

Optimizing Your Printer/Copier Fleet

FIRST FIVE STEPS TO A DOCUMENT STRATEGY

White Paper Guide

Be on the lookout for the tips on what you can do TODAY to implement the Document Strategy steps located in the blue areas in this document.

Once you decide to begin efforts to design a document strategy, it is easy to become overwhelmed by the decision. Where do you begin? What should the scope of your strategy cover? How will you justify your efforts and demonstrate a return on investment? This white paper provides some answers by suggesting five steps you can take today toward an effective and profitable document strategy that will bring you real-world, bottom-line benefits.

Taking Important Steps Toward A Document Strategy

While there are many environments and technologies to consider when designing a document strategy, companies are discovering that their printer and copier fleet can serve as an effective and profitable place to start. Workgroup printers and copiers are a natural and sensible environment for a document strategy because they directly support the day-to-day business of organizations of all sizes and types from every industry. Pick any department or any business process and you can bet that users – from frontline employees to executive staff – depend on printers and copiers to get their job done. Ultimately, business operations depend on the efficiency, effectiveness and cost control associated with work group printers and copiers.

Despite their importance to company performance, printers and copiers are rarely managed as a corporate asset. Often planning and budgeting for devices is fragmented among various budgets, departments, and managers, and many times the planning that does take place starts with asking various vendors to submit proposals based on incumbent vendor proposals. This inevitably results in increased operating costs, sub-optimal leases and contracts, and lost



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opportunity for process improvement. What is needed is a centralized, strategic approach; one that is based upon a well-thought assessment of the costs, volumes, support needs, and employee effort associated with the workflow. With such an assessment, companies often find that they can reduce the number of printers and copiers hanging on their network, cut support and supply costs, and optimize their equipment leases and maintenance contracts.

The job is not completed once an assessment has concluded, however. Ongoing management of your printer/copier fleet is essential to ensure that the environment continues to perform as it should and that the return on investments uncovered are, in fact, realized. This is a challenge for most organizations since internal resources are rarely applied to manage printers and copiers, and the environment is commonly left in the hands of vendors and suppliers who often profit from the inefficiencies of the fleet. Independent attention is needed in order to gain and maintain the benefits of your document strategy over time.

So the question becomes: Where do you begin to design a document strategy to make the most of your workgroup printers and copiers? Here are five steps you can take today to cut costs, improve device performance, and increase the effectiveness of your contracts and suppliers.



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Step One – Pay Attention

This first step to designing an effective strategy is to simply pay attention to your printer/copier environment. The fact is that most organizations have not effectively grappled with workgroup printing and copying. Many companies struggle to understand just how many printers reside in their corporations, how many pages are printed each month, or the cost of each sheet of paper that passes through their printer fleet. And most organizations have loosely organized methodologies for acquiring and managing office copiers. Many have little standardization and most fleets are fragmented, segmented, and non-integrated in placement philosophy.

As a result, there are tremendous opportunities to save money without investing in any new equipment. Analysts calculate that that most firms can reduce expenditures by as much as 30% through balanced device deployment and lease/contract reassessment.¹ In addition, capital expenditures can be cut, consumable costs can come down, and workflow changes can make organizations more efficient.

The adage “*if you can’t measure it, you can’t manage it*” holds true; but many organizations rely on their printer vendors and copier suppliers to provide important usage and performance data. This approach can fall short, however; and companies should ensure an independent, non-bias evaluation of the environment. Since this effort is often overlooked in the demands of day-to-day operations, it can be beneficial to engage an outside firm to conduct the assessment and make recommendations for improvement. The timing of your activities can be crucial as well. Don’t wait until your contracts are about to expire; a lack of time to respond often forces companies to simply re-up their contracts and hope for the best.

What can you do TODAY to pay attention?

1. Compile and regularly update a complete asset list including:
 - ✓ Make & Model
 - ✓ Serial Number
 - ✓ Location
 - ✓ IP Address
 - ✓ Volume
 - ✓ Acquisition Dates
 - ✓ Contract Information
 - ✓ Suppliers
 - ✓ Important dates (expirations, renewals, etc.)
 - ✓ Costs
 - ✓ Performance
 - ✓ Utilization
2. Calculate your current per page cost for each device.
 - ✓ Hardware
 - ✓ Maintenance and Support

- ✓ Consumables

3. Map your operational processes used to assess, acquire and manage devices.

- ✓ Discover and document current strategic goals for your device fleet.
- ✓ Understand how your organization uses different types of documents.
- ✓ Consider how your current fleet adds/supports/detracts from operational efficiencies.



Targeting your scope on your fleet can bring to light improvement opportunity that can be replicated in other areas.

