TCO and Workflow Analysis
Impact Networking LLC shares two case studies

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I t is no secret that printing to a connected digital copier costs less than printing to a laser printer — in most cases. However, lowering costs at the expense of employee productivity can be the end result of overlooking a customer's document workflow and applications. The ultimate goal of helping clients improve their current document workflow situation should not focus solely on lowering costs; the ideal goal should be lowering costs while improving employee productivity. This can be effectively achieved by conducting a document workflow analysis.

Over the last two years, Impact Networking consultants have conducted numerous site surveys/workflow analysis studies resulting in many successful sales; one of these took place in February, resulting in a three-year contract, $450,000 in equipment revenue and 18 million impressions. At the ITEX show in February, the consistent message in the seminars reinforced our sales philosophy, once again, that being a successful solutions provider requires understanding your customers' needs beyond the traditional "box slinging" mentality that was utilized for many years in our industry. Impact's management and senior consultants have attended many ITEX and BTA meetings over the last few years and the message has encouraged vendors to become "solutions providers" instead of box sellers. This can only be done by truly understanding your customers' needs, workflow, applications and imaging costs.

In addition to understanding customers' needs, the consultant must also understand his or her vendor's array of solutions capabilities in order to effectively propose the right solutions to meet the customers' requirements. In February, Impact had one of its semi-annual "Glengarry Contests" to see which team and consultant had the highest level of digital imaging product

Impact Networking's downtown Chicago showroom.

knowledge. It involved in-depth testing of specifications, and hardware/software job tasks graded by 12 judges consisting of Kyocera and Impact representatives. This is an invaluable training tool to complement our ongoing training programs at Impact and Kyocera, and it challenges our sales consultants to become industry experts.

Case Study No. 1

The customer referred to earlier is PGG Inc., a prospective customer that had 19 walk-up, convenience Xerox standalone copiers, 215 HP laser printers, 25 HP flatbed scanners and 33 Panasonic faxes. In addition, the company had a central reprographics department with a Xerox Docutech 6100 and Docucolor 30. PGG was the typical client that did not have a handle on its overall document workflow processes and costs.

Looking for ideas, PGG began its search by interviewing 25 vendors. Most of these vendors had higher vendor and manufacturer name recognition. And most of these vendors took the traditional approach to solving PGG's needs — box selling versus solutions consulting. However, the Impact consultant proposed looking beyond this method and proposed a 90-day site survey/workflow analysis. In the process, we were able to uncover areas where we could lower total cost of ownership (TCO), improve employee productivity and add value as a vendor.

Studies generally show that fax, print and color costs can be lowered while better meeting the needs of end users, and IT and office services departments. The process begins by identifying all of the customer's current units, volumes, costs and locations within the customer's site. The Impact consultant mapped all devices on PGG's floor plans and formulated volumes and costs of all of its imaging devices (copier, fax, printer, scanners) with an Excel spreadsheet. The study uncovered uncharacteristic

results: workgroup printer costs were a surprising $0.006 per page. However, we discovered incoming fax costs were $0.088 per page and outbound fax costs were more than $4,200 per year. In addition, PPG's IT department was struggling with a scanning solution to eliminate a large volume of paper files in storage. The second phase of our survey involved interviewing 20 end users to conduct a needs analysis for each department.

Impact's solutions included scan to e-mail to reduce outbound fax costs, receiving inbound faxes via connected copiers with fax boards to reduce inbound fax costs, and scanning solutions with scan to PC on Kyocera digital imaging systems to solve PGG's scanning projects.

While our competitors were unaware of the fax and scanning problems, and selling PGG on the concept that its current printing costs were 3-5 cents per page, and that connected copiers would solve this problem, we had hard evidence to the contrary. In addition, the competitors were unaware of the needs of each of PGG's 11 departments. We were armed with information and in a position to propose a solution that could solve PGG's actual needs. The original 25 vendors were eventually reduced to 14, then seven, then the final four. PGG then conducted round-table meetings with the final four vendors, PGG's IT staff and office services department. We also interviewed 20 end users individually to identify areas where we could assist them with their needs.

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Focusing on PGG's overall TCO and workflow, and proposing solutions based on an in-depth needs analysis by conducting a site survey were the keys to earning their business.

Case Study No. 2

In addition to PGG's project, Impact has secured numerous clients by implementing solutions that lower imaging costs with Kyocera digital imaging systems, including laser printer solutions that control costs while providing clients with up to 50-page-per-minute devices. Connected copiers are not always the proper solution. Controlling the customer's TCO does not always require the high hardware cost of a connected copier. There are many case studies of clients where we have implemented a population of numerous Kyocera printers while increasing productivity and lowering operating costs by up to $0.03 per page. In a high-

volume environment, this can result in large savings. The message that should be gained from this article is to understand all of the customer's requirements before proposing the right solution. A customer that we were able to provide this solution to was ABC Investments Inc.

We conducted a site survey/workflow analysis at ABC and found that we could lower the company's black-and-white and full-color printer costs. We earned ABC's business by understanding its needs better than our competition, knowing our products and solutions better than our competition, and presenting a more comprehensive solution than our competition. We implemented a combination of 12 black-and-white workgroup printers, five black-and-white connected multifunctional products (MFPs), and one full-color MFP. We were able to lower and control ABC's TCO by assigning a uniform black-and-white cost per page to all 17 black-and-white devices and lowered its color TCO by reducing the amount of outsourced full color and reducing its color cost per page versus the existing equipment costs.

While effectively lowering and managing costs made office services and management happy, we also increased employee productivity by increasing print speeds and adding additional functionality and versatility. One example of this was with the IT staff. Kyocera's product offering has uniform drivers and NetViewer print management software. ABC's black-and-white equipment population ranged from 19-ppm Kyocera printers to 63-ppm Kyocera MFPs, all of which have the same drivers and remote print management software — very important benefits to IT.

Helping clients manage their TCO and workflow has made Impact a true "solutions" consulting vendor and enabled us to gain many incremental multi-unit placements by adding value to the process and being unique. ■

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