



## Industry Watch

# State of the ECM Industry 2011

How well is It meeting business needs?

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## About the Research

As the non-profit association dedicated to nurturing, growing and supporting the ECM (Enterprise Content Management) community, AIIM is proud to provide this research at no charge. In this way the education, thought leadership and direction provided by our work can be leveraged by the entire community. We would like this research to be as widely distributed as possible. Feel free to use this research in presentations and publications with the attribution – “© AIIM 2011, www.aiim.org”

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Hopkinton, MA 01748  
Phone: 800.222.3622 or  
508.435.1000  
Fax: 508.497.6904  
Email: [software-sales@emc.com](mailto:software-sales@emc.com)  
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**Microsoft**  
One Microsoft Way,  
Redmond, WA 98052  
Phone: 800-426-9400  
<http://sharepoint.microsoft.com>

## Process Used, Survey Demographics and Terminology

While we appreciate the support of these sponsors, we also greatly value our objectivity and independence as a non-profit industry association. The results of the survey and the market commentary made in this report are independent of any bias from the vendor community.

The survey was taken using a web-based tool by 650 individual members of the AIIM community between January 28, 2011, and February 14, 2011. Invitations to take the survey were sent via e-mail to a selection of the 65,000 AIIM community members.

Survey population demographics can be found in Appendix A. Graphs throughout the report exclude responses from organizations with less than 10 employees and suppliers of ECM products or services.

## About AIIM

AIIM ([www.aiim.org](http://www.aiim.org)) is the community that provides education, research, and best practices to help organizations find, control and optimize their information. For more than 60 years, AIIM has been the leading non-profit organization focused on helping users to understand the challenges associated with managing documents, content, records and business processes. Today, AIIM is international in scope, independent and implementation-focused, acting as the intermediary between ECM (Enterprise Content Management) users, vendors and the channel. AIIM runs a series of training programs, including the SharePoint Certificate course.

## About the Author

Doug Miles is head of the AIIM Market Intelligence Division. He has over 25 years experience of working with users and vendors across a broad spectrum of IT applications. He was an early pioneer of document management systems for business and engineering applications, and has most recently produced a number of AIIM survey reports on issues and drivers for ECM, Email Management, Records Management, SharePoint and Enterprise 2.0. Doug has also worked closely with other enterprise-level IT systems such as ERP, BI and CRM. Doug has an MSc in Communications Engineering and is an MIET.



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**AIIM - Find, Control, and Optimize Your Information**  
1100 Wayne Avenue, Suite 1100, Silver Spring, MD 20910  
Phone: 301.587.8202  
[www.aiim.org](http://www.aiim.org)

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# Introduction

Over the last few years, Enterprise Content Management has been one of the fastest growing areas of IT, outstripping traditional enterprise applications with its double-digit growth<sup>1</sup>. Driven partly by the need to contain content chaos, but more positively, by the need to maximize employee productivity, improve knowledge sharing and reduce fixed costs, ECM has taken its place at the IT top-table, both as a concept and as a product.

There is no doubt that some organizations are struggling to achieve the vision of a single ECM system - one that manages all types of content, across the whole enterprise. However, as we will see in this report, the vision of “a single source of information for all” can be achieved through many different strategies. It may involve linking repositories, integrating applications, and implementing search portals. For many organizations, SharePoint plays its part in this ECM infrastructure, but it is by no means an exclusive part. As we will see, industry-specific needs are an important factor in setting ECM requirements for a significant number of organizations, and may call in to play vertical market specialists, robust repositories, best-of-breed integrations, open source components and SharePoint add-ons.

In this report, we look at the drivers for ECM investment, the adoption of collaborative technologies, use of outsourcing, user priorities, views of the future as regards cloud and open source, and spend intentions for the next 12 months.

## Key Findings

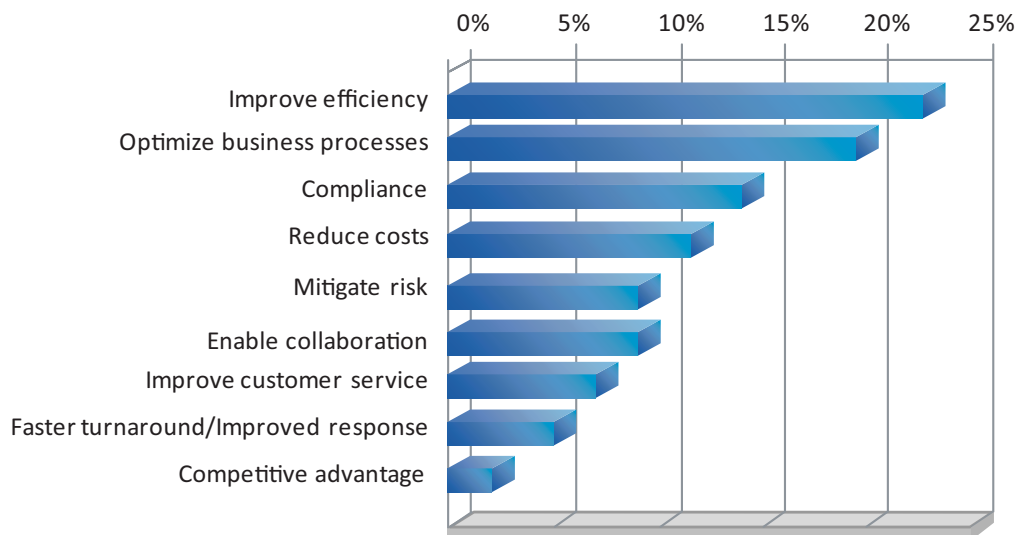
- Improving efficiency and optimizing processes are the key drivers for continued ECM investment across all sizes of organization.
- Compliance is still a significant driver, especially in larger organizations, but has fallen from a peak in 2007. Improved collaboration is increasingly recognized as an important benefit of ECM.
- Two-thirds of those without systems have concerns about information accuracy and accessibility, particularly with regard to emails. ECM systems improve confidence in the integrity and retrievability of electronic information by a factor of three.
- 50% of all respondents describe their management of instant messages as “chaotic,” 31% feel the same about emails, and 28% for Office documents. “Content chaos” is by far the biggest trigger-factor for buying or replacing ECM systems.
- Although 39% are still filing important emails in personal Outlook folders, 18% now have automatic capture to document or records management systems, or dedicated email management systems, with 19% relying on manual indexing by staff.
- 15% delete all emails over a certain age, whereas 16% keep them indefinitely. 27% have no policy.
- Within the AIIM community, 16% of respondents consider they have achieved an enterprise scale ECM capability, up from 12% in the 2010 survey. 29% are in the process of implementing one.
- 72% of larger organizations have 3 or more ECM/DM/RM systems. 25% have 5 or more.
- Consolidation of existing systems into a single-vendor ECM suite is a preferred strategy for 42% of organizations surveyed, with 19% utilizing an existing suite and 23% buying a new suite. 29% have a chosen strategy to maintain and update departmental or dedicated systems.
- Amongst the largest organizations (over 5,000 employees), 4% are looking to a new single-vendor suite as their first content management project, compared to 16% of both small and mid-sized organizations. However, 15% of the largest organizations have no content management strategy in place.
- Over 60% of organizations would look to their ECM system to provide management of physical (paper) records as well as long-term electronic records retention. 40% also look for compliance with ISO, DoD or MoReq standards - and not just in government organizations.
- Case Management is important for 38%, and technical/large-format drawings for 33%. Overall, 30% cited a range of more specific requirements for their industry sector.
- 18% of respondents chose an industry-specific vendor in order to achieve their particular requirements. For those who chose a generic ECM vendor or suite, 35% took careful account of the ability to meet their industry requirements.
- 57% have some degree of local customization, and 27% have add-on products, or best-of-breed integrations.
- 28% feel constrained by their ECM/workflow system when it comes to making process changes, and for 15% it has limited their ability to achieve an enterprise-wide solution. 60% feel that their industry-specific requirements may restrain their ability to use SaaS or Cloud solutions.

- Portalling is a popular option to provide employees across the enterprise with a single point of information access. 19% are using their main ECM suite as a portal to other repositories and 23% are using SharePoint as a portal. 28% are migrating content to a single ECM system.
- 68% of installed ECM systems have no browser or mobile access options.
- 6% of organizations currently use Open Source ECM systems, and this is set to double in the next 2 years. In smaller organizations, 8% are using Open Source now and 13% have plans.
- 32% of organizations use outsourcing for paper archives, but only 7% outsource their electronic document archive. 4% are using SaaS or Cloud for ECM or document management, and this is set to double in the next 12 months.
- In particular, 6% are using internal corporate clouds, and less than 3% are using external public clouds. Use of outsourced corporate clouds is set to treble.
- 53% of larger organizations are using social business or Enterprise 2.0 collaboration tools inside the organization, compared with 29% of smaller organizations.
- 55% have no policy on how long information stored on internal social business sites should be retained, and 32% have no acceptable-use policy for employees.
- 54% are using SharePoint tools for collaboration and social sites. Only 34% of users are using dedicated, paid-for products, or SharePoint add-ons.
- Increased collaboration within and between teams is by far the largest benefit of social/collaboration tools.
- 58% of surveyed organizations have now implemented SharePoint, compared to 45% in 2010 and 33% in 2009. This rises to 70% in the largest organizations. 6% are live on SharePoint 2010, with 27% in the process of upgrading. For 13%, the 2010 version is their first use of SharePoint.
- 23% of SharePoint implementations can be considered as optimized and mature ECM systems. Governance is still a big issue for 40%, including 27% who have yet to commit to a full roll out. 12% of SharePoint users are not using it in an ECM or DM mode.
- 49% have a defined strategy to integrate SharePoint with their existing ECM or DM systems, or even a new ECM system (6%). Only 4% are phasing out their existing systems in favor of SharePoint. 24% have yet to agree a strategy.
- Implementing electronic records management and agreeing on a corporate taxonomy are the two highest ECM priorities, followed by integration of repositories.
- Spending in most areas of ECM is set to increase once more in 2011, particularly for software licenses. Scanners and MFPs will hold their own. Outsourcing may fall slightly.

## Business Drivers

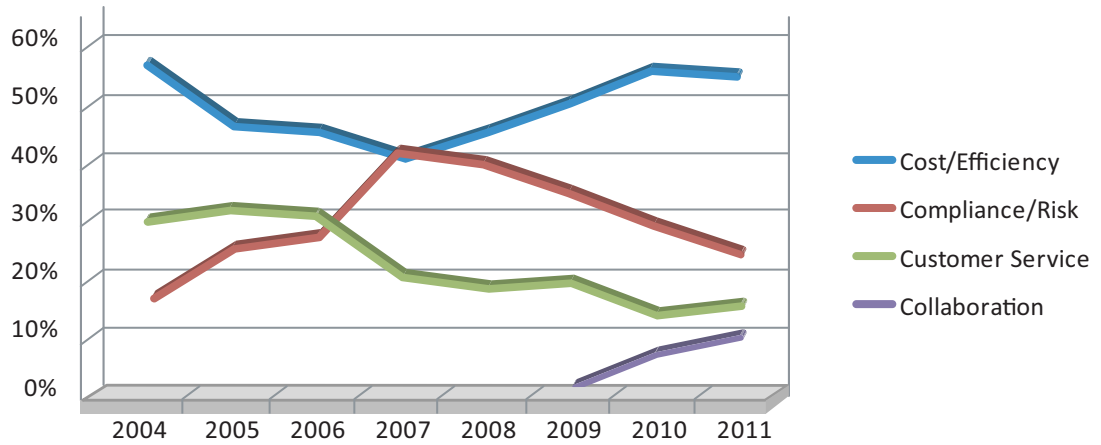
As might be expected, improving efficiency is very much to the fore in the current economic climate, along with optimization of business processes. Given the breadth of application of ECM, these improved efficiencies may arise from operations staff running document-centric processes, as well as from knowledge workers creating and sharing information.

Figure 1: When you consider your document and records management projects and priorities, what is the most significant business driver for your organization? (N=585, 10+emps, non-trade)



When we group these drivers into the four “C”s of ECM – cost, compliance, customer service and collaboration, we see that compliance continues to fall away from its peak in 2007, with collaboration rising quickly in the last year or so.

Figure 2: When you consider your document and records management projects and priorities, what is the most significant business driver for your organization? (N=585)



Having said that, the larger the organization the greater the importance of compliance as a primary driver, with less emphasis on cost savings and efficiency improvements.

Figure 3: What is the most significant business driver for your organization?

