



Softtek[®]

CASE STUDY | INDUSTRIAL

Shift to managed
infrastructure services
saves global industrial
conglomerate \$10MM
in three years

softtek.com



About the customer

The American multinational conglomerate operates through the following segments: aviation, healthcare, power, renewable energy, digital industry, additive manufacturing, and venture capital & finance.



200K+
employees
globally



95B USD in
revenue (2019)



128+ years in the
market

"Softtek really checks all our marks in terms of what to expect from a trusted partner taking over our key services."

VP Digital Operations



Business challenges

Driven by the pressures of the world economy, and its own aggressive transformation and contraction, one of the largest industrial conglomerates in the world faced the challenge of significantly reducing its OPEX without disruption to its key infrastructure support services. The corporate branch of this company (responsible for consolidating most infrastructure services for all sub-businesses) was still tied to legacy staffing or fixed-priced contracts, despite having outsourced many of its infrastructure support services. It was faced with an aggressive cost reduction mandate from Corporate and a deflating services consumption trend (hence, lower income to cover its costs).

1

Quickly adapt to never seen-before crumbling work economy pressures.

2

Comply with a corporate mandate to cut OPEX by 15-20% in 2020.

3

Swiftly react to deflating services consumption and income.

4

Increase visibility and governance of infrastructure assets and associated costs.



How Softtek comes into play

Leveraging its long-standing reputation as productivity-focused and a transformational partner, Softtek conducted a deep analysis of the existing infrastructure support services workload and assets. Applying its right-value model, Softtek presented an aggressive transformation roadmap, with promises of 30-40% immediate cost reductions via increased productivity and automation elements, and a transition to an elastic consumption and invoicing model. The plans included increase visibility and governance of infrastructure assets and associated costs.

Deep data-driven analysis of workload environment (historical ticket data, headcount distribution, contract models), with a focus on performance, digital governance, and consumption models

Process optimization analysis focused on workload automation opportunities.

Right-sizing and right-placing of a optimized, dynamic and global workforce, custom-designed to adapt to actual process demands and changing services consumption.

Careful selection of proper business unit per service to drive invoicing of each elastic consumption model, including a 12-month forecast of estimated services to enable better financial planning.

Aggressive hard commitment on three-month transition and stabilizing roadmap.

Continuous Improvement commitments, via annual ticket and incident reductions driven by permanent process improvement and automation initiatives.





Business impact

Softtek transformed different infrastructure support services from stale, fixed-priced contracts with low productivity, into world-class managed services with invoicing driven directly by an elastic solution model aligned with business units. Softtek's transitions were swift and painless, and the new services are delivered with a significantly reduced cost, greater visibility of KPIs, higher productivity, and better SLAs.



30-40% cost reduction from day one, adding up to more than \$10M in savings over three years.



Improved SLAs (from 90% before transition, to 98% post stabilization), plus heightened visibility of KPIs previously untracked, with Softtek's Digital Governance, delivered via monthly performance reviews and quarterly executive reviews.



Financial forecasting empowerment via proactive consumption estimates based on analysis of business unit trends, which allows the company to better visualize and plan expenses associated with the services provided (additional ~8% savings after 6 mo. with improved financial planning).



Proactive problem management from Softtek that focuses on tickets and incident reduction, including an automation-first mindset.



ABOUT SOFTTEK

Founded in 1982 by a small group of entrepreneurs, Softtek started out in Mexico providing local IT services, and today is a global leader in next-generation digital solutions. The first company to introduce the Nearshore model, Softtek helps Global 2000 organizations build their digital capabilities constantly and seamlessly, from ideation and development to execution and evolution. Its entrepreneurial drive spans 20+ countries and more than 15,000 talented professionals.

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