ECM vs EDM… & other acronyms

Part of the problem in dealing with the ubiquitous use of acronyms in the software industry is that they are not formal definitions but evolve and change over time based on common usage.

Complicating the matter is the fact that different market segments frequently use the same letter designations to define completely different topics. For example, depending on the software sector you will see the acronym ERM used as a designation for Electronic Records Management or Enterprise Risk Management, or possibly Enterprise Relationship Management.

For this brief discussion, we are going to focus on the common usage of these terms within the context of the document management community.

**EDM** *Electronic Document Management* (also EDMS – Electronic Document Management System)

Ten years ago this was the most common term used by vendors and practitioners to refer to the processes and software used by an organization to capture, store, manage, and retrieve their documents in an electronic format. The primary focus was paper documents, which typically were scanned, and a corollary term used frequently at the time was DM/DI for Document Management/Document Imaging.

Over time, the term “document” has been broadened to include many other categories in addition to paper documents, including Word docs, Excel spreadsheets and documents in PDF format (which has developed into a defector standard for electronic documents delivered via the web).

Today, the term EDM is generally used when the software initiative is being installed to support a specific business process, such as customer service. This process typically will have a specific set of document types associated with it (e.g. invoices, remittance advices, customer correspondence, shipping receipts, customer e-mails, etc.) and the initiative is limited to capturing and processing these documents in electronic format to support and improve the business process (in our example, customer service).

When the objectives of the organization are more broadly defined to encompass all documents (more properly content) entering the organization or being created by the organization, the more common term for the endeavor is *Enterprises Content Management (ECM)*

**ECM** *Enterprise Content Management*

Over the last decade an ever increasing proportion of the information being used by organizations to run their business has been migrating to an electronic format.

Think for a moment about your own organization; how frequently do you deal with word processing documents, Excel spreadsheets, and documents in PDF format that have been sent by customers or suppliers or downloaded from the web. Add in e-mail, photos and other images (jpg's), as well as
paper documents that have been scanned in and are being stored in an electronic format and you can see how rapidly things are moving in this direction. At the same time, the term document is becoming too narrow and is being replaced by the term “content”.

In this environment, many larger organizations are attempting the very ambitious task of capturing and categorizing all of the information coming into and being used by the entire organization, hence the designation “Enterprise”.

So, the definition of the acronym ECM is really an expanded version of that used for EDM; that is it refers to the processes used by an organization to capture, store, manage, and retrieve all content received by or created by the organization.

The software used for this process is designed to manage the content throughout its life cycle, creation to destruction. The goal is to more efficiently deploy and access the content to support and further the company’s business goals.

As we mentioned earlier, to date, this type of initiative is most commonly associated with large companies and just about all of the Fortune 1000 have some type of ECM initiative either in place or in progress.

A major driver in the implementation of these systems has been the need to address compliance issues mandated by Sarbanes Oxley and other regulatory legislation.

Which leads us into our next acronym – ERM?

ERM  Electronic Records Management

For companies dealing with compliance issues, such as Sarbanes-Oxley, HIPAA, SEC, etc. a formal records management function is mandatory to monitor, track, and manage certain types of designated company records to see that they comply with stipulated regulations.

Issues that need to be dealt with include determining when a document becomes a formal “record” (there may be preliminary drafts, for instance); establishing and following a formal record retention and destruction schedule, providing public accountability, managing electronic signature issues, etc.

As a practical matter, given the enormous volume of “content” generated by most businesses today, compliance cannot hope to be accomplished unless a computer is being used. An entire breed of software has grown up to meet these needs, almost always integrated with the larger ECM software suite

BPM  Business Process Management
The idea of managing business processes started rather simply as an attempt to track the workflow associated with various types of documents so that the workflow process could be speeded up by automating certain steps. As a simple example – suppose our company has a manual process for handling orders from new customers. Step one is this process is routing the order to the credit department… After checking the potential new customer’s credit, one of two things happens. If the order is approved it is sent to the order entry clerk. If it is disapproved it is routed to the sales department. In either case, routing the order take time and builds additional lag time into the process.

Now suppose that we have decided to scan these original orders and route them in electronic format. If we understand the workflow, we can “Read” the credit department’s decision and automatically (and instantly) forward the order to the correct individual for the next step in the process, reducing the amount of time from order to delivery, improving customer satisfaction.

Simple “workflow” automation techniques such as this can be very effective and they have led companies into more elaborate attempts to automate more elaborate and sophisticated “business processes”, hence the term Business Process Management.