

Am Law 200 Firm Reshapes Outsourcing, Equipment and Cost Recovery Strategy Post-COVID for Substantial Savings and Increase in Recoveries.

Opportunity:

Headquartered on the East Coast this Am Law 200 firm has 496 attorneys and 700 support staff across 21 offices. Leadership wanted to analyze renewal options for the firm's managed services as well as options to refresh the MFD fleet for 8 of the firm's offices.

Mattern met with the firm's leadership at the outset of the engagement to discuss the firm's objectives which included:

- Streamlined services
- Right-sizing of both staffing and equipment needs
- Maintain or improve service levels and contract terms
- Consider alternatives to staff positions (print support specialist and dedicated messenger)
- Ensure all aspects of the services most important to the firm are addressed – both current state and post-COVID prognosis

At Mattern's recommendation, the firm also included an analysis of the current cost recovery strategy to investigate the impact of the shift to hybrid operations on volumes.

Process:

Mattern performed a comprehensive review of the firm's outsourced staff and the services provided by the current service provider, Ricoh, along with the firm's MFD fleet based on pre-COVID and COVID usage.

Based upon Mattern's evaluation and utilizing our industry knowledge and benchmarks, Mattern made key recommendations that would reduce costs, improve service levels, right-size staff and equipment, create efficiencies in staffing and equipment utilization, and with a change in strategy, increase the recovery of costs. These recommendations included:

- Reduce current outsourced headcount by 4 FTEs across 4 offices as well as add 1 FTE in an office previously not outsourced
- Eliminate stand-alone facsimiles, implement desktop faxing and equip MFDs with facsimile capabilities
- Evaluate alternatives to current embedded Equitrac cost recovery software and capture and recover for all output/input (copy/print/scan)
- Right-size MFD fleet based on current and anticipated output needs

Mattern created the Request for Proposal (RFP) which captured the recommendations from the evaluation process. The RFP was sent to three (3) labor and equipment service providers, including Ricoh, and one equipment-only service provider.

Results:

After reviewing the responses and meeting with a short-list of service providers, the firm decided to continue their partnership with Ricoh for labor but elected to change providers for the equipment portion to capture savings and improve flexibility.

Dex Imaging was selected to refresh the MFDs with a fleet of A3 devices, provide maintenance across all output equipment, and provide a new, embedded cost recovery solution.

Mattern

223 Wilmington/
West Chester Pike

Suite 104

Chadds Ford, PA 19317

(610) 459-7750

www.matternassoc.com

The current Rioch contract was amended to reflect the following for a savings of 13%:

- Reduction of overall headcount by 4 FTEs
- Realignment of staffing positions to meet print support and messenger needs
- Updated service level agreements

The new contract with Dex Imaging encompassed output equipment and software resulted in a cost savings of 27% in equipment:

- Reduction of the MFD fleet by 13% by providing a mix of A3 (MFD) devices
- Increase in the available contracted equipment flexibility from 20% to 50%
- Elimination of stand-alone facsimiles and equipped MDFs with faxing capabilities
- Replacement of embedded Equitrac with PaperCut, reducing software cost, and enhancing reporting capabilities for an increased internal oversight of the copy/print operations.

In conjunction with the above changes and as part of the engagement recommendations, the firm was exploring the modification of their cost recovery strategy to capture and recover all output (copy/print/scan), which would result in a projected increase in recovery costs of over \$2,000,000 per year, an increase of (132%).

In discussing the project, the Director of Administration stated

"We have worked with Mattern Associates for many years. They truly have our firm's best interests at heart; all bases are always covered with excellent and comprehensive attention to detail and appropriate follow-up."

- Director of Administration

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