

IT Systems Conversion Program Turnaround Saves Millions in Business Disruption Costs at Manufacturing Company

Industry: Food and Beverage Manufacturing

Services Provided: Program and Project Management, Troubled Project Recovery, Mentoring and Coaching

Company: The client is a global leader in the manufacturing and marketing of pediatric nutritional products and supplements for families throughout the world.

Challenge: To prepare for integration with a new corporate ERP system, the client faced an unmovable deadline for the transfer and conversion of IT Legacy sales, marketing, and manufacturing systems to new software and hardware platforms. The client was divesting itself from a controlling company, which required them to establish their own data centers to house and run their systems, and which charged approximately US \$2 million per year to keep the systems on the controlling company's infrastructure. The move needed to happen quickly and smoothly, as the client's business was at risk: one program was for manufacturing systems without which the company could not make products; another supported the company's web presence, including customer service and ordering.

The original program teams, comprising program and project managers from a third-party vendor, were unable to deliver results and the program was in peril. Planning was inadequate, milestones were missed, and delivery dates were not trusted by the client. Over one-quarter of the projected program time frame had passed with very little progress being made on this business-critical multimillion-dollar program.

Solution: The client's executive leadership council replaced the current vendor-staffed program management team with a new team comprising outside consultants because the requisite experience and knowledge of large-scale IT transformation programs was not present in-house. They selected PM Solutions to perform a quick assessment of the program and provide suggestions for getting it back on track. To achieve the program objectives, PM Solutions quickly assembled a seasoned team of program managers who reviewed and re-planned all programs and, where necessary, assumed control of day-to-day program operations.



VALUE DELIVERED

The program turnaround immediately saved an estimated US \$2 million in system support fees by moving applications in-house. But the real value was in the untold millions in revenue saved by preventing manufacturing disruptions and avoiding the opportunity costs of postponing a major sales and marketing campaign.

results

Under the guidance of PM Solutions' onsite team, all individual projects within the program were delivered on time and were ready for integration with the enterprise ERP system. A structured project process was implemented, and the team was willing to challenge the status quo to simplify the reformulation process. Decisions on direction were made more quickly, and there was clear accountability to ensure work was being completed as planned. Information was communicated with stakeholders on a regular basis, and timelines were met because the program elements were organized, tracked, and measured

against an established baseline. This reduced project time from concept to plan to execution by 80%.

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