

## WIRELESS COMMUNICATION DEVICES (WCD) PART 2 – BLACKBERRY: ASSESSING USAGE AND NEEDS

Event id (if applicable): PRO-S1A.1.2

Version: 1.0

### Executive summary of the initiative

The Office of Contracts & Procurement identified control issues with monitoring wireless communication devices (WCD) and associated plans. The goal of the WCD initiative is to target cost and usage in order to identify areas of potential cost-savings through effective asset management.

Initial positive results the team identified through three areas of savings:

1) cancellation of zero use devices, 2) bundled device rates and 3) canceling dual devices. The current cost savings from these actions is \$52,475.37 with a projected total of \$199,738.96 annually<sup>1</sup>.

### Improvement summary

A Rapid Process Improvement (RPI) event was held November 2008 to streamline the Blackberry request process including cycle time from the identification of need, delivery to the end user and billing information.

Analysis of current billing information for potential cost benefits led to the following actions:

1. De-activation of “zero-usage” Blackberry devices.<sup>2</sup>  
*The result is an annual savings of \$22,545.12.*
2. Bundled rate plans based on shared pool of minutes of employee assigned devices.  
*The result is an annual cost savings of \$140,408.44.*
3. Addressing the need for multiple devices.  
*The result is the disconnection of 90 land line phones yielding an annual savings of \$37,017.26.*

The RPI team recommended decentralizing the purchase, review, and payment of bills. The decentralizing ensures business managers can access billing and usage information to manage device usage and budgets. The previous process of centralized ordering and billing contributed to ineffective asset management on devices that were no longer used. The initiative leader, Mike Hewitt from OC&P, and RPI sub-group team developed a consolidated order form, updated DHS wireless device policies and decentralization plan with a

<sup>1</sup> Cost savings are calculated based on 2008 actual invoices. These benefits will be validated using 2009 quarterly invoices.

<sup>2</sup> Some zero-usage phones may be carried on the invoice if there is a business need such as extended leave.

target that bills are reviewed monthly by business managers and vendor reports analyzed quarterly within 30 days.

CAF and SPD will pilot the new process in August and September, with full implementation targeted for October 2009. The Initiative Leader will monitor the pilot for achievement of targets, sustainability and ongoing improvements.

### **Benefit/outcome description**

Since November of 2008, the following qualitative benefits have occurred from de-activating un-used devices, bundling rate plans and addressing the needs for multiple devices:

#### **Cost Savings**

1. "Zero-usage" Blackberry de-activation (38 devices as of 4/8/09)  
Average monthly savings projected =  $\$1,832.28 * 10 = \$18,322.80$   
Monthly savings realized to-date =  $\$4,222.32$   
 $\$22,545.12 = \$22,545.12$
  
  2. Bundled rate plans savings (1,503 plan changes as of 3/23/2009)  
Average monthly savings projected =  $\$11,700.70 * 8 \text{ months} = \$93,605.63$   
Monthly savings realized to-date =  $\$46,570.95$   
 $\$140,176.58 = \$140,176.58$
  
  3. Addressing the need for multiple devices (45 land line phones as of 6/25/09)  
Average monthly savings projected =  $\$4,278.92 * 6 \text{ months} = \$25,673.50$   
Monthly savings projected by September 2009 (45 additional land lines) =  $\$9,661.64$   
Monthly savings realized to date =  $\$1,682.10$   
 $\$37,017.26 = \$37,017.26$
- Total** **\$199,738.96**  
*(Current savings realized to-date: \$52,475.37)*

#### **Productivity**

- Reduction in cost through cancellation or suspension of zero use devices.
- Reduction in cost through bundled rate plan changes.
- Reduction in cost through elimination of multiple communication devices assigned to employees.

#### **Quality**

- Previously, assessments were not made on current Blackberry usage so there is no baseline for cycle time. The current system involves the creation of a process to review rate plans and make assessments based on quarterly usage reports. Review of the process will be conducted by the current workgroup with leadership provided by the initiative leader from OC&P.
- Improved inventory control.

#### **Service**

- Decentralizing the process improves the business managers' ability to determine if employee assigned devices and usage are appropriate or necessary to their business needs.

#### **People**

- Better stewardship of the public trust.

- Improved management satisfaction of assigned Blackberry plans.

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***Attachments:***

Data Spreadsheet

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