

Pierce County

Persevering despite challenges, Pierce County implemented solutions and best practices along with Gartner's recommendations, resulting in \$3 million in savings per year.

Issues

Facing tough questions about justifying costs and the type of hardware employed, Pierce County proactively pursued a course of measurement. The current evaluation validated Pierce County's approach to IT and provided metrics demonstrating the value of the IS organization and its cost-effectiveness.

Challenges

The Pierce County IS organization undertook many initiatives as a result of Gartner's recommendations from its first evaluation four years ago. Highlights include minimizing costs by utilizing standards, reducing support demands with proactive management, leveraging support resources to maximize quality services, improving asset management, communications and building a partnership between the IS organization and other parts of the enterprise as well as improving training for technology support staff.

Benefits

Utilizing the proven Gartner methodology, Pierce County's improvement since the previous benchmark was striking. Pierce County has benefited from investing in planning, interdepartmental teamwork, standardization, overall proactive management and increased automation. Its increased centralization of support as well as diligence in asset tracking and record keeping also have contributed to its overall success.

Remarkably, Pierce County now supports **56 percent more end users**, 56 percent more client devices and 45 percent more servers. However, the total direct costs increased only by 17 percent at the aggregate level, resulting in **an amazing 25 percent decrease in direct cost per end user**.

Hardware and software costs per end user decreased by 29 percent from \$1,593 to \$1,130, a benefit from improved asset management. This reflected the significant drop per end user of 55 percent for client hardware from \$848 to \$384.

Proactive management, standardization and training were important

Service: Distributed Computing/Total IT Expenditure

Industry: Government

Geography: Pierce County, State of Washington

Sources: Terry Hale, CIO and Dawn Umstot, PC and Network Services Manager

Benefits Summary

- According to Terry, "**We got a lot of bang for the buck out of it.** We would never even have considered doing a subsequent analysis if I didn't think it was well worth it."
- **\$3 million in cost avoidance per year**
- Despite 56 percent more end users, **25 percent decline in direct cost per end user**
- Decrease in hardware and software costs per end user by 29 percent
- Drop of 55 percent in client hardware costs
- A 22 percent reduction in support costs per end user
- Client technical services costs reduced by 52 percent
- A 46 percent reduction in service desk costs
- Dawn states that "...we are dedicated to a course of action in which measurement holds an important role in evaluating and improving our effectiveness and value. The use of Gartner's measurement programs has been invaluable in helping us show our customers where we are succeeding as well as identifying areas we still need to work on in partnership with them."

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in reducing support costs per end user by 22 percent. Client technical services costs were reduced by 52 percent from \$1,240 to \$600 per end user. In addition, a 46 percent reduction in service desk costs reflected a decrease from \$100 to \$54 per end user.

Investments have increased 4 percent in planning and process management, 89 percent in IS training and 81 percent in IS hardware. All have added to Pierce County's overall improvement.

By pursuing the Gartner recommendations, Pierce County has improved significantly its overall cost and staffing efficiency. Furthermore, the IS organization has aligned itself with the various departments, thus benefiting from a stronger working relationship as well as a more-robust and reliable technological foundation from which to serve the county's IT requirements.

The \$3 million per year in cost avoidance is the minimum benefit accrued by Pierce County. The value achieved might have been even greater because it does not take into consideration any further reduction of indirect costs (e.g., peer support) concerning end-user operation time, any gain in end-user productivity and potential positive impact in customer satisfaction, which were not measured in the most-recent analysis.

Terry Hale, CIO, and Dawn Umstot, PC and Network Services Manager, made measurement a key priority for Pierce County. Armed with tapes from a Gartner conference, Dawn required all 25 staff members to listen to the tapes to understand the ramifications of incurring indirect "soft dollar" costs.

Defying the critics, the IS organization persisted in the strategy laid out by Terry and Dawn. Despite potentially disastrous results if Pierce County did not perform well, Terry and Dawn knew that the most-important goal was to use the metrics for long-term improvement. According to Terry, the Gartner evaluation was worth far more than its cost. "We got a lot of bang for the buck out of it. We would never even have considered doing a subsequent analysis if I didn't think it was well worth it."

Becoming more cost-efficient and cost-effective (i.e., doing things right and doing the right things) as well as customer satisfaction were so important that it was imperative to risk being shown as lacking in certain areas. According to Dawn, "I agree with Terry that we aren't perfect, but we are dedicated to a course of action in which measurement holds an important role in evaluating and improving our effectiveness and value. The use of Gartner's measurement programs has been invaluable in helping us show our customers where we are succeeding as well as identifying areas we still need to work on in partnership with them."

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Enterprise Profile

Covering 1,790 square miles, Pierce County, Washington has a population of 733,700. Pierce County provides for these citizens.

The deep water Port of Tacoma, convenient to Pacific Rim trade, contributes significantly to the county's position as a major regional trade and service center. The county manufactures lumber and wood products, chemicals, metals, food, clothing, computer/semiconductor chips and airplane parts. A leader in the production of rhubarb and an important producer of lettuce, cabbage, radishes and green onions, Pierce County also is known for growing pumpkins, tulips and daffodils.

Pierce County donated 140 square miles to the United States Army, which is now known as Fort Lewis. In 1935, McChord Air Force Base was established on property previously owned by the county. The property had served as a dirt air strip known both as Tacoma Field and Pierce County airport.

The county boasts Mount Rainier National Park, which celebrated its centennial in 1999 and has a perpetual snowpack and 26 glaciers. In addition, the Puyallup Tribe of Indians offers programs that serve approximately 32,000 Indian people. The tribe is governed by a seven-member council elected by the membership and employs 1,800 people.