

Case Study



Operational Excellence Makeovers with Infosys' Enterprise Application Service Transformation Solution

Leading the transformation to a 30% cut in application lifecycle management cost for a global pharma giant

The client, one of the world's top five pharmaceutical companies, had a disparate application portfolio supported by a host of vendors resulting in high infrastructure and application delivery costs. Infosys built an enterprise-wide Application Service Transformation organization that helped transform the client's IT environment, providing shared services at a significantly lower total cost of ownership (TCO).

The Client

The client is one amongst the global top five pharmaceuticals company dedicated to providing better healthcare through innovation. It operates in over 100 countries across the globe with more than 100,000 staff members and a dedicated research team of about 12,000 scientists.

The Client Need

The client had a large ADM portfolio in Drug Discovery, Development, Commercial Ops, HR, Legal, Sales and Marketing domains. The organic growth of the company through several mergers and acquisitions had made its IT environment a hodge-podge of applications, characterized by silo approach with multiple platforms and infrastructural support requirements.

There was no shared platform to manage the huge logistical connectivity between people and systems across the corporation. Process maturity too was different for various departments within the corporation. More than 50 vendors supported the portfolio of over 400 applications built on diverse, non-standard technologies, architecture and infrastructure. The key challenges were low utilization of infrastructure, disparate technology footprint, non-standard operating processes, and low visibility across application portfolios, decentralized vendor management, and an overall high operating cost.

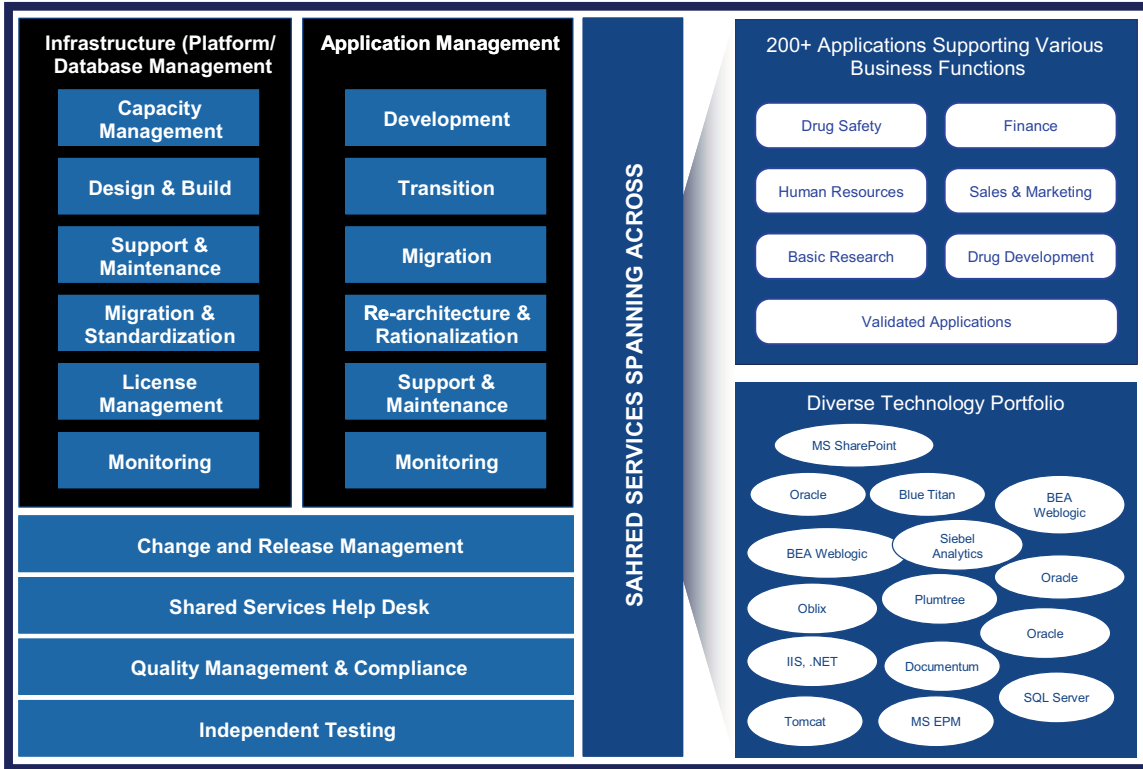
The need of the hour was a robust system/infrastructure that would bring all disparate applications under one umbrella, allow for cross-communication between application users and connected systems with a seamless user experience.

The Infosys Solution

Infosys consolidated client services by setting-up an Enterprise Application Service Transformation solution that leveraged a shared services model. The solution was developed and fine-tuned to bring a transformational change in the client's current application delivery process. The design considered the client's key challenges of non-standard technologies, decentralized infrastructure controls with low resource utilization and silo-ed application development & management.

The Infosys solution covered end-to-end application lifecycle management. One of the most challenging aspects of the solution was bringing in infrastructure standardization and platform harmonization. The solution was a carefully crafted symphony of twelve services that included shared service desk, platform operations, platform build, capacity management, DBA services, application support, application maintenance, application architecture, independent testing, quality management and compliance, and release management.

