Leading financial services company

Leading financial services company turns to Lexmark for a managed print services solution that dramatically cuts printing costs and helps employees stay focused on business

Challenge

Even as the insurance industry enthusiastically embraces the latest digital technologies, longstanding regulatory requirements and customer expectations mean that most insurers will continue to rely on printed documents for years to come. Facing that reality, this leading financial services company has remained focused on making its business printing systems as efficient and sustainable as possible. A couple of years ago, the company turned its attention to its U.S. offices, where executives found room for improvement.

"We were facing several challenges," said the director of corporate sourcing and procurement. "One of the biggest issues was our use of multiple print-service providers. This made it costly to operate and manage and very confusing for end users." In effect, each office oversaw its own printing environment and the resulting proliferation of device models, manufacturers and service contracts led to a host of inefficiencies. "Employees didn't know who to call to fix printer problems," he said. "You had one set of phone numbers for one brand, another set for a second brand and a third set for the personal printer on your desk."

The non-standardized environment led to costly management practices. Printers were sometimes replaced when they should have been repaired. One office hired an on-site technician to repair equipment that was already covered by a maintenance agreement. Toner and ink cartridges piled up in storage closets, often for printers that had been retired long ago.

End users faced printing hassles as well. In most offices, output devices were not connected to a network, and therefore, users relied on locally attached personal printers.

And when an employee moved to a new office down the hall or in another city, users had to take their printers along with them. All of this took a toll on staff productivity and raised operating costs. In addition, valuable IT resources were taken up supporting these tasks, instead of on higher-value, IT-related business projects.

The company set out to find a better solution and established three goals: Gain control over its sprawling U.S. output infrastructure with a single, vendor managed print services solution; rein in output-related spending; cut printer headcount, reduce paper consumption and boost the device-to-user ratio.

Meet this leading financial services company

This leading provider of life insurance, annuities and related financial services, manages 50 million clients in 50 countries and nearly $500 billion in assets. In the United States, the company operates 15 independently branded business units and employs nearly 10,000 people.

Products in use:

- Lexmark Managed Print Services
- Lexmark Proactive Consumables Management
- Lexmark multifunction products
- Lexmark Print Management with Secure Print Release

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"The best solution for us was to build a strong relationship with the right vendor and to have them manage our entire output infrastructure for us," he said. "The company wanted to be responsible only for the lease costs of the devices and per-page 'click charge' usage fees. We did not want to be staffing a help desk or diagnosing issues with the output fleet."

Solution

The company decided a new strategy was in order—one that would centralize and rationalize printing systems, capture printing systems, capture savings and help the company focus on its core business. "We knew we needed to move to a managed print environment across our U.S. offices," he said. "But we knew we didn't have the resources to do it all ourselves, so we set out to build a relationship with a provider that could manage this service for us."

After evaluating proposals from a handful of top vendors, the company chose Lexmark to lead the company forward. "Lexmark's infrastructure stood out as incredibly energy efficient, quiet and environmentally friendly," he said. But in the end, what mattered most in Lexmark's proposal was the Lexmark team. "Lexmark's people made all the difference," he said. "We realized that we could always swap out a device, but we can't change people as easily. We were extremely pleased with the caliber of the Lexmark staff."

To design the most efficient printing platform, Lexmark's professional services team toured the company's six main offices, interviewing key users and department heads at each site. This upfront research helped Lexmark recommend the optimal combination of print and document management features for each office. Lexmark found that the company was operating more than 1,200 disparate devices and that its employee to device ratio was just 2.84 : 1.

During these field visits Lexmark also discovered the company was paying a significant premium to lease dozens of copiers able to handle 11x17-inch paper, yet just 2% of its paper purchases were for the larger paper.

Lexmark recommended deploying a streamlined mix of six Lexmark models across the company's U.S. offices. This standard set of about 400 devices included Lexmark multifunction products (MFPs) and single-function printers—in both monochrome and color models—all connected to an enhanced network capable of handling the projected print traffic and usage requirements.

