

# Sourcing the Right Technology

Telecommunications  
INDUSTRY

12,000  
NO. OF EMPLOYEES

UK  
LOCATION

[www.virginmedia.com](http://www.virginmedia.com)  
COMPANY WEBSITE



*Chaucer provided a valuable, independent, external perspective to our sourcing strategy. Their combination of responsiveness and professionalism ensured that we met some aggressive, executive decision timelines and were able to produce a quantifiable business case*

Iain Drayson  
Head of IT Sourcing,  
Virgin Media



Virgin Media is a leading entertainment and communication business provider of broadband, internet, television, mobile and fixed line telephony services offering a variety of entertainment and communications services to residential and commercial customers. It is one of the UK's larger providers of these services. It owns and operates cable networks that pass approximately 13 million homes in the UK and provides service to approximately 4.8 million customers.

## The Challenge

The IT estate had evolved through a series of acquisitions creating a complex range of technologies, services and suppliers. An estate considered sub-optimal and expensive to operate.

As a result of an IT organisation restructure, Chaucer were tasked with examining alternative sourcing arrangements. We analysed the existing situation and infrastructure and offered recommendations for improvement including:

- identification of options for retention or external sourcing for service segments.
- possible supplier sourcing models including target transformational areas.
- an outline governance framework for delivering IT services to the business.

## The Solution

Applying a structured approach, Chaucer undertook a discovery exercise followed by an analysis of the options and statistical marketplace review. Key stakeholders from IT were consulted during the discovery process to gain a wide understanding of the business drivers, issues and the current service and project status whilst aligning to the overall business goals. Chaucer mobilised its network of trusted partners and suppliers within leading organisations to share their experiences and inform the market review. Services were grouped together to align with the supplier market, capitalising on mature offerings and exploiting competitive pressures. The analysis work explored both in-house and outsourced transformational approaches together with alternative commercial models and risk identification.

## The Results

The engagement concluded there was a significant cost benefit associated with the implementation of a multi-vendor outsourcing strategy. This approach supported a phased approach to the transition, minimising risks and delivering benefits aligned with the in-year business savings targets.

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