



MANAGED DOCUMENT SERVICES A BUSINESS PRIMER

THOUGHT LEADERSHIP BY KYOCERA

BUSINESS RUNS ON DOCUMENTS



Printed or digital, the document is fundamental to a broad range of core business functions. Therein lies the opportunity of Managed Document Services (MDS), a solution for the strategic reengineering of enterprise print fleets and document workflows to cut costs and create new business value.

In this article we explore the context in which the MDS concept has gained traction among business leaders, explain how Managed Document Services work in practice, and offer helpful tips on evaluating the viability of an MDS deployment in your organisation.

THE REAL COST OF THE DOCUMENT

Whereas decision-makers once looked upon document outputs as a fixed operational cost, that view has changed. Documents and their associated processes are recognised to have a significant effect on commercial performance, both in terms of cost and function.

Technology research company Gartner estimate that 3% of the typical company's annual revenue is spent on printing documents. In a medium-sized business of £15 million turnover, that equates to £450,000 a year. In larger companies the figure easily runs into the millions.

It's this margin-sapping drain on the bottom-line that has seen leading businesses pay the same close attention to print environments as they do other IT overheads such as telecommunications.

PRINT PERSISTS

Virtually all organisations use paper documents of one type or another. Some sectors, like government, health and finance continue to rely heavily on the printed page. Some types of document, such as records and notices must be retained in hard copy form for legal reasons or out of operational necessity.

Departments in which document workflows play a crucial part in many businesses are:

- > Payroll and accounts
- > Human Resources
- > Sales and marketing
- > Purchasing and facilities
- > Mailroom
- > Front of house
- > Customer service
- > Point of sale

THE COMMERCIAL CONTEXT

TOO MUCH INFORMATION

Technology has sparked an explosion in the number of documents received, stored, processed and sent by businesses. IDC estimates that information throughput will increase by a factor of 30 by 2020.

The average UK office-worker prints as many as 45 sheets of paper a day. That's 10,000 sheets a year.

Paradoxically, the sheer volume of information that employees now use in the normal course of their work means that the digital workplace, far from driving the paperless ideal, is actually increasing print outputs.

In a recent Loudhouse survey, 37% of 1,000 UK office workers in 500+ seat companies said they printed more than they did a year previously compared to 40% who thought they printed the same and only 23% who said they now printed less.

RISING THIRD-PARTY PRESSURES

External drivers such as data protection, regulatory compliance and social corporate responsibility are growing in importance for many organisations as markets become ever more competitive and closely scrutinised. Ethical lapses are punished harshly and publicly in today's networked world.

Document management offers an invaluable practical solution to challenges like these that are business critical but difficult to quantify.

PAPER PEOPLE

Although a fraction of business documents are created on paper, many will be printed at least once in their lifetime.

Employees remain tethered to the print network. During the Loudhouse survey of 40% of workers described themselves as 'paper people' and 39% said they knew they could print less.

Incredibly, up to 68% of paper use is wasted, either through single-sided printing, print-in-error outputs or employees simply forgetting to pick up run outs from the device. In addition, 76% of employees admitted to printing personal documents at work.

MDS can help stem this paper tide and give administrators better control and visibility over the way their print network is used.

“DIGITAL WORKPLACES, FAR FROM DRIVING THE PAPERLESS IDEAL, ARE ACTUALLY INCREASING PRINT OUTPUTS.”

THE PROBLEM WITH PRINT FLEETS

AILING, FAILING: THE LEGACY PRINT FLEET

With the strategic eye trained elsewhere, corporate print fleets have historically been deployed on an ad hoc basis with little or no long-term planning. As a result, modern corporate print environments are not always fit for purpose.

The problems are three-fold. First is poor reliability. Print devices are one of the few items of IT equipment with moving parts and consumable componentry. Maintenance schedules are often insufficient, overreliance on emergency manufacturer technical support is common, and a disproportionate number of print devices are run to near or past End Of Life compared to other IT hardware.

Second, print fleets are often a complex patchwork of workgroup and location silos. This can lead to a surfeit of devices, inconsistent service levels and endemic inefficiency. It also renders systematic management impossible.

Third, core business workflows tend to be rooted in dated paper-based document processes that fail to take advantage of the latest print and digital technology, leading to information bottlenecks, duplication of effort, wasted resources, unsustainable working practices and heightened risk of human error.

