



CASE STUDY – COMMERCIAL REVIEW OF MISSION CRITICAL SYSTEMS, LEADING TO ENHANCED BUSINESS AND IT STRATEGIES

Situation

The organisation had spun off its IT software department over a decade ago, and this IT company was now serving multiple customers in the same industry. The organisation was a corporate shareholder in the IT company and the service contract was complex. It had not been reviewed for many years, and the Chairman of the Board required an independent review to see if the contract was fit for purpose, properly assess the risks, and determine if the systems being supplied still met the needs of the organisation at the right price and with a credible roadmap for future enhancements.

Task

Review the contract and the wider performance of the organisation's IT function to ensure the contract was still fit for purpose and the systems being supplied met current and likely future needs at the right price. Identify risks and mitigating actions. Make the case for improvement opportunities and then assist in designing and implementing them.

Action

Detailed commercial review of the terms and conditions of the contract, together with interviews with the organisation's IT team and operational users of the system. Improved the awareness of the executive team around the detailed terms of the contract. Assessed quality and future development roadmap of the system against market peers. Created recommendations for improving contract governance and agreed these with the CEO and CFO. A major issue became apparent that the organisation did not have an IT strategy against which to assess the systems it was using. Created an IT strategy for the organisation's CEO, which in turn led to the refinement of the business strategy to maximise the quality of customer experience, and the redesign of core business processes to meet business objectives. Provided a roadmap on future improvement and development measures and priorities

Results

The contract did prove to be good value and the mission critical systems being supplied proved to be fit for purpose and benchmarked well against the market. The increased knowledge of what was in the contract, and the fact that it was fit for purpose, gave the Board members vital assurance in their discussions with auditors and regulators. Quick wins were identified and implemented in improving the governance arrangements around the contract, which has resulted in improved ways of working with the supplier which are of mutual benefit.

The by-product of the review was probably of even greater value to the client, namely the impetus to create a proper IT strategy which in turn led to questions about, and then the enhancement of, the business strategy. This provided greater focus on the importance of the quality of the customer

experience that the organisation was delivering, and the need to change business processes to deliver the desired customer experience. The final phase of the assignment delivered a roadmap for future improvements.

The organisation now has increased confidence in both its business and IT strategy, and a roadmap for future improvements. A new permanent Head of IT has been recruited to deliver in the IT strategy.

"Chris provided some excellent insight and recommendations to strengthen a core part of my business - his experience and expertise is clear and he was able to work with staff at all levels across different disciplines." – Client CEO.