	10-500 employees	500-5,000 employees	5,000+ employees
Cost/Efficiency	63%	57%	45%
Compliance/ Risk	14%	26%	33%
Customer Service	12%	12%	13%
Collaboration	9%	4%	8%

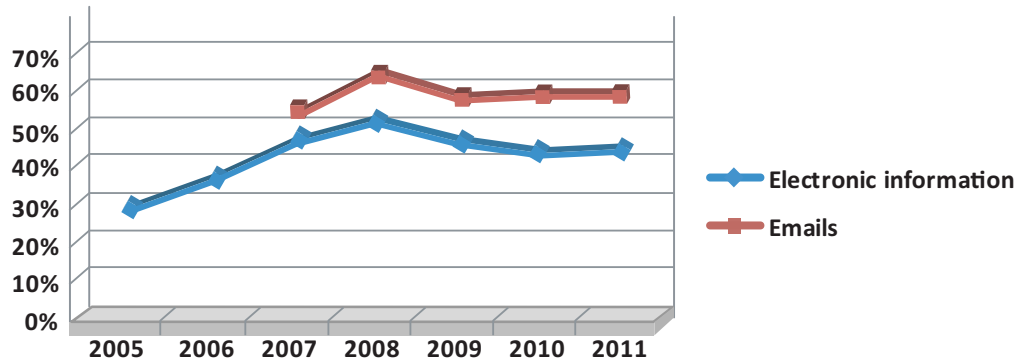
## Content Chaos

No matter whether we are more concerned about compliance or about knowledge-sharing, content chaos is not going to be a good thing. Our tracking over the last few years shows that lack of confidence in the accuracy, accessibility and trustworthiness of electronic information has remained at 40%. However, there is a three-times improvement in confidence from those who have implemented a full ECM system, dropping from 62% with no system, to 20% with a system.

Beyond that, 56% of our respondents are “slightly-confident” or “not-confident” that emails documenting commitments and obligations are recorded, complete and retrievable. For those with a full ECM system this drops to 32% compared to 66% for those without, indicating that emails still represent a challenge, even for those with a wide ECM vision.

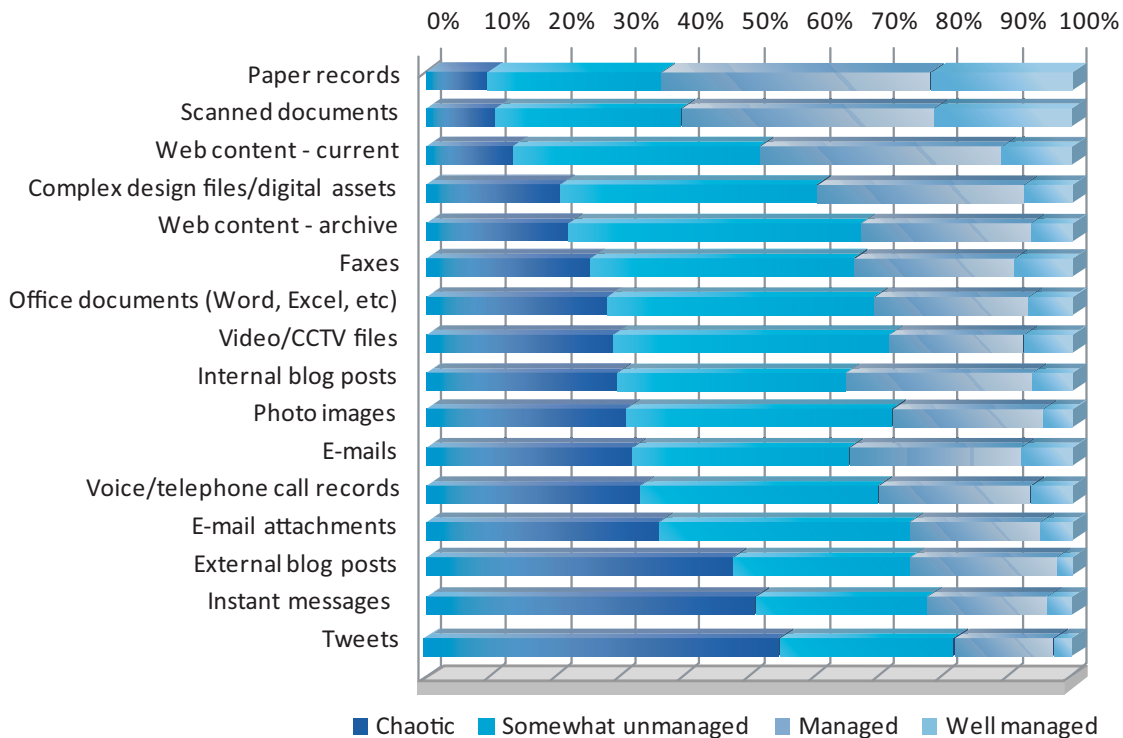


Figure 4: How confident are you that electronic information and emails are recorded, complete, and retrievable? (N=528)



Looking in more detail at different content types, we can see that the least “chaotic” type of content is paper records, followed closely by scanned documents, suggesting that traditional imaging systems are generally well implemented and well managed.

Figure 5: How well managed are the following types of information in your organization? (N=528, normalized for not-applicable)



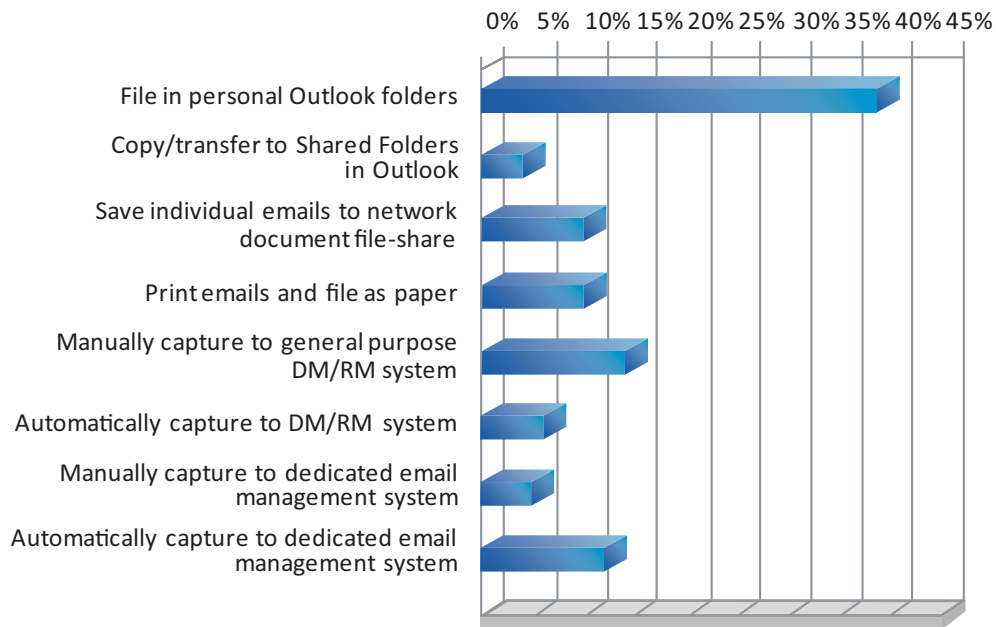
Office documents - and surprisingly, faxes - are considered to be chaotic by 25%, with emails at 31% and their attachments at 35%. There is a potential PR liability with 45% of those publishing external blog posts considering them to be totally unmanaged. Instant messages are also of considerable concern, with over 50% of respondents considering them to be chaotic.

In AIIM’s experience, instant messages are increasingly being used within the organization to agree or confirm actions. This bypassing of the email system, poorly recorded as it might be, creates considerable potential for lack of continuity and poor audit trails.

## Email

We have already described the difficulties of dealing with email. It is not just identifying the important ones within the deluge, but also the filing protocol. With a multi-thread of conversations and comments, whose task is it to file the official record? It is interesting to see that 12% of our respondents are automatically capturing important emails to a dedicated email management system, and a further 6% are capturing to a document management or ECM system. It goes without saying that the 39% who file important emails in personal Outlook folders are failing to share important knowledge, hampering e-discovery processes, and putting the corporate record at risk.

Figure 6: Which of the following would best describe standard practice in your organization for dealing with "important" emails? (N=518)



We also asked how long emails are retained. 27% have no policy, including 25% of the largest organizations. Where a policy does exist, 23% delete after a given number of months, 26% keep indefinitely, and for 51%, it depends on the content of the email.

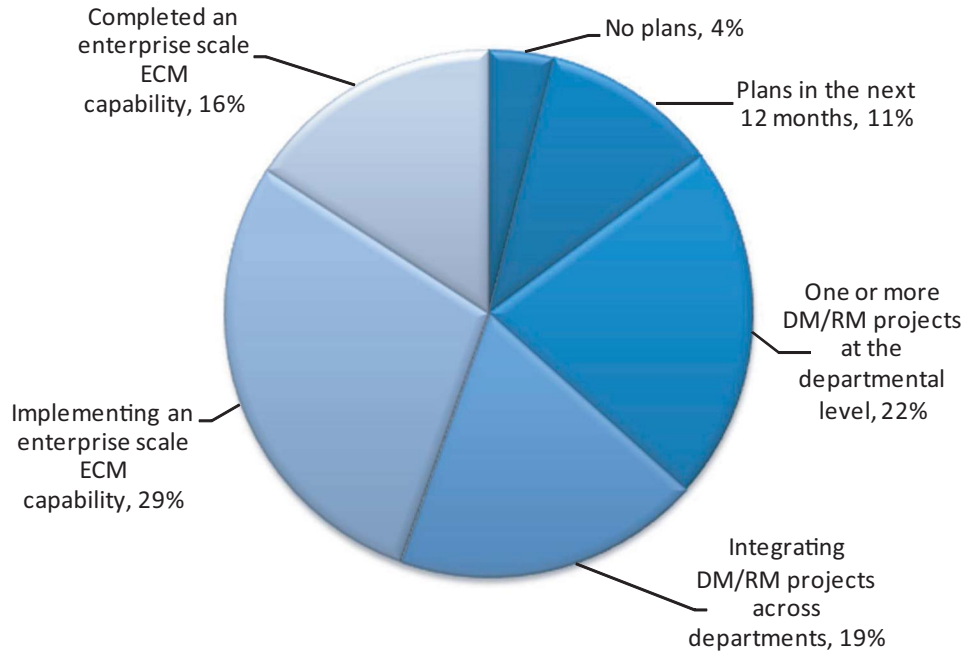
27% of organizations have no policy on email deletion. 23% delete everything, 26% keep everything.



# ECM Adoption

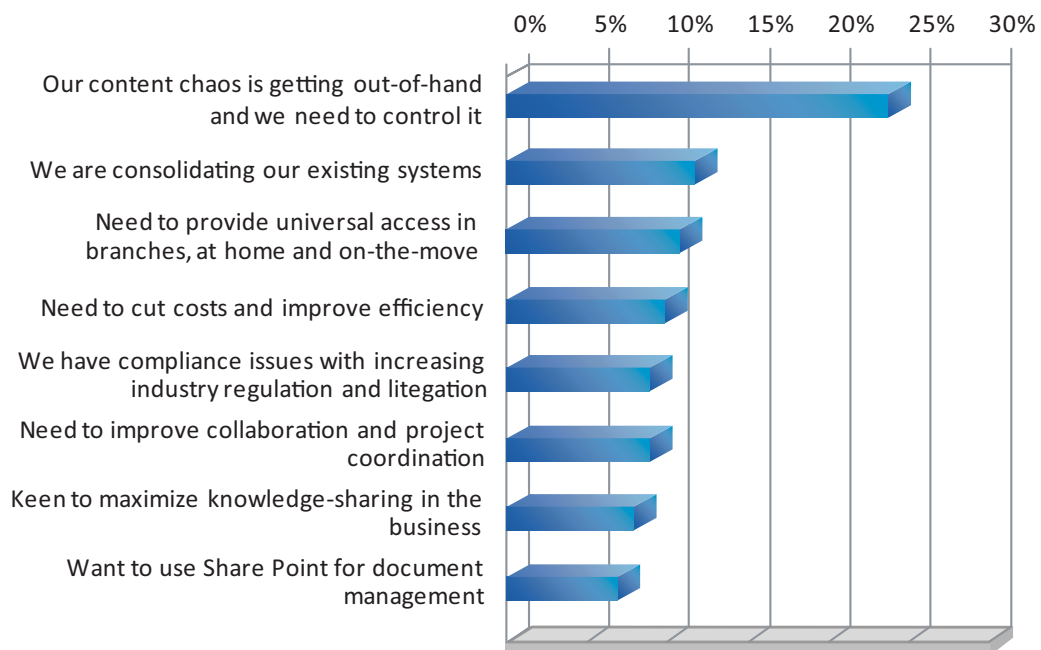
We have commented in the past that as new content types come into the frame, the ability to consider a true enterprise-wide content management system to be complete has receded as fast as it can be implemented. However, 16% of responding organizations would consider they have achieved that ideal in this year's survey, compared to 12% in 2010.

