Executive Summary

While office printers may seem easy enough to manage, many businesses are hard pressed to state exactly how many printers and related devices they have throughout their organization. It’s unlikely that many IT or office managers know exactly where the machines are located, how much money they spend on consumables and maintenance each month, and whether or not the machines are being used efficiently. Depending on the size of the organization, there is also the question about who holds responsibility for maintaining the machines, ordering supplies and troubleshooting issues that inevitably come with these devices. And if pressed, businesses, usually through the IT or office manager, procurement officer or help desk staff, will probably find they are balancing multiple vendors, from printer manufacturers and ink, toner and paper suppliers, to IT experts and repair technicians. This unclear snapshot of printing devices throughout the company, and how they are being used, often result in inefficiencies that waste time, money and resources.

One of the biggest trends in office operations today, influenced by the need to streamline processes and cut costs, is Managed Print Services (MPS), a partnership with an outside source that helps companies understand their print environment and reduce the total cost of ownership (TCO) for print devices throughout the organization. By optimizing the print fleet, companies can reduce downtime, increase productivity and significantly reduce in-house printing expenditures. The best way to gain maximum value from a MPS deployment is to consider the service as part of a business process improvement strategy, and not a way to outsource the management and maintenance of printers and related machines. This means it is critical to choose a partner that can deliver products and services that match a company’s unique organizational requirements.

Taking the first step

The first step toward a successful MPS deployment is an assessment of existing infrastructure and processes. Managed Print Service providers, such as original equipment manufacturers (OEMs), system integrators, information technology (IT) and copier resellers, and business technology service providers, all offer assessments of the office print environment to help determine if device performance matches expectations, and to identify ways to increase printer efficiency and reduce spending.

In addition to an office walk-through to view the physical layout and machine proximity to users, some assessments use special software programs to collect data on what types of documents employees print, where they print and how much they print. Software can capture actual volume output for each printer, the employee-to-printer ratio and actual end-user printing habits, such as single vs. double-sided printing, color vs. black and white printing or printing in draft or economy mode to save on ink and toner.
Next, the assessment can evaluate the current TCO based on a number of factors:

- Hardware
- Supplies
- Maintenance
- Service and support
- Energy use
- Paper
- Purchasing costs (stocking and logistics)
- IT operations

Once the assessment is completed and the data is analyzed, organizations can compare their current print environment with a recommended state environment to understand how to improve overall print performance, which could include streamlining the number of machines, optimizing the mix of machines, autoreplenishment of supplies and implementing a rules-based print management model. All of these steps can make a positive contribution toward significantly decreasing the TCO of the printer fleet.

**The MPS value proposition**

No matter what the economic environment, companies of all sizes continuously seek innovative ways to cut costs, and to do more with less. It’s easy to overlook the printers and multifunction devices (that typically print, copy, scan and fax) tucked away on desktops throughout the company because the cost of these devices has dropped dramatically over the years. This downward price trend has created a mentality of “commoditization” with the printer fleet when a printer breaks, organizations simply replace it with a new equivalent model without considering overall usage, efficiency and cost. A good Managed Print Services partner will take a more strategic approach to printer requirements and optimize the fleet for the needs of the organization. This can reduce the TCO for the printer fleet by as much as 30 percent.

According to Water Group, LLC, the average TCO related to printing, copying, faxing and scanning per employee is roughly $740/year, which means a company with 1,000 employees spends about $740,000† on these in-house capabilities annually. With an MPS solution implemented, the potential savings is $222,000. An organization with 2,500 employees could save up to $555,000 on annual printing costs alone.

If a company is currently working with multiple vendors for IT support, device and supply purchasing, maintenance and repairs, it can be challenging to track and monitor expenditures that are directly related to printing costs. An MPS solution shifts this responsibility to the service provider, resulting in a consolidated, predictable bill that eliminates unexpected costs.
But the MPS value proposition goes beyond dollars and cents. MPS also helps companies to print smarter. Recycle bins and trash cans are filled with documents that didn’t need to be printed in the first place. Some specialized MPS solutions allow companies to establish printing guidelines that are part of the printing workflow. This intuitive software option integrates rules into the desktop to educate the user or automatically cancel a printing job that does not meet company guidelines.

