



## CASE STUDY

# Analyzing Service Delivery and Charting a Sourcing Strategy

Analysis of an IT service provider's pricing, productivity and quality clarified choices for a global manufacturer.



### Opportunity

A global manufacturer wanting to ensure that it had the best pricing, productivity and quality from its IT service provider asked ISG for an assessment that included a comparative market analysis of IT services and guidelines for future sourcing options.



### Imagining IT Differently

ISG drew on its internal global database of operational performance metrics to define a market-based pricing model, known as a proxy bid approach, to provide a comprehensive and detailed analysis that considered mitigating language and cultural barriers when offshoring; negotiating contractual guarantees on attrition rates; fixing broken processes before offshoring; strategies to avoid the risk of substandard infrastructure; and justifying an upfront investment.



### Future Made Possible

- The client gained a market-based pricing model without going through a costly RFP process.
- The analysis confirmed that the provider's price was almost 30 percent below the market-based proxy price.
- The findings underscored the strength of the client/provider collaboration in tailoring services to the client's needs and the open dialogue regarding underlying cost structures.



imagine your future®