Combined, these three trends create entrenched inefficiencies that lead to wasted spend, poor performance and a disenfranchised user-base.

As a result, IT teams are pulled into the 'print trap' of day-to-day troubleshooting. In Loudhouse's survey, 200 IT managers of 500+ seat enterprises said they spend on average a third of their time fixing printer-related issues. Perhaps unsurprisingly, 71% believed their print environments could be more efficient.

Yet, without the necessary time or strategic remit to identify underlying flaws in print fleets and document processes, IT teams can seldom pursue concerted efforts to address the root causes of recurring print problems, much less fix broken underlying workflows.

It's this perfect storm of flawed legacy systems failing to meet ever-greater demands in a commercial environment fixated on cost-cutting that has given rise to the Managed Document Service concept.

“MODERN CORPORATE PRINT ENVIRONMENTS ARE NOT ALWAYS FIT FOR PURPOSE.”

ENTER MANAGED DOCUMENT SERVICES

What is a Managed Document Service?

A Managed Document Service is a packaged solution for the creation of a controlled print, copy and document environment that delivers hard and soft business benefits.

MDS solutions usually combine hardware, software, servicing and elements of strategic consultancy.

The principal driver of most MDS deployments is cost reduction by rationalising print fleets and streamlining document workflows. Modern MDS deployments will also increasingly aim to deliver soft business benefits such as improved employee productivity, policy compliance and outbound customer service.

A BRIEF HISTORY OF MDS

MDS isn't new. The first full-scale solutions were rolled out by large multinational organisations in the early 2000s, companies in which print fleets and associated information processes are at their most complex, and therefore carry the greatest potential for reform.

What global corporations helped perfect, the wider business community has subsequently embraced and benefited from. Since 2008 and the global economic downturn, the impetus to find cost-cutting strategies with low-risk returns on investment has seen the widespread adoption of MDS strategies among businesses of all types and size.

What this means for any business considering a new MDS deployment is that the thinking and technology is tried and tested, as are the take-out benefits. Risks are low and the business case is proven, which makes it easier to sell in at board level.

MANAGED DOCUMENT SERVICES: THE BUSINESS CASE

Managed Document Services have demonstrated the ability to deliver reduced Total Cost of Ownership and improved business performance along relatively short timelines. This means ROI can be measured swiftly and convincingly.

Cost reduction remains the most compelling argument for the deployment of an MDS solution. In a KYOCERA survey of 750 European IT Managers, 70% anticipated an improvement in budget control from an MDS.

The business case now goes well beyond simple Total Cost of Ownership calculations however. MDS is commonly employed strategically in line with wider business objectives to create core commercial value. In the same KYOCERA study, 52% of IT managers expected an acceleration of work processes and 47% anticipated improved management transparency.

This is indicative of the maturing business case for holistic MDS deployments. In the Loudhouse survey of 51% of IT managers said managed documents are becoming an increasingly important aspect of IT planning.

WHY MDS?

HOW A MANAGED DOCUMENT ENVIRONMENT CREATES VALUE

> Cost reduction

Rationalise the network and update your print fleet to reduce consumption, maximise uptime and eliminate waste. Gartner estimate that MDS can help organisations save anything between 10-30% of their print costs.

> Control and MI

An MDS gives administrators complete control over the use and performance of their print environment. It also provides valuable management data for the analysis and refinement of deployments over time.

> Employee productivity

Improved uptime and more efficient workflows mean employees spend less time administrating and more time actioning.

> Support resource

Reduces the day-to-day burden on IT teams so they can devote more time to core roles and long-term objectives.

> Risk control and compliance

Secure printing prevents accidental or intentional duplication of sensitive information in line with corporate policy.

> Sustainability and CSR

Significantly reduce paper, ink and energy consumption and enforce print usage in line with corporate environmental policy.

> Workflow optimisation

Reengineer underlying information processes to create value in core business functions such as outbound customer service and inter-workgroup collaboration.

BARRIERS AND OBJECTIONS

The barriers to MDS deployment are receding. Economies of scale have seen Managed Document Services become cost-effective in medium-sized businesses and small companies with multiple offices.

ROI can be immediate in the case of print optimisation deployments and the 'soft' benefits of MDS such as improved productivity and easier collaboration create common value for all types and size of organisation.

