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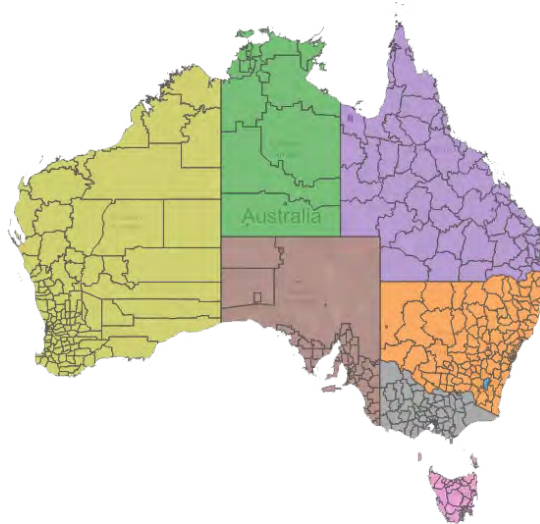
Rural & Regional Councils and Shires

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Questions & Answers to help you select the right EDRMS product for records compliance

~ *By Rainer Krause, ELO*

Participating at many information sessions, exhibiting at various shows and events, having been asked many questions about compliance in the non-city areas and being part of insightful discussions with people from Rural & Regional Councils and Shires, allowed me to create a picture on the needs, capabilities and possibilities for an EDRMS outside the big cities. The following chapters are summarising the points made by people, who deal with Rural & Regional compliance needs on a daily base.



- 1. Should I select a standalone or embedded EDRMS?**
- 2. Should we have the EDRMS on-premises, in the cloud or a hybrid solution?**
- 3. Can we manage the EDRMS ourselves, or should we go with Software as a Service?**
- 4. Do I really need my system to be different from others or do I like plain Vanilla?**
- 5. CAPEX or OPEX – is there a “right” decision?**
- 6. Core considerations, every Rural & Regional Councils and Shires should take into account**

Should I select a standalone or embedded EDRMS?



Junee Hotel

There are many benefits that come from selecting an EDRMS provided as an add-on to your Council's Enterprise software, as a seamless integration or as a module. The benefits are great – Councils and Shires only need to deal with one vendor. But, there is also a challenging side to it. We often see that embedded EDRMS can't "talk" to other systems.

For example, if you want to have your inventory or warehouse system talking to the EDRMS as well as your Council software, you would need to have an open architecture with APIs that can deal with many systems. Furthermore, you will become completely dependent on the ERP system supplier and – from what we have heard – they are often reluctant to have 3rd parties involved.

A good EDRMS can "talk" to any system, either at database level or connected directly. That means that you don't need to worry today about what you might need in a few years' time.

There are also issues with ongoing updates to the EDRMS. You may only need to update the EDRMS regularly but embedded systems often require a full system update.

We need to separate updates from upgrades. Updates should happen regularly to address for example data security, whereas upgrades should only happen every 3 -5 years.

Councils that focus on a standalone EDRMS/ DMS will have a solution, that is more modern and able to be updated more frequently to keep it in line with the market. ERP systems, that have an EDRMS embedded may – and I write "may" on purpose – need to focus on the entire solution, not just the EDRMS part.

There are pros and cons when making the decision but from past experiences, the dependencies on one single supplier / vendor may mean higher costs, too many compromises and an absence of decision making by the Councils themselves.

Should we have the EDRMS on-premises, in the cloud or a hybrid solution?



This could be a very difficult question or a very simple one. Of course, cloud needs a good Internet connection and, in many places, the speed is good but in some places it's not. If the Internet speed isn't as good as it needs to be, then on-premises is of course the only way to stay compliant. It may be of advantage to consider a hybrid solution, meaning that the daily EDRMS usage is performed on a local server but backups could run overnight, when speed isn't much of an issue.

Over the past two years the cloud solutions have increased in popularity and the connectivity has improved substantially. Yet, what hasn't been addressed recently - by most providers - is the cost associated with online storage and system's capabilities. Some vendors charge by number of documents and that could mean that the more you use the system, the more you pay and that may not help you to become more compliant.

Other vendors have embraced newest cloud storage technologies, that make it very cost efficient, even when the system is used continuously and the document numbers increase day by day.

With all benefits of the cloud, apart from connectivity, cost is the number two reason why customers select on-premises. Of course, a monthly fee on its own looks less expensive than an upfront investment for a new server, database and operating system.

A quality server with 3 years' warranty, sufficiently spec'd for a 20 user Council/Shire may set you back \$A15,000 to \$A18,000. A cloud environment, providing the same specs may cost \$A600-\$A800 per month ongoing. We've seen entities being break even within 24 months by not going cloud but of course there's a downside. The local IT manager needs to manage the hardware, the software, the backups and much more. Often these costs aren't considered when selecting on-premises over the cloud.

