

The payback of reducing waste

A high-tech Ottawa manufacturer has increased efficiencies and saved both money and trees by dramatically reducing its use of paper

Since 2003, Michel Jullian, founder and president of Ottawa-based OCM Manufacturing Inc., has been crusading to create a paperless office. While full victory remains elusive, he sees his initiative as a rare triple win: it has boosted OCM's efficiency, saved serious money and made his company a leader in the green-office evolution.

AT A GLANCE

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| In business since | 1988 |
| Annual sales | \$8 million |
| Number of employees | 45 |
| Three-year growth rate | 20 per cent |

OCM, a contract electronics manufacturer (CEM), assembles custom microelectronic systems for manufacturers such as Husky Injection Molding Systems Ltd. and Allen-Vanguard Corporation, which manufactures bomb-disposal suits. OCM's combined office and production facility in Ottawa (it also has an operational arm in China) includes state-of-the-art equipment and processes, but Jullian's favourite tool is the receptionist's optical scanner. It transforms bills, letters and other papers into electronic documents for posting on OCM's online information system, an archive for all staff that eliminates duplication, lost files and hoarding of information.

Increased sustainability

Jullian isn't sure how many trees the system has saved, but he knows it has made his company more successful and more sustainable. "I'm an environmentalist," he says. "I really believe that the environmental balance sheet is always negative: we take from the future but don't put anything back."

His crusade really began in 2000, when OCM applied for ISO 9000 quality certification. The process involves documenting all internal systems and processes, resulting in stacks of reports. Jullian was aghast at the waste. The last straw came when the ISO registrar requested a few changes that forced OCM to reprint its quality manual – all 50 copies. "Such a waste of effort and energy," recalls Jullian. "I said, 'Let's get rid of the paper.'"

He commissioned a quality assurance staffer, backed by an IT manager, to create a database to put all the ISO documents online. The ISO registrar warned that much bigger companies had run into trouble trying this, but within three months, OCM had a robust archive that allowed all staff to review products, processes and progress online. When anyone makes a change, everyone gets instant access to the data without needing to manage multiple copies. The change impressed the ISO registrar, who could now review all OCM procedures on his laptop.

"The goal was to do a total online system, no ifs, ands or buts,"

says Jullian. He admits a few staff members preferred paper at first, but because the ISO process was all new to the company at the time, there was no "legacy" paper version to cling to. "Looking back," he adds, "it was a good idea to start with a new process that no one had any familiarity with."

Success bred more reform

The success of the ISO online documentation emboldened Jullian to reform the whole company. He started with human resources then moved on to accounting and purchasing. Now, all job application letters and resumés received are scanned into the system and staff input their own sick days and vacations on a master calendar. That, says Jullian, helped everyone get with the program: "People were motivated when they found out it was the only way to get their vacations."

Still, he says, employers must give their staff the right tools for the paperless office. Because they so often have to update documents from different sources (such as transferring production statistics from desktop to database), most desk-based staff have dual monitors on their desks. Scanners and projection systems have to be high-quality and heavy-duty. And you have to train people consistently, says Jullian, so they all understand how the system works and what documents they have access to.

The most important tool, is the database that allows everyone to access all company documents. "You need the IT infrastructure to support your paperless endeavour," says Jullian. "Otherwise people will take the path of least resistance and revert to paper."

Even the company's financial statements are shared online, as OCM practices open-book management. Jullian has heard many CEOs express concern about making intimate data so accessible, but says he hasn't had any confidentiality problems.

Today, OCM's operations are 90 per cent paperless: paper documents accompany each product as it moves through assembly and inspection and many invoices and cheques still arrive by mail. For Jullian, the savings are clear: just three dedicated staff handle all HR and accounting functions – tasks that required four people five years ago, when the company was half its current size. And just two people now order and track thousands of parts.

Unexpected efficiencies

Beyond that, Jullian says there are unexpected efficiencies in being paperless. If customers call to ask about an order, for instance, staff can locate the needed documents without having to find someone who knows where the files are.

Jullian believes green means go. "We have a tremendous amount of information that goes on inside and outside the company," he says. "I don't see any other way we could have grown as we have and still managed all that paper." ☺



Companies must provide employees with the right tools if they want to reduce paper use, says Michel Jullian, founder and president of OCM Manufacturing Inc. Today, OCM's operations are 90 per cent paperless