



WHITE PAPER

Developing a Business Proposal for Enterprise Content Management

How to demonstrate the value of an enterprise
content management system

Abstract



A well-developed business proposal delivers actionable insights on the scope, cost, and value of adopting enterprise content management (ECM) strategies within your organization.

One of the most impactful skills of a valuable employee or leader is the ability to identify innovative opportunities for generating additional revenue, reducing operating costs, or increasing efficiencies. This is as true for healthcare as any other industry.

Developing a business proposal can be an ambitious project for those unfamiliar with the process. Whether you're new to the process or simply brushing up on your skills, this document can help you prepare by providing a roadmap for development with best practices along the way.

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Research the business value and viability of an ECM strategy

As healthcare organizations prioritize efforts to operationalize value-based care initiatives, many are uncovering challenges associated with unstructured clinical and administrative data. This issue is frequently the result of compartmentalized efforts in digitizing content across various departments. Well-informed health information management (HIM) and healthcare information technology (HIT) professionals are recognizing ECM strategies as an opportunity to resolve this challenge and improve overall performance. However, simply identifying a solution may not be enough to drive action.

HIM and HIT professionals eager to adopt ECM strategies should justify the opportunity with a comprehensive business proposal. It provides the clarity of scope, time investment, cost, and benefits necessary for executive leaders to assess the value and viability of an ECM system. It also highlights the fundamental components of ECM systems—to capture, search, deliver, and manage content.



01

Identify business challenges and opportunities

A critical step in beginning the process is to outline your organization's challenges and respective opportunities that likely abound.

02

Gain alignment and support from resources and stakeholders

The credibility and success of your proposal depend on your ability to develop an effective support network.

03

Evaluate the scope and cost of the initiative

Defining scope upfront will help set expectations so all stakeholders are aligned and working towards shared success.

Identify business challenges and opportunities

Examining workflows and methods related to content capture and delivery is vital and can point out labor-intensive, manual steps that could be remediated. Diving into key processes can be accomplished in a variety of ways but one of the most effective tools is to gather employee feedback. For example, interviewing key department experts is a great method to garner process and business challenges. Team members that are closest to departmental tasks and processes will deliver the best view into critical challenges, and will offer a varying viewpoint from managers and senior leaders.



Challenges

Design interview questions that are thought-provoking and open-ended. Ask for multiple examples to allow team members to deliver thorough, unguided responses with lots of details. Record the interview for a transcript that you can reference again and again while you pull out key themes. The key themes are what drive your opportunities. Identifying challenge themes from team members will serve as your outline by which you can map out opportunities.

Opportunities

Map each challenge to a respective opportunity and include as much data as possible to help represent impact and guide expectations. Document in a clear, concise format so all levels of your organization can quickly read, interpret, and understand. The opportunities you capture and represent in your business proposal will serve as eventual project and system implementation goals.

Gain alignment and support from resources and stakeholders



Before jumping into a spreadsheet or presentation deck, it's important to first garner the interest and support of your colleagues. The credibility and success of your proposal depends on an effective support network. It's critical to identify influential people who can assess risks, determine costs, evaluate benefits, and provide constructive feedback.



Peers and leadership

As you assemble a support team, your peers and direct managers are a good place to start. Whomever you contact, be sure they have keen business sense and extensive knowledge of not just their specialization, but the broader healthcare enterprise as well.



Departments and business units

Virtually every area of your organization uses or generates data, including clinical care, operations, human resources, patient financial services, accounts payable and receivable, and supply chain management. Gaining support from representatives in each of these business units is essential. Share your concepts with them, ask questions, and use their feedback to hone your proposition.



Consultants and technology vendors

Additional support can be found in speaking with consultants and technology suppliers. These resources provide a wealth of detailed knowledge and first-hand experience in implementing ECM platforms. Their experience in working with other facilities enables them to more easily avoid common pitfalls and identify strategies customized to your unique needs and challenges.



Once a support network is established, it's time to gather everyone together to communicate your expectations for involvement. Be honest about the degree of support and assistance that you require, and do not be offended if someone declines the opportunity. Everyone may not agree with the need for ECM or possess the appropriate time and resources to provide support. In these circumstances, simply share your appreciation for any initial interest and move on. This does not discredit the value and importance of your proposal.