Entities that decide for an on-premises solution and want to have a standard EDRMS, in line with their state's requirements, may select having all pre-installed and the local IT people essentially just do a "plug & play" with Council's active directory and installs on the users' PC. Having the server on-premises, doesn't mean that Internet connectivity isn't important. A good EDRMS has installed clients, browser-based user interfaces or even smartphone options. The important thing is that users can work off-line and synchronise when on-line again; especially when geospatial data is attached to photo records.

In summary, if your Internet speed is OK, then the cloud based EDRMS is the best option. It takes away a lot of worries and, taken the overheads into account, is most likely the most cost-effective way to go. But if your Internet connectivity is flawed, an on-premises server should be considered.

Can we manage the EDRMS ourselves, or should we go with Software as a Service?



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Junee Shire Council

Software as a Service (SaaS) has become a buzzword over the past 24-36 months, as it has become increasingly easy to manage software remotely, or have the software installed in the cloud and maintained by the provider. As mentioned before, cloud is not an option for everyone because of cost or bandwidth reasons; though this doesn't mean that the software can't be maintained remotely.

The big question is the understanding of what SaaS really means? Some entities just want the software to be maintained regarding updates, technical support and health checks. These items are usually easy to do but when it comes to content support, recommendations, consulting, change management, BCS/RDA changes, etc. then SaaS is more difficult to define. Here, we separate them into SaaS being the pure software service and Consulting (see next chapter).

Most commonly, software vendors offer the software as a product and then add annual fees on top, so that entities have access to warranties, update and upgrade software. When opting for a technical SaaS subscription, both software and technical maintenance are covered and usually spread over a period of 3, 4 or 5 years. This model is very good, especially if you don't have technical expertise on-site.

Good software packages are easy to maintain. Assuming a cloud deployment, regular updates will be managed and deployed by the SaaS vendor. On-premises deployments required your IT administrator to perform the simple tasks, while only more difficult upgrades need to be done by the vendor. In other words, if you have a skilled IT administrator SaaS is an option and if you don't have someone, SaaS is a must.

Do I really need my system to be different from others or do I like plain Vanilla?

We recently won a new customer and the first thing the CFO and the CIO said was: ***I like Vanilla!***

Solution providers that specialise in consulting services will begin their pitch by asking you “what would you like to have?” or “let’s start with a scoping session to find out what you want.”

A “Vanilla” supplier starts by asking “what do you need” and not what you want. Regional & Rural Councils and Shires are often very different operationally and in how they serve their population, but with regards to state records requirements, they are usually very similar if not even identical.

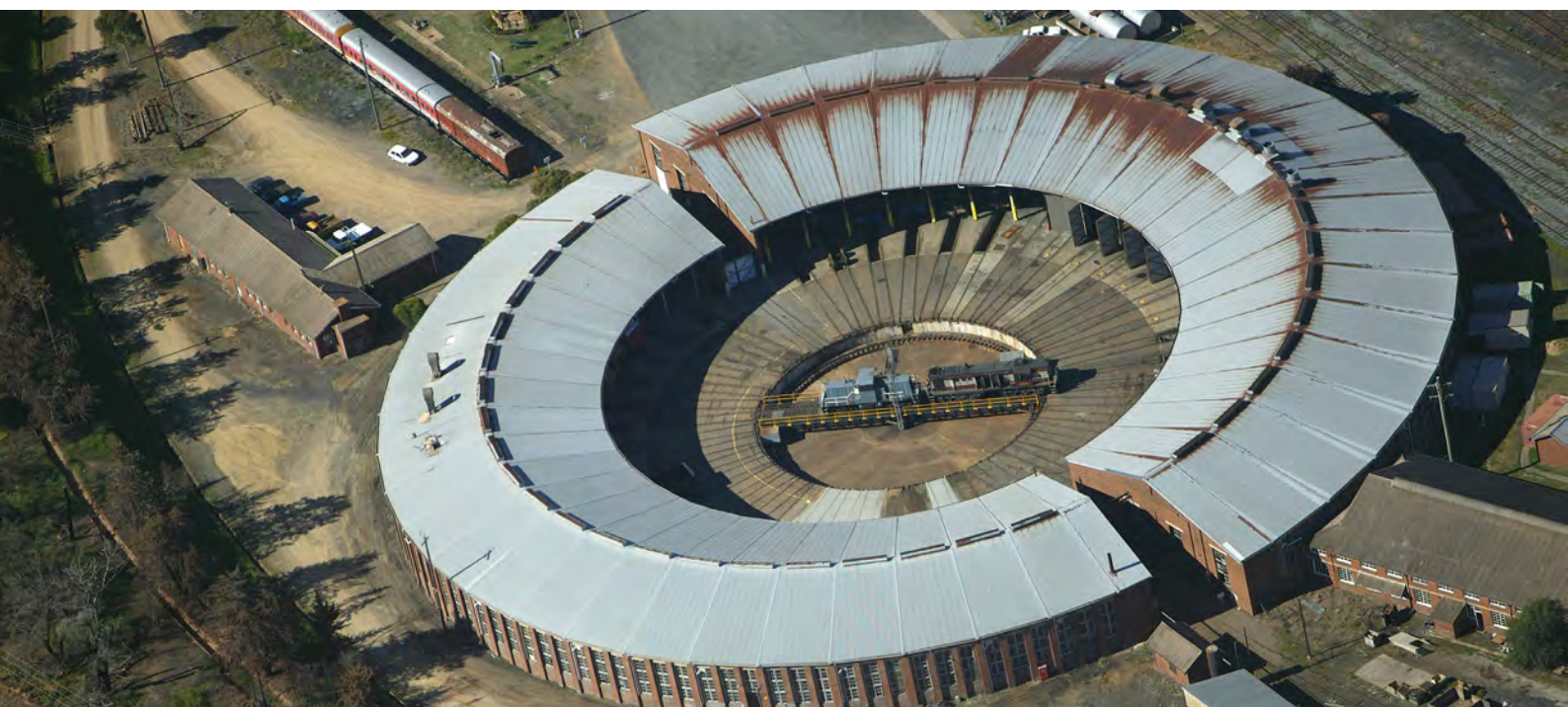
A big advantage of a Vanilla EDRMS is around training, maintenance and support. Users in standard implementations can be trained in group sessions – online.

