

Document Imaging Report

Business Trends on Converting Paper Processes to Electronic Format

4003 Wood Street ● Erie, PA 16509 ● PH (814) 866-2247 ● <http://www.documentimagingreport.com>

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J&B Targets A/R Related ECM

A couple months ago, we noted that payment processing software specialist **J&B Software** had hired document capture veteran Joe Crowley as its new director of ECM and business development. Granted, Crowley had formerly worked for **Top Image Systems**, J&B's document capture and IDR (intelligent document recognition) partner, but we still didn't understand what a payment processing specialist was doing with a "director of ECM." I mean payment processing software captures data, posts it to accounts receivable (A/R) systems, and moves on to the next payment, right? Well, if you combine payment processing with ECM, it turns out it might be able to do a lot more.

"There are a lot of touch points into ECM," Crowley told *DIR*. "Everybody in the IDR space has been harping on about A/P. Everyone under the sun has an ECM solution for A/P. I recommended that J&B try a different angle. There are not a lot of people doing ECM related to A/R, and that gives us a unique position."

J&B really started to get into the ECM space in 2007 when it became a reseller for Tel Aviv-based TIS [see *DIR* 4/6/07]. The

partnership has yielded some significant results. According to Crowley, 11 of J&B's last 12 projects have involved TIS' technology for capturing data from semi-structured forms.

"This has included both wholesale remittance payment and government applications," said Crowley. "One of the government installations involved capturing visa application information, along with the related documentation and payments. All that information can come in at different times, which needs to be managed. We did the IDR piece, and it was worth over a million dollars. However, there was a related ECM piece that was worth 10 times as much. At the time, J&B felt it missed out on a big deal, and that was the tipping point for moving more aggressively into the ECM market."

Two levels of BPM

Crowley said that J&B is pursuing two levels of ECM solutions. "To address simple processes, we plan to leverage *SharePoint*," he said. "This might include exception handling in which documents can be accessed where they are stored and users just need a simple archiving tool. We have some in-house skills to manage that type of

implementation.

"We are also evaluating about five companies with more mature ECM technology. We are looking at stuff that offers more governance and workflow than *SharePoint*. We are also looking to our potential partners for business knowledge that can help us go to market more efficiently in specific verticals."

Redefining the mailroom

One market J&B will be initially targeting with its ECM technology is customer correspondence. "We also consider this to be mailroom classification," said Crowley. "You look at verticals like insurance, banking, and telco, and BPO organizations that process mail for organizations in these markets. They have mail coming in that includes applications, change of service forms, change of address notices, etc. A lot of it comes in as unstructured letters, or forms with notes scribbled on them. Once you classify these documents, you really need a workflow and ECM process to manage and integrate them with business processes.

"The ultimate goal is to unify paper processes with CRM functionality. Businesses have call centers and Web-based contact management systems. How do

they make a meaningful connection between those systems and back-office paper processes? We think we can help them with ECM technology.”

Addressing A/R exceptions

J&B’s initial market will be its base of 160, primarily A/R, customers. J&B also plans to leverage its ECM technology for developing an improved exception processing system for A/R. “Right now, there isn’t a real good tool on the market that focuses on A/R exceptions,” he said. “If a payment doesn’t

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—Joe Crowley, J&B Software

check out (and in some applications, you’d be surprised at how high a percentage of payments are incorrect), the user pretty much gets a flat file of data associated with the payment and an image of the remittance. Not only is there a serious labor cost involved with reconciling these exceptions, there are accounting issues involved with not being able to count revenue until a transaction is posted.

“We’ve done some customization of TIS’ software to handle exceptions in A/R, but we’re looking for something we can better productize. We also see having access to this type of application as a competitive advantage for payment processing-focused outsourcing businesses that are owned by our parent company **3i Infotech**.”

J&B and **Regulus**, a leading North American remittance BPO provider that was acquired by 3i Infotech last year, will both be exhibiting at the **TAWPI Forum and Expo**, being held Aug. 2-5 in Washington, D.C. J&B hopes to announce its primary ECM partner shortly after the event.

For more information: <http://www.jbsoftware.com/>;
<http://www.3i-infotech.com/>

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Editor: Ralph Gammon
4003 Wood Street
Erie, PA 16509
PH (814) 866-2247
FX (412) 291-1352



ralphg@documentimagingreport.com

Managing Editor:

Rick Morgan
PH (814) 866-1146
rckm@scandcr.com

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