OPTIMIZING IT
BIRLASOFT AND MERCURY

"We saved about a million dollars in just six months, but to my mind that's just the tip of the iceberg. Our focus is better quality, higher productivity, and greater customer satisfaction. Mercury IT Governance Center is giving us all of that and more. It is transforming how we serve our customers and how we run our business."

— Kamal Mansharamani, Chief Executive Officer, Birlasoft

CHALLENGE

Transform business by improving efficiency of service delivery and providing more visibility for customers, all while raising quality to unprecedented levels through application of Six Sigma practices.

SOLUTION
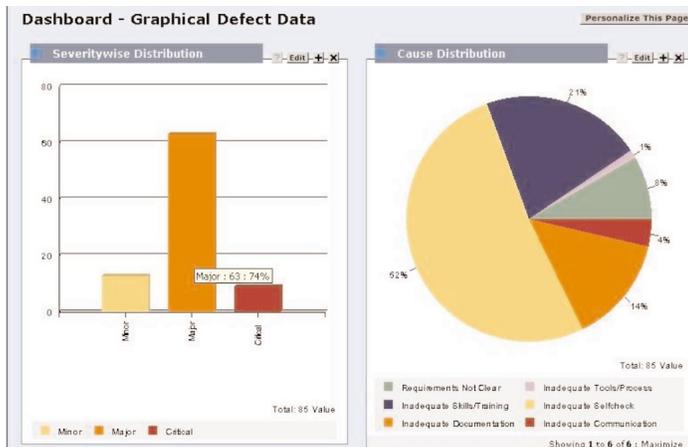
Birlasoft turned to Mercury IT Governance Center.

BUSINESS VALUE

Birlasoft digitized and aligned business processes with delivery processes, greatly reducing costs, risks, and defects, while significantly increasing customer satisfaction.

Offshore outsourcing is one of the most controversial technology topics today. What usually gets lost in the debate is the intense competition among the firms that provide this service. "We knew that just having low labor costs wouldn't get us very far," said Kamal Mansharamani, chief executive officer of Birlasoft, a leading supplier of Indian IT outsourcing services. "We must be able to continuously improve our processes to give our customers higher and higher value and higher and higher quality."

One of Birlasoft's major customers is GE, which has also made a strategic investment in the outsourcing company. There are few, if any, more demanding customers when it comes to demanding quality and value. "GE is constantly raising the bar for us, so every year we must raise productivity, improve quality, and deliver projects faster," Mansharamani said.

GE is famed, of course, for its emphasis on digitizing business processes — replacing inefficient paper and voice based workflows with streamlined, computerized, automated ones. Former CEO Jack Welch described it as the biggest opportunity for leveraging technology to create business value. GE's subsequent assessments have proven him correct. Today, top IT groups around the world strive to emulate GE's digitization strategy, just as leading companies embrace Six Sigma quality improvement processes that GE pioneered. Birlasoft has done both, transforming its business through the power of Mercury IT Governance Center™.

MERCURY™

Dashboard - Graphical Defect Data

According to Birlasoft, the superior data capture and clear graphical representation in Mercury IT Governance Center is directly responsible for a 20-percent reduction in their defect rate as delivered to the customer.

Beyond CMMi Level 5

Birlasoft was already one of the most advanced outsourcing companies in the world, achieving CMMi Level 5. But maintaining that high CMMi level requires extensive data collection and analysis, which had to be done manually, leading to errors, running up costs, and overloading both project managers and developers. The same problems were hampering Birlasoft's Six Sigma initiative. One of the most important Six Sigma tools, known as DMAIC (Define, Measure, Analyze, Improve, and Control) demands rigorous adherence to process, but manual data gathering forced a tough choice. Mansharamani recalled, "Project managers would come to me and ask, 'Do you want to meet the deadline, or do you want to follow the process?' Our customers were telling us they couldn't see the benefits of our Level 5 capability; they had no visibility into the work we were doing for them. I realized that we needed to transform our business by digitizing and automating IT with a single transaction system-of-record."

The Birlasoft team evaluated a wide range of products and selected Mercury IT Governance Center. "Other solutions were just too limited," Mansharamani said. "Mercury is highly flexible, easy to configure and integrate with our processes, and very congruent to what we were doing with CMMi and Six Sigma."

"Quick Wins"

While they were seeking a transformational solution, Birlasoft also expected to reap value from it right away. "We wanted something that could deliver quick wins in places where we had real pain," Mansharamani recalls. Two such areas were project management and customer visibility. Project management costs were eating up too much of project budgets: 18 percent on average. Customers, most of them 10,000 miles away, didn't know where their projects stood, and old-fashioned communication was hampered by the time-zone difference. Mercury IT Governance Center immediately slashed manual data collection and analysis, and speeded project pace by automating many steps and enforcing action on others. Within a few months, project management costs had been cut by more than two-thirds, from 18 percent to 5 percent. And customers knew exactly where their projects stood thanks to access to their own real-time Mercury IT Governance Dashboards™.

Thanks to the flexibility of Mercury IT Governance Center, Birlasoft easily created a series of customized workflows for development projects, support and maintenance projects, quality assurance (testing) projects, and infrastructure support projects. All of these adhered to Birlasoft's CMMi Level 5 processes and made

it easy to measure performance, productivity, and execution — measurements that had been unreliable and difficult to extract in the old manual system. This reliable, automated data flow greatly facilitated implementation of Six Sigma by supporting key processes such as DMAIC and DFSS (Design for Six Sigma).

