



## **The Benefits of Electronic Document Storage**

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With the digital revolution that has occurred in recent years and the growing use of scanners and email, Los Angeles and Southern California business owners and entrepreneurs are now creating and sharing more business documents in electronic formats like PDFs. While there are many potential benefits of creating and using electronic documents, this does present somewhat of a dilemma: How do you store these electronic documents once the transaction is complete?

One solution is to simply print the electronic documents and store them the way you do other paper records. But is this always necessary? Aside from environmental concerns, there are some serious drawbacks to printing and storing electronic documents in traditional file cabinets.

A better solution for many companies is electronic document storage. A variety of different document storage solutions are available today that can help you organize and store electronic documents safely and securely — and without having to kill lots of trees in the process.

### **The End of Paper?**

When the Internet and email first started to become widely used back in the 1990s for electronic messaging, many people predicted “the end of paper.” They envisioned a future in which digital and electronic documents would soon replace all paper documents, leading to greater efficiency, more security, less waste and less damage to the environment.

While the use of electronic documents (especially PDFs) has certainly exploded, we are nowhere near the end of paper. In fact, the use of paper has grown, not lessened, despite the growing use of electronic documents. This is due primarily to the fact that employees commonly print out electronic documents so they will have a paper record of the transaction. This includes all kinds of electronic documents, ranging from contracts and proposals to emails and receipts.

As a result, many companies today are just as overwhelmed with paper as they were a decade ago, if not more so. They have boxes full of folders, binders and loose papers that have to be organized, stored and kept secure. This requires not only additional and costly physical space, but also protocols and procedures for controlling access to the documents and ensuring the security of sensitive corporate information contained within them.

Companies also have to make decisions about which electronic documents need to be printed and stored and which ones don't. If you don't make this decision, you will probably just default to printing and storing all of your electronic documents, which can end up being extremely wasteful and expensive.

Instead, you should draft a document storage plan that details how all of your company's documents, both electronic and paper, will be stored. This plan will provide a framework for helping you decide which

electronic documents do need to be printed and stored physically, which ones don't, and how you will store documents that will remain electronic only.

### **Electronic Document Storage Options**

There is a wide range of different kinds of electronic storage options available to companies today. These range from internal document storage networks to a variety of different cloud-based options. The cost of electronic document storage technology and space has fallen drastically in recent years, making it affordable for even the smallest companies and self-employed individuals.

If yours is a mid-sized or large corporation, your best option might be to build an "electronic library" on your internal networks. This way, your employees will have easy access to documents they need on your internal servers whenever they need them, and your company will exercise maximum control over the network and your documents.

For smaller companies, document storage in the cloud might be a better option. There are many low-cost cloud storage and backup options in the market today, ranging from Evernote and iDrive to Dropbox and iCloud. With these solutions, your documents are safely and securely stored on huge servers maintained offsite that you and your employees can access at any time of the day or night, 365 days a year.

Electronic document storage can result in numerous benefits for your company, including:

- Freeing up space in your office that is no longer needed for large, cumbersome file cabinets.
- Enabling employees to work in a more open environment since they no longer need space to store their paper documents.
- Increased document security due to more control over who has access to documents stored electronically.
- A more positive impact on the environment since less paper is being used.

### **Concluding Thoughts**

While there are many benefits of creating and using electronic documents, this does present the dilemma of deciding how to store these electronic documents once transactions are complete. The best solution is to draft a document storage plan that details how all of your company's documents, both electronic and paper, will be stored. This plan will provide a framework for helping you decide which electronic documents need to be printed and stored physically, which ones don't, and how you will store documents that will remain electronic only. There is a wide range of electronic storage options available today that can result in numerous benefits for your company. A CFO services professional can provide guidance on documents to retain and how to organize the documents along with assistance in drafting a document storage plan.

### **About CFO Edge**

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