



ROAD MAP TO IMPROVE
IT SERVICE LEVELS AND REDUCE COSTS

A pragmatic road map developed in two to three weeks will lay a foundation to improve the service provided by your IT organization and significantly reduce supply chain and related IT costs.

OUR CLIENT

Two of our more recent Road Maps were prepared for consumer products companies (\$300 to \$500 million) located in the New York and Chicago metropolitan areas.

BACKGROUND

Both companies had different reasons for developing Road Maps, but were interested in the same results – How to improve service levels and reduce costs.

Our New York based client had just completed a series of acquisitions and needed a Road Map to identify IT integration areas and opportunities to use IT to communicate better with their customers and to work more effectively with each other.

The Chicago based client was under new executive leadership that recognized IT was not adequately supporting the business, and needed a Road Map to direct the improvement efforts.

OBJECTIVES

Construct a Road Map to identify the improvement areas, prioritize investment opportunities and prepare an action plan that can be funded by cost savings.

APPROACH

These Road Map engagements were conducted over a two to three week period using the combination of a top-down and bottom-up approach.

The top-down approach included interviews with Senior Management to review Vision, Mission, Business Objectives and Critical Success Factors; interviews with functional management to determine how well the current IT infrastructure is servicing the respective functions; and interviews with IT Management and staff to review current practices and systems.

The bottom-up approach involved reviewing IT plans, policies, practices, procedures, methodologies, tools, requests, logs, inventories, etc. to develop a “hands on” view of IT processes and transaction volume requirements; and gathering benchmark data from industry sources to supplement our comparison of transaction volumes and costs to current IT capabilities and business demands.

IMS is successful in conducting these engagements for two key reasons: We use proven analysis tools and experienced staff that have successfully run high-performing IT organizations.

IMMEDIATE OUTCOME

These engagements produced a clearly defined Road Map that addressed:

- The activities necessary to sustain existing operations until new processes/systems are implemented
- A description of the changes to the critical business systems, infrastructure and operations environments that must take place to support the business going forward
- A cash flow projection that demonstrated how the improvements can be funded through the cost savings opportunities with little or no additional investment

IDENTIFIED COST SAVINGS

Cost savings opportunities were identified in supply chain and inventory management areas, as well as in IT practices, including: eliminating redundant functions, renegotiating better vendor contracts, deferring non-critical projects for systems that will become obsolete, re-skilling and right-sizing the IT staff, and better utilizing existing IT assets.

Better supply chain and inventory management practices resulted in savings of between \$6 and \$20 million for these companies. Internal IT savings totaled between \$2 and \$3 million.

CONCLUSION

IMS preparing an IT Road Map was the foundation for these companies to achieve significant, measurable improvements in their business that had a considerable bottom line impact. In both cases, the short-term cash savings identified within the IT organization funded the specialized resources to achieve the improvements.

WHO WE ARE

Since 1988, IMS has specialized in fast growth companies and companies under new management. Our industry leading professionals work with businesses that need significant improvements in IT capabilities or a complete IT turnaround, domestically and/or worldwide. The IMS team has extensive executive level experience in Fortune 500 companies in diverse industries.

IMS' core capabilities focus on retail, direct sales, consumer goods, and business services industries. Additionally we work with the private equity community performing due diligence and assisting in complete IT turnarounds. We partner with companies at the executive level to insure processes, IT strategic and implemented solutions are business driven and aligned with critical business objectives. IMS is based out of California and the New York tri-state area.

We Understand Business.

Leverage Technology.

Get Results.

