Print Management Case Study

Providing a Global Technology and Business Process Outsourcing Company with a Solution that Increases Efficiencies and Cost Savings

The Challenge

When a local city government outsourced its technical infrastructure to an IT outsourcing company, they inherited all of that city's networked equipment, including the management and service of their print devices. These were located in 17 locations, and attached to one of three networks. Service was primarily next-day, costs were high, and there was no reliable data on the city's print environment and its cost of ownership. Recognition of print costs and an ability to control them was difficult, if not impossible.

The Solution

The Outsourcing company initiated a pilot program with a print and cost management service provider who utilized Miracom Network's Central Plus Solution. The pilot involved only the city's printers. Incremental data, over the course of the pilot, allowed the service provider and the outsourcing company to make analytically-based strategic decisions that lowered costs through improvements in process efficiencies.

The Central Plus Solution captured cost of ownership data, including page counts. As with most organizations that see their total costs of print for the first time, there was sticker shock, which was quickly addressed with the City. This was the first step toward establishing a true cost management program. The outsourcing company used this initial data to create a reliable cost per page rate, which continues to serve as a baseline for ongoing savings and cost avoidance goals.

Device and performance data, provided by Miracom Network's Central Plus Solution, allowed the service provider to identify and address inefficiencies in the print environment. For example, of the City's 96 laser print devices, 2 HP8150 printers, which accounted for 11 percent of the City's total print volume, were getting less than 60 percent of their estimated toner yields when compared to industry averages, and only 71.5 percent of average yields when compared to the same kind of printers in similar print environments with like-levels of page saturation. Recognizing that there was a transfer rate issue, and not a toner quality or application issue, the service provider immediately arranged for maintenance of the printers. Subsequently, yields increased substantially.

Such detailed information also enabled the service provider to rebalance the City's printers, matching print speed and duty cycle requirements with usage patterns to identify an ideal environment for optimum performance and efficiency. This led to a 16.7 percent reduction in print devices. Most importantly, these decisions and adjustments will substantially extend the life of each of the printers, thereby driving down long-term costs.

The Result

The benefits of utilizing Miracom Network's Central Plus Solution in a print and cost management program are real and widespread. First, and foremost, the solution takes the uncertainty out of managing print. Unknown costs become transparent, and therefore available for analysis. Process improvement and cost reductions become more easily attainable.

The outsourcing company was able to reduce their cost per page rate twice over the course of the pilot. First by 17 percent, and then by an additional 28 percent. Because cost management is an ongoing process, additional improvements in process efficiencies are expected. Additionally, by contracting with a service provider utilizing the Miracom Solution, they were able to reduce service time from next-day to a 2 to 4 hour response time.

Visibility into their print costs has made the outsourcing company appear proactively aligned with City objectives. Their cost management approach to print has improved their operating margins and the savings they can pass on to the City. There is nothing like cost savings, transparency, commitment, and improved service to strengthened a relationship. This kind of effort from the outsourcing company led to their recently signing an extended contract with their client.

As for the service provider, what began as a pilot was converted into a long-term contract. The outsourcing company is also looking to expand service to include copiers and other networked equipment.