

## **Strategies for Success—Billings Business News**

# **Increase Profits-Reduce Expenses with New Office Automation tools!**

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As March begins, the question that you are thinking about today is probably, “How do I increase profitability, decrease expenses and not go bankrupt in the process?” One of the ways in which you are able to increase profits in an efficient way, reduce overhead, information technology costs and continual employee frustration is conducting an audit of your current office automation needs.

An office automation audit examines the many different copiers, fax machines, printers, scanners and other automation tools that your firm current has, in addition to your various computers and identifies ways in which new tools can reduce your current costs and increase your overall profitability and efficiency. Additionally, the use of bar codes, radio frequency identification devices (RFID) tools are other ways in which to increase the overall efficiency of your firm.

I recently had coffee with my good friend Mike Follett, partner/owner of Reporter/Big Sky Office Solutions here in Billings. Mike tells me that with the new advances in many new office automation tools and products, business owners can substantially reduce their “equipment footprint”, i.e., the number of different, disparate types of printers, copiers, fax and scanner machines and use multi function networked larger copiers which accomplish all of the tasks of several individual pieces of equipment. This is something that you really need to think hard about in today’s cost constrained business environment. Reducing all of this equipment decreases expenses and increases your profitability

Let’s explore this question—I think that you will see the answers become clear immediately. With many different types of various printers, copiers, fax machines, you have to order different and various types of toner, ink cartridges, ribbons as well as have service contracts on each different piece of equipment. Just maintaining a small inventory of these consumable components takes up inventory storage space, possibility of product shelf life expiration as well as allowing increased opportunity of supply pilfering.

OK, how do I begin to analyze to see if indeed I could increase my profitability if I did reduce all of our office automation equipment? The first step is analyze your business. How many different types of computers, printers, scanners, fax machines do you have? Where are they located? Why are they located there? Are there other types of equipment that you could be using to reduce your current equipment footprint, and increase your efficiency? This may require some significant “re-thinking” of how your business operations are performed, however, with clients that we have worked with who have embarked on this journey, many were happy with the end result. However, depending upon the business, there may be some real or imagined operational challenges along the way. The biggest operational challenge that most businesses have to face is changing the way in which to do business—changing the process. In the new way, not everybody will have a printer at their desk. They may have

to walk down the hall to get their papers at a printer/copier located at a central point in the office. With wireless capability, you are able to print/copy/fax/scan a document anywhere in the building to the central printer/copier.

Mike Burda, General Office Equipment sales manager for Reporter/Big Sky office told me about a client that was spending approximately \$900/month to develop a newsletter. Some of the work was done internally, other facets were outsourced, as was the mailing of the newsletter. After an office automation review by Reporter/Big Sky experts, Mike said that they were able to reduce the cost of the newsletter from approximately .132 cents per copy to .023 cents per copy. The new office automation machine that was used replaced several pieces of older equipment, increased organizational efficiency and was able to have an equipment payback period in less than 24 months. The particular piece of office automation equipment used in this application had a service life of several years, was modularized, allowing for new upgrades to take place as new equipment capabilities were developed by the manufacturer.

The aforementioned example is just one of many that occurs when you, the business owner, are really focused on overhead cost reduction and increased overall business profitability. The best part of a new piece of equipment that replaces several other pieces of equipment is less overall maintenance costs, less consumable parts inventory and reduced service contracts for equipment repair.

Begin today by exploring and examining your business. What different types of office automation equipment do you have? Why do you have it? Are there other pieces of equipment available in your industry that you have thought about but have not explored in depth? You will have to introduce some change of processes in the firm if you elect to increase efficiency. However, the process changes are small when compared to the increased profitability which results when changes are made. Remember, the machine is never sick, is never late and is always willing to work!

My Dad used to say that there is no such thing as a free lunch! There is a cost to everything. However, if you really explore what your costs are today with many different pieces of equipment that are not fully integrated into your office automation network, you may find that one piece of new equipment which replaces 3 or 4 discrete components may indeed increase your overall firm profitability, reduce equipment and personnel downtime and increase overall firm profitability. After all, is that why you are in business, to make more profits?

Pull Quote:

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“Our printing analysis provides a thorough assessment and evaluation of your network and print management costs”..

Mike Burda, Reporter/Big Sky Office Equipment sales manager