Online, standardised training can be provided by the vendor free of charge; at regular intervals, allowing Councils and Shires to participate online or watch afterwards. This minimises dedicated training and the associated fees.

Finally, standardised implementations will be very fast. Implementing a Vanilla system should not take longer than 10-15 days, because the vendor doesn’t need to change its system and consulting time is limited to the absolute needs and not the “wants”.

Nonetheless, online EDRMS solutions that have been deployed as a Service can also have the advantage of EDRMS consultancy companies looking after the day-to-day correctness of your individual needs. A modern system allows these “remote” consultancy companies to change, amend, review and provide you with recommendations – say – on a monthly base. I.e. you start with a Vanilla solution and are up and running quickly, while the remote contractors only look at the system sporadically and that saves the Councils and Shires a lot of money.

This becomes more and more popular with Remote & Regional customers and some consulting companies have specialised in the remote support.



CAPEX or OPEX – is there a “right” decision?

The answer is: No. It’s not about right or wrong, it’s about what you can afford. Councils and Shires need to be compliant but every entity has its own challenges getting there. If the budget allows it, a CAPEX investment is good but you need to be aware that the software will be shown in your balance sheet, even though it’s a necessity for daily operations.

OPEX investments (subscriptions) have the advantages that they only show in the P&L. OPEX has the biggest advantage that Councils and Shires can allocate their funds better to the urgent needs of running the area, support local businesses and spend on infrastructure. A software subscription (OPEX) will of course be slightly more expensive over the lifetime of the contract, because vendors need to take the cost of finance into account. But this extra cost amortised over – say – 5 years usually doesn’t increase by more than 10-15%.

As a rule of thumb, Councils & Shires should consider a cost of less than \$2.00 per user per day when opting for a subscription model. And these amounts should have at least 15% of the professional services included when opting for a standardised solution. The more you change the standard, the more expensive will the compliance be.

As the software component isn’t the key cost factor, it is recommended to look for a system that implements state records requirements essentially out of the box. There shouldn’t be an extensive need for consulting services – at least not during the implementation. Remember, if your Council or Shire wants a customised EDRMS, it’s going to be significantly more expensive. Together with the development of smarter storage capabilities and better cloud deployment, the subscription model appears to be the offer of the future.



Core considerations every Rural & Regional Council and Shire should take into account

Here's a list:

- A software that is fast to deploy
- A pre-configured standard BCS/RDA
- An implementation duration of not more than 10-15 service days
- A solution that gives you what you need now and use specialised SaaS consulting contractors who maintain the system on a monthly base
- Potentially, a software that can do more than just EDRMS such as:
 - o Contract Management
 - o HR Documents
 - o Document control
- A software that has electronic signature embedded
- A software that can easily and at no cost be embedded with Microsoft Office
- A cloud based solution if the connectivity is good

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