

# AstraZeneca Achieves Great Communications Benefits and Savings Through the Transformation of its Corporate Intranet

## Executive Summary

### CUSTOMER NAME

AstraZeneca

### INDUSTRY

Healthcare

### BUSINESS CHALLENGE

- AstraZeneca's corporate intranet was becoming inefficient and costly: reinvention of the wheel was prevalent, and publishing required expensive Web masters

### SOLUTION

- By sharing its intranet management best-practice expertise, Cisco was able to help AstraZeneca accelerate the process of transforming its corporate intranet using the IS intranet presence as a proof-of-concept pilot project

### BUSINESS RESULTS

- The IS pilot project showed a recurring annual saving of US\$200,000 for a one-off US\$120,000 investment
- The three-year project to rationalize AstraZeneca's corporate intranet demonstrated the potential to achieve cost avoidance of US\$4 million—a return on investment of over 3,200 percent

*This case study is forward looking and describes the projected and potential cost avoidance. It shows an estimate of the benefits that could be achieved if the initial work in Corporate IS was extended across the entire AstraZeneca intranet. It does not contain any figures or information about the results of the project and the actual benefits realized.*

**AstraZeneca is a world leader in the development of innovative, effective medicines to fight disease. While its corporate intranet is a vital organ for circulating information, without any central management it was becoming inefficient and costly. Working with the Cisco® Internet Business Solutions Group (IBSG), the company has transformed its corporate intranet and proven the value a “build once, deploy many times” approach to the fast and cost-effective development and deployment of enterprise services.**

## HARNESSING THE POWER OF THE WEB

AstraZeneca has significant global reach, with research centers in seven countries, manufacturing facilities in 19 countries, sales in over 100 countries, and some 65,000 employees worldwide.

The company also stands out from the sector in its use of Web technology. It uses e-business techniques to strengthen relationships with its customers and other stakeholders, and to improve speed and efficiency. In addition, Internet-enabled processes have simplified the collection, analysis, and reporting of clinical trials data, and the successful use of e-procurement technology has helped the company improve supply-chain processes.



Prepared by Cisco Systems, Inc.  
Internet Business Solutions Group

## OPEN LINES OF COMMUNICATION

AstraZeneca also recognizes that effective management and open lines of communication are essential to maintain its people's confidence in the company and their commitment to its objectives. Good internal communication across the company's many geographical and functional boundaries is considered essential to AstraZeneca's continued success and the corporate intranet is seen as the best way of communicating effectively and consistently to, from, and between their employees around the world. But, although a vital organ for circulating information—the very life-blood of the organization—that intranet was lacking centralized governance. It had grown piecemeal, with many different publishers and disparate styles to a rough estimate of 800 sites.

AstraZeneca's corporate Efficiency and Effectiveness program is designed to optimize its operations in any and every aspect of the company's business. Although the business partners appreciate the importance of information and communications technology adding value to business operations, it was also believed that the IS function could yield significant Efficiency and Effectiveness benefits in specific areas.

AstraZeneca's vice president of IS quality and information management, says: "At AstraZeneca, we realized that we needed to transform our corporate intranet—changing this from piecemeal, uncontrolled growth to a strategically developed service."

In addressing that aim, AstraZeneca defined a simple intranet strategy: deriving maximum value for minimum cost, by the introduction of centralized management and control. The broad intent was to rationalize separate intranet sites and ultimately create one single enterprise portal to achieve this.

## AN EXTERNAL PERSPECTIVE

In 2003, at a Cisco information management briefing session for AstraZeneca senior leaders, a discussion took place on AstraZeneca's corporate intranet problems. Cisco offered the services of its Internet Business Solutions Group to provide consultation on intranet management. Being acknowledged leaders in this area, Cisco has accumulated a wealth of expertise, which it offered to make available to AstraZeneca gratis as part of promoting good Web practice.

Over the course of six months, IBSG organized a series of 15 meetings and workshops. Cisco intranet experts were brought in from around the globe, sharing their best-practice knowledge with the AstraZeneca IS team. The intranet development manager at AstraZeneca at that time, recalls: "Cisco's intranet is reputed to be one of the best in the world, so it was a great opportunity when they offered to help us with our intranet Efficiency and Effectiveness program. Cisco's external perspective helped us cut through the complexity. I came away from every meeting with new ideas."

## BEST PRACTICE

The joint team of Cisco IBSG consultants and AstraZeneca IS people developed some abiding best-practice principles, among which centralization of management and localization of implementation were both seen to be key.

