

## ABOUT EMTEC®

Emtec is the right size provider of technology-empowered business solutions for world-class organizations. Our local offices, highly-skilled associates, and global delivery capabilities ensure the accessibility and scale to align your technology solutions with your business needs. Our collective focus is to continue to build clients for life: long-term enterprise relationships that deliver rapid, meaningful, and lasting business value.

## INFRASTRUCTURE SERVICES

Emtec delivers comprehensive lifecycle Infrastructure Services – from requirements analysis, selection, planning, design, procurement and deployment, and technical support, to ongoing service management and outsourced managed services. From the desktop to the data center, our services include not only the procurement of hardware, but providing you with the tools and ability to efficiently provide support, security and effective use of internet computing assets.

- ITSM
- Data Center
- Business Application Infrastructure
- End User Computing
- Platforms

## FIRM PROFILE

Axcan is an international company with offices in the U.S., the European Union and Canada. The company employs more than 500 people worldwide. Axcan develops and markets a broad line of prescription products to treat a range of gastrointestinal diseases and disorders.

## THE BUSINESS CHALLENGE

Technology is clearly critical to modern business, but organizations have historically been frustrated in their attempts to quantify the value of their IT investments. Many executives have come to regard the notion of IT value measurement as an essentially impossible proposition, much like time travel, perpetual motion and sneezing with your eyes open. However, Axcan Pharma (“Axcan”) is convinced the task not only is possible but essential to its future growth. With assistance from Emtec, the multinational pharmaceutical company is gaining unprecedented insight into its IT spending while developing a definitive strategy for aligning IT with its operational and business objectives.

As part of this effort, the company embarked upon a comprehensive review of its IT infrastructure. Axcan has always employed a somewhat “virtual” approach to business technology, with IT management-level staff in all locations but a heavy dependence on outsourced services. As such, it was imperative to have an extensive assessment of its key outsource provider to ensure it could keep pace as Axcan moves forward.

“I would say we depend on outsourced services for about 80 percent of our IT needs,” said Jean Morin, Senior Director of Information Technology and Solutions, Axcan. “Having such a heavy dependence on outsourcing, it is important for us to be sure we can rely on our vendor and that we’re going in the same direction. We had some concerns about the levels of contractual obligation the vendor

had with us, and we needed to be sure they would be able to grow with us through our next acquisition.”

Axcan knew that traditional metrics such as uptime and application response times wouldn’t provide the type of business-centric information necessary to make an informed decision about its outsourcing arrangement.

That’s why Morin and IT Service Delivery Manager, Gilles Hébert, began looking for a partner with the tools and expertise to aggregate all of the typical IT-centric measurements and present them in an easy-to-understand format for business unit executives and end-users.

After talking to multiple companies, Axcan chose Emtec because of the level of detail we provided, our VBM approach, which is based on value, and the credibility of our resources.

Axcan was also impressed by the number of subject-matter experts available to put on the project. It was a team with expertise in a variety of areas — from contracts and help desk processes to staffing levels and disaster recovery — that ensured all aspects of this project were properly addressed.

## APPROACH & METHODOLOGY

The Emtec team began by soliciting proposals from other IT solution providers in order to develop benchmarks for assessing Axcan’s current outsourcing partner. These concrete

“Emtec is helping us realize our strategic plan— to evolve our IT division from someone who just delivers PCs or support to an integral part of organization bringing solutions and strategies that truly accelerate corporate strategy and goals. We are changing the value of IT to our organization.”

Jean Morin  
Senior Director of Information  
Technology and Solutions, Axcan

measurements of services, including key cost and quality metrics, provided the rationale for Axcan’s eventual decision about its IT strategy. In addition, Emtec provided a detailed report describing the pros and cons of four possible scenarios: engage a new provider, bring all IT functions in-house, renew its contract with the current provider on a short-term basis, or renew on a long-term basis with contingencies for a range of improvements and investments to be made by the current provider.

## THE SOLUTION

Axcan ultimately chose the fourth option. “Emtec helped us identify and confirm what we were looking for,” said Morin. “We knew going in that the level of maturity of our outsourcer wasn’t very high when it comes to the ability to produce formal documents and agreements on the services. But it was also clear that our outsourcer was extremely dedicated to helping us.”

It was determined that if Axcan wanted to double the size of their workforce through a merger or acquisition, their outsourcer would need to expand to support them. Emtec helped

to develop a performance-improvement plan in conjunction with the provider to address the weak components of Axcan’s current service offerings and plan for future growth.

The key improvement has been the development of a detailed IT service catalog, which is essentially a database or structured document that ideally should describe all live IT services, including information about deliverables, service levels, staffing levels, prices, contact points, ordering and requesting services.

Emtec has counseled the provider in how to develop a user-friendly catalog in which IT services and processes are described in terms end-users can understand, written in non-technical terminology, and address immediate concerns or needs. The catalog now has grown to more than 150 detailed services, grouped logically in user-related, infrastructure-related and project-related services.

Axcan now has access to a stronger, more efficient service catalog and a clearer picture of the IT services they offer to users. This allows them to measure the value associated with it.”

## RESULTS

As the catalog grows and Axcan gains more insight into the cost and value of its IT services, the company is moving closer to what Emtec calls Value-Based Management (VBM). Today’s businesses need IT departments that are business partners rather than merely service providers. Emtec’s VBM approach is designed to give IT managers the ability to demonstrate value to the business in terms of performance, cost and risk.

As a supplementary element of this project, Emtec has introduced Axcan to its four-step methodology for creating a VBM. These steps include understanding business goals and assessing the availability of metrics and data, creating a structured model that includes performance expectations and budgets, gathering data and populating the value model with the data.

“With the tools Emtec has given us, I have a roadmap for continuous improvement. We can clearly identify the additional costs required to improve on any given area and we have specific reference points for precisely describing the impact to the organization,” said Morin.