Figure 7: How would you best characterize your organization's experience with Document Management (DM), Records Management (RM) and Enterprise Content Management (ECM)? (N=586)



There is little difference in the "Completed ECM" category between large and small organizations, although at the other end of the scale, 21% of the smallest organizations have yet to complete any projects compared to 10% of the largest.

Figure 8: What would you say is the biggest single factor that has triggered your organization to plan for/implement a new ECM system now? (N=143, new or replace)



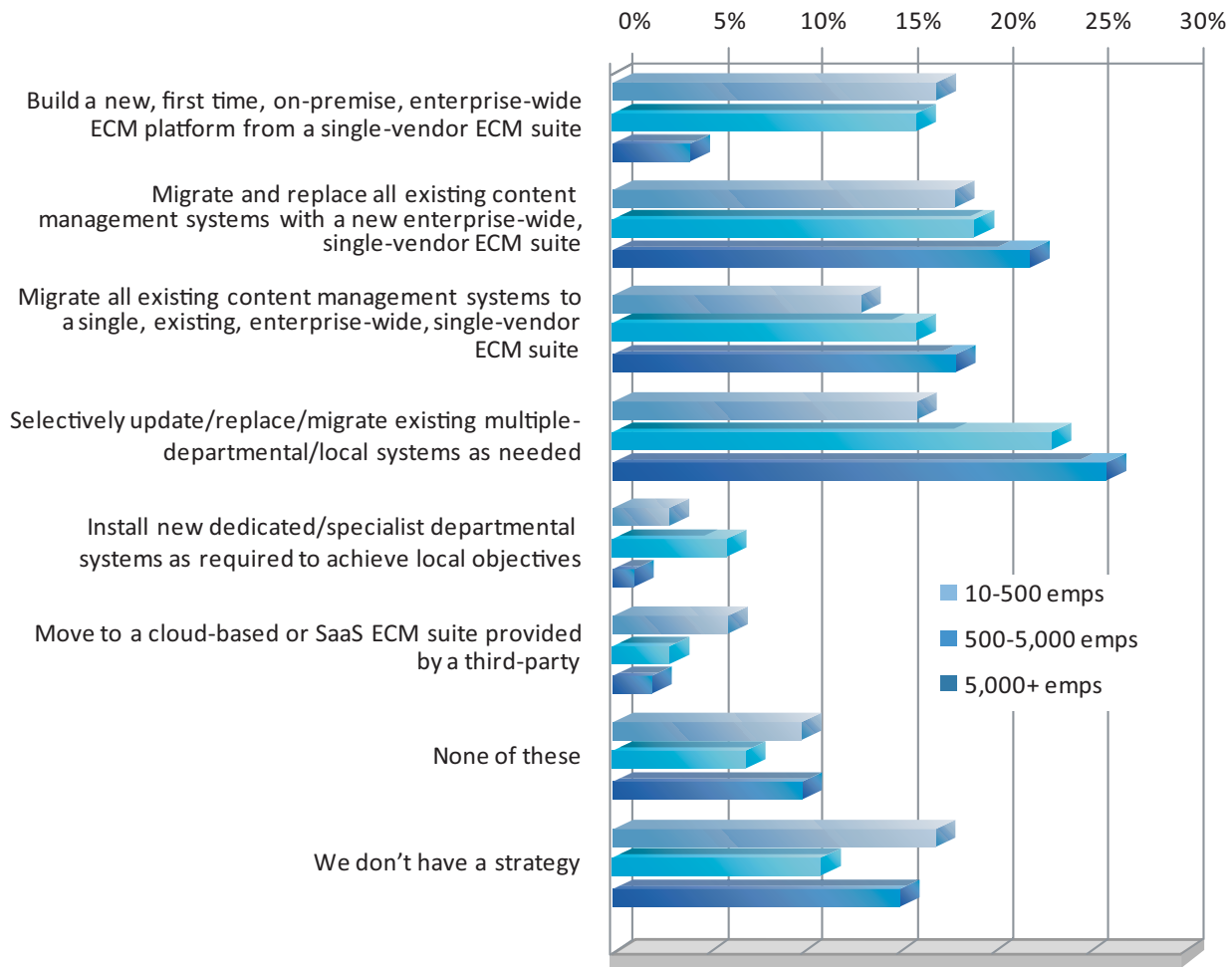
The overriding trigger to initiate a new or replacement ECM project is that content chaos is getting out-of-hand. This perhaps reflects that most organizations fully understand the efficiency-sapping problems and high risks caused by content chaos, and just need a small trigger to get the initiative underway. The next trigger is system consolidation, which reflects a need to replace disparate legacy systems with one that is better suited to modern requirements.

We found that 40% of organizations have three or more ECM, DM or RM systems, rising to 72% of larger organizations. A quarter of these larger enterprises have five or more systems.

### ECM Strategies

The view has been expressed in a number of places that users are giving up on the ideal of a single “Big ECM” suite, and settling on content repository linkage through a suitable enterprise-wide portal. In this survey, we found that 12% of respondents have a strategy to create a *new*, first-time, on premise ECM suite from a single vendor, and 20% plan to replace existing content management systems and migrate content to a *new* ECM suite. In addition, 16% have decided to consolidate existing systems around a single, *existing* ECM suite, making a total of 48% who are working to the Big ECM concept. This leaves 25% planning to maintain and update existing departmental or local systems, and 4% who are considering SaaS or Cloud solutions. 9% have other plans, and 14% of respondents have no declared strategy.

Figure 9: How would you best describe your ECM/DM/RM strategy? (N=568)



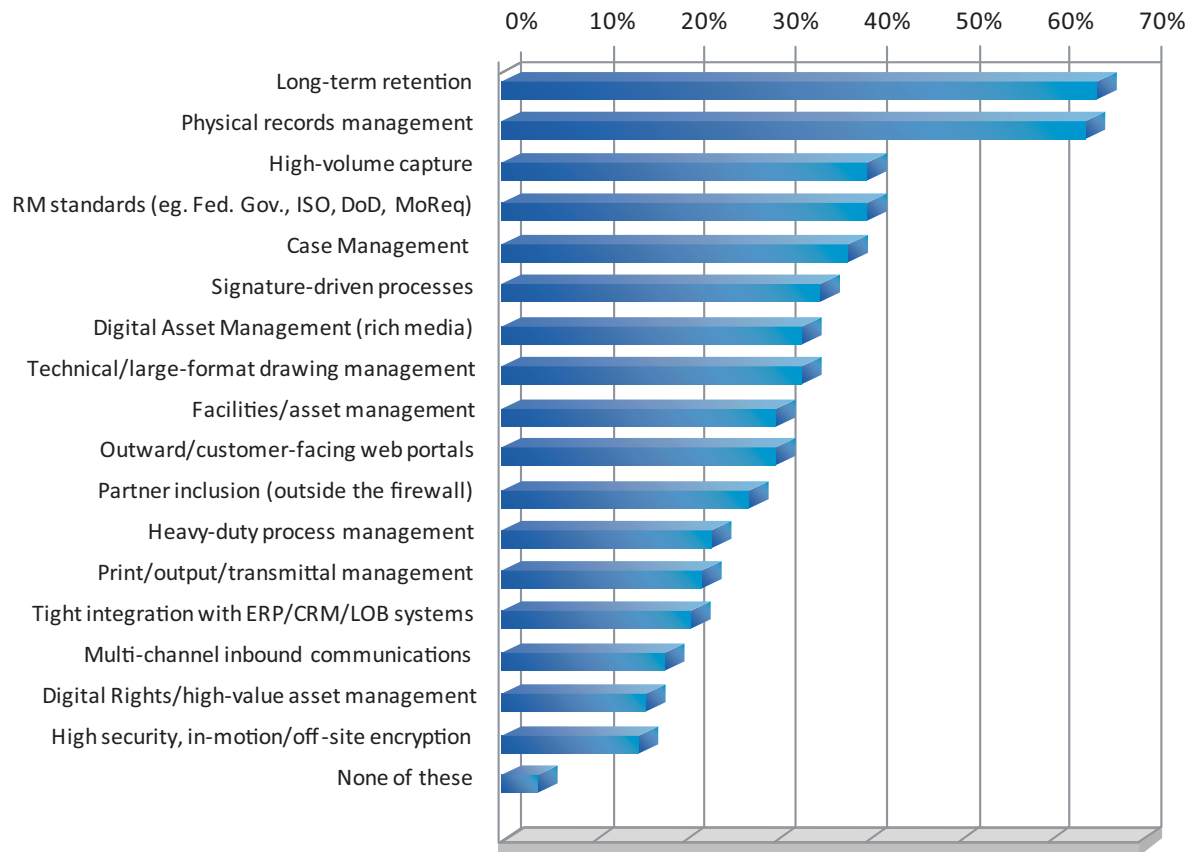
When looked across different sizes of organization, (Figure 9), we see that only 4% of the largest organizations can be considered “greenfield sites” for first time ECM, but 22% are replacing existing ECM suites with new, and 18% are consolidating on them, making a total of 44% in favor of Big ECM, with 27% staying with departmental solutions.

“Big ECM” with single-vendor, enterprise-wide suites is still the goal of 48% of organizations. 14% have no agreed strategy, leaving 38% choosing a mixture of local or departmental solutions, SaaS, etc.

## Vertical Sector Requirements

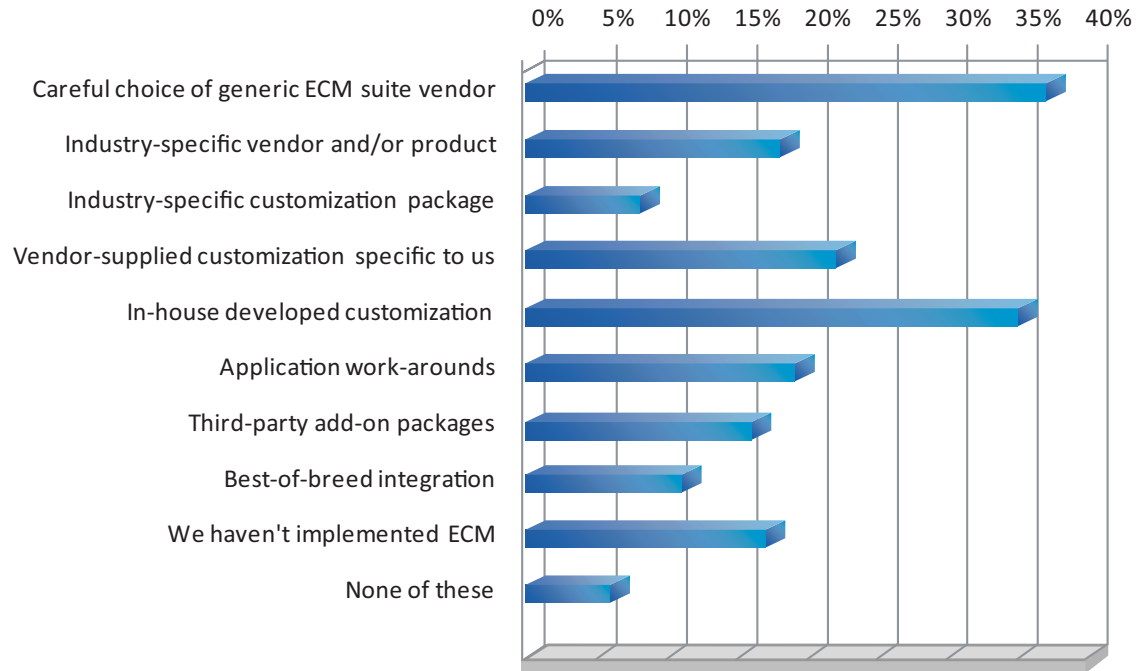
The functionality of many traditional ECM suites has evolved over the years from the needs of specific vertical industries, particularly regulated industries such as finance, healthcare and government. Some ECM technology vendors have chosen to niche in certain vertical markets, and others have built ECM functionality onto line-of-business applications within those markets. Newer entrants to the market, or those with different technology models, of necessity take a broad-brush view of required functionality, or in the case of the SharePoint community, encourage a best-of-breed add-on culture to develop.

Figure 10: Which of the following specific ECM requirements do you have related to your industry or sector? (N=486)



We can see from Figure 10 that what some might consider to be specific requirements for certain industries are in fact fairly common requirements. Long-term retention capabilities and physical records management are needed by 65% of our respondents; high volume capture, standards compliance and case management by 40%; signature approvals, rich media, large-format drawings and asset management by 30%; and heavy duty BPM, and print output management by 20%.

