

Outsourcing Contract Reduces IT Budget Amidst Rising Fuel and Operation Costs

CASE STUDY

Client Challenge:

Outsourcing Advisory Services and IT Organization

Situation:

- Multi-billion dollar company was seeking to achieve post acquisition savings of \$240 million in corporate-wide cost reductions within one year
- IT organization charged to reduce annual IT spend (143MM) and assist business areas to reduce operating costs
- Less than 2 years from the expiration of a \$1B IT service contract
- Sought assistance in creating an IT organization that can provide improved service at a reduced cost

Engagement:

- Analyzed go to market strategy for outsourcing IT services
- Led assessment of current situation and designing of future state of IT services
- Developed and managed RFP process from end to end
- Evaluated vendor responses and negotiated vendor selection thru auto scenario analysis
- Created and managed end to transition for both strategic and tactical efforts

Results:

- Strategic control of the business became critical business driver
- \$420MM in savings over a new 7 year term
- Designed and implemented new operating processes between suppliers
- Trained client and suppliers on new contract and services

