Technology Playbook:

Document Management

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INSTITUTE OF REAL ESTATE MANAGEMENT

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Introduction

Commercial and residential property management companies both struggle with managing, securing, and accessing documents related to the properties they oversee and the clients they represent – not to mention corporate documents, personnel files, records, and so much more. After all, documents are essential to maintaining ongoing property management operations. Fast, secure access to the most current versions of documents can be the difference between a deal going through and one that goes under – not to mention the loss of time and productivity that goes along with searching for documents.

The typical property management company handles hundreds of thousands of documents and images each year: signature cards, leases, contracts, loan agreements, affidavits, purchase agreements, work orders, move-in and move-out documentation, notices, invoices, owner reports, budgets, correspondence, equipment warranties. Often, these are dealt with through manual processes that require moving paper documents from properties to the corporate office and back again. Others are done online in digital format.

Whether a company has transitioned fully to digital documentation or, like most, operates a hybrid system that uses both hard-copy and digital files, it frequently lacks a central hub and coordinated efforts. Typically each department maintains its own filing cabinets and its own filing system - a practice that carries over to digital records.

Even within a digital environment, digital documents are frequently maintained in multiple locations – on shared drives, in personal files, on thumb drives, in the cloud, on a server, on someone's personal laptop. Added to this is the "just in case" approach to document management – where everything is kept just in case it is needed. Not only are there space limitation issues; there also are legal risks. This is where a records retention policy comes into play. When legal issues arise, it sometimes can be just as dangerous to have kept everything. As documents continue to proliferate and digitization becomes the norm, the challenge is to develop and adopt a cost-effective organization-wide records management and digital archiving strategy.

In light of this – and especially with the impact of the pandemic and a sudden shift to remote working – it comes as no surprise that in surveys of IREM members, conducted in 2019 and repeated in 2020, document management was the number one challenge they faced that could be solved through technology.

Document management systems

Given that document management is the top pain point for property managers, a document management system (DMS) naturally becomes a top priority for those seeking to ease the pain. A DMS is designed to bring control to document chaos. It is a system used to manage documents in a logical and useful manner – essentially an electronic filing cabinet that can be used as the foundation for organizing all digital and paper documents. Any hard copies of documents can be uploaded directly into the document management system with a scanner.

Offices have accumulated file cabinets and storage rooms with paper documentation for decades. A DMS is a digital option that offers the technology and protocols needed to capture, manage, share, and secure the myriad of documents that flow through an organization in all of their many forms – electronic documents, images, email messages, scanned paper documents, PDF forms, and, yes, even notes written on napkins.

Document management systems enable property managers to run their operations as efficiently as possible. DMS software should provide a comprehensive set of tools that save property managers time, increase productivity, and improve customer and client service.

A user-friendly document management system functions as a central repository that can:

- Increase productivity by automating everyday manual tasks, assessing and streamlining the general flow of work processes, providing automatic notifications of upcoming deadlines, simplifying the process of updating documents and eliminating the need to recreate documents.

- Increase organizational efficiency by providing for faster retrieval of records and reducing the amount of time lost looking for information leading to quicker and improved decision making.

- Improve customer service by shortening customer response time.

- Improve accuracy by reducing data entry errors and eliminating misfiled items.

- Drive improved decision making by no longer having critical information and data hidden away in file cabinets or trapped in digital systems that cannot be searched.

- Provide mobility by allowing access to these on the go.

- Foster collaboration by enabling secure sharing of documents, knocking down information silos within organizations, and raising visibility of cross-functional cooperation.

- Upgrade security by maintaining strict access to confidential documents, keeping important documents secure yet easily accessible for the appropriate members of the team, and providing for backup in the event of a mishap or a crisis situation.

- Support compliance and protect against risks and exposure by making relevant information traceable for auditing purposes and ensuring proper retention and disposition of employee, client, and other records.

- Reduce the amount of physical space and number of file cabinets devoted to document storage.

- Advance green business practices by minimizing paper usage.

- Facilitate a remote work environment in the post-COVID-19 office landscape.

Privacy and security

Every day we read about data breaches that have the potential to cause major distress to property managers and their clients. With so much confidential and proprietary information at risk, document management systems must therefore go well beyond the filing and storing of sensitive data. They must have safeguards in place so that important documents are not accessed, tampered with, damaged, or misplaced while ensuring ease of access to those who are authorized to do so. Good document management security policies are also therefore essential to maintain the integrity of systems and help ensure that data breaches and loss of confidential information do not take place.

In order to maintain privacy and security, document management systems should have:

- User and group-based access control along with a number of system level rights.

- Safeguards to ensure the power to share and control access levels to documents while keeping sensitive documents locked and secure.

