

Automating Workflow

Dealers address document management solutions

by: Brent Hoskins, Office Technology Magazine

Are you looking for ways to diversify your portfolio? If so, have you considered a document management solution? The following profiles of three BTA member dealerships highlight their experience in selling such solutions, helping their customers automate workflows. Perhaps the comments they share will provide some welcome guidance.

Automated Business Solutions

Like many dealerships, Automated Business Solutions (ABS), based in Warwick, Rhode Island, had a humble start, operating out of a 500-square-foot office when it was founded in 1992. Today, the dealership has 92 employees working from six offices in three states — Connecticut, Massachusetts and Rhode Island. The dealership offers imaging devices from Canon, Sharp, Kyocera, Lexmark and HP.

About 20 years ago, ABS began selling the Laserfiche document management solution. Then, in 2012, it added IT services. “The IT side of the business [which includes Laserfiche] contributes between 12% and 15% of our revenues and is growing every year,” says ABS President Mike Ardry. “In April, we completed the acquisition of another IT company, which could soon double our IT business.”

For many years, the sole focus with Laserfiche at ABS was on document management, Ardry says. “It was, ‘You have all of these metal file cabinets full of documents and you need a way to sift through those documents in order to find one,’” he says. “For the user, it was: ‘I scan it and place it in the repository so I can find a document much more quickly.’ It saved time, money and energy. Today, we market the product with a focus on workflow. We’re managing workflows, as opposed to just managing documents.”

Ardry cites the example of a recent deal involving a non-profit that demonstrates the typical level of receptivity and enthusiasm for the focus on workflow. “The woman we were talking to was describing what she wanted the Laserfiche product to do,” he says. “We said, ‘Yes, we can do that, but we can also do “this and that.”’ She was like, ‘Are you kidding?



‘We can do that?’ It was like she was in an ice cream shop. She immediately signed off on the deal, but at a much broader scope than had been anticipated. People often don’t initially realize what a document management solution can do for them in terms of helping with automating workflow.”

At ABS, general line reps are “responsible for bird-dogging Laserfiche,” which always begins with a conversation about a customer pain point related to workflow, Ardry says. For

completed deals, the reps receive commissions, often on a monthly basis. However, the dealership’s two subject-matter experts (SMEs) manage the implementations. “From the technical side, you need that SME to ‘write’ the workflow,” he says, while emphasizing the pathway to satisfied customers. “Time is money. Their ROI comes pretty quickly when they see that ‘this task used to take an employee six to 10 hours a week to complete. Now it only takes one hour each week.’”

At ABS, sales of Laserfiche are not vertically focused, given the range of prospective users, Ardry says. “We have manufacturing clients, non-profits and government agencies using the product, to name a few,” he says, noting that nearly all Laserfiche placements have been within existing imaging customer locations, which often implement the product one department at a time. “For one of our municipality customers, it first went into its accounts payable department. Then some of the people in HR saw the product and asked, ‘What can you do for us?’ Once implemented in HR, it grew to help some of the engineering staff. So, a simple workflow for accounts payable grew to several departments now using it.”

Regardless of the industry, ABS has a target size for its implementations. “I would say we’re still in the small-to-mid-size-business range,” Ardry says. “We’re probably not going to walk into a company with 200 to 300 seats and market it, although we have placed the product in companies with around 80 seats. Laserfiche scales very well.”

Ardry has plans for an even greater emphasis on Laserfiche sales going forward, fueled in part by the increased

number of remote workers whose “lives could be made easier” with the product. “We have a source of differentiation by way of Laserfiche,” he says. “We’re in it, we have people trained on it and we know how to sell it. We just need to put an even larger focus on it.”

Century Business Technologies

When Russell Kromminga joined Century Business Technologies, based in Topeka, Kansas, in 2014, the dealership was already selling the Square 9 Softworks document management solution. He arrived with a high level of experience with the product. “I also had extensive experience with a variety of other software products and solutions,” he says. “Century’s approach to solutions is partly what attracted me to join the dealership.”

Kromminga, director of technical services, could quickly see that Century was positioned well for Square 9 in the dealership’s growing portfolio of software solutions and IT services. “She had a vision of Century becoming a complete technology solutions provider for the businesses that we serve,” he says, referring to Century President and CEO Dawna McCabe, who had assumed leadership from her father; he founded the dealership, which offers Ricoh, Kyocera, Epson and Sharp imaging devices, in 1981. “She knew that in order to do that, Century had to change the way it was doing things, getting away from the standard practices of a ‘traditional copier dealership.’”

That led to a number of investments in managed IT services, including the acquisition of two IT companies and a software development company, Kromminga says, noting that while Century has eight locations across Kansas, custom application development and software solutions, including Square 9, have allowed the dealership to reach beyond the state’s borders. “There are no geographic limitations with software,” he says. “So, we have software customers in several states outside of Kansas.”

Looking specifically at document management, why Square 9? “Because of the scalability of the product, which allows for a focus on SMBs and smaller companies, but also as an enterprise-level solution,” Kromminga explains. “In addition, they are one of the few that began offering packages to dealers, saying: ‘If you are going to sell this, we’ll provide it to you so that you can actually see and learn by using it yourself.’”

