

Case Study

A leading Indian Food Processing Chain

Service(s) Offered: **IT Infrastructure cost optimization**

Sector/Industry: **Food Processing**



Optimization of IT Infrastructure to maximize productivity

The client is an Asia market leader for chicken and egg processing, poultry vaccines and feeds, and other products. With expertise and research strength acquired over 40+ years, the client had used inorganic channels for expansion. To ensure the in-house capabilities of their team, they had developed all their IT applications internally. However, these continual changes and acquisitions created complexities in managing the different technology platforms and required considerable investment on the infrastructure. The management was unable to leverage these investments and was unhappy with the returns it was yielding.

Challenge

Maintenance of need-based additions: The IT solutions team developed and added newer modules and features to the existing application, mostly inorganically, to meet growing business requirements. This led to a ballooning **infrastructure budget** and **increased maintenance** needs.

Synchronizing multiple platforms: Inorganic growth complicated the application architecture, and only a handful of people could understand it. This made it difficult to define the data path within a group.

Solution

Partnering with the integrated internal IT team, Nexdigm adopted the following approach:

- **Developed policies** and procedures for IT security to achieve the company's vision.
- Helped the management to understand the IT infrastructure, its requirements, and existing gaps by **conducting a walkthrough** of various processes and applications used by the IT security team
- Evaluated distribution of the IT budget across various procurements and developed a need-based procurement system.
- Developed a Responsibility Accountability Consulted Informed (RACI) matrix to define the roles and responsibilities of the company's in-house IT team
- Researched the technology used by the Client's industry peers to identified the technology best suited to their requirements
- Worked with the Client's IT Infrastructure team to develop a plan where we either dispose or reuse the redundant infrastructure
- Clearly demarcated the IT Security Operations Centre room to ensure restricted access for authorized personnel and assisted the IT team in building a Data Center.

- Helped the Client identify skilled resources to handle in-house IT functions
- Supported the negotiations for the 'Terms of Business' with vendors to achieve their quality requirements while aligning to the budget

Result

- A defined procurement procedure and established vendor evaluation process to ensure standard obtainment of all IT infrastructure at best prices
- A holistic view of the cost associated with IT infrastructure purchase and maintenance
- Reduction of up to 60% in purchase costs by reducing arbitrary purchases
- Expected reduction of 85% in the redundant purchases of IT infrastructure and supporting applications by the second year

Impact

- Ensured that the development of the Data Center didn't disturb business as usual activities by carrying it out in phases
- Established a clear forecast for the requirements and expectations
- Optimized the spend on IT resources using complementing applications with longer shelf lives
- Planned to achieve breakeven on investments within 2-3 years, with benefits continued beyond the third year

For more information on this case study, please write to us at:

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You can also visit our website to know how our services resulted in tangible business benefits:

www.nexdigm.com