To reduce printing overall, eliminate abandoned print jobs and enable a consistent printing experience across all of its U.S. locations, the company installed Lexmark Print Release. This solution queues print jobs and releases them only when job owners authenticate themselves at selected Lexmark devices connected to the network. It also eliminates the time gap between printing and job pickup, ensuring that forgotten print jobs do not pile up. After a set interval, print jobs are deleted automatically from the print queue and thereby never printed at all. After employees submit print jobs, they can walk up to any Lexmark device down the hall or across the country, swipe their ID badge and print the job. Unclaimed jobs never print at all, reducing paper, toner and overall costs.

"Why Lexmark? Three words: People, people, people. Meeting the schedule and delivering above expectations on savings. Those are the two things I would point out that make Lexmark stand out."

Director
Corporate Sourcing and Procurement
Leading provider of life insurance

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The Lexmark solution took less than four months to deploy; a project that encompassed a network upgrade, user training, installation of a new auto-replenishment system for consumables and retirement of most of the old printer fleet. Storage closets stuffed with old printing supplies were cleaned out. "It was an extremely aggressive timetable and we did it," he said.

Under the managed print services (MPS) agreement, Lexmark monitors the entire fleet of devices continuously, provides remote diagnostics and ships new genuine Lexmark toner cartridges automatically in response to low-toner alert messages sent by the devices themselves. In addition, the Lexmark team meets frequently with the company to share detailed reports on usage trends, and to discuss new opportunities for printing less and saving more.

Results

The company started seeing savings and efficiency gains almost immediately, impressing even the most skeptical managers. "Some of them said we were crazy to go from 20 devices down to five in their department," he said. "But the new solution worked incredibly well. Employees had all the color and black-and-white devices they needed within a 30-foot radius, and within four weeks we were seeing huge adoption rates. Now all I hear are praises for a job well done."

The operational savings actually exceeded what company executives thought possible. Overall, the company cut the number of output devices in its fleet by 65% and shrank the number of pages it prints annually by about 25%. A planned transition to two-sided duplex printing has the potential to cut paper consumption by up to an additional 3.4 million pages annually—a stack of paper nearly the height of the Empire State Building. The user-to-device ratio improved by 141%, from 2.84 : 1 to 6.85 : 1. In total, overall printing costs have declined by 35%. "I originally told management to expect savings of 20-25%, but we're already pushing 40%," he said.

In choosing its MPS provider, the company came to believe that Lexmark is differentiated from its competitors by the employees who stand behind their offerings. Throughout the vendor selection process, Lexmark associates in sales, professional services, support and solutions engineering responded quickly and with a degree of candor and transparency not often seen in technology sales. "We were buying into a partnership and knew it was the people that mattered most," said the director. "With some suppliers we never made much of a connection, but with Lexmark, the teams put in front of us were partners who stayed with us through the sale, through project management, through implementation and now for planning into the future."

As a leader in delivering financial services to millions of clients, this company found a committed partner in Lexmark when it needed help in containing its own spending on output-related services.

Just as impressive, printing issues—and exasperated users—have become a thing of the past. Now when employees travel between offices, the routine for printing documents doesn't change. "With a lot of our people traveling, that flexibility helps a lot," he said.

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Moreover, when employees need to relocate to a new cube—or a new city—they don't need to haul their printers with them. They simply connect to the same print infrastructure that's already in place. The multi-vendor collection of personal printers, which were expensive and problematic to manage, has been eliminated entirely.

Managing consumables has gotten a lot easier, with toner and ink supplies that are shipped automatically and arrive just ahead of when they're needed. This proactive consumables management service has eliminated the costly practice of stockpiling toner cartridges. Depleted cartridges are now returned to Lexmark for environmentally safe recycling. The switch to an all-Lexmark printer fleet rooted out hundreds of ancient cartridges, many for devices that the company no longer used.

The company has also freed IT resources to focus on higher priority projects by giving the output management reigns to Lexmark. Lexmark resources monitor, maintain and manage the entire fleet, including the help desk. And, the MPS program encompasses maintenance, ending the confusion for end users over which number to call when a device needs attention.

The director sums up the Lexmark initiative by pointing out the successful partnership between two like-minded cultures. "I am very proud of this relationship," he continued. "I've been with this company for 24 years. This is the one project I will point to in my career and say, if all my projects ran like this, I'd be a superstar." When asked to describe the value of Lexmark to his employer, he said: "Why Lexmark? Three words: People, people, people. Meeting the schedule and delivering above expectations on savings. Those are the two things I would point out that make Lexmark stand out."

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