The IT manager's perennial fear of user resistance to a controlled print environment has also been proven to be a myth. Only 18% of workers surveyed by Loudhouse in thought they should be allowed to print without controls and over half thought their company could do more to encourage greener print habits.

The real question isn't how to overcome employee objections to the deployment of MDS, but how to enforce document policies without disrupting workflows or compromising the user experience. The onus is on companies to effectively manage change by educating and incentivising their workforce.

HOW A MANAGED DOCUMENT SERVICE WORKS

A Managed Document Service is different to a basic print fleet deployment because it's built to achieve specific business objectives. Whatever the aim, the solution will be a top-down package that comprises practical and strategic initiatives into an integrated whole.

The most important point is that MDS is rarely a question of minimum cost per page. The aim will usually be multifaceted and the solution more holistic. As you can see in the following methodology of a typical deployment, a Managed Document Service may encompass every strata of an organisation in the search for value.

1

ASSESSMENT

This phase is designed to identify risk areas for waste reduction, workflow improvement and reduced environmental impact. Using in-depth data analysis, together with interviews and surveys, we build a complete understanding of your operational processes with a particular focus on:

- **Risk.** What are security britches?
- **Workflows.** Can productivity be improved through smarter software?
- **Documents.** How efficiently are they managed?
- **Environmental impact.** Where can you save energy and reduce output?
- **Costs.** Where exactly is money being spent?

2

DESIGN

What's the ideal combination of hardware, software and process development to optimise your system? Based on the results of Phase 1, we'll reduce risks and maximise your return on investment by focusing on:

- **Solution design.** How can you improve workflow, system control, resource efficiency/security?
- **Fleet design.** We expertly appraise all aspects of your output system, from the most suitable ~ hardware, to the optimum physical positioning for your workflows.

3

IMPLEMENTATION

Working with you KYOCERA will implement tailored solution to best suit the requirements. This process is carried out by our expert team of change management professionals and is designed to ensure minimum disruption to your business from installation to training.

- Professional change management. Dedicated service with constant progress reports
- Qualified KYOCERA engineers and technicians. For hardware & software installation.
- Training. Staff and helpdesk support to eliminate errors and downtime.
- Flexible logistics. Implementation at a specific time, out of hours or over the weekend.
- Storage & disposal. Secure, efficient and compliant with regulatory requirements.

4

MANAGEMENT

Our management service is committed to delivering optimised performance, reliability and cost-efficiency. With a range of on-site and remote support capabilities, we take care of your entire document infrastructure, keeping workflows at peak levels and looking after time-consuming daily system administration.

- **Software Maintenance.** We will keep your software up to date with the latest patches and versions
- **Fleet maintenance.** Comprehensive service packages for maximum uptime.
- **Remote monitoring.** Proactive support.
- **Dedicated support.** Remote or on-site IT teams to maximise performance and reliability of hardware and software.
- **Regular reviews.** Accurate Management Information (MI) reports ensure your full satisfaction.

