Railways Completes IT Overhaul

By Lena Smirnova

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Alexander Mikoyan, general director of Hewlett-Packard in Russia **Sergei Nikolayev**

Russian Railways has wrapped up a nationwide reorganization of its information technology systems, including the implementation of software solutions that will allow its 250,000 internal users to now receive centralized and more effective support, company representatives said Tuesday.

The five-year project saw the implementation of advanced service management technology, including the deployment of 10 different processes to help organize how IT is provided within the company.

"We have maintained and even improved our costs for managing IT," said Alexei Illarionov, director of Russian Railways' IT department, adding that during the reorganization of their systems there were no major service interruptions.

The work was completed in partnership with Hewlett-Packard Russia and Digital Design and is the world's largest installation of HP's solution for IT management, said Alexander

Mikoyan, general director of Hewlett–Packard Russia.

The software helped Russian Railways to create a single communication hub and standardize service delivery on its network, which stretches from Kaliningrad to Sakhalin, while reducing the cost of the IT services it provides to its internal customers.

The company's IT infrastructure includes 41 mainframe servers, 300 UNIX servers and 5,636 other servers, 13,992 express ticket booking terminals and 249,795 work stations.

Illarionov did not state how much the company spent on the project, but did say that expenditures on IT resources have decreased significantly following the reorganization. Russian Railways expects to spend 18 billion rubles ($544 million) on information technology, representing about 0.6 percent of its overall budget.

The productivity of Russian Railways' IT systems has increased by 36 percent by the end of the project's deployment, while the total number of users has grown by 43 percent.

Meanwhile, Russian Railways might consider outsourcing some of its IT services after the current systems reorganization is consolidated, Illarionov said.

He added that he would like to see Russian Railways outsource significantly, but there is little potential for this because of the specificity of the company's technology and size of the territory covered. Illarionov said he gets lots of proposals for outsourcing in Moscow and St. Petersburg, but not in the remote regions where the majority of his network centers are located.