There is also the appeal of Square 9’s “robust education platform” and the fact that its three basic tiers are “a little easier”

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to set up than other similar solutions, providing “all the functionality and features you need” without having to add additional modules, Kromminga says. “Our average implementation time, even on larger enterprise deals, is less than 10 days; most customers are up and running in less than three days. From the standpoint of the impact on the customer, you’re not causing disruption. That’s huge.”

The selling cycle takes much longer than the implementation, Kromminga acknowledges. “Once we get the customer to the table, our average sales cycle in the last three to four years has been 57 days,” he says. “When I say, ‘get them to the table,’ I mean, actually discussing a problem, detailing the processes, scoping the projects and building the solution. However, it may take a year to get that person to the table.”

In order for the customer to be ready to talk, “there has to be a threshold of pain that has been reached,” Kromminga says. “A lot of prospective customers still think document management is a ‘nice to have’ versus a ‘have to have.’ They don’t feel the pain until they have something within their organization that has become so painful to do [in terms of process workflow], that they have to make a change. Or the competitive landscape has changed and if they don’t implement a document management system, they can’t keep up.”

It is worth the wait, Kromminga says, particularly for dealerships that are positioned to offer professional services. “At Century, with our professional services, we try to keep our margins at a scalable level to match the level of value created, which is often higher than average,” he says. “So, we maintain profit margins that are reasonable by working hard at establishing proven processes for scoping, identifying the issues and creating value. With document management, the bigger the pain, the bigger the opportunity.”

Kelley Create

Celebrating its 50th anniversary in 2024, Kelley Create, based in Kent, Washington, has come a long way since its founding in 1974, particularly after it was acquired by Aric Manion about 14 years ago. At the time of the acquisition, the dealership had annual revenues of less than \$10 million. Today, it is at more than \$120 million. The dealership’s core products include imaging devices from Toshiba, Xerox, Ricoh, Canon and Kyocera. “Aric had a vision for a growth strategy to take the company to a different level,” says Jason Ostendorf, vice president of software solutions. “He has

Document Management Can Help Organize Your Digital Transformation

47%

of channel partners are already selling document and/or enterprise content management.

37%

of channel partners believe DX offers the best revenue opportunity other than print hardware.

Like MFPs facilitate processes in the paper world, document management does the same in the digital world.

Document management solutions can be extended to leverage advanced capture, workflow and automation capabilities.

Integrate document management with other business solutions to keep people and content connected and flowing smoothly.

Source: Keypoint Intelligence 2024 State of the Channel Survey

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Century Business Technologies

grown this company organically and through acquisition. We’re now in five states — Oregon, Washington, Montana, a little bit of northern Idaho and Alaska.”

Ostendorf oversees the dealership’s software division. When he joined Kelley just over six years ago, the software division was doing less than \$1 million a year; now it is at more than \$6 million. He brought with him significant experience with what is today the dealership’s lead document management solution, DocuWare. “There are a lot of different products and they are all good in their own ways,” he says. “But where you are going to succeed is where you have experience. When I joined the company there were some good guys on the team in terms of implementing and supporting the product. However, once we revamped the implementation strategy and the sales strategy, that’s where it really took off.”

The software division has no dedicated sales force but, rather, subject-matter experts. “We equip [general line] reps with enough knowledge to ask a few questions to find the opportunities,” Ostendorf says. “We then come in and run the sales process from there, as far as asking all of the right questions, doing demos, etc. So, the sales rep is responsible for finding the opportunity and doing the sales paperwork on the back end. Everything outside of that is run by the subject-matter experts.”

That’s not to say that reps do not make much money from such deals. The software division’s success is due, in part, “to how we compensate and motivate reps,” Ostendorf explains. “We’ve structured a system where reps get paid really good money, particularly when selling larger engagements. We have reps making tens of thousands of dollars in commissions on big deals. When they’re making that kind of money on a deal, they’re heavily incented to go find more.”

With such successes with document management, Ostendorf emphasizes that the DocuWare sales strategy at Kelley is different than some may assume. “Our sales pitch is rarely, if ever, about document management,” he says. “It’s all about

process automation. That is where it really hits home with customers these days. It kind of lessens the value when you are just talking about document management, so we talk about taking manual, paper-based processes and making a digital workflow instead — which is another strength of the DocuWare product, its workflow engine.”

Ostendorf similarly shares praise for two other attributes of DocuWare and its product. “Because we have a team of 10 to 11 people who support DocuWare and other software products, we don’t call on DocuWare as much, but know that when we do call on them, they have the expertise to help us,” he says. “When we call them, it’s at tier two or three, because we’ve already gone through all of the tier one issues. The knowledge they have at the tier two and three levels is

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fantastic. Plus, their software is solid. Software always has bugs. However, we rarely see that with DocuWare.”

Today, Kelley finds much of its success with DocuWare selling 15-user systems — usually with a subscription-based model — in manufacturing, distribution, some service organizations and construction, Ostendorf says, noting that the dealership is far from plateauing with the

product. “As long as DocuWare puts a lot of money into R&D and evolving the product, I don’t see a cap on where we can go with it.” ■

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