Case Study

A leading Indian Food Processing Chain

Services Offered: **IT Infrastructure cost optimization**

Sector/Industry: **Food Processing Unit**

Optimization of IT Infrastructure to maximize productivity

The Client is an Asia market leader for chicken & egg processing, poultry vaccines, and feeds, among other products. The Client, a 40+ year old enterprise, had grown inorganically to achieve high business growth. Over the years, the Client had developed need-based IT applications internally in a decentralized manner.

The continual additions and acquisitions increased the complexity of the technology platforms, leading to duplication of effort. The management was unable to leverage economies of scale through these investments and was unhappy with the returns it was yielding.

Challenges

- **Maintenance of need-based additions:** The IT solutions team developed and added newer modules and features to the existing application 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 (SKP) 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 **comprehensive walkthrough** of various processes and applications used by the IT security team

- Evaluated distribution of the IT budget across various procurements and developed a procurement system which was need-based

- 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 **resource 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 **identifying and building a Data Center**

- Helped the Client identify **skilled resources** to efficiently handle in-house IT functions
- **Supported vendor negotiations** for the 'Terms of Business' to achieve the required quality standards

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 **30%** in purchase costs by reducing arbitrary purchases
- Expected reduction of **55%** in the redundant purchases of IT infrastructure and supporting applications by the third year

Client Advantage

- Ensured that the development of the Data Center didn't disturb 'business as usual' activities by adopting a **phased approach**
- Established a **clear forecast** for the requirements and expectations
- **Optimized the spend** on IT resources using complementing applications with a longer shelf life
- Planned to achieve **breakeven** on investments within **3-4 years**, with benefits continued beyond the third year

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

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www.nexdigm.com