For those who recognize the value in ECM and are willing to offer their support, be respectful of their time and efforts throughout the development process. Keep meetings short, provide ample time for email responses, and use remote collaboration tools to make working together as convenient as possible. Consider making concise and achievable tasks for individual contributors, and avoid open-ended, strategic items to help maintain their interest. Most importantly, take time to recognize individuals for their efforts from start to finish. You may be leading the process, but the business case depends on the support of others.

Finally, be mindful of the current situation and needs of your organization. Adopting ECM strategies may be the right solution, but at the wrong time. In speaking with your support network, you may discover other more pressing issues or emergencies. If this is the case, it could be best to put your plans on hold temporarily. This will ensure that company leaders are free from distraction and more readily available to consider your proposal.

Evaluate the scope and cost of the initiative

Beyond monetary considerations, you should also be aware of any additional expenditures that an ECM investment may incur. Scope includes goals, deliverables, tasks, costs, and timelines. Defining scope up front as part of the business proposal will help properly set expectations so all stakeholders are on the same page and working toward shared success. It's important to be as accurate as possible when including expected time investment and cost such that stakeholders have reasonable expectations and can plan other projects and commitments accordingly.

Considerations when determining scope



Staffing resources

Implementation of an ECM system could require reallocation of staff in support of the initiative.

Impact on other projects

Staffing resources reassigned to the project could result in delays to other concurrent or planned projects.

Cross-departmental impact

Gather feedback from stakeholders, resources, and your support team to evaluate the full, cross-departmental impact of the initiative.



Estimating expenditures can be a complex and exhaustive process. As you conduct this exercise, leverage support from teammates. Colleagues may help you identify potential hidden costs, as well as assist with creating estimates. This is an opportune time to contact several ECM vendors for estimates.



With the formation of a support team and the backing of key stakeholders, you're now ready to initiate the creation of your proposal. To build the proper foundation, you will need to collect and analyze substantial volumes of data to identify financial risks and returns. The more potential outcomes you can predict and evaluate, the stronger your plan will be.

Initial analysis of early costs

Start-up costs

One-time payments that are required for initial implementation of ECM. Examples include upfront software licenses, training, server infrastructure, consultants, labor hours, and new system integrations.



Recurring costs

Recurring or per-services-rendered charges can include software licenses, hosting services, maintenance, technical support, ongoing training, and any potential employee salaries.



Determine whether the costs are fixed or variable. Fluctuating costs may include noncontracted technical support fees, server storage upgrades, or staff wages. Evaluating variable costs may be challenging or outright incalculable, but doing so strengthens your case and demonstrates thoroughness.

Conduct qualitative and quantitative analysis

Qualitative and quantitative analysis is a critical piece of any effective business proposal. Including a multifaceted approach not only serves up the data required to make a solid decision but highlights the attentiveness of the proposal creation. Executive leaders expect a sound and unbiased analysis.



01

Conduct a risk-reward analysis

Leaders understand that even good investments come with some level of risk, and visibility of both the positives and negatives is required to decide.

02

Calculate the ROI

An ROI calculation is pivotal to the success of your business case, as it provides executive leaders with a sense of fiscal and operational reassurance.

03

Conduct a SWOT analysis

Evaluating the strengths, weaknesses, opportunities, and threats (SWOT) is best practice for assessing and reinforcing the validity of any business investment.

Conduct a risk-reward analysis

Every business investment incurs varying degrees of risks and rewards. Evaluating risks can be a challenging process, as they can take on several different forms. It's important to be transparent and include every foreseeable risk scenario. Primary risks to consider are those related to finance, strategy, operations, and safety.

Recognizing the primary risks

Financial risks

- Include all up-front cost estimates
- ECM system cost
- Hardware costs such as servers and equipment
- Cost of installation services and training
- Cost of additional infrastructure and staffing

Safety risks

- Outline increased exposures, such as employee travel or manual labor for hardware installations
- Detail precautionary measures to take or to avoid hazards altogether

Strategic risks

- Consider all non-monetary disruptions and interdependencies
- Extended downtime and timelines during the technology implementation
- Employee adoption and proficiency timelines
- Decreased productivity during the transition

Operational risks

- Consider and create mitigation plans for worst-case scenarios
- Delayed go-live dates
- Temporary system outages
- Interruptions in connectivity between systems



Risk-reward reporting doesn't always require a detailed financial analysis. Case studies, industry survey reports, and even anecdotal evidence and testimonies from similar organizations is often sufficient validation. The objective is to address risk potential, highlight clear benefits, and present a compelling business case.

