

# The City of Reno Beats the Industry Average with the Ascher Group Managed Print Services Consulting.



## Summary

Through their work with the Ascher Group, LLC, the City of Reno Nevada has shown that the “average” cost savings resulting from the use of Managed Print Services is only the start. The industry, as a whole, quotes average cost savings of 15% - 25%, however, the City of Reno achieved cost savings in excess of 50%. The key difference has been focusing not only on the initial assessment and placement of equipment but also on the ongoing management of the system. “The initial assessment and placement produced savings of 33%; however, the on-going management has far exceeded those results.” said Bill Frankel, Managing Partner of the Ascher Group, LLC. Another key element has been the use of Independent Management to competitively bid the MPS elements. “We constantly hear from people how low we were able to get these elements at, and that was largely due to the bid process and providing the bidders with the information they needed.” said Frankel.



## Case Study – City of Reno

With a population of over 211,000, Reno is the largest city in Northern Nevada. It is located in the southern part of Washoe County, nestled on the eastern slope of the Sierra Nevada Mountains in an area called the Truckee Meadows. The City of Reno, Nevada, has broken apart from the Managed Print Services pack, through the aide of the Ascher Group, an independent Managed Print Services Consulting firm. Until recently, the organization was working under a old and fragmented printer/copier program. A decentralized approach to the procurement of copiers and printers had led to the fragmented environment with very little management. Older non-networked devices were mixed with newer digital machines, vendors and equipment were highly diverse and machine connectivity and features were largely left to the whim of each department or floor. As a result, the City set about to more clearly examine and understand their environment with the aim to make changes and improvements that would reduce their costs and build better efficiencies.

## The Problem

“Our drive toward Managed Print Services came about when my staff was increasingly being called in to hook up copiers to the network that we knew nothing about,” says Richard Vandenberg, Director of Communications and Technology for the City of Reno. “What we found was that we had equipment from many different vendors and no centralized purchasing. Our vendors were running free and each department was renewing contracts without any oversight. As a result, our printer/copier environment was essentially unmanaged and allowed to grow with a number of critical inefficiencies from both a cost and performance perspective.”

## What is Managed Print Services?

Managed Print Services (MPS) is a strategy designed to analyze and manage document output devices throughout an organization and minimize the costs associated with printing, copying and faxing. The long-term results of a successful MPS strategy includes enhanced productivity, increased savings and improved environmental sustainability, among others.

Managed Print Services is a centralized, strategic approach; one that is based upon a complete assessment of the costs, volumes, support needs, and employee effort associated with the workflow.

Beyond initial analysis and design, ongoing fleet management is essential to ensure that the environment continues to perform as designed and that the return on investments are realized. This is a challenge for most organizations since internal resources are rarely applied to manage printers and copiers. The document output environment is commonly left in the hands of vendors and suppliers who often profit from the inefficiencies that result.



The main constraint moving forward for Vandenberg and the City, however, was a lack of time and expertise to adequately analyze the environment and design a thoughtful strategy. And according to Vandenberg, his current vendors exhibited a lack of flexibility and a proprietary point of view that did not focus on the true needs of the organization.

“We wrote an RFP to replace the copiers and set about to perform an evaluation of the various vendors and suppliers available,” says Vandenberg. “Not having a very deep experience in the copier world, I was unprepared for the mine field posed by my copier vendors – including an ‘end-around’ to my Council that basically worked to undermine my efforts and sidetrack my recommendations.”

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- Rick Vandenberg

It was at this point that Vandenberg decided to engage an independent consultant with the expertise needed to facilitate the RFP and provide non-bias recommendations. “That’s when the Ascher Group came on board,” says Vandenberg. “It was clear that we needed an independent and vendor-neutral resource to guide our investigation and negotiate the RFP on our behalf.”

After evaluating several available consultants, Vandenberg found that the Ascher Group had both the expertise and perspective needed to move the City forward in the right direction. “The primary thing that the Ascher Group brought forward was the ability to work with us in developing a strategy for the City that made sense and that we could trust in both our copier and print environments. They enabled us to take advantage of the technology that we currently had in place, and focus our efforts with an eye on reducing costs and optimizing the environment.”

