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Clear The Way For

Fast-Flying Forms

By separating workflow from imaging, **$26 billion** financial services provider **Wells Fargo** & Co.'s Shareowner Services department **speeded** proxy card processing **by more than 40%**.

Jeff Jordan, assistant VP,
Wells Fargo Shareowner Services

Grab Your Forms And
Get Out Of The Way

▲ By separating workflow from forms processing, Wells Fargo Shareowner Services speeded proxy card data capture by more than 40%.

by Tom von Gunden

Technology deployments are hardly "touchy-feely" propositions. They're all about solving immediate needs, generating rapid payback, and, basically, keeping the lights on. Few, if any, IT decision makers could be accused of being navel gazers — philosophical types with the time and luxury to sit back and reflect on how technology might help the company "find itself." Nevertheless, technology deployments can, over time, become journeys of corporate self-discovery. While technology won't necessarily change the overarching mission or identity of a company, it can help define the core business processes that support the mission or identity. Of course, companies often worry that IT solutions will force unwanted changes to traditional practices. Still, it's the rare company that doesn't gain, through technology evaluations and rollouts, a clearer vision of what processes it must alter to operate more efficiently.

At Wells Fargo Shareowner Services (WFSS), the stock transfer department of Wells Fargo & Co., the implementation of document imaging solutions brought to light key distinctions among certain core practices. As a stock transfer agent, WFSS provides various stock management services for publicly traded companies and their shareholders. Those services include handling stock transfers, managing employee stock purchase programs, paying or reinvesting dividends, and collecting and tabulating information in preparation for companies' annual meetings.

In fulfilling its duties, WFSS has always processed large volumes of paper documents. In the late 1990s, the company shifted many of its document processing jobs from manual to automated operations, bringing in scanning solutions to support the transition. Along the way, WFSS discovered that applying the same tools across-the-board was inefficient. Its various document imaging needs did not all require the same kind of data processing. As Assistant VP Jeff Jordan explains, "We began to see there are really two parts to our business — straight-through processing and workflow. Some scanned information can be pushed straight through to our mainframe transaction processing system, while other scanned documents must be routed through

various quality control checkpoints." So, when WFSS decided to upgrade its document management system, it was determined to separate the tools used for straight-through processing from those used for workflow.

Forms Processing Cuts Peak Season Labor

When WFSS originally brought in document imaging technologies, it primarily targeted what remains its most volume-heavy straight-through process: tabulating information from shareholder proxy cards. In the final two or three months leading up to a company's annual meeting, shareholders mail in (directly to WFSS) proxy cards on which they vote for various proposals, including the election of new board members. Each share equals one vote, so an individual check mark on a single proxy card may represent thousands of votes. The voting results must be filed with the Securities and Exchange Commission (SEC) after the annual

Installation Profile

Technology User: Wells Fargo Shareowner Services (WFSS) (South St. Paul, MN), a department within $26 billion Wells Fargo & Co., serves as a stock transfer agent for its corporate clients and their shareholders. The more than 400 publicly traded companies that currently use WFSS' services boast shareholder bases ranging from less than 50 shareholders to well over 200,000. Among the volumes of shareholder-related documents WFSS processes each year are more than 1 million proxy cards, from which WFSS must capture data in preparation for its clients' annual meetings.

Problem: Shareholders use proxy cards to vote for various proposals, including the election of board members. WFSS had traditionally processed the proxy cards manually. Even after it brought in automated scanning software, WFSS still faced periodic slowdowns, particularly during the peak processing season. The problem stemmed from the software's integrated workflow functionality, which WFSS doesn't need for capturing data from proxy cards.

Solution: WFSS brought in OCR for AnyDoc from AnyDoc Software, Inc. (Tampa, FL). While workflow tools are available from AnyDoc Software, they are not inextricably architected into the OCR for AnyDoc product. With OCR for AnyDoc handling proxy card processing and other document imaging tasks for WFSS, the stock transfer services provider now plans to roll out workflow tools to support some of its other services.

meeting. Consequently, the tabulation process at WFSS is open to potentially intense scrutiny.

WFSS annually collects more than 1 million proxy cards, the bulk of which come in during the peak season of April through June. (Most publicly held companies end the fiscal year on Dec. 31. During the first quarter of the subsequent year, annual reports are prepared and proxy cards are issued.) Before it brought in automated document scanning tools, WFSS processed proxy cards manually. Staff sorted the cards by voting pattern and manually entered the totals into WFSS' mainframe tabulation and record-keeping system. During the peak season, these manual processes forced WFSS to hire 15 to 20 skilled temporary employees to supplement the 3 full-time employees dedicated to processing the cards. "Even with the extra people, we would end up working 12-hour shifts and weekends," Jordan recalls.

Along with additional labor costs came the increased risk of human error. At the time, WFSS had quality control processes for checking a certain amount of work every day. Plus, its clients sometimes sent in their own auditors to either spot check or fully check the proxy card tabulations. Says Jordan, "As soon as we put imaging and data capture technologies in place, we pushed inaccuracies down to zero — or as close to zero as is technically possible."

Tear Down Barriers To Data Entry Throughput

Even though automating processes brought the immediate benefits of reduced labor costs and improved accuracy, WFSS eventually discovered its systems weren't as efficient as they could be. The problem stemmed from the imaging software WFSS had originally deployed. The software's design reflected an assumption that documents scanned into the system might be routed through workflow processes. But, WFSS was primarily using the application for straight-through processing, such as capturing and feeding proxy card data directly into the tabulation engine. "As we brought on new clients and our volumes increased, the workflow-based functionality built into the system began to cause some throughput problems," Jordan says.