Conduct a risk-reward analysis

There are numerous enhancements that ECM can bring to both your clinical and administrative operations, including medical record transparency, health data security, compliance reporting, and enhanced administrative efficiency. Be sure to highlight the 5 key benefits of the solution, which include service and productivity improvements, cost savings, and eco-friendly benefits. But don't stop there; by digging deeper, you may discover even more underlying benefits.

Pinpointing the potential rewards

Service quality improvements

- Streamline patient journey services
- Empower your people, processes, and patients with seamlessly integrated workflows and automations
- Exceed expectations and inspire innovation

Eco-friendly benefits

- Minimize paper waste
- Reduce your carbon footprint
- Promote a green company culture
- Adopt a more environmentally friendly and sustainable business model

Productivity improvements

- Reduce data capture time
- Reduce clinical and administrative data search and retrieval time
- Expedite billing processes
- Reduce time and effort in reporting Quality Measures
- Help to achieve HIMSS Stage 7

Supplemental cost savings

- Decrease and repurpose paper document storage space for revenue-based activities
- Decrease demand for paper archival and disposal services
- Reduce additional staff needs and reallocate labor to value-added activities
- Sell surplus technology assets



Calculate the return on investment



Now that you have evaluated the costs and assessed the rewards and risks, it's time to demonstrate how the expected return will justify the investment. This financial data is pivotal to the success of your business case, as it provides executive leaders with a sense of fiscal and operational reassurance.

The process of calculating the return on investment (ROI) requires you to lean heavily on your support team. Their unique qualifications and expertise are necessary in projecting estimated cost savings throughout the enterprise and lend credibility to the final ROI valuation. Additionally, ECM vendors can assist in these processes by providing results from similar organizations. In some cases, they may even be able to connect you with a customer to exchange information directly.

How to calculate the ROI percentage

ROI is the net gain or loss generated on an investment relative to expenditures.

$$\frac{\text{Net return}}{\text{Cost of investment}} \times 100 = \text{Return on investment (\%)}$$

Calculate the return on investment

While an ECM system offers numerous benefits and advantages, it should not be considered as a new source for revenue. Instead, it should be positioned as a low-yield, long-term investment. To convey ROI accurately, it's critical to provide a 5- to 10-year allowable payback period. An average 3.1% annual inflation rate should also be factored into any previously identified recurring costs to help ensure precision. Here are some common data points to consider for projecting and calculating ROI.



Conduct a SWOT analysis

Conducting a strengths, weaknesses, opportunities, and threats (SWOT) analysis is a valuable tool for assessing and reinforcing the validity of any business investment. With this exercise, you can identify and demonstrate how an ECM system builds upon your existing technology assets and growth potential, while overcoming current challenges and mitigating potential hazards. A SWOT analysis is typically presented in a grid format as demonstrated in the figure below.

<h2>Strengths</h2> <ul style="list-style-type: none">● What does your organization excel at?● What unique resources or capabilities can your organization draw on?● What competitive advantages does your organization have over market competitors?	<h2>Weaknesses</h2> <ul style="list-style-type: none">● Are there things that your organization needs for a competitive advantage?● Are there process deficiencies that can be improved?● Are there tangible assets required, such as money or equipment?
<h2>Opportunities</h2> <ul style="list-style-type: none">● What market trends are you well-equipped to take advantage of?● Do your competitors' weaknesses overlap with any of your strengths?● Are your strengths aligned to patient needs and expectations?	<h2>Threats</h2> <ul style="list-style-type: none">● What external factors or market trends are you unprepared for?● Do your competitors have a competitive advantage over you?● Is your organization lacking the capabilities to meet changes in patient expectations?

This highly effective tool highlights how an investment can play to your strengths and simultaneously address any gaps or weaknesses. As you conduct this analysis, you and your support team may end up creating a robust list of responses for each quadrant. However less is more. Limit each category to 3-5 responses. Include items that are most relevant to the impact of ECM and best demonstrate why ECM is a good fit for your organization. Be specific in your supporting evidence. Share examples, details, and statistics that are helpful in illustrating your analysis.