- Some level of encryption to make data more difficult for hackers to access.

- Systems preventing the exporting of documents out of the repository, so that confidential information does not go missing.

- Advanced audit trails with folder and file activity monitoring to help administrators review all actions performed on any document in the system.

- Reporting mechanisms that initiate instant or periodic emails that can help keep tabs on user activities and take action immediately when necessary.

- A strong governance and retention policy for the archiving of files that are no longer required.

- A regular backup system in operation.

Decision factors

Evaluating what document management system is best for a company necessitates an in-depth exploration of a number of factors – listed below – plus an assessment of the company itself.

Key considerations

In evaluating various document management systems to determine their ability to meet a company's needs, there are a number of features that a DMS solution ideally will incorporate. In terms of the "must haves," a comprehensive DMS will offer the following features:

- Cloud connectivity
- Intelligent organization
- Smart interface
- Robust search feature
- Version control
- Permissions (secure)
- Universal format support
- Logical architecture, easily understandable

Questions to ask

These are some important questions to ask in order make sure you are getting the best system that aligns with your business needs.

What is the cost and the pricing model?

What are the one-time costs and the ongoing maintenance costs? Is there a per-user fee? Is it on a subscription basis?

It is important to get a clear understanding of price from the very outset. Some products charge an upfront fee while others do not. Certain features on the system are additional add-ons and may be necessary for you to get the full utility for your organization. It is also important to be very clear on your understanding how much storage you have, as free storage will often be capped at a certain level.

How will installation be handled?

Will installation of the product disrupt business operations? What is the typical timeline for installation?

For those who are called upon to implement a new system, this can be seen as a burden – one more thing to do. Like any system, installation and implementation of a document management system can be a complex and overwhelming process.

It is vital that your organization continues to run smoothly if you decide to implement a new system in your organization. Have the conversation on how the new system will migrate the data that you already have in place.

Will this solution integrate with other platforms and programs?

A new system should easily integrate with the programs you already use, such as your email and customer relationship management software. Does it play nicely with your accounting software? Ask about open APIs when discussing any solution with a sales representative.

A note about APIs: An open API, sometimes referred to as a public API, is an application programming interface that is made publicly available to software developers. An API is a software intermediary that allows two applications to talk to each other. In other words, an API is the messenger that delivers your request to the provider that you're requesting it from and then delivers the response back to you. It is simply something that sends information back and forth between a website or app and a user.

Does the system support collaboration?

Many document management systems will include a host of collaboration tools. Do you want a system that will incorporate workflows, co-authoring, charts, messaging, and more?

Will employees be able to easily use this system?

You will want as close to 100% system adoption as you can get. To do this, be sure the tools and interface are intuitive and user-friendly.

What type of customer support is offered?

What is the mechanism for providing ongoing customer support? Is there a 24/7 customer support line or mechanism in pace for when issues arise?

How will users be trained on how to use the product?

In order for your team to get the best out of the new software they will need training. Will on-site training be provided or will you receive webinar videos and documentation?

What security protocols are provided?

The system should allow you to restrict who can see specific folders and files. You should be able to set access permissions by employee.

What's the adoption rate?

Who else in the industry is using it? It is always worth finding out what other companies are using the system to ensure you are working with a company that is going to be dealing with similar requirements in the future.

Assessing the company

With real estate still being a somewhat nascent technology sector, there are many new companies offering their products. Although document management is not strictly a real estate technology, there are startups in this sector. Here are some key questions to ask when evaluating a product or service from a new company – most of which can be answered by conducting a simple search on Google, Crunchbase, or TechCrunch.

How long has the company been in business?

Is the company a startup? If it is a startup, what type of funding is backing it? When looking into a company that you are thinking of using, you want to be sure that the company will be around in the coming years. One good indicator is looking at the financial backing it has received from reputable investors. It is generally positive if a notable venture capital team has backed the company (e.g. Fifth Wall, JLL Spark) or it has received sufficient funding that will allow the company to grow in the coming years.

What is known about the company's ownership and management?

Is it a private company or public company? Who are the people behind the company? What is their background, their reputation, their past experience and performance? Is there a capable management team in place? Do they have the technical capabilities to make the company work?

Does the company have a webpage?

Does the webpage present complete information about the company and its management team as well as the solutions it offers? Does it provide sufficient technical details to indicate the product is beyond the conceptual stage?

What is the company's standing and track record?

Who else is using the company's product? Do other credible users recommend the company and its solution? What are the security protocols and standards for the company?

What would an exit strategy look like?

If you choose to abandon the company in the future or it goes out of business, what barriers would exist? How easy would it be to migrate your data or systems to another platform?