## The Solution

The Ascher Group began with an exhaustive study of machine usage, device placement and end-user satisfaction. A variety of data was examined, including a physical assessment of every device in the entire City as well as a number of candid focus groups with end users and department heads. “We became students of the system,” said Frankel, Managing Partner at the Ascher Group, “studying not only the overall costs, but also how the environment performed in the real world. Since we’re independent, all of our efforts focused on how to optimize the system with the best interests of the City of Reno as our primary charter.”

The Result of the investigation found many older and costly analog devices still in use. The City also had a significant number of digital devices that were not connected to the network, and a number of connected devices that were used by only by a few people. “Another important factor we uncovered was that the vast majority (approximately 66%) of the output was accomplished on printers, which tend to be more expensive, so we knew there was savings to be found by putting digital copiers in the correct locations based on the departmental needs.”

Once benchmark data was collected and analyzed, the Ascher Group created a system design that focused on a more thoughtful balance of hardware resources vs. volume and location needs. “Since each department had responsibility for their own equipment and supplies, we had a significantly fragmented approach that led to a number of inefficiencies in how machines were deployed and used,” said Vandenberg. “Without the independent perspective, expertise and focus of the Ascher Group, I doubt we would have uncovered much of the opportunity for improvement and savings that became apparent.”

At the direction of Vandenberg and the City, the Ascher Group then developed a new RFP and worked to competitively bid the copier, printer and print center fleet within separate RFP’s. At the same time, Vandenberg and his team put more thoughtful standards and procedures into place and gave the Ascher Group overall responsibility for procuring and deploying printers and copiers across the enterprise. “The truth is, I don’t have the time or expertise to focus on printers and copiers and the Ascher Group does. Because the environment is being managed for me I can concentrate on the critical areas that need my attention and rest assured that our interests and environment are being managed properly.”

## The Results

According to Vandenberg, the savings achieved by the City of Reno as a result of engaging in a Managed Print Services initiative with the Ascher Group has been significant. “We saved 33% in hard dollars in our copier and fax environment in the first year by reducing our lease rate and reducing the number of overages. As a result of that successful savings and initiative we moved into the printer environment and the savings is now in excess 53% a year.”

Frankel is enthusiastic about the results as well. “It is clear that this was a very successful initiative – saving well over \$290,000 a year – plus all of the efficiencies that have resulted from adding scanning, placing machines in appropriate locations, ensuring users are adequately trained, and matching features to the real needs of the users on each floor and in each department.”

In addition to the cost savings was the benefit of a better operating system. “Cost savings unto themselves are fine; however, if the system does not work correctly there is end user push back and continued erosion of the cost savings through system corrections in the shape of new devices”, says Bill Frankel. The City of Reno’s document output system has not only increased the cost savings for well over three years, it has also almost eliminated end user complaints. The end user complaints have fallen from over one per day to less than one per quarter on average. “Part of this reduction comes from better equipment, but better maintenance schedules, frequent training and superior issue escalation procedures are the majority of the reason.”

## The Key Difference

“The key difference”, said Frankel, “really breaks down in three crucial areas”. The first key difference is objectivity; because The City of Reno used an objective third party to assemble disparate resources together and manage the Managed Print Service they were assured the best price and performance mix. Additionally, the objectivity of the Ascher Group aided the on-going management of the system. Because the Ascher Group does not have a bias toward printer versus copiers or new equipment versus existing equipment; the system can be designed to optimize cost savings and operability.

The second key difference is that the Ascher Group’s and the City’s focus was on ongoing management rather than just the initial implementation. “The focus has been on the system working properly for a long period of time, and so a great deal of effort was spent on creation and management of key metrics”, says Bill Frankel. Among these metrics was the cost of each device as well as volume of all devices in all areas. By looking at these metrics, it was possible for the Ascher Group and the City to make mid-stream changes to increase the customer experience as well as cost savings.

The third key difference is that the project had total access to information in order to create an accurate benchmark. Due largely to the fact that the Ascher Group worked solely for the interests of the City, the project initial cost assessments and cost savings were based from the total actual costs of the system. Because of the total cost assessment, the savings established by the program were credible and a buy-in from the entire City was possible.



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