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Why the COVID-driven acceleration in digitising business processes could be short-lived

An enterprise guide to ensuring digital transformation delivers long-term business benefits



FOREWORD

The COVID-19 crisis has forced businesses to fast-track their digital transformation, rapidly introducing new ways of working that would have taken months or even years to implement before the pandemic.

Throughout lockdown, our teams have been busy providing companies with a wide range of innovative services, helping them [maintain business continuity](#) in a socially distanced economic environment. From digital mailrooms to remote document retrieval, digital solutions came to the rescue when normal means for creating, processing and storing physical documents were suddenly disrupted.

So, at least some positives have come out of the chaos, right?

In theory, absolutely - if these changes represent a long-term evolution towards more streamlined business processes. But there are signs that a digital backtrack may be on the horizon.

We conducted a survey with Censuswide, which revealed that despite most data decision makers (86%) saying these newly digitised solutions gave their business a competitive edge, well over half (57%) fear that processes may revert to the way they were pre-pandemic. A surprising statistic in a 'new normal' where work is unlikely to be fully office-based ever again.

*57% of data decision makers believe
European businesses will revert to analogue
solutions post-pandemic*

This report examines the potential reasons for this counterintuitive phenomenon and provides practical guidance for businesses to ensure their digital journey remains on track. The learnings are gathered from decades of [helping companies optimise their workflows](#) to become more resilient.

András Szakonyi
Senior Vice President
Europe, Middle East and Africa (EMEA) at Iron Mountain

SETTING THE SCENE

Business processes play a critical role in ensuring organisations function effectively. Governing the way organisational objectives are achieved, they impact every part of a business. The way information is handled provides a good example - from the mailroom and invoicing, to HR and vendor contract management, every business will have processes in place to ensure efficiency, security and compliance of their operations.

However, it is an unfortunate fact that processes in many companies are rife with inefficiency, particularly when it comes to storage costs and accessing archived files.

Transforming physical records to digital is an effective way of streamlining workflows, and has been proven to save both time and money. For this reason, most companies already have plans in place to digitise key processes. The transition, however, is often classed as a low priority, and has been gradual as a result. Until **COVID-19** that is.

Workflow optimisation may not sound all that exciting, but it adds tangible value to a business' bottom line. If, by digitising its processes, a mortgage lender or bank is able to improve their collection rate by 1%, it could mean a revenue improvement in the millions."

András Szakonyi
SVP, EMEA at Iron Mountain

The pandemic has changed everything. With remote operations now central to business survival, companies had to deploy new digital solutions in timescales previously thought impossible.

According to **McKinsey**, the progress of digital adoption jumped five years into the future in just eight weeks.

It's an unprecedented response to an unprecedented situation. We at Iron Mountain were keen to take the pulse of the European data management function to understand the impact these new technologies are having.

In August 2020, we commissioned a survey of 1,000 people responsible for managing business data in enterprises (250+ employees) in Western Europe. Our data confirmed the scale of the digital transformation taking place, while also revealing some unexpected findings.

IRON MOUNTAIN BUSINESS PROCESS SURVEY August 2020 by Censuswide

Sample: 1000 respondents responsible for data management aged 20+ in companies with more than 250 employees in: UK, Germany, France, Spain and the Netherlands.

Business processes covered:



Mailroom



Employee contracts



Invoicing



IT support



Customer onboarding



Team resource management



Vendor contracts



Sales



Corporate travel



Expenses



Customer relationship management



SPEED UNDER PRESSURE

Business processes touch every employee in an organisation, regardless of their function.

According to our survey, 96% of data handlers spend more than 3 hours per week on business processes, with 68% spending more than one day a week on business processes.

Despite the nature of the role and vital importance of efficient data handling, 80% said they rely on paper for their job. This indicates the scale of the challenge faced when the pandemic struck and analogue, paper-based processes became far harder to manage.

Forced to digitise to survive, organisations had to find new ways to maintain operational continuity, connect employees and customers, as well as process, protect and store data. Our findings show that IT support (49%), CRM (36%) and team resource management (34%) were the top processes digitised in response to lockdown.



96%

spend **more than 3 hours per week** on business processes

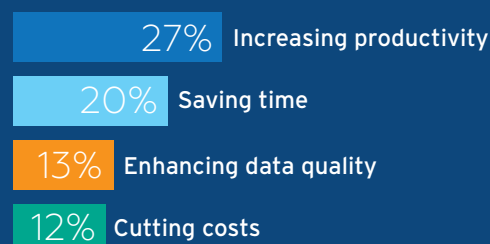
68%

spend more than **one day a week** on business processes

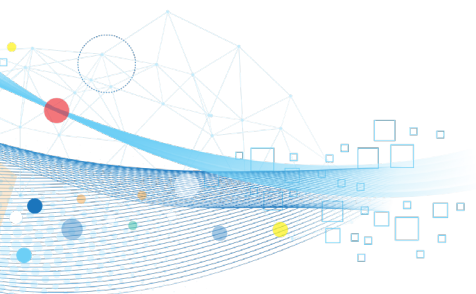
80%

of those we spoke to say they rely on paper for their job.

