

## Filing System Conversions

Customers often run out of space for additional four drawer file cabinets, using the old four drawer cabinet filing requires too much labor and too much time to manage. File conversions often include both new folders and new shelving, which can represent large dollar projects with high profit margins. File conversions are specialized. The customer's confidence in the system design and conversion expertise of their dealer will drive the sell. It should also be noted that when customers implement a new filing system, they also often want to improve the efficiency of the way documents are organized in the file folder. They will often buy folders with chart dividers, filebacks or stitched dividers, which brings in additional revenues and profits. Finally, many customers will also use the conversion as an opportunity to implement computerized, bar-code driven 'file tracking' software or other advanced technology solutions. In any of these scenarios, to solve the problem(s) requires the customer to change their existing filing system, frequently including implementing end tab folders and/or color-coding for the first time, including the following scenarios:



- Pull-Out Vertical or Lateral File Cabinet/Top Tab Filing Systems:

The traditional method of making up and storing file folders is to use a top tab folder and hand-write or type a label with information on a small tab extending along the top of the folder. The net result is there is no color-coding on the folder. Folders are typically filed alphabetically, which causes filing to be slow and misfiles rampant. Drawer cabinets take up a great deal of costly floor space. A vertical file cabinet is usually about 28" deep, and when you pull out the drawer, it extends out over 50". In addition, when using drawer style file cabinets, the person has to look down into the cabinet, so vertical files are only 4 or 5 drawers per cabinet. This is extremely poor use of floor space. Open-shelf file cabinets are only 12" deep and there is no drawer to pull out to compromise floor space utilization. Filing is achieved by looking at and up at file folders that are identified by information on the outside edge of the folder. Vertical height can be used to get more folders into much less floor space. The combination of poor floor space utilization, excessive labor costs to maintain an inefficient filing method and frequent misfiles and lost records makes any customer with drawer file cabinets a prime candidate for a filing system conversion.

- Open-shelf (Library style) Filing Systems with Inefficient Indexing/Color-Coding:

As mentioned, running out of floor space is the most compelling reason organizations convert to open-shelf file cabinets. Often when a customer installs an open-shelf filing system, they will move top-tab folders onto the shelving thinking that their problem is only a space problem. This is a nightmare, because to find a record or file a document, folders must be pulled-out of the cabinet to read what is on the top of the folder, since it is not visible along the outside edge of the folder. Other times, end tab folders will be implemented, but the folders will not be color-coded.

- Color-coded Alphabetic to Color-coded Numeric Conversions:

Alphabetic filing systems have a host of weaknesses, as detailed in other documents within the SSG binder. Names change, growth of new folders going into the shelving is uneven and

congregate around dominant last names (requiring frequent shifting of folders to make room for new folders). This makes filing difficult, labor intensive and error prone. Many organizations starting-out their operation, will set-up an alphabetic filing system. As they grow, the problems become overwhelming as the number of folders increases. Therefore, many organizations will opt to convert to a numeric filing system.

Numeric filing systems have many advantages: Fundamentally, it is much easier to collate numbers versus letters and names! There are only 10 digits 0 – 9, but there are 27 letters A – Z (including ‘Mc’). Everyone knows that ‘2’ is before ‘4’ and ‘12345’ is before ‘21143’, so it is fast and efficient to find a file that is numerically indexed. Name and alphabetic characters are far more difficult to manage, because the typical name includes about 13 characters. Numeric filing systems develop blocks of color that are consistent and exactly the same size (always), whereas alphabetic systems have too many groups of color all different sizes.

### **The Process of Converting Filing Systems**

When a customer realizes, or you help them recognize the advantages that they can gain by an improved filing system, there are three (3) primary ways to accomplish a filing system conversion:

- The primary method for converting a filing system is for the customer to provide the SSG dealer with a computer file from their computer system that includes every folder within the filing system (typically, every computer record has a corresponding file folder record). SSG uses this computer file to drive a digital printing device that prints out new labels with color-coding and printed text onto a file folder label, often including a bar-code. By using the customer’s computer data, it is ensured that new folders will be color-coded and indexed accurately. Once printed, SSG applies the labels to new folders and sends them to the customer, in the most convenient sequencing to facilitate the actual conversion. Documents from old folders can be placed into new folders. Typically, the new folders will be sent to the customer in the same order as their current filing system. Folders can be removed in groups and new folders can be gathered in matching group sizes. Then documents from old folders can be converted easily and quickly to the new folders. For example, old folders ‘Adams, John’ through ‘Allen, Susan’ would be taken out of the old file cabinet and matching new folders will be removed from the cartons shipped by SSG. \*Please note: if the customer is converting alphabetic folders to a numeric filing system, the new folders will still be sent in alphabetic order so that it is easy to do the conversion (with the name printed as a text field on the label). After all folders have been converted, the customer (or SSG dealer providing the conversion service) will use the color-codes to make it fast to sort the folders into numeric order for placing onto the shelving in correct order. SSG offers digitally printed conversion labels and machine-applies these to the new folders using our **Versifile Conversion Label** manufacturing process, to make conversions easy and successful for our dealers and their customers.
- Some organizations prefer to do their own conversion, by ordering conversion-ready, color-coded labels and applying them over the labels on their current folders or onto new folders themselves. SSG can also produce labels on self-adhesive label stock on sheets so that the customer can perform the file conversion internally (using their own staff and/or the SSG dealers conversion services). If the customer is going to cover-up existing index or color-code label information, SSG offers an extra -wide conversion label with a dark backing that is wide enough to cover existing labels while bonding to the manila on the folder (versus trying to stick onto laminated labels). The dark backing makes sure that the current folder information is not visible through a plain white label.
- Some organizations prefer to print their own labels and perform the conversion internally, either in mass, or incrementally as folders are handled. **SSGLabels** is an on-demand label printing solution that can be installed at a customer’s office to print labels by importing data from their computer or typing file information directly into SSGLabels or into a spreadsheet (like Microsoft Excel).

## **The Physical Conversion Process**

When converting a filing system, the customer may choose to re-label an existing file folder or they may choose to implement a new style of file folder and/or chart dividers. Folder contents may be converted in-mass all-at-once or the conversion can be phased-in as folders are handled during routing daily workflow.

- Converting in-mass versus incrementally over time:

It is typically much more efficient to convert all records at once versus gradually converting records over time. It is difficult and error-prone to have a group of file folders in shelving that are indexed and filed according to one methodology, such as alphabetic, and slowly replace them and merge-in a new indexing system, such as numeric. It is hard to maintain one group of folders that is slowly reducing in quantity over time while a second group of folders is slowly growing in quantity over time. With such 'gradual' conversions, groups of folders are constantly being shifted and moved around on the shelving to accommodate the changing sizes of the groups of folder, to make room for new folders for the new filing system methodology. Also, staff are usually already working hard throughout the day to keep up with standard work requirements, without having to convert folders throughout the day as well. If office staff have time to convert folders during their daily work, then it implies that they did not have enough work to do in the first place. The time that it takes to frequently shift folders in the shelving to make room for new folders and the time that it takes to move documents, assemble new folders and label new folders, makes gradual conversions cumbersome, difficult and disruptive to an office.

Filing system dealers should develop expertise to provide filing system 'conversion services', whereby they will go into an office over one (1) or multiple weekends/evenings and convert the folders all-at-once, so that the customer quickly or immediately implements a new filing system. By doing a mass conversion, with or without the assistance of the offices own staff, the office staff avoid the difficulty of trying to convert folders during the work day. By having the entire system converted, the customer can start enjoying the advantages and reducing the cost of managing and using their files. Mass conversions are typically performed by the customer providing a database of 'active files', or, files to be converted, and having pre-labeled folders produced at SSG and delivered 'in the order of the existing filing system'. For example, if an alphabetic system is being converted to numeric, the new folders are labeled with the numeric color-coding, but the folders are produced in alphabetic order for shipping purposes only. So, though the color-coding is in numeric order, the folders are shipped in alphabetic order. This allows the existing folders to be removed from existing shelving in groups and matched with the same sequence of new, conversion-ready folders. For example, you may take old folders Bevis, John through Brown, Susan from the existing shelving and then match them with the new folders for that same alphabetic range. Once the documents from the old folder are in the new folder, the folders are then sorted into the new filing sequence. For example, if you were creating a 2 color-bar terminal digit system, you would make 100 stacks of folders 00 through 99 and then go through each of those stacks and put the folders into sequential order. Then, you load the shelving with the converted, color-coded file folders.

