

Xerox Office
Assessment

Getting more
ROI from your
IT budget



Office assessment

Get more from your IT budget



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Looking for ways to get more ROI from your IT budget?

Start with output and work back.

There is a tremendous opportunity for business improvement that is largely untapped. Many industry experts consider it “low hanging fruit” for significant productivity gains and cost savings.

How do you find the low hanging fruit? Start with your output.

Today's output devices (printers and multifunctional systems) are an integral part of the information work dominating today's business environment. But too often they are overlooked and under-managed. That should raise a giant, lost-productivity red flag to CIOs and IT managers, especially in light of the new scan-to-workflow capabilities of these new devices, which can be used to automate and streamline important document-intensive business processes.

Then there's the whole cost-side of the equation. Let's do some simple math. According to InfoTrends¹, if you're a medium-size business doing \$10 million a year, you could be spending anywhere from \$200,000 to \$300,000 a year on document and document-related issues.

We know from experience with our clients that if you do a good job actively managing your fleet, you could save as much as 30 percent in costs. In our example above, that would be as much as \$90,000 returned to the bottom line. If you're a large business, just add the appropriate number of zeroes at the end. In other words, a \$1 billion-a-year company could save up to \$9 million! That's real money added to bottom-line profit.

That's serious money. What's the catch?

According to IDC, “Tracking the costs of document output is a top priority at only 18 % of companies.”² Why? First, document output is not on the radar of many CIOs and IT managers—after all, not many organizations have senior executives with “Documents” in their titles. The result is fragmented responsibility, little or no tracking of total costs, and little hope for successfully dealing with the situation.

Many will try with initiatives based solely on procurement strategies, and they likely will fail. Acquisition costs and cost-per-page only scratch the surface of the root causes of total output costs. And if you can't estimate the costs, how could you possibly know if you've made any improvement?

Where do you start? With an assessment.

It doesn't matter what size your business is; if you want to get output costs under control and set the stage for improvements in productivity and work process, you have to start with an assessment

An assessment is a data-gathering process that enables fact-based decision making. It determines the actual number of devices you have, the number of users per device, the number of pages you produce, and the total cost of the entire document output infrastructure. With this information, you can establish the baseline current state and the benchmarks for improvement.

“... companies spend between 2% and 3% of their annual revenues on documents and document-related issues. In addition, many of these companies cannot account for all their spending. Less than half did not know about document assessment and optimization solutions but were very interested in finding out more about them.”

Uncovering opportunities

An assessment helps identify specific areas of opportunity. After conducting thousands of assessments in customer environments, we know that there are typically four key areas:

1. Management process

Who owns the output infrastructure? Not just the printers... think about the copiers, multifunction devices, fax machines, scanners, etc. In most organizations the situation is a proliferated, multi-vendor hodgepodge, with a variety of service contracts and uncoordinated leases.

2. Device proliferation

Do you know how many devices you have? Most organizations are surprised to find they have many more devices than they thought they had. (Network discovery often misses a lot of rogue devices.) Not only that; these devices are from multiple vendors and different models. Many are old, unreliable and costly inkjet and personal printers.

3. Supplies

An often overlooked impact of the output environment is the ongoing replacement of consumables other than paper. Buying toner cartridges for multiple incompatible devices, associated inventory costs and administrative time spent ordering all contribute negatively to the overall cost structure.

4. Hidden costs

How many calls to your IT help desk are related to output issues? Are the assets managed in a way that keeps costs down, equipment current, and provides a consistent user experience? Managing multiple service contracts and training users on a wide variety of equipment is time-consuming and costly.

These are areas that can gain the most from an assessment.





Assessment Case Study: Lincoln Schools

The Lincoln Public School District in Lincoln, Nebraska, has 33,000 K-12 students. Like all school districts, Lincoln must find ways to meet the demands of educating children amid shrinking budgets and strained resources. That was certainly a concern of the 52 members of the IT department. And that's why they asked us if we could help.

Xerox started with an assessment and, after gathering all the data, found more facts about what they were creating and printing. With the current state baseline established, we were able to make strategic recommendations that would deliver the kind of results Lincoln needed.

The work-process changes freed up teachers' time and the print center was now equipped to handle the increased workload and complete it in time for delivery by 7:00 AM each day. This resulted in more than a half a million dollars in savings compared to what the district had been spending!

Lincoln Schools Initiative

- Centralize 70 % of the overall print volume (from 15 %)
 - Increase teacher productivity
 - Reduce total cost of document production
- Cost per copy and print strategy
 - Move 50 % of print pages to multifunction devices – save \$346,000/yr
 - Reduce stand alone copier purchase by 13 – save \$101,400
 - Reduce printer purchase by 40 - save \$40,000
- Increase accountability
 - Track all printing and copying via Xerox Office Services (XOS)
 - Increase awareness of costs via custom reports

Are all assessments alike?

Assessments come in all shapes and sizes, levels of detail and thoroughness.