For example:

<table>
<thead>
<tr>
<th>Purpose of Rule</th>
<th>Attributes</th>
<th>Message</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rule Example 1</td>
<td>Inform user that printing to a local device is more expensive than using a network printer</td>
<td>Local device AND Cost &gt; $0.50</td>
</tr>
<tr>
<td>Rule Example 2</td>
<td>Inform user that printing to a local device is more expensive than using a network printer</td>
<td>Local device AND Page count &gt; 20</td>
</tr>
<tr>
<td>Rule Example 3</td>
<td>Reduce the number of Web pages printed in color</td>
<td>Color AND Internet Explorer</td>
</tr>
<tr>
<td>Rule Example 4</td>
<td>Reduce the number of PowerPoint pages printed in color that are used internally</td>
<td>Color AND PowerPoint AND Page count &gt; 10</td>
</tr>
</tbody>
</table>
Increased employee productivity adds to the value of any business initiative. Consider this: Improved device reliability and service quality will reduce equipment downtime. That means less time for internal staff to be involved in maintenance and support issues and more time to be involved in strategic activities. The same is true for managing printing supplies. Some MPS software programs will automatically report when ink and toner inventory is low, based on company-wide machine usage, and automatically submit an order for supplies to the service provider. This conveniently shifts this responsibility from internal staff.

Additional value comes from using remanufactured ink and toner products and implementing an ink and toner recycling program to further reduce cost and help to meet sustainability goals. Many companies also find that fleet optimization, which often results in using fewer machines, as well as upgrading to new, more energy-efficient printers, helps to reduce their carbon footprint. This is an important factor to consider as companies move toward more strategic sustainability initiatives.

What to consider when choosing an MPS partner

Historically, businesses have had to work with multiple vendors for all their printing needs, from purchasing, printer and network setup to ongoing maintenance and repairs. Additional vendors are used for purchasing supplies, which can be complicated depending on the number of printer brands and types that are part of the network. In many cases, small break/fix shops have been part of the solution at the low-end of the market, but they do not have the breadth of products and services, or the geographic reach, to support most businesses.

OEMs on the other hand, may have the products, experience, reach and resources, but may limit customers to their own device solutions, which may not always be the best choice for the organization (vendor lock-in is rarely a good dynamic). Many companies are reluctant to implement an MPS solution out of consideration for the investment they’ve already made in their printer infrastructure. Any good service provider should be able to work with existing machines and optimize the fleet based on functionality and budget, regardless of brand. And, they should be able to continuously manage and update the environment over time, so it continues to deliver the desired cost savings and efficiency gains. Fortunately, some innovative technology service providers meet this requirement of combining brand-neutral procurement with services customized to the unique requirements of each client.

As part of a business strategy, MPS requires a service provider a partner that can provide organizational consistency, breadth of service and offer a brand-neutral solution that doesn’t make you replace your existing devices. Working with a trusted company that has both national coverage and a local presence will ensure fast, on-site service, no matter how large or small the organization. Companies considering MPS should also look for partners with a demonstrated understanding of IT infrastructure and security so the document-management strategy considers sensitive data stored on printer hard drives, and the ability for only authorized personnel to access confidential printed documents. Some of the latest technology that can be incorporated into the network requires identification confirmation at the printer before printing the document.
A comprehensive assessment following the initial conversation phase is really the key to understanding the value of MPS. The result of the assessment should clearly describe the current print infrastructure, employee printing habits and identify all costs associated with a company’s in-house printing. It should also provide a recommended MPS strategy, best practices, deployment metrics and a new TCO for comparison. The decision should then be made based on three questions:

- Does the proposed MPS strategy meet current printing needs, including the possibility of maintaining the existing printer fleet and the flexibility to change as needed?
- Does the anticipated total cost of ownership and return on investment meet your business goals?
- Does the solution provider have the breadth of experience to effectively manage your print services?

Conclusion

Managed Print Services do more than consolidate and maintain office print devices. It is a business process improvement strategy that improves workflow and employee productivity while reducing costs. Through a comprehensive assessment process, organizations can get a realistic view of current printer assets, printing habits, energy use and cost throughout the entire organization and compare it directly to the MPS recommendations unique to their operations. That insight will reveal the complete value proposition, even before any contracts are signed, including the positive impact on staff, improvements to the workflow and even meeting sustainability goals.

More importantly, organizations are empowered to make an educated decision before choosing a service provider, based on the data generated by the assessment and other factors like the provider’s complete solution and ability to work within the current infrastructure regardless of the brand of printers they currently use.

From mapping out and networking printers throughout an organization and relieving internal staff from ongoing management to educating employees about printer best practices to help reduce waste, Managed Print Services enables companies to print smarter.