



JUSTIFYING RESOURCES:

10 Tips to Get What You Need

Cost justifying the equipment and software your in-plant needs is certainly a challenge. One manager offers some tips that have worked for him.

IN MY CONVERSATIONS with managers across the country, one challenge constantly surfaces: justifying the resources (people, budgets and equipment) needed to run an excellent operation. This is one of the biggest challenges that I face too, but over time I've learned ways to be successful in acquiring these necessary resources.

Before we dive into specific tips, here are two general principles: First, normally we will not get anything if we don't ask. Second, we need to make sure when we do ask that we are asking for resources that benefit one or more of the key stakeholders: investors, customers, employees and the community we do business in.

Here are some tips that can help you improve the probability of acquiring the resources that you need to benefit stakeholders:

1 Identify the important goals, initiatives, values and business needs of your organization.

Then figure out how you can help satisfy those goals and make

your organization more successful. Linking the resources you need to specific corporate goals and initiatives will help build a compelling business case for authorizing funds.

For example, many organizations have some form of customer focus or engagement initiative. I have recently justified new equipment and enhanced software in part so that our company can provide more personalized and relevant communication with our customers.

Many organizations have a strong emphasis on sustainability. Finding ways to use physical mail prudently and avoiding waste will be positively received. In the past, I have received approval for a second

printer so we could go from two-page simplex bills to one-page duplex bills.

2 Find ways to save your organization money.

An almost sure-fire way to justify a proposed expenditure is to demonstrate that it will result in savings to your organization. My company, Portland General, used to pay external vendors 50 to 60 cents per color copy. My team developed a proposal to lease digital color printers and showed that we could provide color copies at a significant savings.

We have also found ways to save money by offering CD burning services, scanning services and by maximizing postal discounts. If you are not maximizing the pre-sort and automation postal discounts, investing in relevant software and/or sorting equipment can often be economically justified due to the incremental postage savings.

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3 Know your costs and how they compare to the external marketplace.

This is huge. If you can demonstrate that your internal operations are less costly than the potential external providers are, then you have the ammunition to justify the funds to keep your operations performing well.

4 Work with vendors for creative ideas to improve your operation and document justification.

Vendors can be a great resource of ideas and can be very helpful in developing justification for proposals. Vendors like Xerox, Pitney Bowes and InfoPrint Solutions, a Ricoh company, have helped us develop creative ways to improve the quality and efficiency of our operations in cost-effective ways. Developing positive relationships with your current vendors and other potential new vendors can pay huge dividends. One of the benefits of going to conferences like IPMA, On Demand, MailCom and the National Postal Forum is the opportunity to meet vendors and pick up ideas and build relationships.

5 Partner with other departments within your organization.

Sometimes other departments may have special needs for printing, mailing or fulfillment. These needs should be viewed as potential partnering opportunities.

We experienced a “win-win” opportunity a while back. The mapping department needed a new large document printer to print maps and was planning to purchase a printer and then hire a person to run it. My printing department had a very old large document printer that needed replacing. So we offered to house the new printer at our shop and run it for no cost to that department. They accepted the offer, and we gained a new printer that benefits the entire company.

You should also look for other partners and advocates within your organization—such as marketing,

customer service, public relations, corporate communications, etc. Enlisting the support of these internal advocates shows decision makers that your requests have broad support.

6 Develop positive relationships with internal service providers who influence decisions.

Most organizations have financial staff that plays an important role in the approval process of budgets and capital requests. Human resources usually gets involved with decisions to upgrade and/or add staff. Legal, purchasing, corporate communications and other staff areas also play key roles. These service providers can be your allies or foes; the choice is largely up to you.

You can improve your relationships with these individuals by practicing the three R's: recognizing, respecting and rewarding. Individuals from these functions often have degrees and/or certifications and feel a sense of professional pride. Recognizing them as being experts and professionals by seeking their counsel and appreciating their expertise will pay dividends. Treating them positively and respectfully will enhance relationships. And when someone does help you, showing your appreciation in a tangible way (verbal thanks, e-mail, card, gift certificate, food) does wonders for the relationship.

7 Take the budgeting process and other “bean counting” tasks seriously.

Many operational managers detest budgeting, accounting and those “bean counting” tasks. But a sure-fire way to develop better credibility with your finance staff is to learn how to develop accurate budgets and be able to explain budget variances and provide future forecasts.

How can you improve your ability to budget? By carefully reading the documentation that is provided, asking questions, involving other

people in the process (staff, management chain, vendors) and by documenting your assumptions. The payoff is worth the extra effort. If you improve your credibility with the finance folks, they will be more likely to become advocates of your requests, not adversaries.

8 Understand your organization's budgeting and approval system and processes.

Become well versed on the criteria used for making decisions, and the necessary format and content of required documentation. Know who the key decision makers are, and genuinely seek to build positive relationships. Following the time frames and playing by the rules will help build your credibility and improve your odds at getting needed approvals.

9 Track your volumes and document increases.

Sometimes decision makers operate under the mistaken assumptions that hard copy mail and printed pages are disappearing and no longer important. The facts can speak for themselves, so track the volumes of all the work you do and use this as part of your overall business case to justify your requests.

10 Build a good business case.

Complete a stakeholder analysis and explain the benefits and return-on-investment (ROI) as relevant to investors, customers, employees and the community. Be sure to include both quantitative (financial) and qualitative (non-financial) benefits. Reference the advocates that support your requests.

One bonus tip: intentionally work to build the credibility of you and your team. Establishing credibility with the decision makers is extremely important and will increase your success rate.

Justifying resources is never easy, but consistent application of these 10 tips will help. Good luck in your journey to develop a quality operation that adds value to your stakeholders.

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