

Printing and Distribution (P&D) Assessment Report Summary

The Bureau of Technology Services (BTS) contracted with Synergy Resources Group (SRG) to perform an independent assessment of P&D's operations, trends before and during the COVID-19 pandemic, as well as projections for customer utilization in the next 2-5 years.

Critical elements of the assessment included:

- Financial analysis: customer utilization, services utilization and in bureau copier utilization.
- Interviews: P&D staff, Bureau operations managers, Bureau staff with direct contact with P&D
- Customer survey
- Market review: Comparing printing rates and services in both the public and private sectors.
- OMF's 2021 Rate study: Utilized applicable information to support the assessment.

Based on the analysis, SRG presented key findings and recommendations along with a scenario to support BTS and the P&D division in determining the best path forward.

Next Steps:

- Share Summary and Report with P&D Staff
- Provide P&D Staff the opportunity to meet individually with SRG and/or Matthew and Bryan to ask questions
- Draft Frequently Asked Questions and Communications for staff, stakeholders, and customers
- Implementation planning

Key findings:

- Overall, there has been a significant disruption in printing needs due to the pandemic, with 33% drop in revenue between the fiscal year (FY) 18-19 and FY20-21.
- According to customer interviews and surveys, most do not expect print volumes to return to pre pandemic volumes. More likely customers expect an increase from current levels.
- Customers value P&D staff procuring printing services for jobs that are outside the division's scope, specialty and capacity to execute in the print shop.
- Distribution and Mail Services may be the most stable in terms of bureaus keeping utilization levels consistent from current and pre-pandemic levels.
- In-Bureau Copier services are likely to continue their downward trend, due to behavioral changes as a result of the pandemic and future plans for City staff continuing to work remotely.
- Only a small percentage of P&D public sector peers nationwide have centralized printing services. Most departmental/agency budgets cover the cost of printing and delivery.
- P&D staff possess many other skills which include the ability to provide quality customer service, prioritize tasks, manage workflow, work as a team, and perform on a deadline.

Key Recommendations: Note that BTS Leadership has committed that no current P&D staff will lose their job as a result of implementing any recommendations.

- Continue to right size the division as print and mail volumes become more apparent, in the years to come, through attrition, in bureau transfers or new hires.
- Consider an external management service to manage the in-bureau copiers with functionality that includes the ability to "pull" a print job or use a copier anywhere in the City. Bureaus pay the vendor on a per-sheet basis.
- Develop formal agreements with private sector commercial printing businesses to provide the print services outside of P&D's scope, specialty, and equipment. Bureau operations managers are expecting the FY2021-22 rate increase to be adjusted down after last year's increase. With a \$1.5

million decline in revenue from 2019-20 to the forecasted 2021-22 revenue, it will be important to evaluate a rate adjustment downward.

- Explore upgrading online ordering software to increase online orders.
- Based on effects of the pandemic and increase in digitation, minimize investment in new print shop equipment.
- Explore route optimization software and efficiencies to delivery routes.