Birlasoft also credits Mercury IT Governance Center with major improvements in risk management, change control, and defect tracking activities. They had good processes in place for these things already, but by putting them into Mercury IT Governance workflows with built-in enforcement and visibility, they were able to greatly improve their analysis of problems and take action sooner. One quick result: a 20-percent reduction in the defect rate, as delivered to the customer. Birlasoft says the superior data capture and clear graphical representation of that defect data in Mercury IT Governance Center is directly responsible for that result.

Three-Fold Benefits

The initial application of Mercury IT Governance Center, coupled with the implementation of Six Sigma practices it facilitated, saved Birlasoft one million dollars in just six months. But

Mansharamani believes that is just the beginning. "The impact is three-fold," he said. "At the employee level, we have seen a lot more productivity; they are not burdened with mundane, manual work. At the management level, the real-time visibility not only tells us exactly what is going on in every project, it also clearly shows us how well IT is aligned with the business needs of the organization. That guides our investment decisions and improves our ROI. At the customer level, we see greatly increased satisfaction, because they can see for themselves where everything stands, and they understand the value we're delivering. It brings our CMMi Level 5 and Six Sigma commitment to life for them."

Alignment and Control

"If you want process maturity in your IT spend, and if you want to align your IT spend with your business needs, to have total control over where your money is going, we would very definitely recommend Mercury IT Governance Center," Mansharamani concluded. In fact, that's just what Birlasoft is telling its own customers. And it is even offering consulting services to help them build their own IT Governance capabilities with Mercury products.

Birlasoft tracks key projects metrics in Mercury IT Governance Center, giving early warning of schedule or quality issues, and keeping costs down.
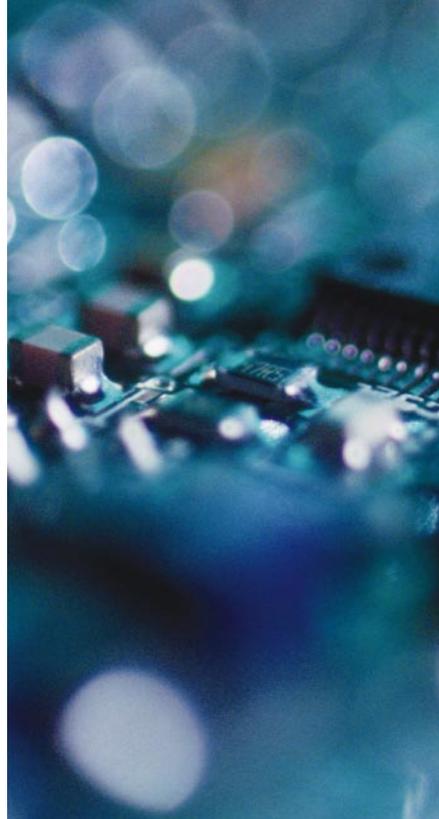
HIGHLIGHTS

- Birlasoft transformed its service delivery, introducing disciplined, enforced workflow and complete real-time visibility for customers.

- Automated processes managed through Mercury IT Governance Center saved $1 million during process of achieving CMMi Level 5 (continuous representation) with integration to Six Sigma tools such as DMAIC and DFSS; savings expected to multiply quickly.

- Project productivity and quality significantly improved, while management effort was sharply reduced.

BENEFITS

- Mercury IT Governance Center provides a single transaction system-of-record, converting manual processes to automated digital ones that make it easier to realize the benefits of Six Sigma and sustain CMMi Level 5 quality.

- Customers have complete real-time visibility into their projects through Mercury IT Governance Center Dashboard, increasing their satisfaction and confidence in Birlasoft services.

- Both customers and Birlasoft project managers use Mercury IT Governance Center to review and track project risks and change control procedures.

- Increased project team productivity almost 30 percent while reducing project management effort from 18 percent of total effort to just 5 percent.

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About Birlasoft

Birlasoft is the global technology services division of the CK Birla Group, one of India's premier commercial and industrial houses, with strategic equity participation by GE Capital. Birlasoft offers IT services worldwide from development centers in the United States, India, and Australia. Birlasoft has 2,000 technical employees and a large number of clients among Fortune 1000 companies. The company provides applications development and support services in eCommerce, data warehousing, legacy systems, QA, CRM, RIMS, (remote infrastructure management service) and ERP. Birlasoft's key strengths as an offshore outsourcing partner are in its mature and robust global delivery model that embraces digitized project management methodologies embedded within proven practices of Six Sigma and SEI CMM Level 5.

About Mercury IT Governance Center

Mercury IT Governance Center™ is used by CIOs and IT executives to govern and manage the priorities, processes, and people required to run IT like a business. The first and most comprehensive transaction system for IT, Mercury IT Governance Center digitizes, automates, and enforces IT business processes from demand to production. It helps you align IT investments with business objectives by optimizing your strategic IT Portfolio of proposals, projects, and applications. And it reduces the cost and risk of "keep-the-lights-on" IT activities by providing real-time visibility and control over demand, resources, finances, projects, application changes, and more.

About Mercury

Mercury is the global leader in business technology optimization (BTO). We are committed to helping our customers optimize the business value of Information Technology (IT). Founded in 1989, Mercury is one of the fastest-growing enterprise software companies today. Mercury conducts business in more than 35 countries and has been a publicly traded company for over 10 years. Mercury is a NASDAQ 100 company, and a part of Standard & Poor's 500. Nearly 90 percent of Fortune 100 companies and dozens of government agencies globally rely on Mercury to align IT with business goals, lower IT costs and risks, and optimize for growth.

MERCURY™

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