Step Two – Target your Scope

By focusing on workgroup printers and copiers, you can develop a comprehensive, yet manageable scope for your document strategy. Author and document strategy expert, Kevin Craine, stresses the importance of targeting the scope of your efforts. “Your document strategy must be comprehensive enough to ensure that something important is not overlooked, but it must also be manageable enough to avoid the risk that nothing ever gets done.” Craine suggests that firms focus strategic efforts on those areas that are the most important and the most likely to bring about worthwhile improvement. Your printer and copier fleet provides just such an environment and focus. “Consider the 80/20 rule,” says Craine. “It is likely that 80 percent of improvements can be found by concentrating on 20 percent of the overall scope.”²

In addition savings in cost of ownership and improvements in device and supplier performance, targeting the scope of your document strategy to focus on your printer and copier fleet can bring to light practical improvement opportunity that can then be replicated in other areas. Improved process workflow, employee efficiencies and sustainable “green” initiatives are just a few of the benefits. But in order to take advantage of this opportunity you must avoid the temptation to focus solely on device features and functions, and instead focus on areas such as equipment utilization, departmental workflow and financial return.

Developing a strategic approach to your printer/copier environment may require a change in the habitual “this is the way we’ve always done it” mindset. As a result, an outside consultant with an independent view may be useful to overcome this barrier and bring about meaningful savings and improvements. In any case, targeting your scope to improve printer/copier performance and increase the effectiveness of your contracts and suppliers will help you make better decisions and more profitable recommendations.

What can you do TODAY to target your scope?

1. Plan to plan
2. Know your device contract expiration and renewal timeframes
3. Develop a replacement and device move strategy
 - ✓ Printer replacement
 - ✓ Adjusting workgroups
 - ✓ Type-for-type replacements
 - ✓ Technology improvements
4. Create your plan and schedule it to be implemented 12-18 months before contracts expire for maximum effectiveness



The success of any document strategy will be measured in terms of hard dollars.

Step Three – Build Return on Investment

Once you have gone through the analysis, assessment and evaluation needed to map your plan, now you face perhaps the most difficult task of all: Building and demonstrating a realistic return on investment. Ultimately, the success of any strategy will be measured in terms of hard dollars. Decision-makers and sponsors will want answers to questions like: How much will it cost? How much will we save? How long until we see a return on our

investment? As a result, you must have a persuasive proposal to sell your strategy effectively that describes the current state of your environment, the improvements and savings that are possible, and the implications of “doing nothing.” You will be more likely to get the sponsorship and support you need for your document strategy with these areas of content clearly understood.

What can you look for in order to build ROI and justify your strategy? Here are several activities to consider:

Asset Tracking

Function

- Inventory printers and copiers
- Track and control usage
- Protect critical information

Benefits

- Improve asset utilization rates by eliminating expensive unnecessary equipment
- Provide more accurate cost measurement and reporting
- Ensure security of high-value and proprietary company information

Apparent Costs

Function

- Assess hardware costs (lease, purchase, upgrades and additional features)
- Assess maintenance and support costs (service contracts, time and materials support, cost of unused assets, helpdesk)
- Assess consumables cost (paper, toner, drum units, ink cartridges)

Benefits

- Reduce ongoing expense
- Leverage vendor relationships for service and supplies
- Reduce internal support costs

Hidden costs

Function

- Assess system management and administration (billing, device drivers, trouble shooting, installation, dispute resolution)
- Assess infrastructure costs (physical space, taxes, facilities)
- Assess end user costs (training, human interaction, downtime, poor quality, speed)

Benefits

- Streamline support activities
- Consolidate or eliminate space requirements
- Reduce user intervention and interaction costs

This approach will help you justify the return on investment in your document strategy. Your activities will bring to light the data and perspective needed to better manage expenses, reduce your total cost of ownership, and develop a clear and measurable enterprise-wide strategy. In addition, you will develop stronger and more strategic relationships with vendors, suppliers and service providers.

Building a meaningful return on investment requires a non-bias analysis. Suppliers and vendors may not provide an independent view, however; and internal resources may not be available, so you can benefit by engaging an outside consultant. In any case, the best time to begin your efforts is well before your current contracts come up for renewal. This will allow adequate time for planning and execution, and put you in the best position to make the most of your document strategy.

What can you do TODAY to build a return on investment?

1. Know your current costs
2. Determine return analysis timeframe
3. Calculate the new costs associated with your plan
 - ✓ Hardware

- ✓ Maintenance and Support Contracts
- ✓ Consumables

4. Calculate time to realize new costs and difference over multi-year period
5. Calculate internal resources and hidden costs needed to implement plan
6. Calculate return

Step Four – Implement your Strategy

Even the most thoughtful document strategy will not be successful if it is not executed effectively. All of your assessments and proposed actions now must come together in a project plan that maps the course of your strategy and directs your efforts successfully. This is essential in order to organize your actions and ensure that the return on investment you seek is actually realized. Not only will you be better able to monitor your strategy and keep everyone on track, but you will be in a better position to measure your results against your objectives.

While there may be many areas of effort included in the implementation of your strategy, here are a few core activities to consider.

Balanced device deployment – Analysts calculate that balanced deployment of printers and copiers can reduce your operating costs between 15% – 25%.³ This is important, since organizations have traditionally relied upon a variety of printers and copiers and their placement is driven largely by a singular demand of a department or workgroup. A balanced deployment strategy can improve device performance and cost, optimize asset utilization, maximize return on investment, and reduce total cost of ownership.