Figure 11: How have you addressed those industry-specific requirements? (Tick all that apply) (N=486)

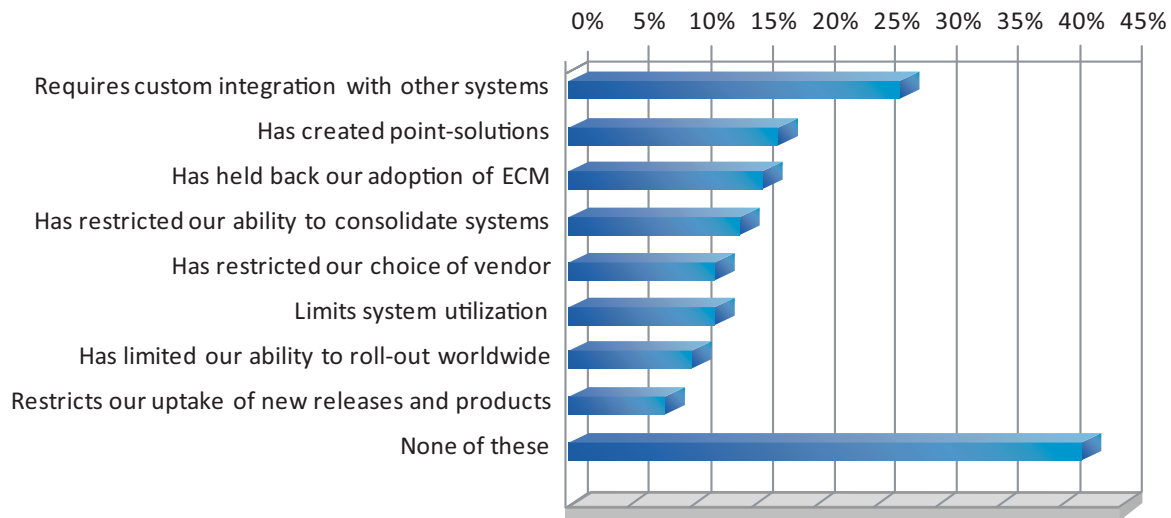


As regards vendor choice, 37% were careful with regard to generic vendors to ensure their needs would be accommodated, and 18% chose an industry-specific vendor. Even with that, 57% have needed some degree of vendor or in-house customization, and 27% have add-ons or best-of-breed integrations.

There is always the risk that heavy customization will "hard-wire" the process, and 11% feel quite restricted in the changes they can make. A further 17% usually need a degree of re-customization to accommodate change. Only 14% feel that their system adapts well to change.

As a general view, the majority (58%) of organizations have suffered a degree of restriction to their ECM vision due to their industry-specific requirements.

Figure 12: To what extent have your industry specific requirements restricted your ability to roll out ECM across the enterprise? (N=486)



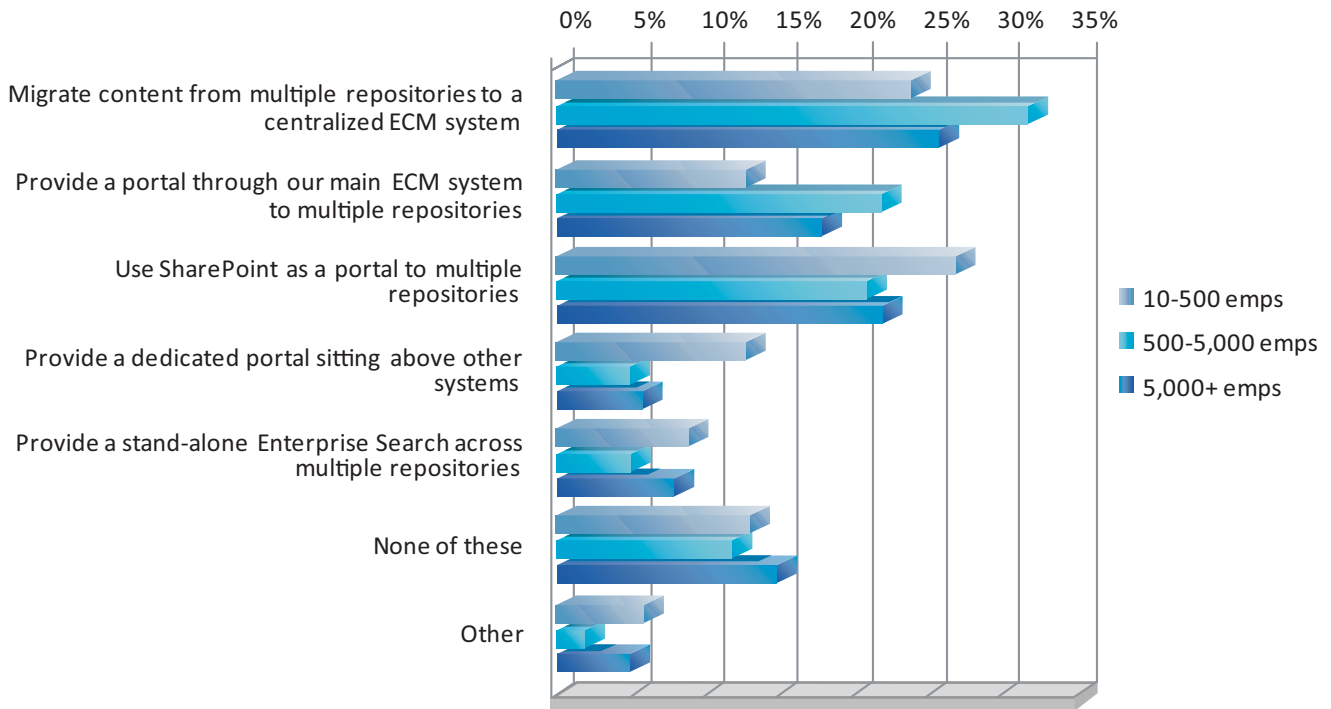
We also asked if industry-specific requirements might hinder users' ability to utilize SaaS or Cloud solutions. 22% feel certain that it would, with another 38% feeling that it might. 3% consider it might make it easier, and 12% are not interested in Cloud.

Industry-specific requirements might cause problems with SaaS or ECM-in-the-Cloud for 60% of users.

## Repository Integration

In an ideal world, managing content in a single ECM system would be the simplest way to provide employees with a single point of access. However, even those organizations committed to the Big ECM concept may well have content repositories in ERP, CRM and HR systems, as well as specific line-of-business applications. Although content can be migrated from these systems to a secure repository, or in some cases can be managed-in-place as records, the first step is to provide visibility to this information from a common information access portal – particularly for those who do not have a client license to access the application. .

*Figure 13: Which of the following would best describe your main strategy to provide employees across the organization with a single point of access to information? (N=554)*



As indicated in Figure 13, 28% overall would prefer to migrate their content to a single ECM system. Comparing results with previous years, migration to a single ECM system has fallen from 35%. There is also evidence that companies who previously had no plans to link repositories are now considering the portal approach (“No Plans” down from 26% to 14%). When it comes to providing a portal, SharePoint is a popular choice for smaller companies, although overall there are not large differences.

## Integration

When it comes to integrating systems, of the 64% who have done so, 53% use custom-developed connectors, mostly in-house rather than vendor customized. This approach will always present a challenge when each of the integrated systems is upgraded. 34% use standard vendor-supplied connectors and 8% third party middleware. 5% use open source solutions.

The development of CMIS (Content Management Interoperability Services) promises to improve connectivity between ECM systems, and between ECM and other enterprise applications. In our 2009 survey, 69% of our end user respondents were “not sure what it is”. This fell to 54% in 2010 and 42% this year. The number making a commitment to adopt it as a standard in their organization has doubled since 2009 to 8%, although this is still a small proportion of the overall potential.

Although mobilizing the workforce is a significant driver for ECM, 68% have no mobile access to their content management system. 23% have dedicated browser access and 13% have mobile device apps.

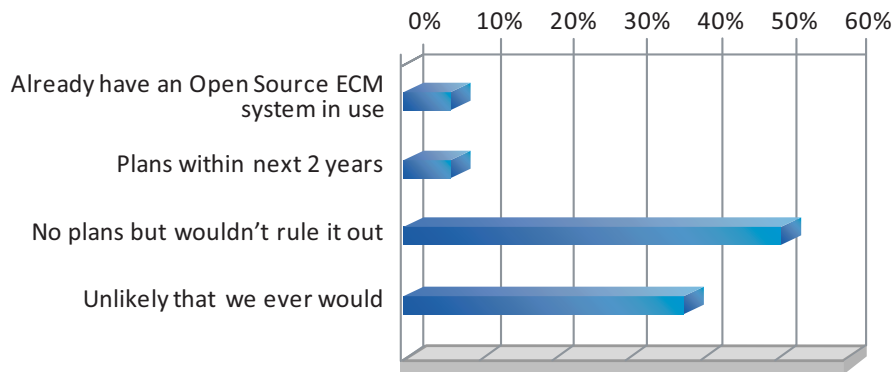
## ECM Delivery Models

There is a growing variety of delivery models for ECM functionality, and this is becoming an important part of the decision-making process.

### Open Source

There are a couple of prominent choices of Open Source systems, which have a strong pedigree of ECM capability and sound repositories. The installed base is set to double over the next 2 years, and acceptance of the concept is higher than in previous AIIM surveys.

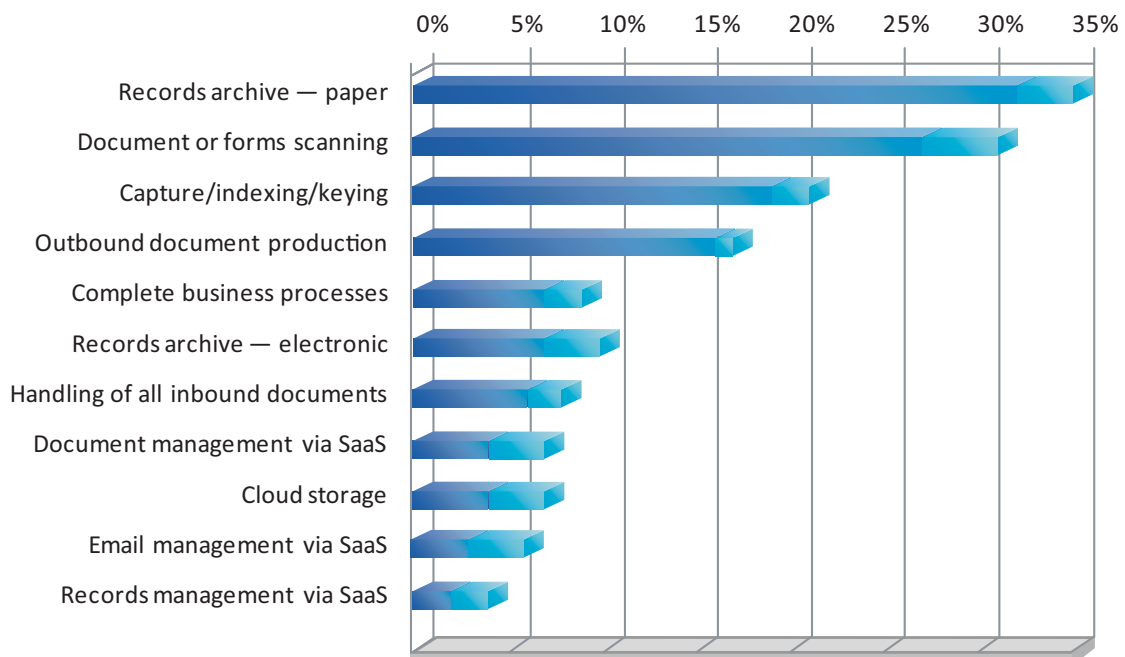
Figure 14: Do you have plans to implement an Open Source ECM system? (N=505)



### Outsourcing

After two years with little growth, outsourcing looks set to grow a little over the next year.

Figure 15: Do you outsource any of the following ECM functions? (N=508. "Net" is those planning to do so less those planning to stop)



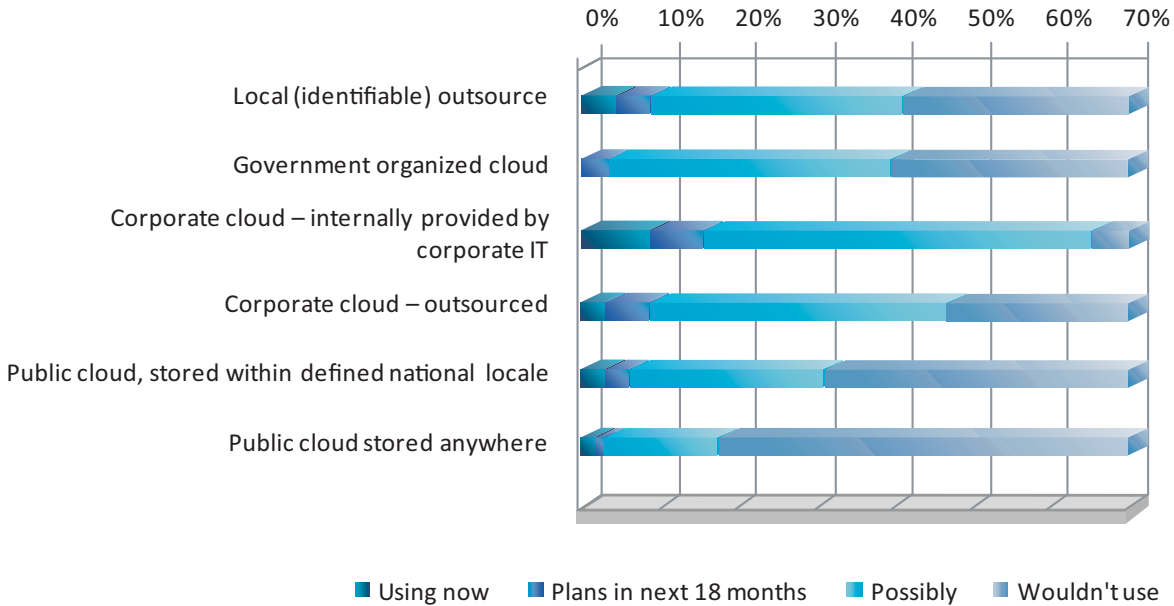


While 32% outsource paper archives, only 7% outsource their electronic document archive. Just 4% are currently using Cloud or SaaS services, but this is set to double.