Centralized management would do the following:

- Enable the intranet framework to be replicated to other countries, enabling, for example, the

United States to adopt the learning and structure developed in the UK, thereby, stopping duplication of effort and reducing risk by implementing proven solutions.

- Provide the platform, framework, and design rules to help ensure a consistent look and feel, aid navigation, and encourage use.
- Streamline development to keep down the cost.
- Encourage a more rigorous examination of how the existing framework could meet needs, such as content management, for example, rather than look to commission a new system.
- Standardize lifecycle management to improve intranet efficiency by helping to eradicate redundant sites and obsolete content.

Localized implementation would do the following:

- Empower users with responsibility for content ownership and accountability for sites.
- Promote more efficient use and encourage topicality.
- Ensure that costs and budgets were properly allocated and managed.

### **SENIOR-LEVEL COMMITMENT**

Although application of best practice is pertinent to the success of an intranet rationalization program in any large enterprise, so too is governance. In the case of AstraZeneca's intranet proof of concept, demonstrable return on investment (ROI) and senior management sponsorship would be essential if the rationalization program were to succeed.

Proof of concept would be provided by focusing the pilot project on the IS presence on the corporate intranet. Calling on methodologies developed in previous such engagements, IBSG was able to help with rapid development of an ROI model: identifying and categorizing benefits and estimating costs. A business case presentation to senior management—painting a picture not only of the benefits of the proposed IS pilot scheme but also the potential AstraZeneca-wide rewards that might be within the company's grasp—secured the necessary senior management sponsorship. This senior-level commitment to the intranet initiative helped ensure its high visibility, and was of great assistance in promoting the program throughout the rest of the organization.

### **THE CORPORATE INTRANET PROJECT PROOF OF CONCEPT**

The IS presence on the intranet comprised 37 disparate sites. In a project launched during Q303, these 37 sites were consolidated into one single site at a cost of US\$125,000, yielding immediate savings of US\$200,000 per annum in contract staff costs alone.

Modest expenditure returned massive savings. The immediate quantified benefits from consolidation of the platform returned direct savings on both the cost of publishing and ongoing cost of ownership. In addition to these tangible benefits, indirect benefits are delivered from the following areas:

- improved speed to publishing
- improved collaboration
- consistent and more effective communication

In parallel to this project, a program was initiated to develop the longer-term replacement, a companywide portal with integrated content, collaboration, and search services. This was developed in partnership with R&D and generated business commitment to joint development of services, which provided assets for other parts of the company to exploit. Rather than commit to local initiatives, there has been a massive cultural change with departments now seeing the value of contributing budget to the concept of “build once, deploy to many” enterprise services that leverage best practice and deliver benefit across the entire company.

### **SIGNIFICANT RETURNS**

Following the success of the IS intranet project, Cisco and AstraZeneca worked together to formulate a project plan to centralize management of the entire corporate intranet. IBSG helped build the value case, advised on how best to win support for that case across a broad audience, and developed a comprehensive ROI model to justify the cost. The analysis involved in constructing that project plan turned up a surprising fact: the original estimate of 800 separate intranet sites turned out to be some 50 percent short. In fact, it was discovered that AstraZeneca had no fewer than 1,250 such sites.

Based on the IS experience, the potential to reduce the intranet from 1,250 different sites to 250 uniform portal-ready sites within three years was estimated; the associated ROI analysis generated an estimate of US\$4 million cost avoidance over three years. That’s a truly amazing return of over 3,200 percent.

The framework and central content management strategy also makes it easier to maintain the intranet’s up-to-date look and feel. The framework also makes it easier to navigate and; therefore, it is more useful. It is easier to keep sites “on brand,” and users are able to publish directly to the intranet without needing a Web master.

In addition, 52 other benefits were identified during construction of the ROI model, many substantial improvements in productivity (such as improved accessibility of information) will remain unquantified in financial terms, but would definitely improve the ROI even further.

The head of global information management explains: “In projects such as these there is a fine balance to what can potentially be achieved and what can actually be delivered, and it is important that the answer will be different from one company to another, depending on a whole host of factors, from strategic direction to culture. We found that the process of thoroughly working through with Cisco the totality of potential savings was extremely valuable and that the importance of collateral benefits, such as improved employee satisfaction, should not be underestimated.”

### **MOVING TOWARD AN ENTERPRISE PORTAL**

In the near term, AstraZeneca introduced a unified global policy for corporate intranet management using a series of intranet benchmarking seminars within AstraZeneca to evangelize the possibilities that had been opened up by the IS intranet project. The enterprise portal program closely followed on from this work and reused the concept of “build once, reuse many” for the infospaces.

