Inbound paper mail costs more than you think. **A lot more.**

The physical mail that flows into and throughout your enterprise is incredibly inefficient and drives substantial unnecessary costs. But those costs may go unnoticed, because **80% of them occur after mail leaves the mailroom.**

After decades of processing physical mail as the standard form of communication, many of the costs of that processing are so tightly ingrained and integrated in your corporate culture that you don't give them a second thought. To make matters worse, mail is distributed to virtually every department of your business – and so too are the costs. This makes the problem widely dispersed, difficult to see, and complex to solve in an economically efficient manner. The goal of this whitepaper is to help you identify the real costs of physical mail, and highlight how digitizing inbound mail can provide a comprehensive, scalable, executable and economic solution.

Mailroom receiving, sorting and delivery are certainly time-consuming and labor-intensive, but they only make up about 20% of the total cost of processing physical mail. As digital technologies have progressed, personal mail at corporations has decreased, and what vlittle personal mail remains is handled with simple delivery workflows.

But essential *transactional* mail – with far more complex, multistep workflows – persists in substantial volume. In a modern corporation, it's the combination of transactional mail, complex workflows and broader corporate efficiency efforts that now drive the bulk of physical mail processing costs. To clarify this point, we'll start with an actual, if almost unbelievable, workflow example and then dismantle it to identify the hidden costs and solutions.

At a large financial institution, the Consumer Correspondence department receives several thousand pieces of mail a day. Every day, trained employees open, evaluate, sort and repack each piece into 30+ bins for internal forwarding to different workflows, in different departments, and often at distant locations – all while still on paper. This kind of "content-based post-delivery sub-sort" (meaning you need to open the mail and evaluate the content before the next step can be determined) occurs in almost every department.

The details may differ in every department, but the story is the same: **physical mail is inefficient, slow and expensive.**

The sorting labor is costly, but it's just one component of many. "Consumer correspondence is almost always transactional: it requires a response and it can't fall between the cracks. Often, it contains personal or confidential information that needs to be protected. To meet these requirements, the company adds security and document control processes to the equation. Mail pieces are counted, emails are sent to the receiving destination and documents are then shipped via trackable overnight service. Each process adds cost, labor, management and transportation – but there's more.

Initial Sort & Delivery

- Post-delivery sub-sort
- Inter-office mail
- Downstream scanning
- Duplication
- Inefficient use of labor

80% of paper mail **costs occur beyond the mailroom**, hidden in every corner of your business

Now, consider just one of those 30+ destinations – in this case account name changes. Located in another city, it gets about 100 sub-sorted pieces of mail a day. There, an employee scans each document *one by one*— to meet both security and audit control requirements. Then, that same employee forwards each scan by email – one by one, for the same control reasons – to a destination in India... And in India they *print them out again.*

Why? Because on the receiving end in India a multi-person team works to enter name changes into a master system. And it's impossible to have multiple users access the same email inbox and maintain the necessary controls. So they print and stack each document in a physical pile, allowing each employee to grab the paper on top and do their data entry, until the pile is gone. When described this way, it sounds pretty inefficient, but putting controls on physical mail is difficult and cumbersome for every enterprise. In spite of these costs, both centralizing work and moving it offshore save money and are standard tools for large companies. But when the source content is physical, it's far from a seamless process.

The details may be different in each company and department, but the story is the same: physical mail is inefficient, slow and expensive...until the point when it gets entered into your electronic systems! Digitizing your inbound mail at the point of entry – the last place where it remains consolidated – puts the efficiency back into all of your downstream processes. All inbound physical mail is digitized on dedicated, high-speed scanners at the point of entry, then routed instantly and automatically to either the end-recipient, or to subject matter experts who forward it to its proper destination –with a click. And at every step, the system automatically builds a complete digital audit trail of every action taken – offering management metrics, audit controls and instantly searchable transparency.

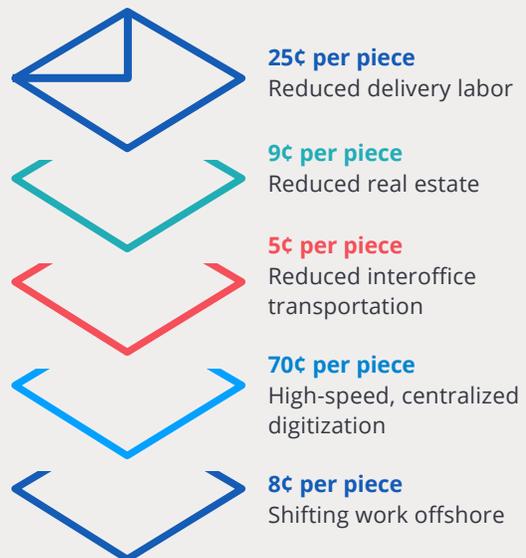**Which means, in our example, no overnight mailing, no slow downstream scanning and no unnecessary duplication.** Instead, the relevant name-change documents go into a multi-user queue for digital sorting and forwarding by subject matter experts. They are forwarded directly and instantly to the name change team's dedicated user-interface in India, which completely bypasses physical transportation and departmental scanning, and eliminates the need for reprinting. All while the system automatically keeps track of exactly which documents are processed, when, and by whom.

Processing times are compressed by orders of magnitude, while the labor and workflow steps associated with physical mail – opening, repacking, forwarding, downstream scanning, printing and duplication – it all goes away. It's impossible to lose or misplace documents, and useful metrics are at the fingertips of management.

The truth is, when it comes to costs, the average corporate mailroom is just the tip of a paper iceberg. The more you look beneath the surface, the more obvious it becomes that the potential benefits of digitizing inbound mail to the enterprise are enormous.

Eco-Mail is a secure, scalable system that transforms incoming physical mail into powerful digital assets – at their point of entry to your business. We help clients to streamline their operations, increase response times, improve their controls and compliance – and save a huge amount of money. We're already working with one of America's three largest banks. To learn more, get in touch via our contacts below.

How the **Savings** Stack Up

25¢ per piece
Reduced delivery labor

9¢ per piece
Reduced real estate

5¢ per piece
Reduced interoffice transportation

70¢ per piece
High-speed, centralized digitization

8¢ per piece
Shifting work offshore

Total savings
$1.17 per piece

How do we know all this?
Because we do our homework.

Eco-mail sends teams of analysts to investigate corporate mailrooms, where we audit, count and classify every single piece of inbound mail – sometimes 10K pieces a day – to build solid, real-world metrics so you can know – not guess – how much you can really save. For large enterprises, the savings can amount to $10-20M per year.