## Cloud

Looking at Cloud services in more detail, we see that less than 3% are using externally supplied Clouds for content, although 6% are using internal corporate clouds (frequently consisting of highly virtualized data centers). Internal corporate cloud usage is set to double, but use of *outsourced* corporate clouds is set to treble, particularly for smaller organizations. There is still a strong resistance to the use of public clouds for content and records storage,

*Figure 16: Do you have plans to use a "Cloud" ECM solution or Cloud storage for your document and records management? (N=336, excl "Not Applicable", Cloud = off-premise, on an un-specified server)*



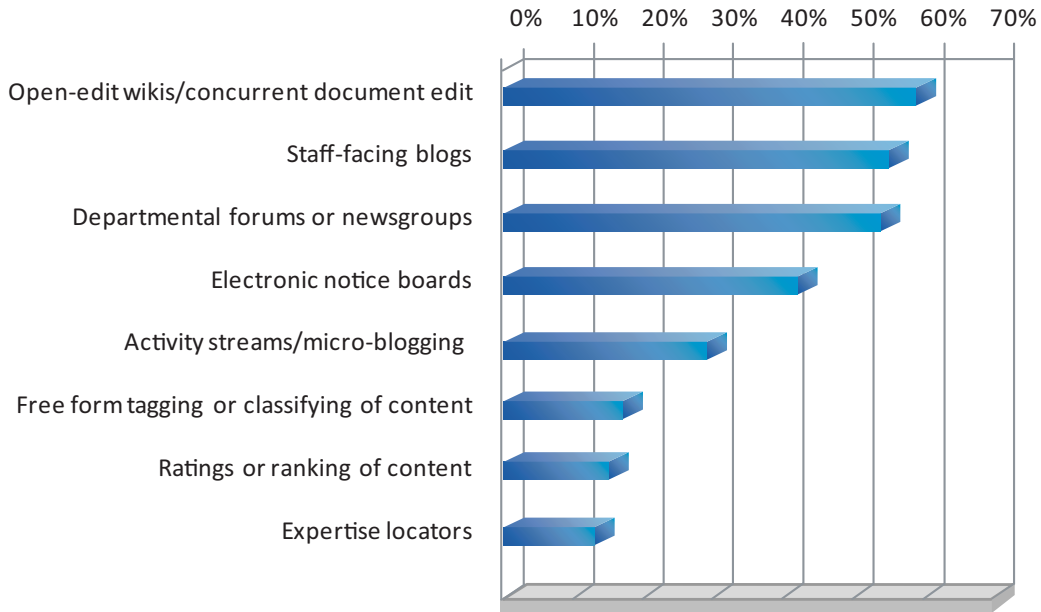
In order to illuminate the Cloud discussion further, we asked which two aspects would most affect the choice of an ECM product or platform. The total cost of ownership over time comes as number 3, behind ease of use and ease of integration, whereas initial investment cost is number 8 behind features, reliability and ease of implementation. Speed of roll out and availability as SaaS are at the bottom of the table.

# Social Business

## Adoption

Within organizations of over 5,000 employees, over half (53%) are utilizing social business, Enterprise 2.0 or collaboration tools inside the organization. Despite the view that social business is user-driven and likely to be adopted first by organizations that are more agile, usage in less than 5,000 employee businesses is somewhat lower at 29%.

Figure 17: Which of the following social/Enterprise 2.0/collaboration tools are in use inside your organization? (N=188 Social business users)

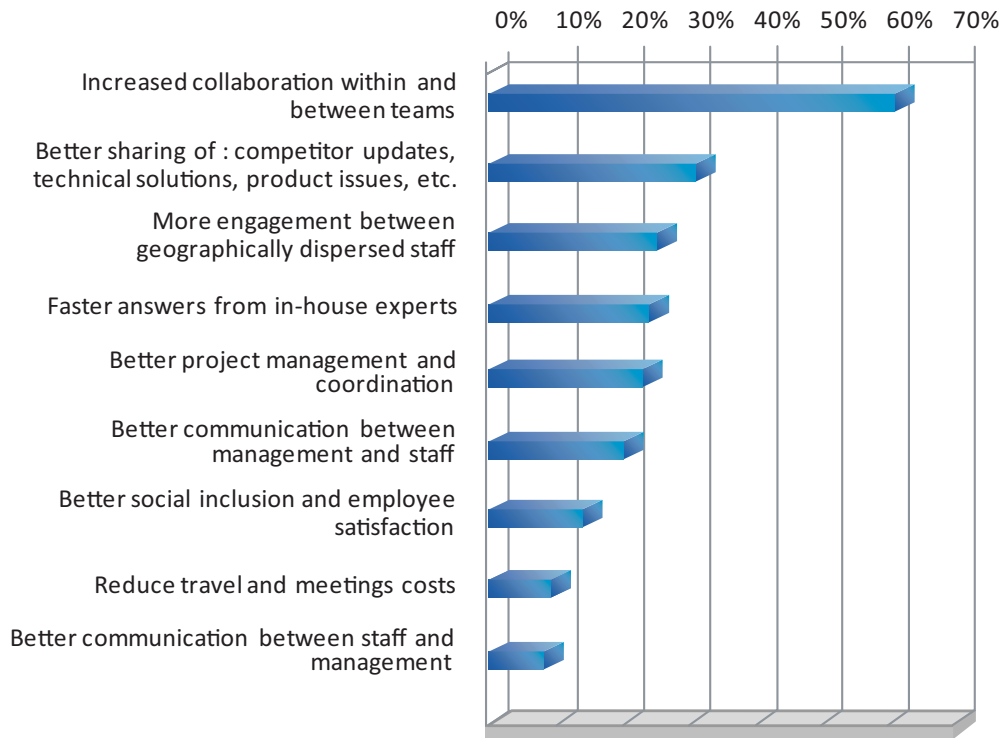


There is no single “killer app” for social business with the creative benefit of concurrent document editing and wikis vying with improved communication through staff-facing blogs, departmental newsgroups and electronic notice boards.

## Business Drivers

Increased collaboration within and between teams is by far the most significant business driver for internal social and enterprise 2.0 technologies, followed by general information sharing and staff engagement.

Figure 18: Which TWO of the following would you say are the key drivers for internal social/enterprise 2.0/ collaboration tools in your organizational unit? (N=188 Social business users)



Over half of larger organizations are using social business tools to increase collaboration within and between teams.

The social business market is relatively immature, and this is reflected in the variety of platforms used for delivery. 57% utilize SharePoint in this context, and 13% the E2.0 functions in their ECM systems. Open source software and in-house developments can be found in 20% of organizations, along with free web services (15%). Only 34% use specifically paid-for products, as either dedicated platforms, add-ons to SharePoint or paid-for web services.

## Governance

The immaturity is further reflected in a lack of governance policies. 32% of organizations that utilize social business or Enterprise 2.0 do not have an acceptable use policy in place. 65% have no policy in place for how long internal social or collaborative information is to be retained, and 71% have no policy for archiving information posted on public-facing sites such as company Facebook pages or LinkedIn groups. Given the increasing occurrence of incidents, particularly those involving staff matters, this is a cause for concern.

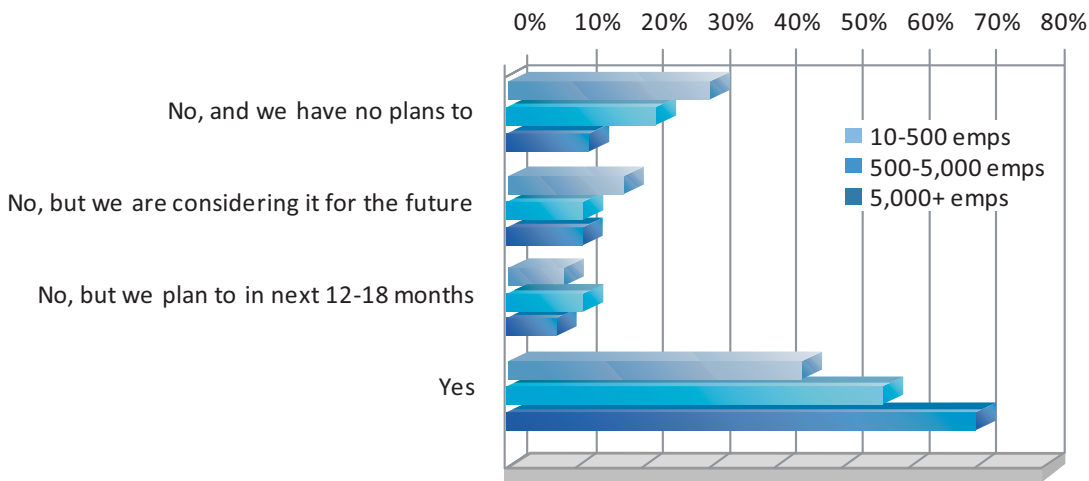
# SharePoint

## Adoption

In the context of ECM, SharePoint is one of many single-vendor ECM suites available. However, in the broader context of IT, it qualifies for specific interest. As a product, it redefined the concept of user-contributed intranets, bringing the team-site concept to the fore, then adding document management and workflow. The adoption rate has been rapid – only 20% of organizations in our survey have no interest in SharePoint, with 58% using it now. This compares with 45% in 2010 and 33% in 2009. In the largest organizations, 70% have SharePoint in use, and 45% consider it to be one of their primary ECM systems.

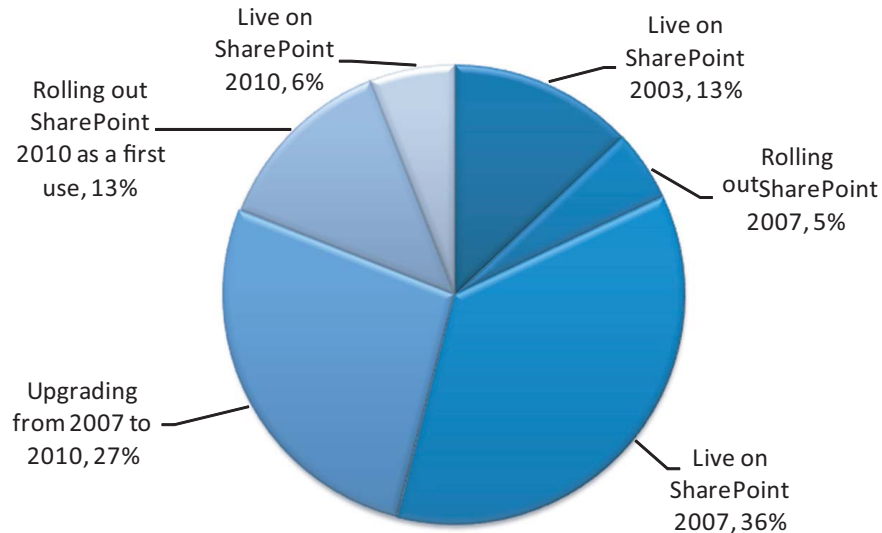
Only 20% of respondents have no interest in SharePoint, with 58% in live use, rising to 70% of the largest organizations.

Figure 19: Have you implemented Microsoft SharePoint in your organization? (N=583)



The 2010 version of SharePoint has considerably strengthened its ECM capabilities, but has also presented more of an implementation challenge. It is interesting to note that this version has attracted 13% of our survey base as first-time SharePoint users.

