aiim

5 Reasons Improving Data Quality Should be a Strategic Priority for Outsourcers

Intelligent Capture is Key to Improving Data Quality

According to Global Industry Analysts, Inc., the global market for Business Process Outsourcing (BPO) is expected to reach US$220 billion by the year 2020, "driven by the mounting pressure among companies to rationalize costs, improve operational performance, and increase customer satisfaction." This growing market includes outsourcing in such areas as finance and accounting, procurement, customer services, and HR. You can add to this opportunity explosive growth in RCM ("Revenue Cycle Management," or the financial process that healthcare facilities use to track patient care episodes from registration and appointment scheduling to the final payment of a balance) outsourcing opportunities in the healthcare industry.

The benefits that companies can recognize through an outsourcing strategy are well documented and include cost reduction, access to specialized expertise, greater operational and management focus, standardized and leveraged best practices, and access to cutting edge technology.

BPO and RCM companies – and especially those focused on document and capture intensive solutions -- face a unique set of challenges in responding to these opportunities. These include increasing pressures to:

1. Get to scale and to processes that can be replicated across clients;

2. Provide greater domain and process specialization and competency;
3. Reduce manpower costs;
4. Reduce prices; and
5. Make new investments in infrastructure.

Outsourcing companies can respond to these business challenges in one of three ways:

1. **Business model.** They can modify their *business model*, for example by shifting from a transaction-based business model to an outcome-based model where the outsourcer and customer share risks and rewards.
2. **Market strategy.** They can modify their market strategy by either expanding the services they offer or by seeking new or adjacent markets.
3. **Operational innovation.** They can focus on improving operations and adding value to existing operations.

All of these options are enhanced for document-intensive BPOs and RCM providers by embracing intelligent capture. Let's consider the 5 key reasons a BPO or RCM provider – or an internal processing cost center – should strategically embrace intelligent capture.

AIIM International

1 **The document processing needs of your customers are getting more complex.**

According to AIIM, 42% of organizations will be spending more on inbound workflow automation over the next 12 months. Information and data is coming into business organizations from all types of devices and in all types of formats. In fact, when you look at the broader spectrum of the Internet-of-Things, the source of information extends to remotely connected devices that include security systems, health monitors, and more. According to the BPO Benchmark Survey, "The top opportunity for growth identified by almost half of participants was expanding the document types their organization processes."

2 **Increased automation is key to reducing costs.**

According to the BPO Benchmark Survey, "Every aspect of the document processing workflow can be significantly impacted by automation: document preparation, document organization and classification, data extraction, data validation and quality assurance. Even today, two of the biggest hurdles to delivering faster results with higher accuracy are manual sorting and reliance on too many one-off, complex labor-intensive processes."

3 **Increased automation is key to enhancing customer value.**

BPOs note that expanded service offerings and expanded services to existing customers are the top factors most often driving profit. Increased data quality and the speed and efficiency with which it is processed are key to the scalability of these enhanced services.

4 **Consolidating your efforts on a single platform is the most effective way of leveraging your internal skills.**

The most effective way to improve data quality and to improve employee productivity is by processing multiple document types with various types of data, including handwritten information on a single platform. Standardizing on a platform is key to improving data quality and to reducing employee training and adoption costs.

5 **The CONTEXT of data capture is critical to data quality.**

Successful recognition begins with context. Context is knowledge about data in a field that provides valuable clues helpful to accurate recognition results. For example, a string of digits, such as 7374328968, means little without context. When the same digits are presented in the context of a telephone number, they are immediately recognizable. In a different context, the same string of digits might instead represent a flight number or programming code. This string of data has meaning and validity given the right context. Context plays a particularly significant role in handwriting recognition.

Intelligent capture and improving data quality are clearly key to improving short-term operating effectiveness, profitability, and customer value. But they are also a critical investment in the future. BPO and RCM Provider customers will soon be wrestling with the implications of machine processing and analytics, and improving data quality is a critical first step on this journey.

This tip sheet was sponsored by Parascript. Parascript automates the extraction of meaningful, contextual data from image and document-based information to support transactions, information governance, fraud prevention, and business processes. You might also be interested in:

- Best Practices: Improve ICR Accuracy by Applying Context
- BPO Benchmark Survey E-Book