Develop and deliver the business proposal



With all the data, financials, and supporting research gathered, you're now ready to begin constructing a formal business proposal for executive leadership. Start by typing up a rough draft with the understanding that this document will likely require several revisions before it's ready to share with others.



01

Developing the business proposal

Organize all the information gathered and highlight the most pertinent facts.

02

Delivering the business proposal

Deliver your business proposal as a story, not just hard facts and data.



Develop the business proposal

With your research and analysis in hand, you're now ready to develop a formal business proposal for your executive leadership team.

Maintain a grounded perspective with measurable and concrete information. Allow your efforts, research, and the proven, recorded benefits of an ECM system sell themselves.



Formatting your business proposal in 6 concise sections

01 Executive summary

The opening is your opportunity to grab readers' attention and engage them with intriguing details. It should include a brief overview of why an ECM system is needed, a high-level operational description, and an outline of the benefits expected. A well-crafted executive summary piques interest and enthusiasm for the idea, while remaining straightforward, succinct, and factual.

02 Situation analysis

In your situation analysis, the goal is to provide a succinct overview of what factors determined the need for ECM in your organization. It should detail the specific challenges, complaints, or other issues that brought attention to this requisition.

03 Approach and methodology

This section will likely comprise the majority of your written proposal. Here's where you'll define the objectives of investing in ECM, and fully communicate what ECM will accomplish for your enterprise. Using your cost and benefits research, risk analysis, market trends, and SWOT analysis, address all key questions, such as:

- Why is an ECM system necessary?
- What actions or changes will adopting an ECM system entail?
- What are the risks involved?
- How will the project be organized?
- Who will need to be involved?
- What impact will implementation have on operations?



04 Timelines and milestones

Adopting ECM is an involved process that can take several months. As such, you should work with your support team, including vendors and suppliers to build a road map for implementation. If certain milestones share interdependencies that could lead to delays, note them and be transparent.

05 Financial overview

This is where your ROI calculations become essential. First, make sure to build a detailed outline of all basic costs. Review your process for calculating expected monetary returns and note any non-monetary or incalculable benefits as well. Additionally, share any financial risks and accompanying mitigation plans.

06 Conclusion

With the details of your proposal fully outlined, this is your opportunity to emphasize the benefits and advantages that an ECM system can provide. Keep this section short, but include powerful messaging to reinforce the value of implementation, taking care to highlight the most beneficial aspects.



It may be helpful to create a one-page summary to leave behind for leadership to review. Above all, be sure to share credit where it's due and acknowledge your support team members within the presentation. Doing so is not only respectful, but it also helps exhibit cross-departmental buy-in.

Deliver the business proposal

Now that your proposal is ready for the stakeholder stage, it's time to schedule a review meeting. Plan a clear and concise agenda and be prepared to maximize your time. A great tip is to deliver your presentation to your peers and colleagues in advance of the meeting. Ask your peers to listen intently and solicit feedback. Knowing the weak and strong points of your presentation will aid you in adjusting your delivery and preparing you for your stakeholder audience.



Opening

Open with the challenges and opportunities you've analyzed and effectively present the proposed solution and financials.

Delivery

Deliver your business proposal as a story, not just hard facts and data. Storytelling is a very effective strategy for engaging your audience and selling your points.

Q & A

Answer questions to the best of your ability and redirect them to how the proposed solution addresses business challenges. Keep answers succinct, maintain audience focus, and drive forward-progress dialogue.

Conclusion

Conclude with a summary of the challenges, solutions, and benefits—this is also a great opportunity to share the one-page summary with the proposal highlights.



Most importantly, what is the call to action (CTA)? Your final point should be clear and well-defined to deliver the next action steps for stakeholders and leadership. An effectively communicated CTA serves as the springboard to propel your plan into action.

Conclusion



Take the next steps to **digital transformation**

Your ECM business proposal is accepted. A detailed road map is critical to a successful technology transition. For insights on identifying key stakeholders to support the ECM system selection and implementation process read our white paper:

Leading enterprise content strategy with HIM

After submission of your ECM business proposal, be prepared for any outcome.

A well-developed business proposal increases the odds of adoption within your organization. Additionally, the development process provides valuable relationship-building opportunities with stakeholders and your efforts to foster positive change will be noticed. If your proposal is accepted, the research, analysis, and your established support network are lasting resources to support the implementation of an ECM system and beyond.



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