M-Files®

Why Professional Services Firms Should Ditch Folders and Embrace Metadata

In the past decade, the professional services industry has transformed significantly. Digital disruptions, increased competition, and changing market demands are forcing firms to change the way they operate and serve customers.

To stay competitive and meet market demands, firms must offer an exceptional customer experience, innovate their product offering and deepen their expertise. This means doing more with less and reallocating resources to high-value work, like serving customers, investing in more competitive offerings, or building expertise.

However, archaic and outdated ways of managing information with folders are hindering firms' abilities to navigate these disruptions and curb competition.

THERE'S AN INFORMATION PROBLEM & PROFESSIONAL SERVICES FIRMS ARE PARTICULARLY VULNERABLE

At M-Files, we've talked about the information explosion before. Every industry is feeling it. Every two years — even less by some statistics — the amount of information in the world doubles. And we keep on storing that data in more and more systems and repositories. This causes a fragmented IT environment, where information is scattered, disconnected, hidden, and uncontrollable.

This is an even greater problem for the Professional Services industry because customers demand that their sensitive info is managed and secured in a certain way and for good reason. (Learn more about how M-Files can help you mitigate risk.)

Not to mention, some of you out there might be subjected to certain regulatory standards that dictate how you should handle certain information and data.

This problem won't go away on its own, but you can take some comfort in knowing that the business community in general is grappling with this issue. This is because our old ways of information storage — folders, network drives, and data repositories — were never designed to manage information, only house it. Now as the amount of information explodes, we're collectively rethinking information management.

HOW DID WE GET HERE?

Before computers, we used to store information in paper documents that we then housed in folders and filing cabinets. When an organization housed a lot of information, there was typically a file clerk who managed it. This person would know where information was located, who could access to it, and what it related to. These clerks also had their own ways of organizing and making sense of this information in this space.

When computers came to the scene, we brought the file room into a digital space with network drives and folders, but we left out the clerk. So, now it's up to staff to go into those digital spaces

and try to do their best despite having no visibility, control, or understanding of what's happening with that information. This is time-consuming, distracting, and it can affect the customer experience.

But there was wisdom in these old ways that we have forgotten. What M-Files does, is it brings back the power of a file clerk, yet this time, it's not a person, but an intelligent software application. This way, information is managed as it should be and staff can easily access the information they need to do their core work.

MANAGING INFORMATION BY CONTEXT VS. LOCATION

Metadata refers to descriptive information or context. It's best described by circling back to the file room and file clerk comparison. Before computers, we'd bring documents to a file clerk and say something like, "Could you please file these invoices for the ABC Company?" In that statement, there are two contextual descriptions: This is an *invoice* for the *ABC Company*. The clerk would then file it, perhaps bundling it with all of the other documentation related to the ABC Company.

To access information, we'd then go back to the clerk and ask something like, "I need to see all service descriptions we have for previous engagements with the ABC Company." In this statement, we're not asking for any specific document, rather we're searching for something based on context.

The point to emphasize here is that information is often understood and managed by its context, not its location. M-Files knows this well and the entire architecture of the system relies on information contextualization. For instance, when you put a document in M-Files,

you tell the system what it is and how it should be managed by filling out a metadata card. It might be related to a customer or engagement. Or it might have an expiration date that staff should be aware of and notified to in advance. It might have restrictions saying only certain people have access rights. It might have to be approved by a certain partner before it's sent to customers. In M-Files, all of this context is metadata. And every document has a metadata card describing what it is, how it should be managed, and what it relates to.

Now we aren't the only ones who manage content by context vs. location. We live in folderless times and other digital platforms use metadata as well. Consider content platforms Spotify and Netflix... Wouldn't it be odd if you opened up Netflix and you were offered a series of folders to browse through, browsing through different movie genres to find something to watch? My point is metadata is not new. It's very common in our digital lives. What M-Files does is it brings the power of metadata to your office, offering businesses a far more flexible and effective way of managing information.

CONTEXT

- Document type
- Customer
- Authorization
- Date

LOCATION
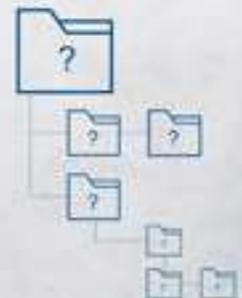
THE POWER OF METADATA

The biggest benefit of using metadata is that information is visible & connected by its context.

For example, with metadata, you can go into M-Files and tell it to instantly pull up information by context, like viewing all customer contracts that are set to expire in the next six months or viewing who has done what and when with a certain engagement. You can view and access information by any context. This is not feasible with folders.
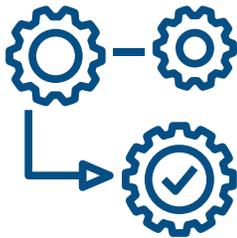
Your firm can use metadata to automatically handle information as it should be.

M-Files knows the context of every item in the system. So, you can configure M-Files to manage these items based on their context. For example, you can set up M-Files to automatically send every drafted engagement letter for partner review and approval. Or you can set up M-Files so that only certain people can access information related to a particular engagement.

## Metadata also ensures that there's one true file always, no duplicates.

With folders, information is often duplicated so that it can exist in many places and therefore, be accessible to many people in inboxes, network drives, local computers. On the other hand, when information is in M-Files, it's in only one place — it's in M-Files. And therefore, staff can access, sort, and bundle this information in a ways that makes sense to them through metadata.

THE VALUE OF METADATA

FOR YOUR STAFF

To put it simply, metadata manages information so that your staff doesn't have to. In doing so, this frees up your staff's time and energy to focus on more important things, such as working with clients or learning new skills and knowledge. This not only increases employee satisfaction, but it also increases productivity.
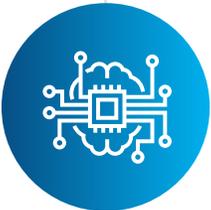
FOR YOUR OPERATIONS

You can use also use metadata to set the foundation for how operations are carried out, so that your firm's processes are more consistent, efficient, and secure.

At the base of nearly every operation in professional services, there's information — more specifically, there are documents, files, images, videos, PowerPoint slide decks, Excel spreadsheets. There's all the content your staff produces, as well as all the sensitive information you receive from your customers — not to mention all the data that exists in your CRM or your practice management system.

Since many key operations are carried out in documents and other types of information, you can leverage metadata to handle information processes automatically, and in doing so, you standardize and define your own operations. For example, you can configure M-Files to automatically handle document processes around RFPs, contracts or engagement letters, customer onboarding, service close-out and much more.

FOR YOUR BUSNIESS PERFORMANCE

When staff is more productive and operations are more efficient, your firm overall can do more with less, thereby freeing up resources that can be reallocated to high-value pursuits, like focusing on clients, investing in competitive products or services, or diversifying staff expertise. Within the firm, this can result in improved client experiences, less costs, increased agility, and reduced risk.

TO SEE METADATA IN ACTION, you can find more information on our website or contact us to schedule a demo for your firm.

ABOUT M-FILES

M-Files' AI-powered intelligent information management solution connects all documents and information, across every platform and repository, then analyzes them to place them in context. This makes it possible to serve up the right information to the right people right when they need it—and automate information-driven business processes—while maintaining complete control and compliance. Thousands of organizations in more than 100 countries (including NBC Universal, OMV, SAS Institute, and ThyssenKrupp) use M-Files to manage their business information and processes—and give their employees a Smarter Way to Work.

For more information, visit www.m-files.com.

M-Files has offices in eight countries. To contact one of our regional offices, click here: www.m-files.com/en/contact-us.

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