

MSU Finds Way To Reduce Paper Usage, Cut Costs & Speed Delivery Of Mail

University Found Equipment Tailored To Its Needs

EAST LANSING, MI -- Founded more than 150 years ago, Michigan State University is a globally recognized university that enrolls more than 45,000 students and employs about 6,000 staff.

The Challenge

Each day, more than 600 accountable items arrive at MSU Central Receiving for delivery to 125 campus buildings. MSU Central Receiving needed an efficient way to determine which accountable items were delivered by the major carriers, the USPS and LTL to the MSU loading dock, where and to whom those packages should be delivered, when the MSU courier delivered them, and who signed for the item upon final delivery. Essentially, MSU needed a chain-of-custody system that picked up when the external courier tracking ended at the loading dock.

In addition, prior to implementing a new tracking system, MSU manually tracked accountable items with copies of purchase orders. According to the MSU financial analyst and project manager Ken Desloover, "Without an electronic tracking system, MSU Receiving personnel were under greater pressure to meet delivery deadlines. Often, this required increased manpower to ensure packages were processed in a timely and accurate manner, since it had to be done manually."

Consequently, MSU needed a way to reduce paper, decrease costs and loss, speed delivery, and easily track a package's status at any given time.

The Solution

Mr. Desloover sought input from MSU Shipping and Receiving, Mail Operations, IT, Purchasing and Accounting to draft the requirements into a formal statement of work. He reviewed different tracking systems on the mar-

ket, including a point solution, hosted solution, in-house solution and an enterprise solution.

However, he found that the first three solutions would not be appropriate for MSU since they could not support multiple locations or large data volumes, failed to be cost-effective, and could not deliver the speed and security required by MSU. Consequently, the university chose the SCLogic SCLIntra Mobile Enterprise Tracking System, because its features most closely matched MSU's needs.

The Results

The successful deployment of SCLIntra for Central Receiving has spread to MSU warehouse operations, Payroll Department, and the Computer Store, where they also use SCLIntra's electronic signature capture and web-tracking proof-of-delivery.

As a result of MSU's purchase of the SCLIntra Tracking System, MSU Cen-

tral Receiving has accomplished the following:

1. Reduced lost packages by more than 50% and increased speed of delivery significantly.
2. Enabled all recipients to view package status via a Web browser.
3. Provided near real-time proof-of-delivery via electronic signature capture.
4. Freed up 1.5 FTE (or 60 hours per week) to be used on other important tasks.
5. Implemented paperless data transfer between Purchasing, Receiving, and Accounts Payable.

"Another key advantage is that SCLIntra so easily integrates with our other systems, such as Purchasing and the Human Resources Staff Directory," Mr. Desloover said.

"Now, as staff move around the campus and their address information is updated in the HR Staff Directory, that data is updated in real-time in the SCLIntra tracking system."

BEST PRACTICES

Congested Workflow Is Often A Symptom

Like most firms in the high-volume print/mail finishing industry, Horizon Blue Cross Blue Shield of New Jersey added new equipment on an "as needed" basis -- placing it wherever room was available at the time of acquisition -- so as not to disrupt current mail production.

Corporate Services Director Frank Reynolds oversaw an effort to correct this problem, which included conducting a workflow analysis, selecting new material handling technology, and reconfiguring both equipment and work processes.

The most significant improvement centers on the creation of a new "straight-line" production process, which replaced an existing workflow process that evolved over several years and was marred by congestion

and inefficiency. The new approach is similar to the assembly line concept used in the automobile industry.

Raw materials are brought in at one end of a factory, products are assembled in a high-speed straight-line fashion, and the finished products exit at the other end.

Also important to the efficiency of the process is the location of the various work units along the line, and the way supplies and partially finished goods are handled and transported. In the new straight-line process at Horizon Blue Cross Blue Shield NJ, the work units are now both adjacent to the line and compact, and manual effort in moving supplies and materials is minimized.

This one simple change ended up paying big dividends.