5

OPTIMISATION

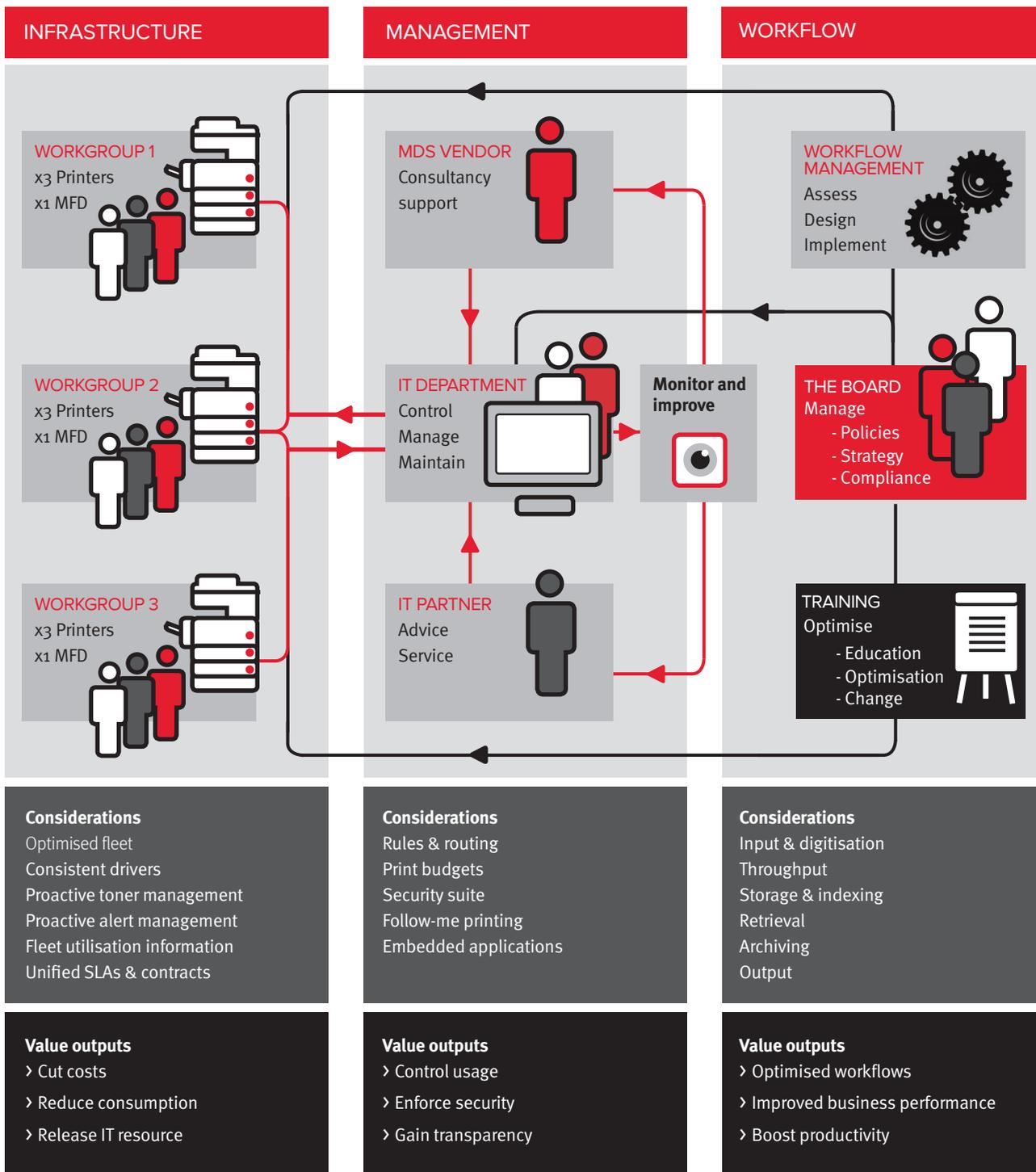
Once we've optimised your document environment, we'll continually assess your device fleet software and implemented workflows for new ways to improve security and performance and minimise risk and cost. We'll provide:

- **Quantification of benefits.** Through continuous uptime and optimisation analyses we'll demonstrate the measurable benefits of working with KYOCERA MDS.
- **On-going optimisation.** We'll ensure your fleet is always perfectly tuned to your requirements.
- **Reduced carbon footprint.** By analysing your energy usage, we'll help you ensure that sustainability targets are being met.

MDS IN PRACTICE

A HYPOTHETICAL EXAMPLE

Let's take a look at a hypothetical MDS deployment that illustrates how print hardware and document management software can be combined to create strategic business value.



HOW TO MAKE MDS A SUCCESS

KNOW YOUR ENVIRONMENT

Not all Managed Document Services are the same, and each MDS vendor has its particular strengths. Before you commit to a project, it's essential that you define your needs and goals.

A network audit is a good place to start. Qualitative research of your users is a good idea too. You should also look at your document environment from the top down: what wider issues, threats and opportunities does your organisation face that might be relevant to an MDS deployment?

For example, are there certain workflows where document processes are particularly slow, unreliable or expensive? What are the biggest competitive trends in your industry right now? What bearing will the long-term direction of your organisation have on your document management needs in five to ten years' time?

A good vendor will be able to help you identify where and how your document environment can be improved, and what type of MDS can deliver the best value for your organisation's goals.

MAKE IT MADE TO MEASURE

You should exploit the expertise of your provider and request they actively seek to maximise the value of MDS in your specific environment. For example, there may be specific advantages an MDS solution can deliver to give you a competitive advantage in your vertical market.

