

**INVU:**



## The Cost of Traditional Filing - YouGov Survey Results

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## Background

SMEs in the UK waste an estimated £42.2 million in total per day

**Invu commissioned independent research from specialists YouGov to determine just how much traditional filing is costing UK SMEs.**

The survey sought the opinions of more than 800 UK managers and directors across a range of industries. Their feedback reveals that valuable time is spent trying to locate paper documents, resulting in staggering financial losses. In fact, the 4.5 million SMEs in the UK waste an estimated £42.2 million in total per day.

## Results

### *Paper versus electronic documents*

First we asked respondents to estimate how much of the information they deal with is paper-based. Just 8% of SMEs could say that the total is less than 10%, with the majority pitching the figure at 41 – 50%.

A breakdown by sector revealed that accountancy, legal, education and financial professionals deal with an above-average percentage of paper at 54%, 56%, 57% and 52% respectively.

### *Time spent searching for information*

**Unsurprisingly, those who deal with fewer paper documents waste least time searching for information.**

Among those who say they spend no time searching for information, the majority estimate their paper documents make up just 11% - 20% of the total. Conversely, for those who spend over two hours per day locating information, the average is 52%.

Similarly, those professions which are paper-intensive show the highest averages for time spent looking for documents. The legal industry, which has one of the highest average percentages of paper documents, spends the longest amount of time searching for information at an average of 39 minutes per day.

The average time spent searching for information across all SMEs is 31 minutes. 86% of respondents spend up to two hours.

**On this basis traditional filing is costing SMEs up to £11,000 per year.**

### *The cost of wasted time*

**Only 7% of respondents feel that none of the time they spend searching for documents is wasted.**

The average percentage of time wasted is 21%. Given that the average hour is worth £88.02, that equates to £9.37 per day per manager/director – a staggering £42,165,000 in total for all UK SMEs.

Some professions fared worse. Accountants, for example, waste 26% of their document-searching time at a cost of £10.13 per accountant per day. That means that for the accountancy industry alone, a mind-boggling £2,737,958.70 is wasted in time spent searching for information every day.

Traditional filing is costing SMEs up to £11,000 per year

### *The Data Protection Act*

We asked respondents if they knew whether the following statement is true:

‘Since October 2007, the storage and processing of paper-based files containing personal data in companies must comply with the Data Protection Act (1998).’

6% said it was false, and almost a quarter – 23% – didn’t know.

Only 74% could say for sure that their company is compliant with the Data Protection Act.

### *Use of Digital Document Management systems*

**87% of the managers and directors surveyed believe that paper filing doesn’t work for their company. However, only 35% of SMEs have a system in place to store and manage the mix of paper and electronic documents they deal with.**

We asked what was preventing them from making the change.

The majority, at 33%, are concerned that the upfront expenditure will be too great. (In fact, Invu can cost as little as £1 per user per day, and return on investment is typically achieved within 6 months.)

23% worry about the amount of time the initial scanning and filing might take. (Scan and file with Invu typically takes seconds, not minutes.)

### *The benefits felt by Digital Document Management users*

**Among the 23% of respondents who have Digital Document Management, over a third state the ability to quickly and easily search through archived documents as the main reason for choosing the system.**

Other reasons include: to save time when looking for documents, to decrease the amount of storage space paid for, to comply with legal regulations and to save money.

### *What would SMEs do with more time?*

With the average SME spending more than half an hour per day looking for information, and some spending up to 2 hours, we asked respondents what they would do with more time.

31% would spend it on business development. A further 21% said they would simply go home on time, while 13% would spend it with their team.

86% of SMEs spend up to 2 hours a day searching for information

## Conclusion

SMEs spend up to two hours searching for documents per day at a cost of £11,000 per year.

Traditional filing and coping with a mix of paper-based and electronic documents is the cause of this. Most SMEs know they have a problem but are put off doing something about it by unfounded concerns.

Those who have employed a Digital Document Management system are saving time and money, and are more efficient and competitive as a result.

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