Document management system providers

Given that businesses of all kinds deal with the challenge of managing their documents and files, it's not a surprise that there are a large number of providers of document management systems. Listed here are eight solutions, four for smaller companies and four for larger companies.

In addition to these document management systems, Microsoft Sharepoint, Google Docs, Formstock, and similar platforms can be used to support the management of documents, promote collaboration, and foster productivity.

A note about pricing: This playbook aims to give a snapshot of some of the leading providers of this technology and service in the marketplace today. As each technology provider has different pricing models and each property manager has different requirements, functions, number of users, and needs, providing specific pricing information is problematic. You are advised to contact the provider directly in order to get the most accurate price plan that caters to the specific needs of your company and your properties.

For smaller companies (up to 100 users)

- eFileCabinet
- PandaDoc
- SamePage
- Zoho Docs

For larger companies (more than 100 users)

- DocuWare
- M-File
- Content Central
- Filehold Enterprise

eFileCabinet

eFileCabinet is considered one of the most secure document management systems with an impressive capacity to help companies manage paperwork, while delivering faster and more reliable service. This product allows for easy and fast upload, and simplifies data migration and offers out-of-the-box security coverage, meaning that files are encrypted and permissions are managed according to your own rules. It offers optical character recognition (OCR) which automatically names files, builds a dynamic directory for them and sends them where they need to go.

eFileCabinet allows companies to choose whether they want to use it in the cloud or on-premise, doesn't require configuration, and it uses an open API technology to connect with all apps and systems you're currently using.

Training is offered in-person, live online, through webinars, and via documentation.

PandaDoc

PandaDoc is a web-based tool that allows users to create, deliver, and share documents online while also giving its users the ability to place their legally binding signatures for faster paperless transactions and processes. The software can be utilized for document building, sharing, and delivery, and the system supports various document forms including PDFs, Docs, and other preexisting digital documents. PandaDoc analytics provides real-time statistics regarding who has viewed the proposal, how many times they saw proposal, and how much time spent on the proposal. The dashboard provides an overview of proposal performance

PandaDoc allows users to create contracts, quotes, proposals, and legal documents. The software comes with dozens of free templates to help create invoices, receipts, quotes, plans, agreements, proposals, and other business documents. You can choose a template from the comprehensive library and customize it with options to change currency, language, and others.

Training is offered in-person, live online, through webinars, and via documentation.

Samepage is not primarily a document management system but is also a cloud-based collaboration and file-sharing software solution that helps companies eliminate project bottlenecks and communicate seamlessly with their entire team. It allows teams to combine files, tasks, calendars, maps, videos, diagrams, and team conversation together on one page.

Training is available live online, through webinars, and via documentation.

Zoho Docs is a cloud-based software designed to manage, share, and store all of a company's files online. As it is online you can access the software and all your files from a centralized location wherever and whenever you need to.

Zoho Docs features cloud storage, which allows users to upload different file formats, such as PDF, Excel, JPEG, and HTML. The product also features an email-to-upload feature, which allows users to upload files by emailing them to email addresses generated by Zoho.

Zoho Docs also gives you administrative control tools, synchronization, and integration capabilities while also allowing you to customize your system to suit organizational policies. It also lets you sync files from your computers. The Zoho Docs platform has a number of extended functions with Zoho Office Suite.

Training is available live online, through webinars, and via documentation.

DocuWare Cloud has long been considered a leading document management system. The platform has a strong enterprise feature set, including excellent document importing and forms handling capabilities.

Well regarded for digitizing, automating, and transforming key processes with over 500,000 satisfied users at 18,000 companies in 70 countries.

Training is available in person, live online, through webinars, and via documentation.

M-Files is an intelligent Content Management System (CMS) platform designed to help businesses manage, organize, and track documents. The solution offers workflow automation capability and notifies you whenever document changes need specific review or approval. You can also send invites and edit documents simultaneously with its co-authoring feature.

M-Files allows users to securely share information with owners or team members and integrates with leading CRM solutions. Confidential documents like offers, contracts, appraisals, titles, disclosures, loan agreements, leases, and more can be managed and accessed from just one place.

Training is available in person, live online, through webinars, and via documentation.

Content Central is an all-in-one, browser-based document management system that provides access, speed and security. The software has a multi-deployment option and is available as a Software-as-a Service (SaaS) model or can be hosted on premise. The tool allows companies to make their own customized rules and guidelines for document storage and the approval processing functionality allows businesses to track and manage all parts of a document's lifecycle.

The product features an approval queue and allows users to review the history of each document to audit the changes made to the document.

Training is available in person, live online, through webinars, and via documentation.