While a fully bespoke solution might not always be necessary, it is important that your MDS provider works closely with you to achieve the best result possible for your specific document environment. Be watchful of vendors recommending off-the-shelf deployments or solutions driven by their business model instead of yours.

INVOLVE ALL STAKEHOLDERS

A Managed Document Service is a holistic solution so it makes sense to include all relevant stakeholders from the beginning. Doing so will help make sure you reach the solution you need and iron out potential issues before they manifest themselves as problems. It also engages relevant parties, helping to expedite the final deployment and win user buy-in.

DEPLOYMENT IS ONLY THE BEGINNING

It's easy to focus on technology when choosing a vendor. No less important is the service they provide pre and post-deployment. All print environments are in constant flux. A good MDS partner will offer advice, resources and ongoing support to help you maximise the performance and relevance of your MDS solution as your needs and objectives change.

Prioritise your aims

A handy exercise to help you identify where to focus your brief to a potential MDS vendor is to put the following value outputs in order of priority for your

Prioritise your operational aims

A handy exercise to help you identify where to focus your brief to a potential MDS vendor is to put the following value outputs in order of priority for your organisation:

- > Cost Reduction
- > Reliability
- > Print quality
- > Productivity
- > Use & abuse
- > Sustainability
- > Security

Define your strategic goals

What value outputs would you like the design of your Managed Document Service to focus on?

- > Throughput speed
- > Process efficiency
- > Compliance
- > Business performance
- > Customer satisfaction

QUESTIONS TO ASK

WORK OUT THE POTENTIAL ROI

Total up the amount of money your organisation spends on print and associated document processes then divide that figure by a factor of 3.3. That's roughly what you can expect to save up to by deploying an MDS solution.

Paper	\$
Electricity	\$
Print maintenance	\$
Ink toner/consumables	\$
Total spend	\$
Potential 30% saving	\$

DECISION MAKER'S CHECKLIST

A face-value reduction in TCO is likely to be an imperative of your MDS deployment but your search for value shouldn't end there. By answering these five basic questions, you can begin to assess the full value of an MDS in your company and get an idea for what shape your managed print environment might take.

1	<p>What's the outright potential? Companies with complex print needs, multiple locations and/or an inefficient legacy print network stand to benefit the most from MDS.</p>
2	<p>Is there a pressing technical need? Do you have recurring problems with uptime, high maintenance costs and poor user approval rates?</p>
3	<p>Is your IT team susceptible to the 'print-trap'? Do members of your IT department spend more than an average of one hour a day on print-related troubleshooting?</p>
4	<p>Is there a prevailing business context? Are there wider strategy drives or policies such as compliance, growth, customer service and CSR that an MDS solution could contribute towards?</p>
5	<p>Does your organisation rely on paper-based information processes? If paper plays a major part of your operational workflows, an MDS could have the potential to significantly improve the performance of your core business functions.</p>



FIND OUT **MORE**

TALK TO AN EXPERT

For a no-obligation chat about the issues and opportunities of your print environment, speak to the MDS team at KYOCERA.

They can explain how a Managed Document Service could help you achieve your specific business objectives.

Contact them by email at marketing@dau.kyocera.com or call **13 59 62** .

For further reading about document management and to find out more about KYOCERA's MDS solutions, visit their website at www.kyoceradocumentsolutions.com.au

ABOUT KYOCERA

KYOCERA Document Solutions is a leading provider of imaging solutions and document management systems, including colour and monochrome multifunctional devices and printers.

KYOCERA's products are renowned for their unique long-life imaging components that provide greater reliability, less waste - resulting in a lower Total Cost of Ownership (TCO) over the life of the product. The KYOCERA Document Solutions portfolio does not stop at hardware. A full suite of business applications and consultative services allow customers to optimise and manage their document workflow, unleashing the full potential of their hardware investment.

KYOCERA reviews both the business and individual user's document environment to assess each operating requirement. From here we can identify strategies and workflow solutions to help reduce costs and improve productivity. Integrating mobile and cloud solutions, increasing document security and bespoke application integration are just some of the ways we can drive efficiency in your office. Our open-platform approach to solution design means innovative solutions can be 'off the shelf' or tailored to your business.

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