



Electricity and printing

Parallel paradigms?



A new model for business

Before central generating plants for electricity were conceived, energy wasn't delivered as a service. Not much more than 100 years ago the industrial world was powered by on-site steam engines, each owned and operated by the business that needed the power.

With hindsight it's easy to see how the world was transformed by electricity utilities, and it seems like an inevitable development. Why cling to the model of owning and maintaining your own power-generating device when somebody else will take on all the hassle and deliver the power you need more cost-effectively, reliably and scalably? Why think twice about accessing an endless market of innovative new appliances that you can just plug in and use?

And yet, when the early electricity providers talked to the businesses and the government organisations of the day about delivering power to them as a service, they were met with lots of objections.

No thanks!

"My energy supply is too important to my business. I need to have control of it so I can guarantee its supply; I can't give up that control."

"What do we do if something goes wrong? How do we hold you accountable?"

"What happens if you go bankrupt? It's too risky."

"If I become unhappy with your service, how do I leave?"

"I can't expose my company to unknown, ongoing future spending for something I'll always need."

If these objections look familiar, it's because they mirror common concerns today about a revolution that is happening in the outsourcing of technology services. IT service providers are telling businesses that the time has come to stop worrying about owning and maintaining their own steam engines — the networks, data centres, servers, and even applications that underpin the delivery of computing power and functions to their people.

The time has come, they say, to consume IT as a service, or a utility, through models such as cloud computing and software-as-a-service.

This paper isn't about cloud computing; but it's about how some of the concepts of the 'cloud' utility model apply to print infrastructures and services. We draw two parallels with the electricity revolution:

- **The first is all about the efficiencies of the service model — how it can give you printing services that are more cost effective, available, reliable, productive and sustainable; in short, a model that lets you free resources to do other things.**
- **The second is about innovation. The advent of electricity services revolutionised our world. Print services may be less dramatic, but the right model of delivery can help you transform your business.**

Efficiency: doing more with less

Just as the electricity revolution comprised the outsourcing of power generation and delivery, so the print revolution is fundamentally about paying an outside party to deliver your print services to you. You no longer have to worry about looking after your own 'steam engines': devices such as printers, photocopiers, fax machines and scanners; consumables such as paper and ink; and support services such as helpdesk and maintenance.

Although it's not possible to go as far as physically removing the 'steam engines' from your premises, an outside party can certainly manage them for you — and even go as far as taking them off your balance sheet and providing a true utility service back to you, where you own nothing and pay only for what you use.

There are, of course other models based on owning or leasing your print hardware and paying a service provider for its maintenance. No matter which managed service model you choose, there will be efficiency benefits if your provider has the right tools to deliver them.

The efficiency benefits of a managed print service

Top of the list is usually cost savings. A managed print service can take 20-30% off an organisation's printing costs, which for a large corporate can translate into many millions of dollars annually. Print may not be an undifferentiated product like electricity, but a similar logic still applies: outsourcing to a specialist who can leverage economies of scale and dedicated expertise will drive costs down.

The challenge, when considering a managed print service, is how to be certain that the promised savings will be delivered. You need to work with a provider that has the tools to make all your print-related costs transparent and to give you complete visibility of them. You want a provider that won't just focus on getting the best deal on consumables, for example, but will also work with you to influence print consumption patterns over time to drive down costs.

But cost savings are just the tip of the iceberg. Done well, a managed print service will be more efficient in other ways too.

Reliability gets better

Most of us probably don't really appreciate how much goes into making sure that only the most serious events can interrupt our electricity supply.

Utilities invest in systems and processes for resilience, they're constantly monitoring everything, and they have resources dedicated to jumping on problems as soon as they're detected. We don't think about how it's done, we just trust that the power will be there when we need it.

Similarly, with a managed print service you can just trust that your people will be able to print; that they'll never again be stumped by a broken-down machine or a lack of paper or ink.

Productivity goes up

As a result of better availability, reliability and quality, your people will be more productive. The right managed print provider will typically resolve 70% of potential incidents before anyone in your organisation is even aware of them.

Employees in many organisations are used to having their own personal printers. With a managed service they typically have to use shared devices; but complaints are rare because the fact is, printing is easier and better for them with a well planned and managed service.

Sustainability becomes a reality

Given the growing importance of sustainability, a managed print provider should be able to help you rationalise your fleet of devices over time, reducing the number of devices you need by designing a better service.

As devices reach the end of their life they can be replaced with models that are less expensive to maintain, use less energy and ink, and generate less waste. And you can implement print policies that reduce your use of paper and significantly cut down on wasted print.



