

HP and BT build an adaptive infrastructure



“The partnership matches HP’s adaptive enterprise knowledge with BT’s need to support a heterogeneous infrastructure that permits a more agile response to business demands. In future, we will be able to deliver new IT capabilities much more quickly and flexibly.”

Stan Sexton, midrange programme director,
BT Exact



As one of Europe's leading providers of telecommunications services, BT has witnessed a major transformation in its business in recent years. Originally specialising in fixed-line telephony, the company has expanded its range of activities to include IT solutions as well as broadband and Internet products and services.

Change continues to be a major feature of BT's competitive landscape. It is recognised that future success depends on the ability to build on network capabilities and deliver value-added services that combine leading-edge communications technology with superior IT solutions.

To provide the platform for these new services, a flexible, adaptive IT infrastructure is vital. Cost reduction is also a key success factor. Although BT's IT costs have been relatively high in the past, there is currently a strong emphasis on reducing total cost of ownership (TCO).

To address all these business challenges simultaneously, BT decided that it was necessary to set up a strategic alliance with a leading global IT company. HP was its partner of choice.

Strong foundation

The BT/HP alliance will involve the pursuit of joint growth opportunities in the global ICT marketplace. To create a strong foundation for the new go-to-market strategy, managed services agreements have been implemented with a combined value of \$1.5 billion (€1.2 billion approx.) over seven years. They allow for BT to manage HP's EMEA voice and data network, together with its product support call centres, while HP assumes responsibility for BT's midrange and desktop IT infrastructure within the UK.

"By outsourcing desktop management to HP, we believed that we could improve our processes and thus enhance levels of service while cutting costs at the same time," said Karen Heal, head of integration and benefits realisation at BT Exact, the group's research, technology and IT operations business.

IT consolidation was an important part of the agreement governing managed services in the midrange space.

"We had been planning to carry out a major transformation of our midrange estate in order to better manage costs. The alliance with HP gave us access to the right resources and expertise to carry out the transformation programme," said Stan Sexton, midrange programme director at BT Exact.

Complex transition

HP assumed responsibility for consolidating and standardising the midrange architecture and then for managing and operating 6,000 servers with associated storage systems and databases. It was also

Customer at a glance:

Industry sector: ICT

Name: BT Group plc

Headquarters: London, UK

Founded: 1846

Number of employees: 99,900

Annual revenues: £18.7 billion (€27 billion approx.)

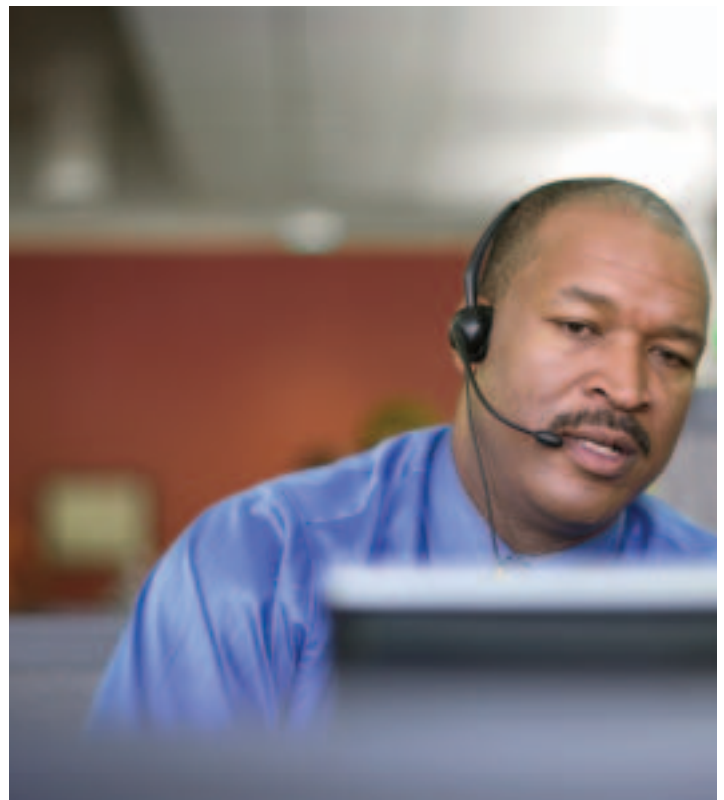
URL: www.bt.com

Why HP?