- Transferring documents from old-to new-system:

When doing a conversion, typically the entire 'old' folder is placed in the new folder, and then the documents are transferred when the folder is handled. If this method is used, the advantage is that the conversion can be accomplished quickly and all of the folders can be put into the shelving using the new color-coded filing methodology. The problem remains that staff must convert documentation as they are handled during their busy work schedules as the folders are handled. The alternative is to move all documents from the old folder to the new folder during the conversion, and then throw away or recycle the old folders. This takes more time than simply sticking an entire 'old' folder into a 'new' folder, but it completes the job in-mass and the staff is not left with headaches going forward. (CAUTION – When you become involved with handling documents, protect your company legally with a strongly worded agreement and insist that someone of the clients staff be present to answer questions as they arise.)

## **Estimating the Cost of a Conversion**

Ultimately, filing system dealers must develop a history of projects of different types in order to develop costing bench-marks. For example, to convert a top tab alpha system to an end tab alpha system, transferring the whole folder versus transferring actual documents. Distinctions must be tracked for the number of fasteners involved, are there pockets or staples that must be dealt with, etc. THE GOOD NEWS is that there is typically ample profit in filing systems conversions. To price out a conversion, time-and-motion studies must be conducted and/or 'best estimates' established. For example, you may take 25 or so folders from the customer's system and go through the process of converting the folder/documents to determine how long it takes to convert to the new folders. In addition, if the filing methodology is being changed, for example from alpha to numeric, then an estimated amount of time for sorting and re-loading the shelving must be estimated. Most dealers double or triple their estimated cost when quoting a conversion, so, even if you miscalculate costs, you should always be safe and make money. As you complete more and more projects, you will be able to get closer and closer to estimating the exact costs of doing a project. Dealers must at some point simply 'bite the bullet' and start quoting and performing conversions in order to enhance their businesses, establish very profitable revenue streams and establish desirable new accounts. \*Many dealers have relationships with other dealers around the country, by virtue of 'dealer groups' or aligned around mobile shelving brands. Dealers can often ask other dealers to share cost estimates for different types of conversions, to help new dealers with cost estimates and project planning.

### **Conversion Staffing**

Most dealers develop one or more 'core' conversion team leaders. This person then helps with quoting and planning projects and leads staff in the performance of the conversion. Most dealers have 'family and friends' that enjoy doing periodic conversions and making extra money. In addition, most dealers compliment their own staffing with the use of 'temporary staffing agencies', like Manpower or others. Some of these agencies have experience with conversions and can be a great source of information for planning and pricing projects, and can also provide both trained and competent temporary labor on a project-to-project basis.

### **Color-coding after the Conversion**

**SSGLabels** is the ideal tool for customer's to make up day forward folders after a conversion. The customer's label design used to accomplish the conversion can be exactly matched within SSGLabels, so that the customer can make-up new folders easily and consistently. SSGLabels is far superior to a customer buying labels on rolls or sheets and hand-wrapping them one-at-a-time, while also needing to handwrite or type text information. By producing a one-piece label matching the label used for the conversion, the filing system grows and always looks the same.

### **Summary**

SSG offers all of the folder, accessory and labeling products and services that may be required to perform a filing system conversion, and our staff can help guide you and the customer through the system design and sales process. File conversions are typically very profitable and lock-in a customer to your products well into the future, for both up-front and recurring profitability. SSG can provide you:

- **Versifile** conversion-ready folders with labels printed from the customer's data and pre-applied onto file folders, shipped in the appropriate sequence to make the conversion easy and accurate.
- **Self-adhesive** conversion-ready labels printed from the customer's data and in the appropriate sequence for the conversion.
- **SSGLabels** so that the customer can print labels for conversions in-house.
- **SSGLabels** to produce labels day-forward to match the conversion labels/converted folders.

- **Optimized Folders and Folder Accessories** to ensure that the customer has the right folder and the right organization of documents to maximize efficiency and minimize the costs of maintaining and using their filing system over the long-term.
- **SSG Staff Expertise** to help guide the system design and sales process.