Matching features to user needs – The requirements of your printing/copying environment will evolve as your business evolves, so it makes sense to periodically evaluate the needs of each workgroup as well as key employees in key functions. Often,



Companies should ensure an independent and non-bias evaluation of the environment.

features that once seemed important are no longer critical due to changes in responsibilities, adjustments in process or simply because time has passed since the initial install. You may find that you are paying for features that you don't need, or that employees are working around limitations that could be made more efficient with a few adjustments in the environment.

Negotiating contracts for optimal benefit – The time to evaluate the performance of your contracts and lease agreements is well before they are about to come up for renewal. View this opportunity as a means of providing an incentive for your vendors and suppliers to not only give you their best pricing, but also provide you with a higher level of service and performance. Often, contracts are negotiated simply on pricing alone, and as a result, important and beneficial opportunity can be lost to optimize your agreements and leverage negotiations.

What can you do TODAY to implement your strategy?

1. Start with the end in mind
2. Determine what final fleet and contracts need to look like
3. Create RFP/RFQs based on ideal end state
4. Harness technology to control bidding process and responses with technology
5. Use scenario based analysis tools and a weighted bid ranking analysis framework to analyze offerings
6. Write your own contract instead of signing supplier provided agreements

Step Five – Manage the Environment

Once you have completed your assessment, negotiated the best contracts and implemented your strategy, it is important to monitor all key cost and performance indicators of both your devices and



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your vendors over time. This critical process ensures your printer and copier fleet operates according to plan and the full benefits of the best contracts are realized. Without ongoing management of the environment you may not be assured that the ROI you assumed is actually being reached and maintained. Companies often struggle with proactive fleet management using limited internal resources, however. And while vendors and suppliers often provide “fleet management” as a value-added service, the activities may or may not provide a useful view of the environment. In this case, it can be beneficial to engage an independent outside resource to manage the ongoing performance of your fleet.

You may be tempted to skip this step and simply declare success and move on. But assessing and demonstrating your success is essential in order to build your reputation for achievement and encourage sponsors to embrace your document strategy efforts in the future. Questions to consider are:

- Did you achieve the outcomes you set for this project?
- Did the project make a positive impact on your budget?
- Were the savings realized appropriately?
- Was the return on investment that you anticipated achieved?
- Were areas of opportunities identified and responded to?

In his book, “*Designing a Document Strategy*,” Kevin Craine stresses the need to demonstrate the success of your efforts in order to pave the way for future document strategy initiatives. “Once you have achieved success, demonstrate it,” says Craine.

“Communicate the benefit of your efforts to your sponsors and co-workers. By doing so, you will be more likely to win continuing support and justification for similar document strategy projects.”

What can you do TODAY to manage the environment?

1. Adopt some form of fleet management system
2. Track volumes, performance, utilization and costs
3. Monitor vendor performance

4. Monitor and analyze all data and take appropriate action to avoid issues
5. Resolve device and supplier issues quickly and decisively based on contract terms
6. Regularly review reports to ensure delivery of ROI, achievement of goals, and for demonstration of success

Taking the first steps toward a Corporate Document Strategy

Despite the increasing digitization of the workplace, the fact is that many people still need to work with physical rather than virtual documents. Indeed, even as the number of electronic transactions continues to grow many of these digital files are eventually printed, copied and processed manually in cubicles throughout corporate departments worldwide.

As a result, organizations that optimize their workgroup printer/copier environment are more likely to have an advantage. Firms can begin to gain this advantage by an independent and non-bias assessment of workgroup devices and their associated volumes and costs – which in most cases has never been tracked. Then, the key is to manage those corporate assets with a strategic focus, not unlike the focus placed on server deployment, network traffic, or storage utilization. Often, this approach can uncover hidden cost savings and overlooked efficiencies without the commitment for additional capital expenditures.

About Optimizon

This white paper has been sponsored by Optimizon, a professional services firm that helps organizations create, execute, and manage ideal contracts for copier and printer fleets. We are completely vendor-neutral and we don't sell equipment, equipment-related services, or supplies. We are printing and copying experts with the commitment to work for *you* – optimizing your environment and saving you money, time and effort.

The root of our name – *optimize* – means “to make as perfect, effective, or functional as possible.” That’s what we do; we assess your printer/copier environment, make sound and independent recommendations for improvement, and help you negotiate ideal contracts with your vendors and suppliers. In addition, our fleet management service ensures that your contracts, as well as your fleet and your suppliers, perform as perfectly and effectively as possible.

Since 1992, Optimizon has provided expertise, processes and technology that improve copier and printer fleet operations while reducing costs. We guarantee a 30% ROI on our services and we stand behind our guarantee. If we are not able to measurably improve your copier and printer fleet operations and costs, we refund our fees. Contact us today to learn more about how we can help you design and implement a document strategy that will bring about real-world, bottom-line improvements to your work group printing and copying environment.

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NOTES

1. Gartner
2. From the book “Designing a Document Strategy” by Kevin Craine.
3. Hewlett-Packard