- ✓ The productivity gains derived from a centralized repository that can be distributed globally but administered locally, with secure collaboration inside and outside the firewall

For More Information

For more information about how SoftTech IMS™ integrated Document and Content Management can help you save time and money on site and policy maintenance, while increasing patient safety and quality of care, contact SoftTech Health.

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