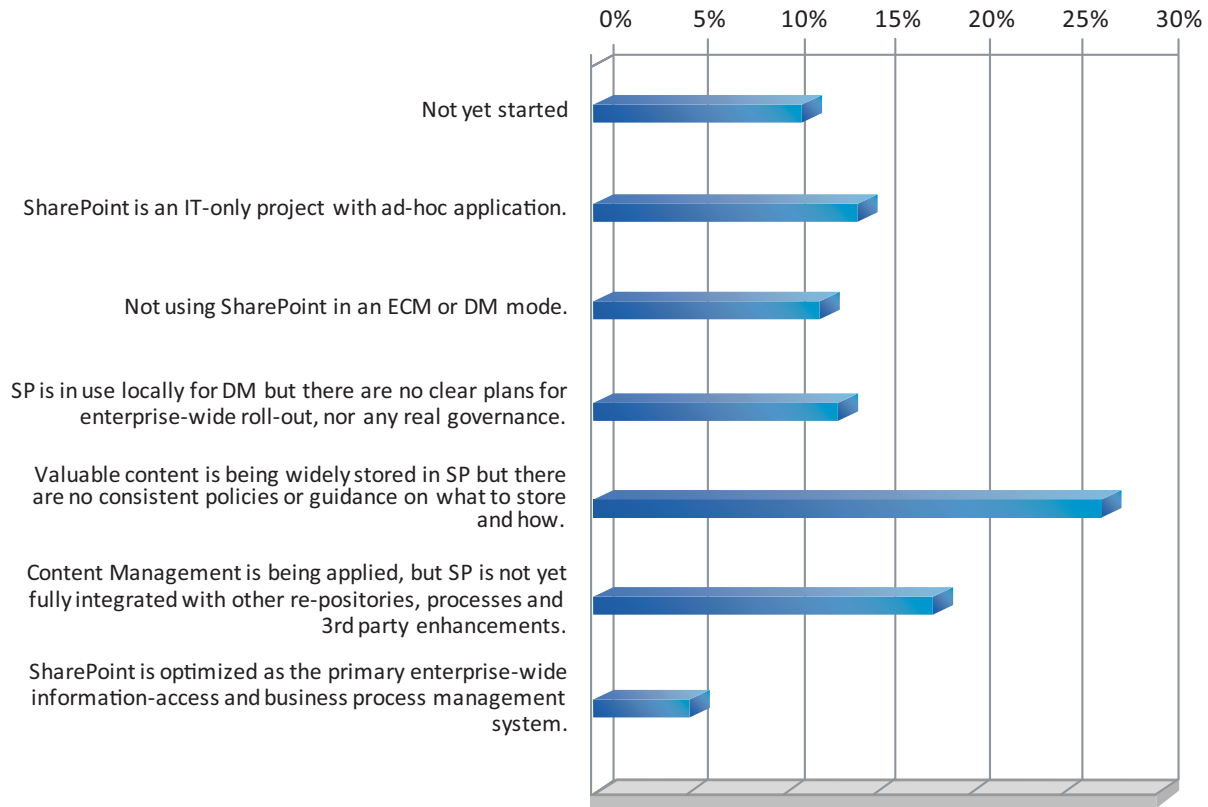
Figure 20: How would you best describe the version of SharePoint you have in use? (N=361 SharePoint users)



## Maturity and Governance

By its nature, SharePoint has tended to be an IT-initiated project, and AIIM has expressed some concern in the past about levels of governance and best-practice in the user base. For this survey, we set out to measure the maturity-levels of SharePoint implementations.

Figure 21: How would you best describe the maturity of your SharePoint implementation in terms of governance and optimization for ECM? (N=361 SharePoint users)



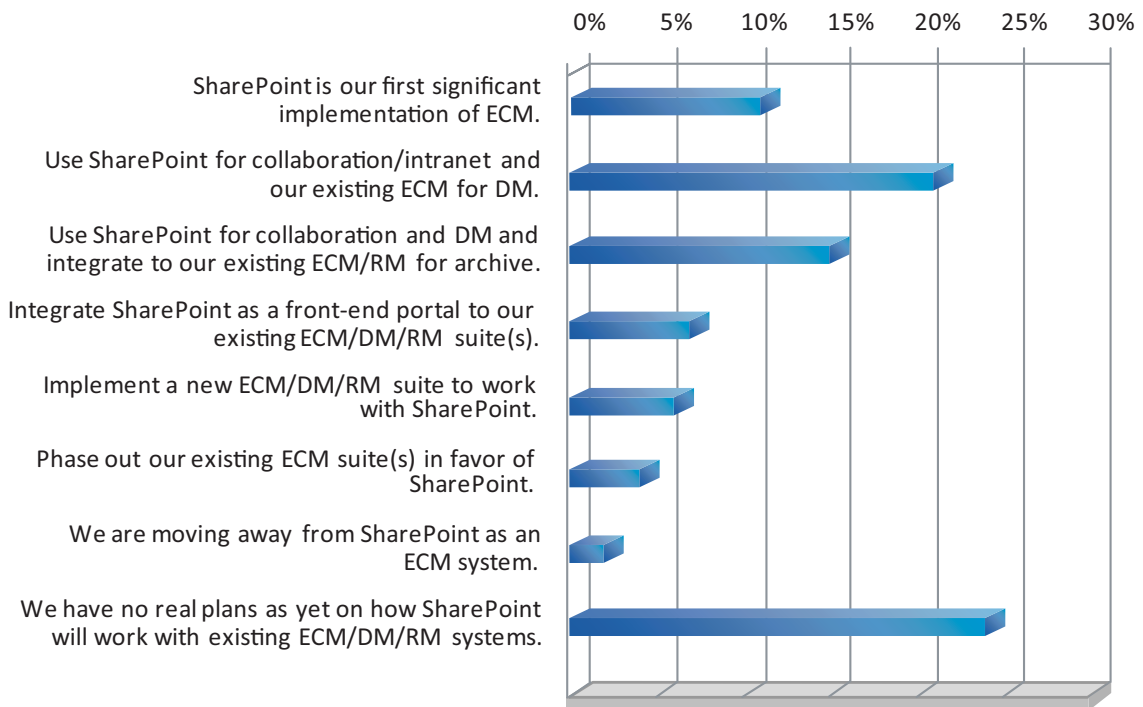
As we can see in Figure 21, only 5% of users would consider their SharePoint implementation to be fully optimized and integrated with other applications and repositories, although another 18% have stable and well-governed systems. A greater proportion (27%) admit that valuable content is being stored in SharePoint across the organization but there is no real guidance on what to store and how. The situation does not vary greatly with company size – indeed, only 3% of the largest companies would consider they are at the fully mature state.

Only 23% of SharePoint implementations are approaching an optimized, well-governed state for ECM.

## Strategies

Another ramification of the rapid and IT-centric nature of SharePoint growth is a degree of strategic confusion as regards existing ECM deployments, with 24% having yet to formulate a strategy.

Figure 22: Which of the following best describes your strategy with regard to SharePoint and any existing ECM suite(s)  
(N=335 SharePoint users, excl 9% "Don't Knows")



For 11%, SharePoint is their first document or content management suite. We then have 49% who are planning to integrate SharePoint with their existing - or new - ECM or records management suites. Only 4% are phasing out existing systems in favor of SharePoint.

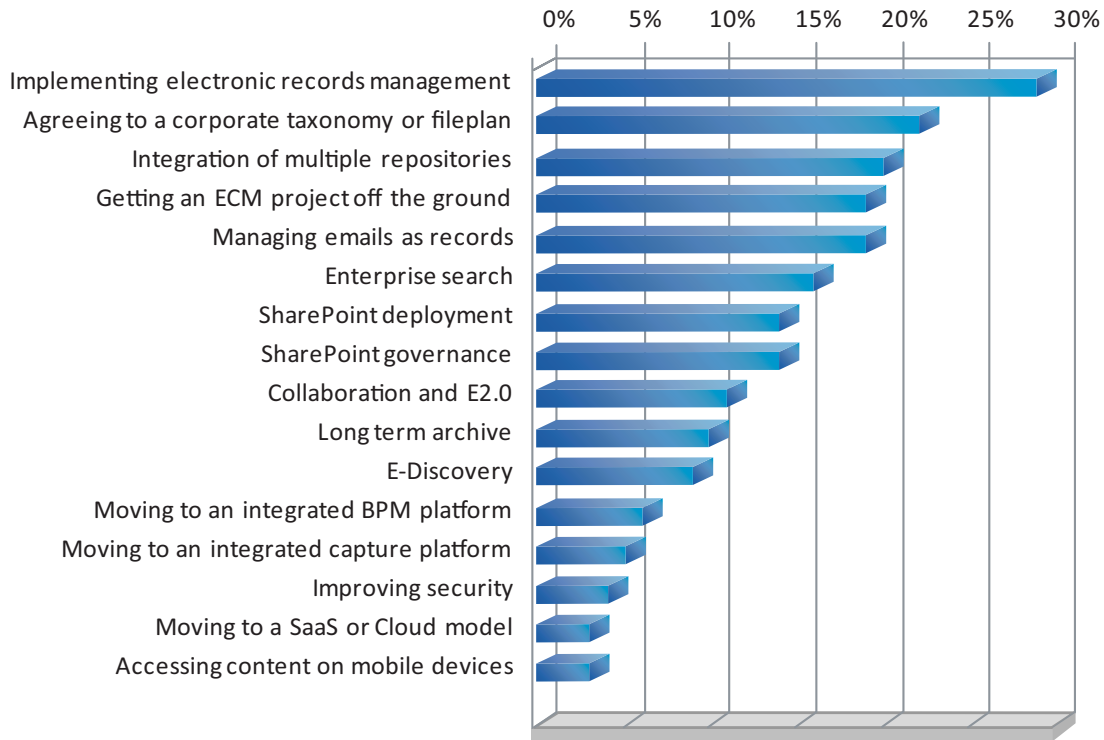


# Project Priorities and Spend

## Project Priorities

The ECM project priorities of users in the field do not necessarily align with the primary drivers, or with their spending projections.

Figure 23: What would you say are the two most important ECM issues or current projects for you right now? (N=505)



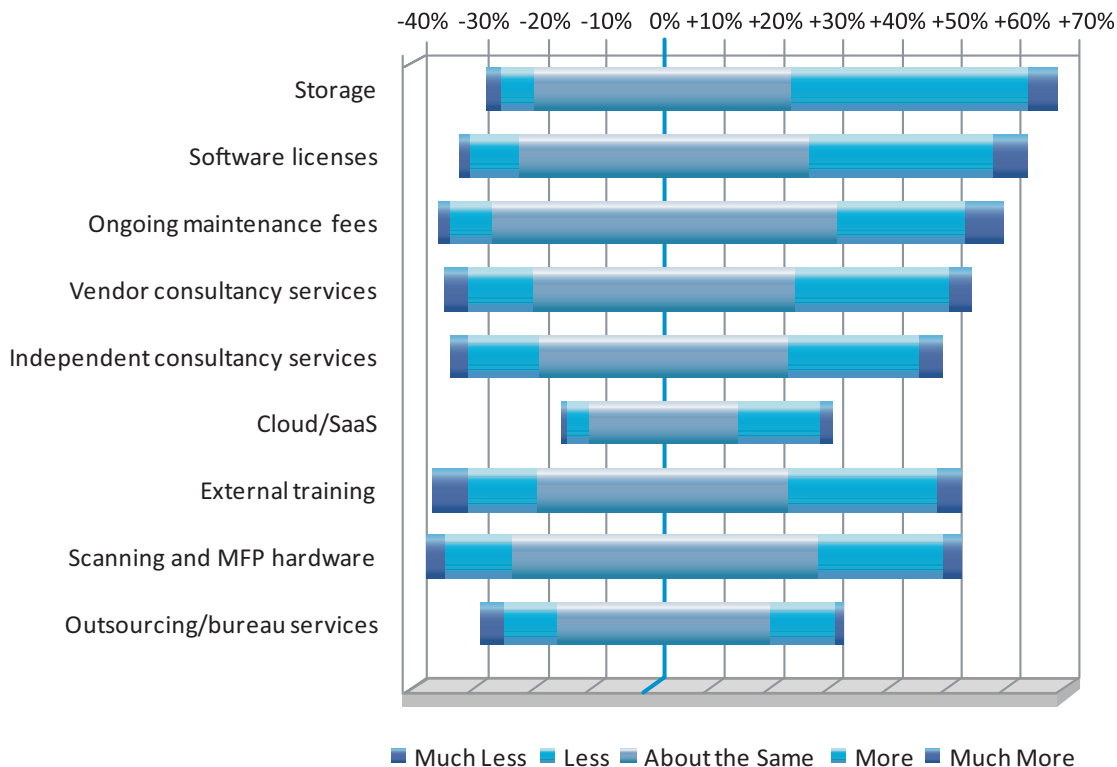
Compared to the 2010 results, “Agreeing a taxonomy” is up from number 7 last year to number 2 this year. This “technicality” of implementation is obviously something of a challenge, and one that might repay external input, use of a dedicated taxonomy management tool, and, of course, AIIM training

“Managing emails as records” is down from number 2 to number 5 this year. The only big changes for larger organizations is that “Enterprise Search” takes the number 3 spot, and E-discovery moves up to number 8. Outside of North America, E-discovery has a much lower priority.

