Electronic Software Delivery – IT Tools Without the Fuss

Environmental and Human Health Impact: Eliminated the purchase, shipment, storage and disposal of over 300,000 software discs, packaging, and manuals in 2009. This equates to the savings of over 100,000 tons of metal, plastic, paper, and cardboard waste.
Business Impact: Receiving software by electronic transfer is cost neutral and increases efficiency of software delivery to end user.

Challenge

Kaiser Permanente has been working to streamline care delivery by using IT solutions that enable our staff to perform work in an automated, paper-reduced environment. However an increased use of software programs yielded the consumption of CDs and peripherals made of metals, plastics, and paper that fill offices and landfills with waste. Recognizing this issue, **Kaiser Permanente sought to minimize software-related waste**. In 2005, we began considering how to reduce the use of physical media, while maintaining and improving software functionality and delivery to end users.

Aim/Goal

- To increase the number of electronic software deliveries
- To develop new reseller channels that only deliver by electronic transfer
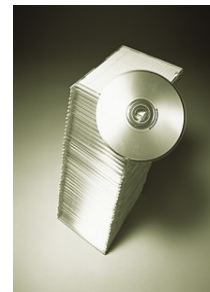- To outline and clarify the electronic transfer process

Team

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Small Dollar Software Transaction Cross Functional Team

Actions Taken

- ✓ The use of electronic transfer for software is complex technically and financially for tax-related reasons. In 2005, we began carefully considering electronic software management options due to sales tax opportunities in California.
- ✓ A team was developed to draft protocol and instructions and manage the transition to electronic transfers.
- ✓ **The following steps were identified as key to setting up electronic transfers:** (i) coordination with a technology team and the internal software requestor, (ii) instructions to the supplier on how the file is set-up, (iii) coordination with our sales tax department and (iv) coordination with our asset tracking group.
- ✓ KP developed software templates that have provisions for electronic transfers and a certification schedule to be completed by KP and the supplier for reporting purposes.

- ✓ By 2008, most large dollar software transactions were negotiated to be delivered electronically with KP and the supplier maintaining server logs and certifications for tax purposes.
- ✓ Kaiser Permanente's standard desktop software applications, which consist of more than ten applications, are now transferred electronically.

Results

We eliminated the consumption of over **a mile** high stack of CDs and packaging in 2009 alone!

Lessons Learned

- ✓ Electronic transfer of software is not currently a standard industry practice and must be requested.
- ✓ It requires a server dedicated for accepting and staging the software until ready to deploy.
- ✓ Very large programs need special handling during the transfer to avoid truncation.
- ✓ Some software cannot be transferred by file transfer protocol and must be loaded on another computer and then transferred to the computer on-site at KP (the load and leave method).

Next Steps

- ✓ Continue the work started for large dollar software transactions.
- ✓ Begin phase two, applying the same process for small dollar software transactions using targeted reseller channels.

For More Information Contact: Environmental-Supply-Chain@kp.org