- Global IT services provider
- Ability to deliver cost savings through managed services
- Ideal partner with complementary strengths in ICT space

Hardware

- 6,000 servers
- Storage systems (total capacity 700TB)
- 90,000 PCs





contracted to provide helpdesk services, support and desktop management for a community of some 90,000 PC users.

One of the major challenges of the transition was to transfer services, people and assets from BT to HP without putting critical processes at risk or affecting continuity of services. HP applied its proven Transition and Transformation Methodology (TTM) to meet this challenge. Monitoring showed that service continuity was not affected at any stage during the process.

“The transition was a very complex one, presenting difficulties in several areas including security. Thanks to detailed planning beforehand and close teamwork between HP and BT, the transition was completed smoothly and successfully within a mere three months,” commented Stan Sexton.

Winning business

Outsourcing of the midrange infrastructure will lead to a 15 per cent reduction in maintenance costs. Consolidation will see utilisation of the midrange server base rising from 40 to 70 per cent, but because the infrastructure has been rationalised and standardised to provide more flexibility, it will be easier to support new growth. Cost savings will also be made in the end-user workspace. At the same time, the transition to HP has seen service levels and end-user satisfaction being maintained and even increasing slightly in specific areas.

“HP’s strength and depth in IT services are providing us with major benefits in the desktop environment. For example, we are able to take advantage of economies of scale that only a company in HP’s position can bring,” said Heal.

In the broader context, the experience of implementing managed services agreements will place BT in a much stronger position to win new business in areas such as strategic outsourcing. As the alliance gathers pace, BT Exact will help resource the expansion of the business into new areas as well as meeting internal IT requirements. For example, it is currently collaborating with BT Retail and HP to develop a managed desktop proposition that will be offered to customers.

This is one of the ways in which the two companies are working together to develop joint end-to-end service offerings for the consumer, SMB, mid-market and enterprise sectors. The approach includes the creation of a common service delivery model that will align BT and HP closely in order to deliver seamless ICT services. Over time, HP will also take on responsibility for additional parts of the BT infrastructure.

“The partnership matches HP’s adaptive enterprise knowledge with BT’s need to support an infrastructure that permits a more agile response to business demands. In future, we will be able to deliver new IT capabilities much more quickly and flexibly,” concluded Stan Sexton.

Challenge

- To ensure continued competitive success, BT needs to deliver added-value services that combine leading-edge communications technology with superior IT solutions.
- As a platform for these services, a flexible, adaptive IT infrastructure is essential.
- Cost reduction is also a top priority.

Solution

- BT entered into a strategic global alliance with HP.
- As part of this alliance, BT outsourced the management of its midrange and desktop infrastructures in the UK to HP.
- HP provided the standard infrastructure to enable BT to consolidate its midrange estate.

Results

- Close teamwork between the two companies, coupled with the use of HP's proven Transition and Transformation Methodology (TTM), ensured that the transition was completed rapidly and smoothly.
- Significant reductions in total cost of ownership (TCO) are being achieved.
- Service levels and end-user satisfaction have been maintained and have even increased in certain specific areas.
- The outsourced infrastructure supports a more agile response to business demands.
- BT is now in a much stronger position to win new business in areas such as strategic outsourcing.
- Experience gained during this project can be leveraged as BT and HP develop a joint go-to-market strategy.



HP Services

- Managed services

Midrange:

- IT consolidation
- Transition management
- Server build and support
- Database management
- Storage management

Desktop:

- Transition management
- PC build and support
- End-user workplace management
- Management of file and print services
- Software distribution and packaging
- Helpdesk services (offshore)

For more information on how working with HP can benefit you, please contact your local HP sales representative or reseller, or visit www.hp.com.

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