



IT 360 – New CEO Looks to Reduce Outside IT Consulting Fees

Situation

The newly appointed CEO of a leading global pharmaceutical and biotechnology company with over \$400 million in annual sales questioned the IT department’s monthly \$40K expenditure to a small, outside IT consulting firm. The CEO discovered that this \$40K accounted for a major portion of the company’s overall IT budget and that the consulting firm was responsible for the company’s data management needs, specifically, the Electronic Data Interchange (EDI) which is so critical to pharmaceutical companies. The CEO was concerned with not only the half a million dollars that was being paid to the outside firm annually, but also with the ability of the consulting firm to handle their EDI and data integrity needs going forward.



Approach

CSI was called upon to assess the current IT processes relating to the outside consultant’s areas of responsibility. By implementing IT 360, CSI thoroughly investigated all functions that the consulting firm was handling and quickly recognized that the firm did not possess the specific skills and expertise needed to support such a large and growing pharmaceutical company. CSI’s proven methodologies and expertise allowed them to provide more than a generic IT evaluation in this case and were able to recommend the realignment of internal IT staff and bring these functions in house.

Outcome

CSI’s 3rd party, independent assessment provided information on the client’s IT expenditure relative to other companies with similar size and industry characteristics and looked at industry best practices as well. Significant opportunities were uncovered for IT process improvement, which was not limited to the outside consulting expense that they were originally asked to investigate.

After the initial assessment of the outside consulting firm’s processes and deliverables, CSI also looked at the entire IT infrastructure of the organization and was able to recommend and work with the client in implementing overall system improvements for increased efficiency and productivity while reducing overall IT expenditure.

Tim Morgner, President of CSI summed up the outcome: “We identified improvements that would support not only the increasing regulatory compliance in the pharmaceutical industry but that would also support the company’s data integrity needs and aligned their current and future technologies with their business goals and objectives, making sure their technology fully supported their business going forward.”

About IT 360

IT 360 is CSI’s proven, time tested methodology for an efficient but thorough expert 3rd party IT assessment providing a view of a company’s “State of IT”, helping plan for the future to support ongoing business requirements.

GREAT RESULTS

CSI’s IT 360 process allowed for the following improvements in the client’s IT department:

- Significant reduction in 3rd party consulting firm expenses
- Increased regulatory compliance
- Reduced the error rate on customer invoices
- Staff retraining and realignment leading to increased productivity
- Improved overall IT processes
- Upgraded to best-practice and more efficient technologies throughout IT

REAL TIME BENEFITS

Many IT functions were brought in-house, reducing some of the need and expense for 3rd party IT spending.

CSI retrained the existing IT staff to efficiently handle the firm’s data management and EDI requirements which resulted in the IT department being able to offer improved support and quicker response time to data inquiries.

IT was now able to anticipate and meet regulatory requirements that are unique to the pharmaceutical and biotechnology industries.