FileHold Enterprise software gives you the choice of having the software deployed on the server or in the cloud. It allows you to scan or import documents into the system, store them, search for them by keywords or metadata, and add annotations and mark-ups within them.

This product is aimed towards larger organizations with more than 20 users and scales to support thousands of users and millions of documents using Microsoft Service Oriented Architecture and the .NET framework. Strong mobile capability allows users to add, view, and search for documents; perform version control; start workflow processes; and submit workflows for approvals on the go.

Training is available in person, live online, through webinars, and via documentation.

Low-tech alternatives

For a company that is not yet ready to invest in a full-scale document management system, steps can still be taken to gain some of a system's advantages, starting with the company's shared drive. A shared drive can be the first step toward managing documents for efficiently and effectively – provided that every member of the team works together consistently. If finding the right file or folder in a shared file system has become a challenge, that probably means it's time for an organized overhaul of the company's electronic file system – both for each individual and, most importantly, across the organization where shared drives are used.

Here are some short helpful hints on how to put in place and get the best use of a system:

Digitize documents . . . within reason

Make a commitment toward being a paperless environment by scanning paper documents and filing them digitally. Most document management plans focus on going 100 percent paperless – which may not be necessary or appropriate. Converting hard copy documents to electronic format can be time-consuming and expensive. There also may be documents that have signatures or other information that necessitates keeping them in the original format.

Establish a consistent file and folder structure

Time spent developing and testing a file and folder structure can be time well spent. It can take time to get it right. So start small – perhaps a single folder – before scaling up.

Establish and enforce a naming convention

A file naming convention is a framework for naming files in a way that describes what they contain and how they relate to other files. This is done through identifying the key elements of documents, such as the type of document, date of creation, author's name, project name, the version of the file, and so on. Using unique and standardized filenames creates the ability to follow path names and link to other systems that require unique filenames. Ideally, this convention is adopted on an enterprise-wide basis. The best file names are generally short and built around accepted abbreviations or corporate culture and terminology.

File naming should apply to both paper and electronic documents. Among the numerous benefits of naming conventions are these: they create enterprise-wide uniformity and thus make it easier to find files, make sorting more predictable, and give clues to the contents of files and folders with having to open them.

Stanford University offers these guidelines for naming conventions:

- Create names that will allow useful sorting

- Keep names as short as possible and make them easy to read

- Include only alphanumeric characters

- Use camel case to distinguish words (e.g., PropMgmtPlan01.docx)

- Avoid spaces, abbreviations, and most symbols except underscore "_" and hyphen "-" (hyphens should only be used in the root filename, preferably for dates)

- Format dates to enhance sorting; for proper sorting, date order should be YYYY-MM-DD (e.g., Minutes_2019-02-15.docx)

- Use the filename for version control (e.g. CollectionPolicy_rev2019-02-20.docx, Minutes_draft_2020-08-22.pdf, Minutes_final_2020-05-20.pdf)

- Consider putting the initials of the author in the filename (e.g. HowToFile2013-02-20_njk.docx)

Establish a protocol for versioning documents

Version control is a process by which different drafts or versions of a document are managed. Having a protocol for versioning documents will help ensure that users are working from the most recent version to prevent confusion. A common approach is to assign numbers after "v" to successive versions – for example, FileName_v1. Another option is to use draft, final, and archive folders. This allows you to edit a single document and saves older versions in a version history in case you need to access it again later.

Put someone in charge – and get corporate-wide buy-in

Assign someone to take the lead or appoint a document management oversight team to establish guidelines, review them regularly, and monitor progress. At the same time, it's important to get all stakeholders on board. Show employees how their lives will be easier – less time searching for documents, retyping documents - in order to motivate them to participate in the process.

Move to the cloud

Files can be stored anywhere in this environment - across services, on external drives, on individual laptops, and at remote sites, to name a few. Cloud computing is worth consideration to rein this in and can make it simple to share files and collaborate with team members, work from home on desktops or in the field from mobile offices - wherever there's an internet connection.

Acknowledgments

About IREM®

For over 85 years, our members have made us the world's strongest voice for all things real estate management. Almost 20,000 leaders in commercial and residential management call this home for education, support and networking. Our CPM®, ARM®, ACoM, and AMO® certifications are internationally recognized symbols of ethical leadership and a well-managed property. And our tools deliver decades of on-the-job know-how to help members get even better at what they do. Put simply – IREM and its members are here to elevate the profession. If you know real estate management, come get to know us.

Institute of Real Estate Management

430 North Michigan Avenue

Chicago, Illinois 60611 USA

1-312-329-6000 or 1-800-837-0706

getinfo@irem.org

irem.org