The success of the intranet has led to content being used on the company’s externally facing Internet sites with repurposing not only reducing cost, but also helping to ensure consistency of message and enabling more efficient and effective content lifecycle management.

Emulating best practice can yield huge rewards. IBSG's involvement has been key to the success of the AstraZeneca project from its inception, through the sharing of Cisco's experience: with both the development of intranet management best practice and its subsequent promulgation and deployment.

The team is extremely satisfied with the results: "The purpose of the transformation process was to ensure that our new intranet delivered business value. It certainly does, and our success has given us the confidence to drive forward a portal strategy for the organization. Cisco's offer to help came at just the right time."

### **THE AZgard INTRANET FRAMEWORK**

AstraZeneca's new centralized intranet content platform was developed under the title AZgard. It comprises an adaptation of the graphical user interface used in AstraZeneca's global Internet site, together with existing intranet management tools, and the new framework was achieved without incurring any expenditure on new software licences.

A set of templates, style sheets and Web components defines the design and information architecture of each intranet site. AZgard provides the rules and tools to enable distributed content management at a local level, while still retaining a common look and feel. Just as important, it also ensures portal preparedness.

The creation of this framework stimulated the company to start establishing a common taxonomy that will see users being able to use the same search processes and common words without the need for content to go through a complex classification process.

Web accessibility for disabled staff was an important issue. AstraZeneca was keen that Disability Discrimination Act legislation should be complied, from both a legal and a moral standpoint. To assist with this, the Royal National Institute for the Blind (RNIB) was consulted during development of AZgard and invited to audit the results. The RNIB audit scored the new AZgard form and structure very highly.

Using AZgard, most of the intranet components are common to all sites—only site branding detail, the navigation history "breadcrumb trail," and the actual content varies. These components reduced the cost of developing new sites by 80 percent, and the costly cycle of upgrade and replacement has been reduced to occasional editing of content. Commissioning began with migration of the AstraZeneca UK intranet that rationalized five sites into one.

### **ROI MODELING TOOLS**

Cisco's ROI modeling tools were key to the development of a comprehensive ROI model. The process entails the following steps:

- Identifying and listing all the possible benefits
- Categorizing the benefits (red, orange, or green) where "red" denotes hard quantifiable revenues or savings and "green" signals softer benefits
- Calculating the financial benefits
- Identifying and estimating the costs
- Building the ROI business case
- Documenting the results

The ROI case was developed using only the “red” or hard quantifiable cost savings, leaving all the other benefits yet to be evaluated in monetary terms. “One of the key benefits of conducting such a thorough ROI case,” says AstraZeneca’s head of global information management, “was that it helped us think more deeply about the project’s implications and helped us be pragmatic about its execution by focusing on those aspects that could be delivered and which would add most value within a satisfactory timeframe. It made us do our thinking ‘upfront’; and therefore, made us more confident of being able to keep within budget.”

## MORE INFORMATION

The Cisco Internet Business Solutions Group (IBSG), the global strategic consulting arm of Cisco Systems, helps Global 500 companies and public organizations transform the way they do business—first designing innovative business processes and then by integrating advanced technologies into visionary roadmaps that improve customer experience and revenue growth.

For further information about IBSG, visit <http://www.cisco.com/go/ibsg>



### Corporate Headquarters

Cisco Systems, Inc.  
170 West Tasman Drive  
San Jose, CA 95134-1706  
USA  
[www.cisco.com](http://www.cisco.com)  
**Tel:** 408 526-4000  
800 553-NETS (6387)  
**Fax:** 408 526-4100

### European Headquarters

Cisco Systems International BV  
Haarlerbergpark  
Haarlerbergweg 13-19  
1101 CH Amsterdam  
The Netherlands  
[www-europe.cisco.com](http://www-europe.cisco.com)  
**Tel:** 31 0 20 357 1000  
**Fax:** 31 0 20 357 1100

### Americas Headquarters

Cisco Systems, Inc.  
170 West Tasman Drive  
San Jose, CA 95134-1706  
USA  
[www.cisco.com](http://www.cisco.com)  
**Tel:** 408 526-7660  
**Fax:** 408 527-0883

### Asia Pacific Headquarters

Cisco Systems, Inc.  
168 Robinson Road  
#28-01 Capital Tower  
Singapore 068912  
[www.cisco.com](http://www.cisco.com)  
**Tel:** +65 6317 7777  
**Fax:** +65 6317 7799

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C36-365867-00 09/06