So, to enhance speed without undertaking any complicated software workarounds, WFSS replaced its scanning software with OCR for AnyDoc, an automated forms processing solution from AnyDoc Software, Inc.

Don't Let New Forms Cause Old Headaches

As a stock transfer agent for publicly traded companies, Wells Fargo Shareowner Services (WFSS) regularly processes forms. It does so in managing shareholder accounts and preparing information for its clients' annual meetings. In upgrading its document imaging systems, WFSS put a high priority on forms processing software that could handle disparate types of forms and data. WFSS needs to capture text, numbers, bar codes, and signatures, as well as various marks indicating that votes have been cast on cards filled out by shareholders. So, the new solution had to have forms recognition, OCR (optical character recognition), and OMR (optical mark recognition) capabilities. WFSS found that combination in OCR for AnyDoc, an automated forms processing software suite from AnyDoc Software, Inc. (Tampa, FL).

While OCR for AnyDoc can process standard forms, it can also handle forms that include multiple pages, contain unstructured data entry fields, have information printed on both sides, and come in with attachments. At WFSS, the software's automatic form-identification capability has enabled WFSS to eliminate the labor-intensive job of manually sorting the more than 1 million proxy cards annually mailed in by shareholders. Publicly traded companies use proxy cards to give shareholders the opportunity to vote for various proposals, such as the

AnyDoc Software's OCR for AnyDoc can capture optical characters and marks from two-sided and multiple-page documents.

election of board members. As a service to its clients, WFSS then captures and tabulates voting results from those cards.

Upgrading to OCR for AnyDoc has given WFSS increased efficiency and flexibility in handling different clients' proxy cards or forms. Although WFSS provides its clients with some standard specifications for designing a proxy card, no two clients' proxy cards or forms are identical. For example, the number of proposals available for voting may differ from one year to the next, even for the same company. "During the initial setup of a new card, OCR for AnyDoc allows us to load a default template under the card," says Natalie Letourneau, proxy specialist at WFSS. "We can make sure certain business rules — for example, where bar codes and check marks go — are running in the background of every new card we set up." With its previous imaging system, WFSS had to write custom-scripted business rules for each new card for each new client. "Now, the only item we're rescripting for each client is the number of proposals the card will have. So, we can bring a new client onto the system much more quickly," Letourneau says.

While OCR for AnyDoc can integrate with workflow systems, including AnyDoc Software's own workload management offerings, the suite can also be pointed specifically toward straight-through processing.

Now, when a shareholder mails in a proxy card, an employee opens the envelope and places the card on one of WFSS' Kodak scanners. By reading the card's bar code, which contains the account number and proxy ID, the system verifies that the card was submitted by an authorized voter. Then, preconfigured business rules tell OCR for AnyDoc to search for and capture relevant voting information, which is translated into the tabulation system running on a SQL database. As it reads the card, OCR for AnyDoc determines whether or not the card has been signed, the voting boxes have been appropriately marked, or the address change box has been checked. "We no longer do any manual sorting of cards," says Natalie Letourneau, proxy specialist at WFSS. "As the cards go through the scanner, they're sorted by proxy ID number. After a group of cards has been verified and scanned, the system releases a batch, and the tabulation is updated."

Map The Flow Of Workflow

With the new system in place, WFSS has been able to grow the business. "In the last few years, we've doubled our volume — from 500,000 cards to more than 1 million cards per year," says Jordan. "And, overall, we've increased the throughput of our proxy card processing services by more than 40%."

The efficiency of the system has also enabled WFSS to turn its attention to the next phase of its document management initiative: rolling out workflow tools. Although AnyDoc Software offers such tools, WFSS is building its workflow processes on the FileNet platform. That decision primarily reflects the experience of the systems integrator WFSS hired to help deploy the workflow system. It also reflects the open architecture of OCR for AnyDoc, which AnyDoc Software has designed to interface with workflow tools from other vendors.

"If someone sends in a stock transfer certificate, we need to confirm all legal documentation is there. ..."

Natalie Letourneau, Wells Fargo Shareowner Services

WFSS' goals for the workflow project include gaining the ability to coordinate and track time-sensitive processes. "A lot of our transactions have turnaround times legally set by the SEC," Jordan explains. "For example, if a client is scheduled to pay a dividend on a particular date, we can use the workflow system to prioritize those transactions so all are processed during a specified time period." WFSS also plans to use workflow tools to enhance quality control measures related to compiling documents. Says Letourneau, "If someone sends in a stock transfer certificate, we need to confirm all legal documentation is there before we can process the transaction." Jordan adds, "Workflow also reduces the guesswork about who should review certain documents. For example, we can tell the system which people have expertise in particular states' regulations."

As Jordan acknowledges, however, deciding exactly what to do with a workflow system is not a quick and easy process. In fact, in identifying which activities should become part of workflow, WFSS has had to indulge in quite a bit of self-examination, if not downright navel-gazing. "As we planned our workflow rollout, it took some time to determine which parts of our business would be improved with workflow tools," Jordan says. "We had to complete flow charts showing our current processes before we could create charts showing how we'd like those processes to work in the future. The effort was worth it, and we fully expect the workflow system to improve our customer response times and help us bring on more clients." ❏

Tom von Gunden is an editor with Integrated Solutions, covering storage technologies and related enterprise solutions. He can be reached at: tomv@corrypub.com.

AnyDoc™ SOFTWARE

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