## Spend

Looking at general spend areas, we see that (inevitably) storage spending is expecting a considerable net rise, and maintenance fees will continue to go up. Spending on ECM software licenses is very buoyant, reflecting the double-digit growth rate that we discussed earlier. Consulting services have recovered from their spending dip of the last two years, as has scanning and MFP hardware to a lesser extent, more likely reflecting price drops rather than lower volumes. Spending on outsourcing looks set to stay level, but there is considerable growth projected for Cloud and SaaS services.

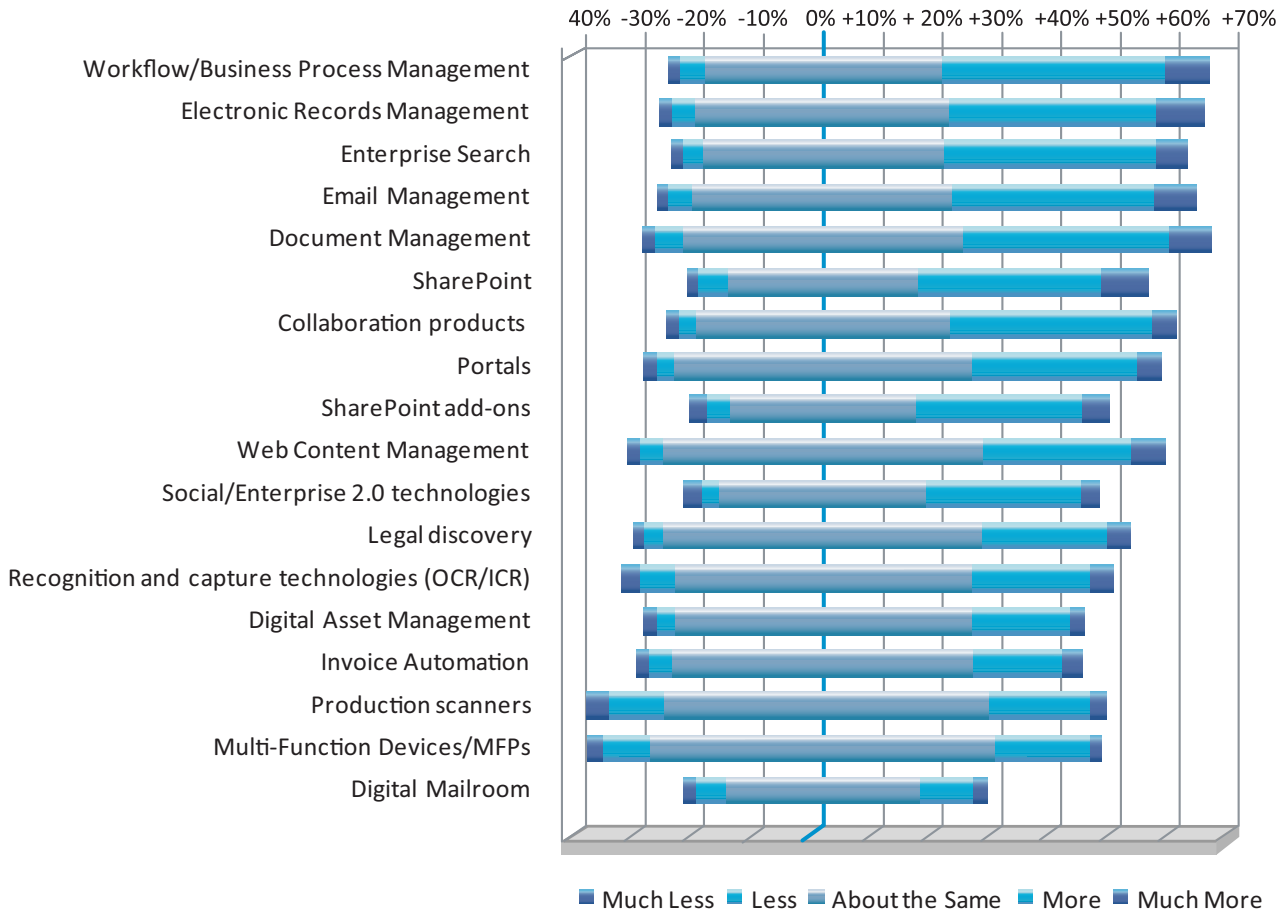
Figure 24: How do you think your organization's ECM spending in the following areas will be in the next 12 months compared to the previous 12 months? (N=495 Line lengths reflect: "We don't spend anything on this")



Looking in more detail at specific application and product areas, we see a considerably increased spend on Workflow and BPM, but interestingly, not as invoice automation, which seems to have peaked. The core areas of records management, document management, email management and collaboration all show significant growth, as does enterprise search. SharePoint and SharePoint add-ons both show strong growth, although from a slightly smaller base, as do social and E2.0 technologies.

37% of organizations plan to spend more or much more on ECM software licenses in 2011 compared to 10% spending less.

Figure 25: How do you think your organization's spending on the following products and applications in the next 12 months will compare with what was actually spent in the last 12 months? (N=495 Line lengths reflect: "We don't spend anything on this")



## Conclusion and Recommendations

The primary business driver for ECM investment continues to be cost reduction and improved process efficiency. Compliance is next, but its ranking has been decreasing over the last 4 years - except in the largest organizations. Content chaos is the largest trigger factor to kick off a new or replacement ECM project, with most organizations admitting that much of their content is in a chaotic state. The lack of confidence in the integrity of the email record remains stubbornly above 50% - even for those with some level of ECM - and instant messages are considered to be unmanaged in three-quarters of organizations.

Whether through a single-vendor ECM suite, or through portal connection of multiple repositories, 16% of our responding organizations consider that they have completed an enterprise-wide ECM deployment, up from 12% last year, with a further 29% actively progressing towards it. Despite the view of some that enterprise-wide ECM from a single-vendor suite is an un-achievable vision, this "Big ECM" concept is still the goal of nearly half of organizations, compared to 25% who plan to stick with local or departmental solutions. Of those planning to consolidate disparate existing systems into a single system, around half plan to procure a new system and half will utilize an existing system.

One-size-fits-all is no truer of ECM than any other enterprise system, and a third of our respondents feel they have important industry-specific needs. Some seek niche systems or suppliers, but most (57%) have needed a degree of vendor or in-house customization to meet their needs. For many this has restricted their ability to roll-out ECM to the wider corporation, and can be the cause of difficulties when processes need to be changed. It also adds caution to the uptake of SaaS and Cloud services.

SharePoint continues its rapid growth with only 20% of organizations showing no interest. It is in live use in 58% of organizations, rising to 70% of the largest organizations. However, only a quarter of SharePoint implementations are

approaching an optimized, well-governed state for use as an ECM system. There is strong evidence that users are integrating SharePoint alongside existing or new ECM and DM systems rather than displacing them.

Collaboration is increasingly seen as a key driver for ECM. Within organizations of over 5,000 employees, over half (53%) are utilizing social business or collaboration tools inside the organization, with the remainder lagging at 29%. SharePoint plays strongly as one method of supplying these tools, but many other platforms are in use, albeit that only 34% of user organizations are deploying specifically paid-for Enterprise 2.0 applications.

While 32% of organizations outsource paper archives, only 7% outsource their electronic document archive. Just 4% are currently using Cloud or SaaS services, but this is set to double, particularly in the form of outsourced corporate clouds.

Overall spending on outsourcing is likely to hold its own next year whereas spending on ECM licenses is set to grow strongly. Use of consulting and professional services has also recovered from its setback of two years ago.

## Recommendations

- Build your business case on cost-savings and improved process efficiency. Compliance is an important benefit, but has a less tangible reward in these constrained times.
- Consider the content types in use in your organization and their current degree of management - or indeed, chaos. Relate this to both the wasted time re-inventing content and the risk element of e-discovery.
- Pay particular attention to emails and instant messages. If staff are struggling to accurately file emails, consider implementing an auto-classification mechanism.
- Create a dialogue around your go-forward strategy for ECM and records management. Consider the existing systems you have, and carefully define the role that SharePoint will play. Involve Records and Line-of-Business Managers as well as IT.
- Decide which of your requirements are genuinely industry-specific, but seek to solve them with as generic a product as you can. Customization and long term support can cost more than choosing a more capable product initially. It may also limit your ability to deploy ECM more widely.
- If you are basing your ECM strategy on SharePoint, ensure that you have sufficient knowledge to create a set of information management policies, and look to add-on solutions for your industry-specific requirements.
- Keep an open mind on deployment platforms such as Open Source, SaaS and Cloud. Carefully compare initial costs, long-term cost-of-ownership, and time to implement. Challenge internal prejudice, but take careful account of security and availability concerns.
- Do not underestimate the difficulties of agreeing an organization-wide taxonomy. It can slow the project and cause stress. Seek external help or AIIM training to expedite it.
- If you do not have a social business/Enterprise 2.0 program, initiate a trial project to see how it works. If you do have one, ensure that you have an acceptable use policy and that employees are aware of it.

## References

- 1 Forecast Analysis: Enterprise Application Software, Worldwide, 2009-2014, 3Q10 Update, Gartner, [www.gartner.com](http://www.gartner.com).

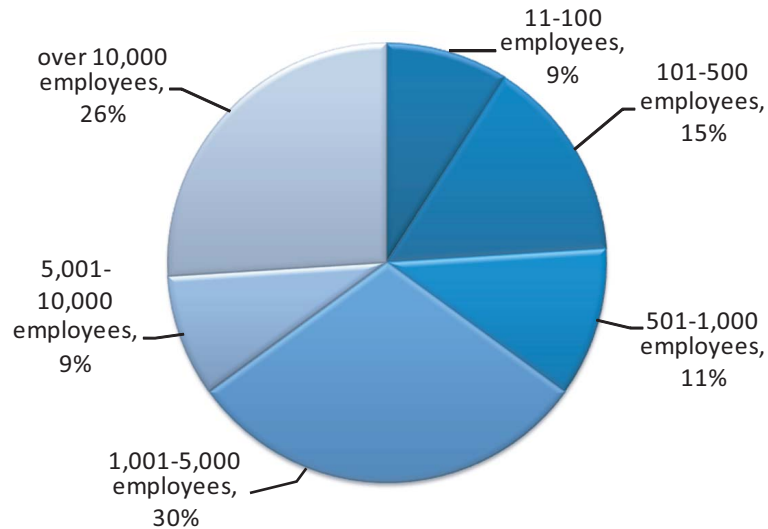
# Appendix 1 - Survey Demographics

## Survey Background

650 individual members of the AIIM community took the survey between January 28, 2011, and February 14, 2011, using a Web-based tool. Invitations to take the survey were sent via email to a selection of the 65,000 AIIM community members.

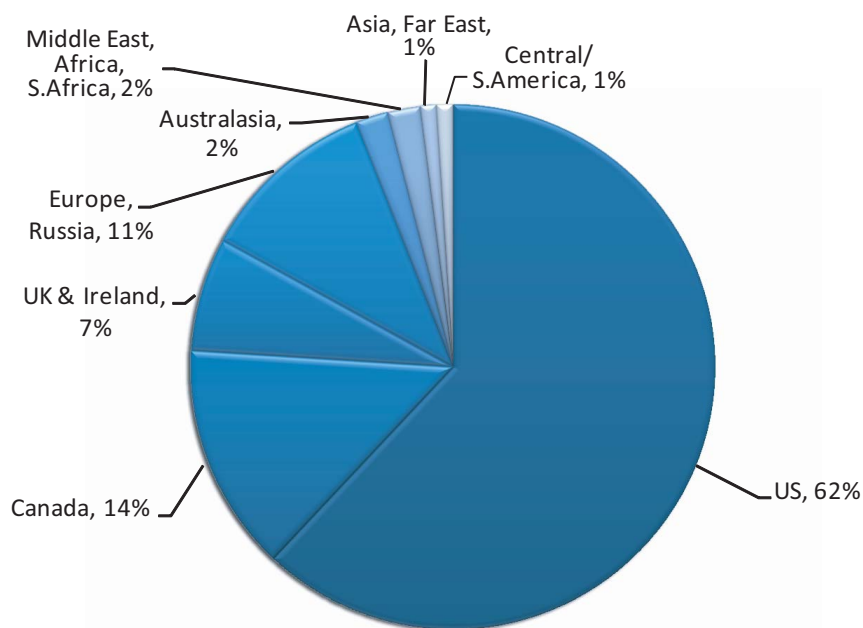
## Organizational Size

Survey respondents represent organizations of all sizes. Larger organizations over 5,000 employees represent 35%, with mid-sized organizations of 500 to 5,000 employees at 41%. Small-to-mid sized organizations with 10 to 500 employees constitute 24%. Organizations of less than 10 employees (26) are not included in the report.