Innovation: transforming business

Cost savings, availability, improved reliability, productivity and sustainability are only half the story. When we think about what electricity means to the world we really think about the way it's transformed our lives. Although a managed print service won't have quite the same transformative effect that electricity did, it can definitely play a role in transforming the way your organisation works.

Enterprise wide print management

Firstly, the right print provider can help you look beyond office print. On average, office print accounts for 40% of total enterprise expenditure on print services. That's significant, but leaves more than half unaccounted for.

Now imagine a print service that also covers your in-house print rooms, your homeworkers, and the external printing services you purchase. Imagine that all those resources are managed as one resource: a single enterprise-wide print service with full visibility and control across it all.

Imagine having mechanisms in place to ensure that every print job is directed to the right resource to deliver the best quality, turnaround time and cost for that job, whether that means printing it on an office device, in your print room, or sending it to an external printer. Few organisations can break down print silos in this way themselves but the right print provider can.

Agility is the name of the game

Homeworking is a growing trend and it's not the only one that changes the demands made of enterprise print services. As well as working from home, people work much more on the move. And the world has become more dynamic for organisations too. Companies need to be able to move more quickly into new markets; they need to be able to take on acquisitions or divest themselves of parts of their organisation.

When you think about how your print services can support business agility, you need to ask questions such as:

- Can we support the print needs of our homeworkers or do we just leave them to look after themselves?
- Can our travelling executives, salespeople and others print from their mobile devices at any of our locations?
- How quickly and easily can we move printers, deliver service to new locations or take it away?
- What if our needs are global?
- Can we help free up resources to focus on other activities?

Transformation beyond print

When the early pioneers conquered electricity and brought it into our businesses and homes, they probably never dared to imagine the electronic revolution that would follow. Today a large focus of transformation for organisations is to take advantage of this revolution to leave behind costly, time-consuming paper-based processes.

So what does this have to do with print services?

Think about one of your business processes that takes paper inputs, such as an application form. Now picture an employee receiving the form from a customer, taking it to a multifunctional printing device, scanning it, and then pressing a button on the printer that immediately sends the scanned version of the form to the person or system that needs to process it. Imagine having a variety of such buttons for various processes.

Some managed print providers are already doing this for customers, helping them transform the way they work by leveraging the capabilities of a print management platform to feed into back-office or outsourced processes.

Integrating security into print

Despite the importance of governance, risk management and compliance, most organisations largely ignore the security vulnerabilities associated with printing. Documents lie around on printers for anyone to pick up. Hackers gain access through networked printers that have outbound communication capabilities. Businesses get rid of old printers without realising that they store images of the documents they've printed.

But it doesn't have to be this way.

There are technologies and processes to turn your print services into an asset for your risk management agenda; you just need a print service provider that can help you tap into these.

Join the managed print services revolution with Xerox

Up to 80% of IT budgets are swallowed by business-as-usual activities. The right managed print service (MPS) will reduce those costs while delivering a better service. As we've seen, it's also a budget-friendly way to introduce innovation and business transformation.

So what is it that makes Xerox the best-placed MPS partner to deliver both efficiency benefits and organisational transformation?

Market leadership

For starters, we're the acknowledged MPS leader — over the past 18 months IDC, Gartner and Quocirca have all chosen us as the leader in their MPS vendor benchmarking reports. Research from both Gartner (2008) and IDC (2010) also shows us having over 50% global market share — more than double that of our nearest competitor.

The utility model according to Xerox

When Xerox talks about a utility service we're talking about rolling everything into a single price per page and multiplying that by your print volume to get your total cost of ownership. Hardware, software, consumables, support — everything is included in the total cost of ownership.

That means we can take full responsibility for guaranteeing you a saving on that figure, written into your contract. There's a very clear 'before' and 'after' measure. Because of this, we have a very clear incentive to help you manage down costs, both by finding the most efficient way to manage your print services and by helping you reduce your consumption of print.

So with the utility model, as with electricity, you pay only for what you use and Xerox takes on the financial risk of providing the service.



Experience and range of services

We've also been in this business a long time. We've been providing print-related services for more than 20 years during which we've successfully deployed MPS to organisations of all shapes and sizes.

We believe we have the broadest range of managed print services available — from tightly packaged services for smaller organisations through to customisable enterprise-wide offerings for global organisations.

Scale and reach

We currently manage more than one million devices globally, which gives an idea of the scale of our MPS operations. More than half of those are competitor devices — this is something that no other provider can do and means that you don't need to throw away recently purchased devices when transitioning to Xerox MPS.