Encouragingly, despite the solutions only being in place a relatively short amount of time, respondents are already seeing a number of key benefits. These include increasing productivity (the most popular response at 27%), saving time (20%), enhancing data quality (13%) and cutting costs (12%).



While hugely disruptive, these findings suggest that the adversity of the coronavirus may result in opportunities to improve process efficiency in the long-term.



FAST TRACK OR STOP GAP?

To understand more about the longevity of these newly digitised workflows, we asked respondents if they expected new tools and solutions to remain post pandemic. In response, **a staggering 57%** said they feared their business processes may backtrack. This is a surprising result; *why would enterprises return to less efficient, more analogue processes?*

One likely explanation is that the measures put in place were 'quick fixes' introduced to keep the business functioning, rather than long-term solutions designed to enhance productivity.

Linked to this, given the pressure businesses were under, there's a strong chance that rapid-fire decisions were made in silo, without considering the broader impact across business units. As a result, many organisations may find they lack the integrated solutions required to meet their fundamental business needs.

At the outset of the pandemic, many companies were unprepared for remote working at this scale. They had to think fast and, in some cases, the digital solutions which were rushed in lack longevity. Coupled with this is an entirely human, and unfortunately wholly unrealistic, desire to go back to 'how things used to be'."

Stuart Bernard, VP, Global Digital Solutions, EMEA, Iron Mountain

A third reason is likely to revolve around costs. 'Off the shelf' quick fixes are rarely the most cost-effective way of solving a problem. But beyond this, there is a certain lack of understanding around the real costs and benefits to be gained from process digitisation - mainly because companies often underestimate the internal resources involved.

This theory is supported by our data which shows that cost is seen as the number one barrier to process digitisation initiatives (listed top by 22% of respondents).



BMD Systemhaus GesmbH

worked with Iron Mountain to create BMDScanStation, a powerful all-in-one solution that customers can integrate easily into digital workflows. This enables BMD to offer a customized, workflow-based software solution, enabling the scanner to be used for document entry into its archive, accounting and ERP systems.

"Having Iron Mountain in our corner offers the security and stability to develop new business."

Sascha Valenta, Software Consultant and Assistant Product Manager, BMD Systemhaus GesmbH

The benefits to be gained from true digitisation are long-term in nature. Solutions like AI and ML aren't cheap but can deliver massive, long-term benefits. At Iron Mountain, we collaborate with customers to evaluate the business case, finding ways to spread the costs over a longer period."

Stuart Bernard, VP, Global Digital Solutions, EMEA, Iron Mountain

HOW TO MOVE FROM QUICK FIX TO SUSTAINED GAIN

The key question, therefore, is how to ensure your new digitally enabled processes are built to last?

Gartner divides the process of resetting businesses post-pandemic into three phases: respond, recover and renew. These stages provide a useful framework for examining companies' initial response to the COVID-19 outbreak, as well as their efforts to learn, move forwards and - above all - ensure enhanced long-term resilience.

Our insights point towards seven steps companies should take to develop optimised solutions that will stand the test of time:



Sandwell and West Birmingham Hospitals NHS Trust wanted to dispense with costly, labour-intensive paper archives. Iron Mountain was called in to design a fast and secure solution to digitise all patient information.

The new, automated retrieval process has slashed man-hours. Online orders for legacy records are supplied as digital images within 72 hours, and episodic files updated and made available 48 hours after an appointment.

As a result, the Trust has been able to reskill and redeploy 20 administrative staff and is on track to save £250,000, which can be re-directed towards frontline care.

MAKE CHANGE LAST

According to [Gartner](#), our 'new normal' will see more than three quarters of companies (82%) move towards part-time remote working. This means that the days of physical access and delivery of paper-based files are numbered. Fundamental business processes must adapt, whether we like it or not, and this requires a new way of thinking.

Unsurprisingly, it's not a simple flick of a switch. Whilst the pandemic forced companies into short-term fixes, our survey indicates that many lack the confidence to turn these into long-term solutions. This is entirely understandable when you consider that [digital transformation](#) is a journey.

But now is a critical moment.

If you want to remain competitive, settling back into the old mode is simply not an option. Take it step-by-step - analyse your risk profile, collaborate across functions and consider working with specialist vendors who can support you in your transformation.

The journey can be daunting, but you are not alone. All businesses face similar challenges. At Iron Mountain we often begin with a '[Clean Start](#)' programme, analysing a company's existing processes and identifying enhancements that are adapted to their needs and progress in their digital journey.

Critically, the approach we advocate isn't just advice for a pandemic. Maximising your operational resilience every day is key to staying ahead of the pack.

Whilst it's human nature for people to want to go back to how things were, we must move forwards. Companies need to be honest about where they are now and where they want to go. They must establish a clear roadmap for their digital transformation. And this starts by enabling teams to work digitally, rather than simply throwing new technology at them"

András Szakonyi
SVP, EMEA at Iron Mountain

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