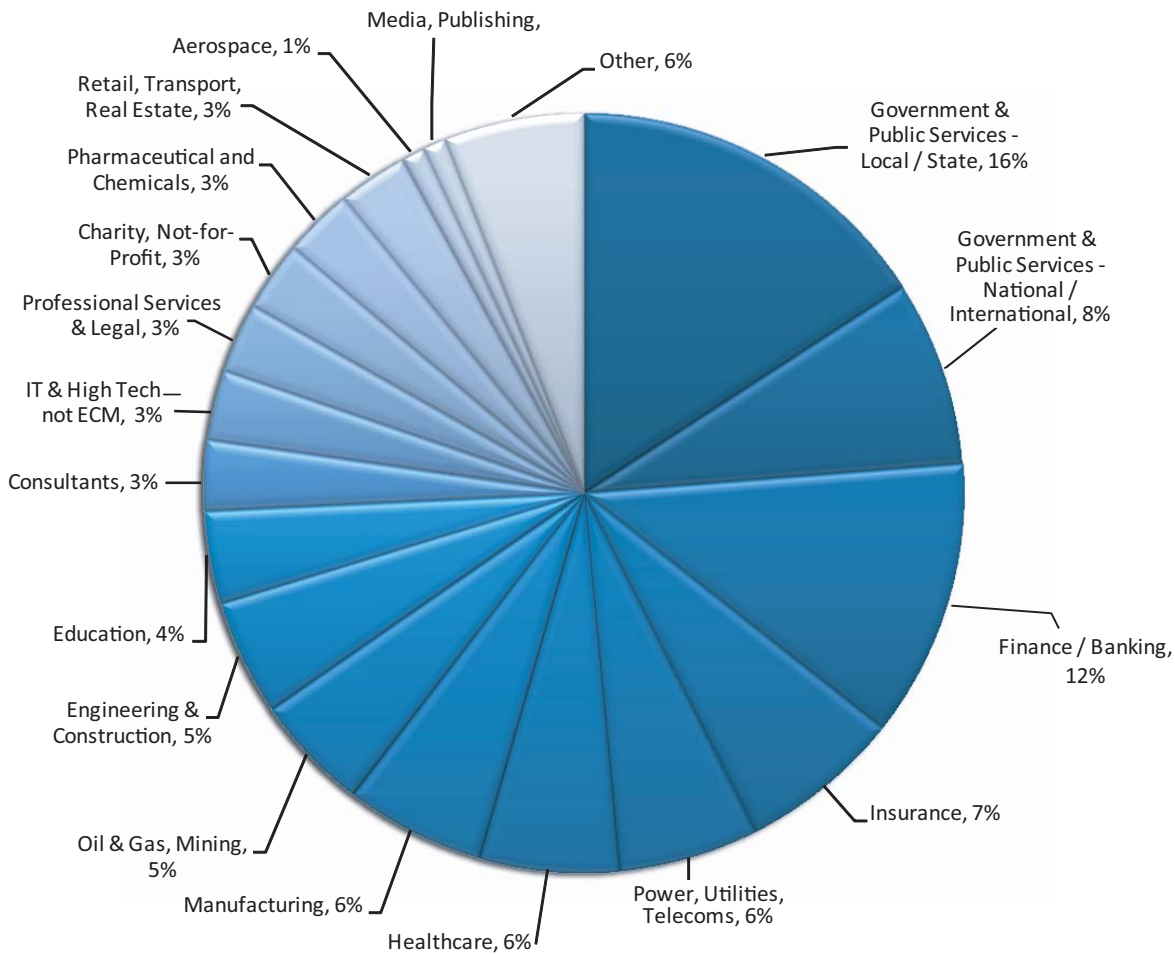
## Geography

76% of the participants are based in North America, with most of the remainder (18%) from Europe.



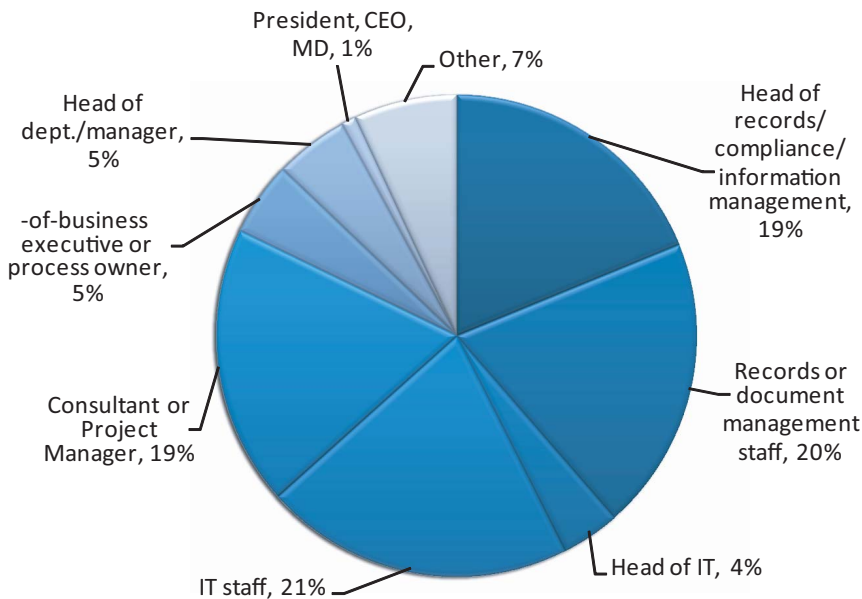
## Industry Sector

Local and National Government together make up 24%. Finance, Banking and Insurance represent 19%. The remaining sectors are fairly evenly split. To avoid bias, suppliers of ECM products and services have been removed from all of the report results.



## Job Roles

39% have a records management or compliance role. 25% are specifically from IT, although 19% are consultants or project managers. 11% are line-of-business managers.





## Appendix 2

What comments do you wish to make about your strategies and drivers for ECM? (Selective).

- Must make ECM easy to use for end users or else they WILL NOT adopt it!
- Management is in denial about the need for an ECM strategy just as they were about the issue of departmental vs enterprise databases years ago.
- What we discovered is that we are entering an era where the ECM platform is becoming the new ERP for large organizations like us.
- We need to access content from multiple repositories, so if we can have one source that can integrate, federate, and migrate old and new content, we will be in good shape.
- Our business isn't cookie-cutter enough to just use a standalone product.
- We are a very diverse company, spread over many countries and business processes...we do not expect a "one size fits all" approach...rather something that works well given business and geographic requirements.
- We've had a challenging time narrowing down and selecting a single vendor who can meet the majority of our functional/business needs
- Consolidation is the mission. Even to the point of going backward with technology - very disruptive but driven by corporate mandate.
- The greatest challenge remains convincing management of the need and benefit of a comprehensive ECM program. All other matters are affected by the lack of management buy in.
- Focus on the adoption and mind-set first. Need to establish a culture of sharing, otherwise NO system will be successful.
- Our approach is currently chaotic and unstructured. That will hopefully change....
- True document management does not seem to happen. Business Units tend to abandon documents when moving to other systems.
- Many initiatives never get off the ground because of the financial unfeasibility of doing them. SaaS options would be preferable but they're not in line with our accounting policies.
- Survey was a bit of a wake-up call.
- This is by far the best survey yet by AIIM. It asked questions that are relevant to my organization.

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### EMC Corporation

EMC Corporation is the world's leading developer and provider of information infrastructure technologies. We provide organizations of all sizes and across all industries with the products, services, and solutions they need to manage data growth and get the greatest value from information.

EMC cloud solutions are helping millions to realize the benefits of managing, delivering, and consuming IT services via public, private, and hybrid cloud infrastructures. Fully virtualized EMC architectures provide secure control over cloud-based data and applications, while reducing costs and expanding the ways people access, manage, and interact with information.

It's a new era for enterprise content and the role of information and its usage is under constant change. Traditional enterprise content management needs have also transformed and organizations are looking for innovative ways to capitalize on this new information experience. The EMC Documentum family of advanced enterprise content management solutions provides a comprehensive, fully unified software platform that allows organizations to manage and leverage content in a cost-effective, controlled manner while providing secured access and re-use across the enterprise. Critical to this new shift is a focus on enterprise compliance and an emphasis on content security, strong authentication and advanced rights management for information both at rest and in motion. To meet these new information challenges and to support everyday business needs, EMC's unified ECM platform includes mobile and social collaboration, case management, business process management, web content management, document capture, customer communications management, compliance and archiving.

[www.emc.com/ecm](http://www.emc.com/ecm)



### Kofax

An ECM system is only as good as the information in it. To be truly useful to your business, the information must be accurate and up-to-date, and require minimal manual preparation.

The Kofax enterprise information capture platform is a vital frontend to any ECM system. Kofax automatically captures, classifies, extracts and validates information from forms and documents using the most powerful recognition technologies on the market. It handles all document formats on a single platform — paper, emails, attachments, faxes, SMS/MMS and XML streams — and converts all documents to standard electronic formats as they are received, even at remote offices. Kofax software also automatically validates documents and data against business rules and databases so that only the most accurate information enters your ECM system.

The Kofax platform can be scaled and extended to handle documents and processes throughout the organization, such as invoice processing and digital mailroom. An investment in a Kofax solution can be leveraged multiple times to increase ROI.

Kofax plc (LSE: KFX) is the leading provider of document driven business process automation solutions. For more than 20 years, Kofax has provided award winning solutions that streamline the flow of information throughout an organization by managing the capture, transformation and exchange of business critical information arising in paper, fax and electronic formats in a more accurate, timely and cost effective manner. These solutions provide a rapid return on investment to thousands of customers in financial services, government, business process outsourcing, healthcare, supply chain and other markets. Kofax delivers these solutions through its own sales and service organizations, and a global network of more than 700 authorized partners in more than 60 countries throughout the Americas, EMEA and Asia Pacific.

[www.kofax.com](http://www.kofax.com)

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## OpenText

### OpenText ECM Suite

The growth of digital content is on a geometric progression. Content and the way we find meaning is changing as users bring new productivity tools inside the enterprise, access broadens to multi-channel distribution and a smart Web anticipates our needs to dynamically deliver content. This is the new world. **Content chaos is becoming reality** and the old world of order is shifting.

Today's enterprise is tasked with managing diverse content types across multiple repositories, applications, devices and platforms. Enterprise Content Management (ECM) 2.0 is the secure management of content from social networks, blogs, wikis and other Web 2.0 technologies—across the enterprise and in the Cloud.

OpenText ECM Suite 2010 allows you to do more with your content than ever before. ECM Suite 2010 helps organizations like yours take control of your content, monetize the content you create, and drive efficiencies through optimized content-based processes. With OpenText ECM Suite 2010, you can manage your content in compliance with corporate governance, create an engaging online experience for customers, partners, and employees and empower a more productive and mobile workforce with access to critical content everywhere.

[www.opentext.com](http://www.opentext.com)



## Microsoft

SharePoint 2010 is the business collaboration platform for the Enterprise and the Internet. When people need to work with other people, with content and information, or with line-of-business data, they can use the rich, out-of-the-box set of integrated capabilities in the SharePoint 2010 platform. People can also customize these capabilities to address specific business needs and integrate them with other products and solutions. Using the same set of capabilities and tools, companies can deploy SharePoint 2010 both inside the enterprise (that is, intranets) and outside of the firewall (that is, extranets, the Internet) so employees, customers, and business partners can work with the platform.

### SharePoint 2010 helps companies:

- **Increase Productivity and Information Value** - Closely connected to Microsoft Office, SharePoint 2010 provides a familiar user experience. People are comfortable with the system, so they use it. They find the information they need more easily, and their work is managed from start to finish.
- **Drive Compliance and Reduce Risk** - SharePoint 2010 makes it easy to tag content, enforce retention schedules, declare records, and apply legal holds. With these measures, you can address the need for compliance and reduce the risk of mistakes when information is archived or disposed.
- **Consolidate Systems and Ease Integration** - SharePoint 2010 manages documents, records, Web content, and rich media on a single platform, helping you reduce IT costs. Using interoperability standards like CMIS, XML, and REST to connect to legacy ECM systems, SharePoint 2010 also helps your company get more value from its current investments.

[www.microsoft.com](http://www.microsoft.com)



AIIM ([www.aiim.org](http://www.aiim.org)) is the community that provides education, research, and best practices to help organizations find, control, and optimize their information.

For over 60 years, AIIM has been the leading non-profit organization focused on helping users to understand the challenges associated with managing documents, content, records, and business processes. Today, AIIM is international in scope, independent, implementation-focused, and, as the representative of the entire ECM industry - including users, suppliers, and the channel—acts as the industry's intermediary.

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AIIM  
1100 Wayne Avenue, Suite 1100  
Silver Spring, MD 20910  
+1 301.587.8202  
[www.aiim.org](http://www.aiim.org)

[AIIM Europe](#)  
The IT Centre, Lowesmoor Wharf  
Worcester, WR1 2RR, UK  
+44 (0)1905 727600  
[www.aiim.eu](http://www.aiim.eu)