

How to Go Paperless (and Reduce Expenses)

If most of your business information is recorded the old-fashioned way, you may want to consider switching to a paperless office. Reducing the amount of paper you use can serve your small business in a number of ways. Read on for the 9 tips on how to go paperless.

How to Go Paperless—in 9 Easy Steps

Creating a paperless office can save your business a lot of time and money—all while helping the environment. To reduce the paper in your workplace, try these nine tips.

#1. Bank online

Setting up an online bank account will reduce paper at your business, save time, and make managing money more convenient. Most online banking is mobile-friendly, so you can make transactions on your own time.

Banking online gives you the freedom to pay bills, transfer funds, and view account balances without the restrictions of a physical location. You have 24-hour access to your accounts, and there are no long lines or forms to fill out by hand. Just a few simple clicks, and you're done.

[Separating business and personal finances](#) makes organizing business transactions and filing taxes easier. Open a separate bank account for business—and use the account only for business transactions.

#2. Keep books with software

As a small business owner, you likely don't have a team of people keeping your books. But, that doesn't mean managing records has to be a huge burden on your shoulders. Use online [accounting software](#) to streamline bookkeeping processes and reduce paper.

Tracking money by hand can add more expenses to your business than you might know. Your time is valuable. If you spend hours recording entries each week, you're wasting time that could be spent generating revenue.

The cost to create and store paper accounting records also puts a strain on your wallet. And, handwritten records are more prone to errors. Mistakes give an inaccurate picture of your finances and can lead to bad business decisions. Incorrect tax returns make you susceptible

to IRS penalties and fees during [tax season](#).

Avoid extra costs with a paperless accounting program. This software is fast and calculates figures for you. Information is stored in the cloud, so you have access to it from any device that connects to the internet.

#3. Use digital collaboration tools

Communication is an important aspect of a strong workforce. When employees collaborate throughout the workday, your business runs like a well-oiled machine. Use digital collaboration tools to keep conversations going without wasting paper.

Many online tools allow you to share documents, folders, and projects. You can also use task management and video chat applications. Rather than exchanging paper files, have employees collaborate in the cloud.

#4. Invoice electronically

The purpose of an invoice is to collect payments from a customer. So, it doesn't make sense to pour money into a paper-heavy invoice system. Switching to electronic invoices makes billing customers less expensive and more efficient.

By billing online, you will likely see immediate savings. You won't need to buy as much paper, envelopes, and postage. And, there is no wait time between when you send an invoice and when the customer receives it, which speeds up collections for your paperless small business.

You can send invoices electronically through your email account. Or, you can buy software that organizes billing tasks. Some accounting software comes with a feature that allows you to create, send, and track invoices.

#5. Scan digital copies

There's no doubt you need to keep records for your business. Accounting entries, contracts, bills—the list goes on and on. Reducing the number of hard copies you store is one way to keep documents under control.

To cut down on using paper in the workplace, scan digital copies. You can import documents into a software product or save them as files on your computer. Consider storing business documents in the cloud. That way, forms won't be lost if your computer crashes.

#6. Make electronic statements

[Financial statements](#) help you review and track your business's performance. They also help you communicate your financial history to lenders and investors. But, creating paper statements might not be worth the hassle.

Instead, opt for software that generates statements for you. You enter transactions into the ledger, and the software creates a statement. Digital statements are easier to compare, making them a useful tool for business.

#7. Use recruiting software

Do you hire employees? If so, consider using recruiting software instead of collecting paper resumes. The software helps streamline the [hiring process](#) and reduce paperwork.

Paper resumes can be hard to organize and compare. You have to sift through dozens of copies to find the right candidate. [Recruiting software](#) pulls information from the resumes you receive and shows which candidates fit best.

#8. Pay taxes with EFTPS

No matter what type of business you own, you pay taxes to the government. To pay federal taxes easily, register with the Electronic Federal Tax Payment System (EFTPS).

[EFTPS](#) is a free service provided by the U.S. Department of Treasury. You can pay all federal taxes, including income, sales, and self-employment taxes. The EFTPS website includes step-by-step instructions for signing up and paying taxes.

Using EFTPS to remit your payroll taxes is an easy step toward paperless payroll and avoiding the costs of paper-pushing.

#9. Encourage a paperless workplace

If you want to transition the way your business handles paper, change the environment. Be open with employees about your efforts to create a paperless workplace. Make employees aware of your goals for reducing paperwork.

Set up recycle bins throughout the workplace and encourage employees to get involved. Take advantage of online applications, smartphones, and other digital alternatives to paper. Simple changes in the workplace can have a big impact on how much paper your business

goes through.

Paperless Office Advantages

Reducing the use of paper in the workplace can have many positive effects. Here are just a few [paperless office advantages](#):

Saves time: The automated nature of electronic documents saves time from handwriting information.

Accessible information: Because you store data in the cloud, you can access it from any device with an internet connection.

Improved customer service: A paperless office helps you manage customer information and communications more efficiently.

Easy storage solutions: Digital records take up less space than filing cabinets full of paperwork.

Secure data: Online systems run on secure servers, so only authorized users can access information.

It's highly unlikely your business will be completely paperless. But, reducing the amount of paper you use streamlines operations. With more effective processes, you can begin to go paperless, grow your company and reduce your costs.

This guest post was provided by [Patriot Software](#). Patriot Software provides easy-to-use online accounting and payroll software for small, U.S. businesses.

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