Our delivery infrastructure has been independently recognised as market-leading and gives both us and our customers the confidence that we're able to deliver the benefits they're looking for. We have a network of 79 global service delivery centres, all ITIL-aligned and able to support any type of MPS deployment.

Ongoing innovation

Our ability to develop and deliver innovation is something we're extremely proud of at Xerox. We spend more than 4% of our company revenue on R&D and have more than 9,400 active patents in the marketplace. Bringing transformative services and technology to market is central to our philosophy.

Problems solved, results delivered

Many organisations seeking improvements in their business processes involving documents turn to us. Here you can see some of the outstanding results we've delivered to just a handful of our customers.

Procter & Gamble: 27% reduction in operating costs

A five-year managed print contract with Xerox covering print shops, office print and home-based workers has enabled Procter & Gamble to find new cost savings through consolidation.

- 27% reduction in operating costs
- Print-related power usage predicted to fall by at least 30% annually, and paper consumption by 20–30% annually
- Average user:device ratio of 15:1
- Device uptime improved to more than 99%

“Simplifying our global printing infrastructure helps increase reliability and efficiency, transforming the way we work.”

Filippo Passerini, CIO and President,
Global Business Services, Procter & Gamble

European Patent Office: 98% device level availability

Xerox is delivering the European Patent Office a reliable and operationally simple service for an annual office print requirement of 200 million pages across four countries.

- Extremely reliable service, meeting SLA target for availability of more than 98% for each device
- 70% of incidents solved by helpdesk before users are aware they have happened
- Clear, accurate and detailed monthly management reports

“We now have a state-of-the-art printer infrastructure that provides an extremely reliable service, something that is core to our business.”

P Fisher, Operational Administrator,
European Patent Office

Global professional services firm: 29% reduction in printing TCO

Xerox has created a single enterprise-wide managed print service across office, centralised and procured print for a global professional services firm, consolidating and standardising across devices and facilities, and introducing new capabilities such as ‘follow you’ printing.

- Printing total cost of ownership reduced by 29% from £699 to £495 per employee per annum
- 98% device availability
- Helpdesk calls down by 51%
- Production print service satisfaction at 99%
- Use of paper and consumables down; recycling at 100%
- 18% reduction in print volume per employee

“The Xerox service has enhanced the service and delivered greater value and consistent quality for our firm.”

About Xerox Managed Print Services

As the market leader in managed print services, we help companies of all sizes to optimise and gain control of their print environments.

Whether you're a small, medium-sized or global enterprise, our portfolio of managed print services can be matched to your specific needs — helping to reduce costs, enhance employee productivity, secure your data and documents, and achieve environmental sustainability goals.

Xerox Enterprise Print Services

Xerox Enterprise Print Services can help you transform your entire print environment for measurable business results and achieve the following:

- Understand and reduce the total cost of ownership of your managed print environment with guaranteed savings over the life of your contract. We deploy to multiple countries with consolidated SLAs.
- Manage all of your print devices, regardless of manufacturer or model — including the supplies, maintenance, support and training that go along with them. In fact, we currently manage more than one million competitive devices.
- Allow your employees to print from anywhere to anywhere in a seamless way, across office, print-room and third-party production print environments, at home and from mobile devices.
- Improve your device availability through proactive problem resolution.
- Increase efficiencies and employee productivity.
- Protect your valuable information and support regulatory compliance requirements.
- Improve environmental sustainability by reducing your carbon footprint, energy consumption and solid waste.

Xerox Print Services

Xerox Print Services, our managed print service offering for small to medium-sized businesses, provides a streamlined print environment, reducing your total cost of ownership while enhancing employee productivity. Leveraging our tried and true managed print methodologies and technology platforms, we can help you with the following:

- Manage your print operations to reduce print expenditures.
- Standardise your equipment and support processes.
- Optimise assets on your balance sheet.
- Provide a single point of contact to increase efficiency and visibility of your document output.
- Streamline invoice processes to make it easy for you to manage your budget.

Find out more

Visit www.xerox.co.uk/idc to find out more on how a Xerox Managed Print service can deliver both efficiency benefits and organisational transformation.



About Xerox Services.

Xerox Corporation is a world leader in business process, information technology and document outsourcing services. Our unique combination of industry expertise and global delivery capabilities helps you reduce costs, streamline operational processes and grow revenue while clearing the way for you to focus on what you do best: your real business. For more information, please contact your Xerox representative, or visit us at xerox.com.