The following diagram depicts the diversity in technology platforms, business applications, technology portfolios, and shared services:



Infosys Differentiators

A major Infosys differentiator was its capability for its focused approach on the following key aspects that helped in developing the solution that ensured repeatability and established metrics for robustness:

- **Throughput:** Model-based approach to plan, track and measure throughput of the organization, allowing multiple programs to run in parallel while leveraging the experience of each for others. The model also helped resource planning by continuously measuring human resource utilization, offshore leverage analysis and allowed for factoring productivity measures.
- **Scorecard:** To measure success and drive optimization, the following measurement criteria were defined utilizing the scorecard mechanism:
 - **Program Scorecard:** This ensures tracking program objectives by measuring throughput, process maturity, customer satisfaction, growth, and cost rationalization. Trending is done once every quarter.
 - **Service Quality Scorecard:** All the 12 services measured against multiple parameters to get a score. This is published once every month. This scorecard helps measure individual service quality, strengths and weaknesses to help achieve the highest levels of customer satisfaction.
 - **Staff Quality Scorecard:** People quality is continuously measured to drive resource rotation, skill development and training plans. This is done once every quarter.
- **Reporting:** This organization produces various reports including dashboard, application health status, resource status, service delivery issues, productivity, and infrastructure status. Input data comes from various execution tools and final reports are generated out of reporting tool with some manual intervention.
- **Chargeback Model:** The success of the shared service program relied heavily on demonstrating significant cost benefits to the applications that subscribed to the shared service. This was enabled through a robust chargeback model by utilizing pre-existing budgets from different application portfolios and apportioning an efficient chargeback that demonstrated tangible net cost savings to the subscribing application.

Resolving Client Challenges

Some of the key client challenges were working with multiple vendors using diverse support models for support applications across portfolios including sales, marketing, finance, and medical, predictability of service quality was lacking despite the high cost of services. Moreover, the client had a decentralized service model for application support and maintenance that was hamstrung by the lack of standard processes and tools. One challenge that was more critical was that of changing mindsets – that of application owners satisfied with the old set-up.

The Infosys service integration model was a mature model that helped the client successfully de-couple or couple various applications and people at various stages in the business life cycle. This offered flexibility and elasticity of the model. The solution took on the challenge of all the varied complexities using a staged approach that ensured predictability and success:

- **Data integration** - Break the silos and identify discrete data structures for seamless integration
- **Application integration** - Integrate the applications based on requirements and identified strategy
- **Functional integration** - Componentization of functions for the integrated applications
- **Process integration** - Definition and implementation of processes and workflows
- **Supply chain integration** - Integration of other related services

This resulted in a shared services model offering a menu of IT services from which application groups across the organization could subscribe thus streamlining services. The solution thus offered the benefit of using a cost efficient engine - 'single point of service' across the enterprise. By creating an organization to manage all applications through standardized processes and service level agreements (SLAs), Infosys provided effective consolidation of services and a single interface to end users. The solution provided end-to-end infrastructure and application support as part of the same organization governed by unified processes and SLAs. It used an ROI-based approach to prioritize the applications for transition to the shared service considering other factors such as technology consolidation, existing vendor availability and application stability.

Infosys created a service catalog with a clearly defined scope of services and SLAs, aligned robust process definition with industry standards like ITIL and CMMi, and set up a single-window service desk for end users. Interactive sessions with application owners along with metrics-based reporting on application service performance provided transparency on the benefits of the new model.

Infosys conducted a large pilot followed by a quick ramp-up of the service program. It created documentation based on the client's process, and ensured a thorough review of each application before transition for stability and performance. An independent process and compliance team was created as part of the program to define processes and ensure adherence.

Benefits Delivered

Infosys's Application Transformation Solution helped the client in transforming key touch points like business, technology, applications, and data in an accelerated time frame. Infosys solution helped the client optimize its revenue to IT spend ratio and build business efficiencies. The ATS enabled the client is cost savings by about 30 % in managing its application lifecycle for a global pharmaceutical giant.

Infosys helped the customer identify the drivers for change and then drove the change transformation by leveraging its world-class capabilities in designing quality end-to-end solution that addressed the full spectrum of challenges impacting the client's organizational transformation.

The client belief and faith in delivering the solution successfully was backed by Infosys's reputation as a leading global management consulting and technology services and outsourcing company with the skills, the resources and the experience to oversee and deliver this transformation infrastructure and solution

The Infosys Application Service Transformation solution:

- Reduced overhead and operations costs
- Reduced application delivery cost by 30% through shared onsite-offshore model
- Improved scalability - resource ramp up from 0 to 200 in 11 months
- Introduced predictable service quality - overall SLA adherence over 95%
- Increased availability of platforms and applications

- Reduced technology spread and bandwidth required to manage the platforms
- Provided expertise to architect and implement a solution through a single interface
- Enabled multi-site, multi-team development on an application
- Strengthened the security framework for applications
- Extended support for applications and platforms at reduced cost
- Improved turnaround time for user requests and issues
- Provided standardized and predictable estimation models for more accurate budget forecasting
- Developed a single set of processes for delivery of services

Client Appreciation

“This was probably the most efficiently-managed and executed projects I have ever been a part of. From engagement and scoping to project management, quality, development, testing, and execution, the project was outstanding. I would recommend this project team to anyone running an IT project at (Client name withheld). All involved should be commended.”

Business Technology Manager of a top five global pharmaceuticals company



For more information, contact askus@infosys.com

About Infosys

Many of the world's most successful organizations rely on Infosys to deliver measurable business value. Infosys provides business consulting, technology, engineering and outsourcing services to help clients in over 30 countries build tomorrow's enterprise.

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