In fact, Xerox offers four levels of assessment—a continuum of assessments meant to meet the widest possible range of a specific customer’s requirements. What follows is a brief discussion of our assessment continuum.



Level 1

Self-Guided Web-Based Assessment

As a first step, you can go online and use a tool called the Office Efficiency Calculator. It provides data entry fields to help you get an “in the ballpark” sense of where you stand relative to Total Cost of Ownership (TCO) and cost per page in your industry. To use the tool, visit www.xerox.com/efficiency

Basic On-Site Data Collection

Using a simple device data-gathering tool, a Xerox representative can collect information relative to the number and type of network devices in your environment, the volumes they produce, and some basic cost profiles. There is no software to load and no ongoing data collection off the network. This snapshot assessment is ideal for companies who want to have actual data about their output environment for the first time.



Level 2

Business Case Development

Accurate data collection forms the basis for more detailed analysis, especially around TCO and how effectively you’re using your assets. In this more thorough assessment, devices are mapped for each floor/building, end users are surveyed, and scenarios are built showing how different device deployments will impact overall TCO and ROI.

The final output of this assessment is a business case with baseline metrics and desired state benchmarks which can be used to sell-up the value of new deployment strategies to C-levels.

User-Based Tracking

This assessment gathers data on an ongoing basis to get a true picture of usage patterns over time. This provides a clearer picture of exactly how devices are used at the application level—who needs tabloid-sized paper, stapling, booklet making, color, etc. Based on this deeper-dive analysis, devices can be configured to more closely match the needs of the end users. In addition, this enables administrators to implement rules-based printing solutions, color quotas, and other cost-control strategies, without hampering productivity.



Level 3

End User “Voice of Customer”

In addition to gathering end-user data, this assessment delves further into the end-user experience by conducting surveys with end users to get a more personal, emotional sense of what their output experience is like. We review the verbatims concerning the work they have to get done, their deadlines and their needs. We look for the voice of frustration, because that’s usually where we find opportunities for improvement.

Business Process and Workflow Analysis

The benefits of conducting an assessment can extend beyond cost savings. This assessment maps the flow of information and all the touch points in an end-to-end document-intensive business process, e.g., order processing, new employee on-boarding, etc. We often can find ways to eliminate steps, labor, time and costs, and streamline and accelerate the overall process. This is a sure way to bring those responsible for lines of business and C-level executives into the conversation.



Level 4

Lean Six Sigma Assessment

Xerox Global Services utilizes one of the most comprehensive assessment methodologies and tools in the industry, a fee-based service called the Office Document Assessment (ODA).

The Office Document Assessment methodology utilizes Lean Six Sigma as its foundation. We focus on three key areas to gain a comprehensive understanding of the current state environment:

1. Voice of the Customer

We gather voice of the customer data to identify specific requirements, critical to Quality Function Deployments (QFDs) that enable us to identify unique requirements associated with applications, software or workflow processes. The process includes customer surveys, interviews and Knowledge Extraction Workshops to gain a complete understanding of the environment and valuable knowledge about the impact of non-conformance on end-user productivity.

2. Voice of the Process

We analyze the environment and overall infrastructure to support the current and optimal operational state. We develop tools such as process maps and workflow diagrams for functional areas such as the Help Desk, and processes such as maintenance escalation and supplies ordering and replenishment.

3. Voice of the Environment

Our methodology utilizes actual customer data gathered from users, procurement, finance, accounting, etc. We don't use implied costs or averages. This enables us to compile a complete set of data metrics that compares your organizational performance to that of others in your industry. These metrics are the foundation for understanding your opportunities.

Key metrics include:

- Employees per device and device utilization
- Cost per page and age of device
- Hard output and infrastructure costs
- Total cost per employee

Take control

Let us help you

Document-intensive business processes... opportunities to drive measurable results.

In almost every business there are certain vital business processes that are what we call "document intensive." To complete the business process, information—typically paper-based and electronic—must be collected, reviewed, managed and archived, e.g., the hiring process, order processing and invoicing, in vertical markets such as financial services; the loan application process; in the rental car business; customer contracts, etc.

By looking at the flow of information, all the critical touch points and actions required, and using lean Six Sigma tools and methodologies, we are able to identify areas of opportunity to take time, steps, labor and costs out of the process.

A proven partner, a trusted advisor.

You want to get the most out of your investment in IT – improved productivity, better cost structure – so where do you turn? When you call us, we bring the experience and expertise of professionals who invented the document assessment. Your data is analyzed with the benefit of the most extensive database and refined industry metrics. And you'll be working with a team that has proven over and over again that we can deliver measurable results to your bottom line.

The average savings from Xerox Office Assessments is 20-30 percent, with thousands of assessments completed by Xerox since 1999.

Ready to take control of your output environment?

To find out more about Xerox assessments and document strategies that can deliver measurable results, contact your Xerox representative, call us at 1-800 ASK XEROX, or visit us online at:

www.xerox.com/yournewworkplaceUS

