

Helping Exelon reduce costs every year by improving efficiency and sustainability.



“Xerox is working in a number of areas throughout the enterprise to help us become a more efficient company.”

– Joseph Lasky
Vice President
IT Infrastructure and Operations
Exelon

Background

A key division of Exelon, one of the nation’s leading energy companies, faced a challenge common to many organizations today. It wanted to get more control over its extensive office infrastructure, reduce costs and be more environmentally responsible.

In 2003, Exelon committed to a voluntary emissions reduction goal under the EPA Climate Leaders program. With the Exelon 2020 program that debuted in 2008, the Exelon family of companies charted a course to a low-carbon future with an industry-leading plan to shrink its carbon footprint by more than 15 million metric tons of greenhouse gas emissions per year by 2020.

The Challenge

The division had more than 2,700 document devices from 35 manufacturers in its office environment. Arranging for service and supplies was time-consuming. And division leaders didn’t have an easy way to calculate and control the total costs, since purchasing decisions were decentralized.

Division leaders decided to address the situation so they could improve efficiency and reduce costs. But they realized they didn’t have the in-house document management expertise to analyze the infrastructure and develop an effective optimization plan. So they called in experts from Xerox to conduct a thorough Office Document Assessment (ODA) based on Lean Six Sigma.

It was the first step in the development of a long-term strategic partnership that would help Exelon realize substantial savings, improve its approach to sustainability and transform key business processes throughout the enterprise.

Optimizing the office.

Transforming business processes.

The Solution

We carefully analyzed the division's need for document services and assessed all of the costs involved in equipment, service, support and supplies.

The results of this analysis revealed a major opportunity for improvement.

The overall employee-to-device ratio indicated inefficiency in the allocation of office equipment.

In addition, some of the document devices in the office environment did not provide the advanced scanning capabilities required for highly efficient digital workflows.

After a careful review of the ODA findings, we began working closely with the client to develop an effective optimization plan designed to reduce costs, improve efficiency and productivity, and lower the division's impact on the environment. A key component of the plan involved the replacement of older, inefficient devices with state-of-the-art, networked multifunction systems.

Following the successful implementation, we helped other Exelon divisions assess and optimize their office infrastructures. Then we provided comprehensive management services on an outsourced basis. These enterprise-wide services covered equipment, end user support, and a proactive approach to on-site maintenance and supplies.

We also developed a series of innovative solutions to improve key document-driven business processes in Accounts Payable, the legal department and other operational areas.

The Results

The initial optimization project reduced the total number of document devices in the division's office environment by 80%. It also rationalized the number of models and manufacturers and improved the critical employee-to-device ratio to approximately 12:1.

The efficiency gains helped the division save approximately 20% in the first year with additional savings coming from continuous year-over-year improvements.

After the enterprise-wide rollout of the office optimization process, Exelon reduced its overall document services cost per employee—another key Lean Six Sigma-based efficiency metric—by 48%.

With improvements in the quality of document devices, service and support, the client also increased equipment uptime to 98%.

In addition, the enterprise-wide office optimization effort made an important contribution to Exelon's ambitious corporate sustainability program.

- The installation of advanced multifunction systems equipped with scanning capabilities helped the company increase the use of digital documents and reduce paper consumption.
- The widespread use of energy-efficient technology reduced greenhouse gas emissions and energy consumption.
- Smart "green" office practices like duplex printing and toner cartridge recycling also helped the company lower its impact on the environment.

Another process improvement for the heavily regulated nuclear division helped expedite the on-boarding of outside contractors, saving Exelon substantial dollars per year.

Case Study Snapshot

The Challenge

- Inefficient employee-to-device ratio
- Time-consuming business processes
- Need for sustainability improvements

The Solution

- Office Document Assessment based on Lean Six Sigma
- Comprehensive office optimization plan
- Networked multifunction systems with advanced scanning capabilities
- Proactive maintenance, service and supplies management
- Business process transformation based on digital document workflows
- Energy efficient technology and greener document practices

The Results

- 80% reduction in document devices
- 48% reduction in enterprise-wide cost per employee
- 98% equipment uptime
- Faster, more efficient business processes
- Substantial annual savings
- 55 tons of GHG eliminated
- 727 million BTUs conserved
- Reduced paper consumption

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