

Efficient ICT – How do you Drive More Business Value from ICT?

Chris Ingle, Consulting and Research Director,
Systems Group

Agenda

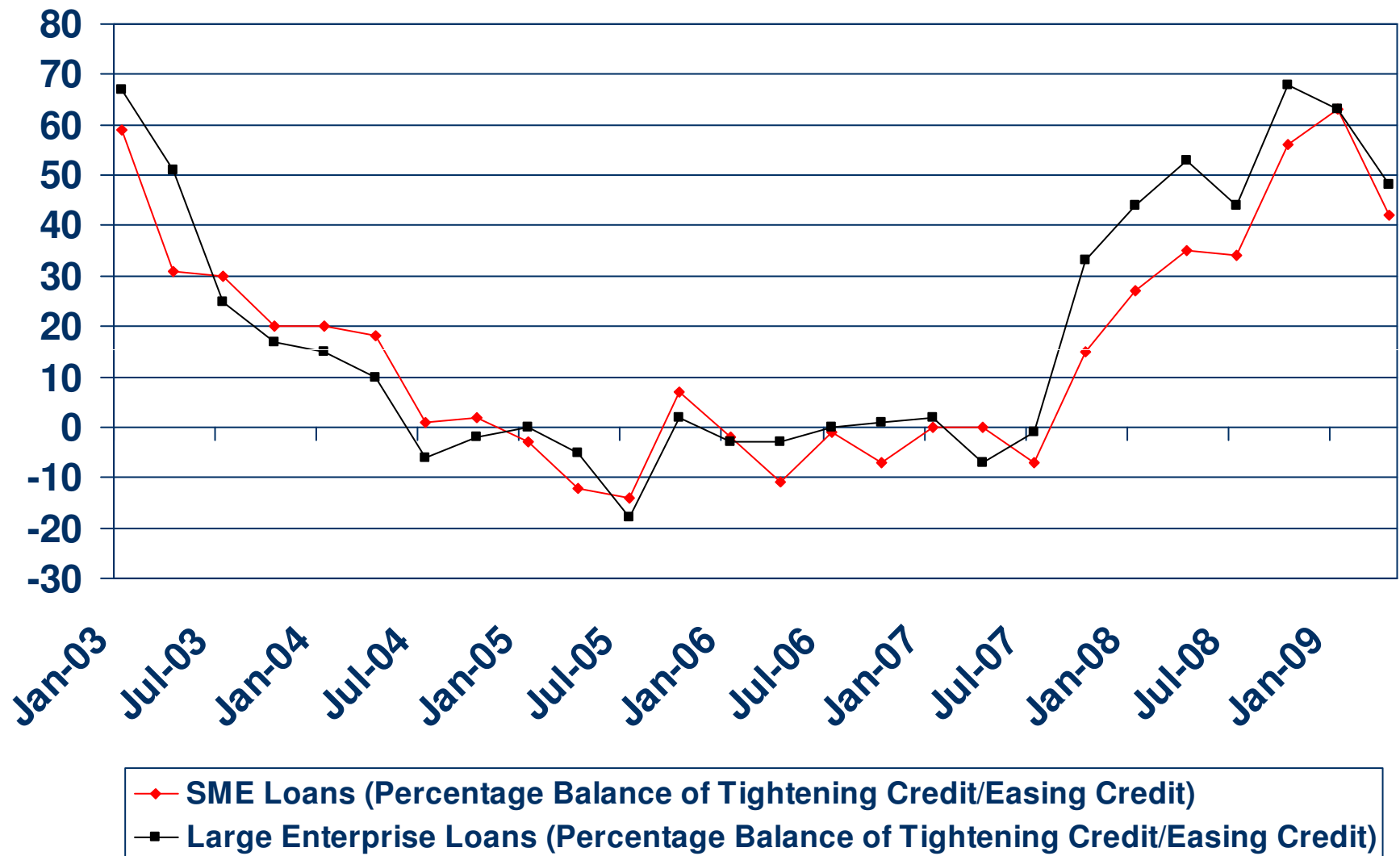
Navigating the Economic Environment

How Can ICT Help with These Challenges?

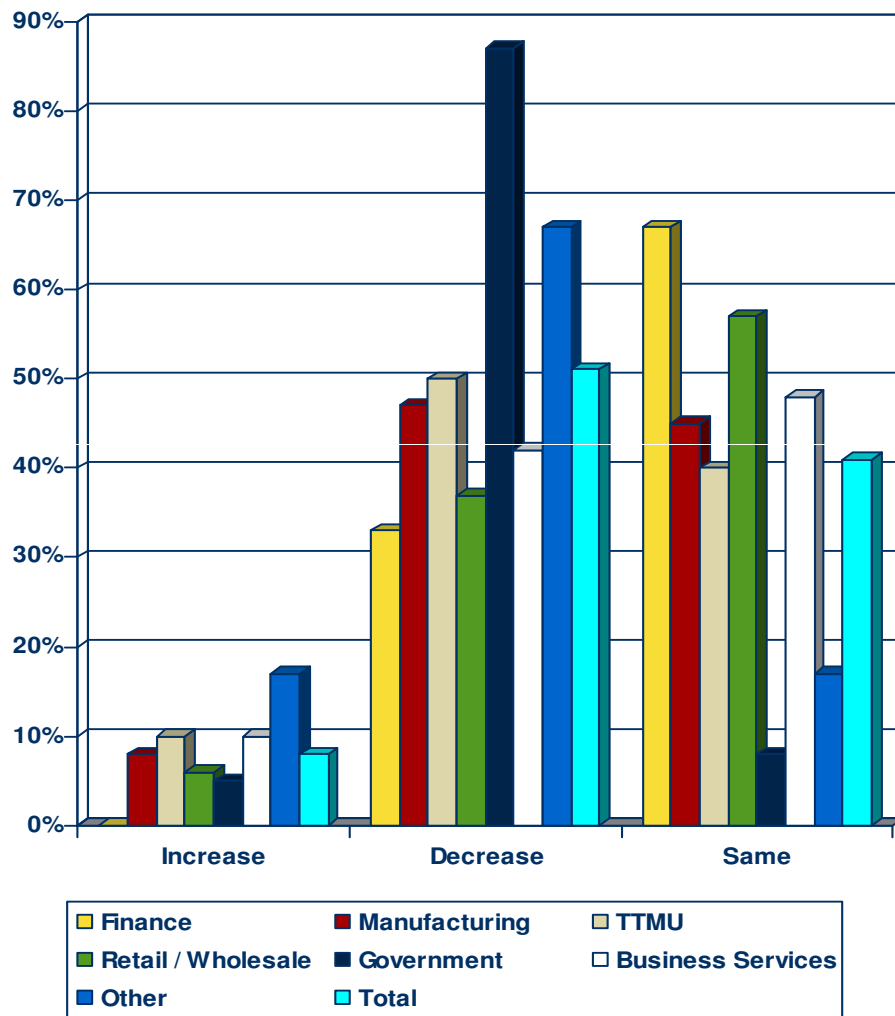
Improving Sourcing to Get Value

Conclusions

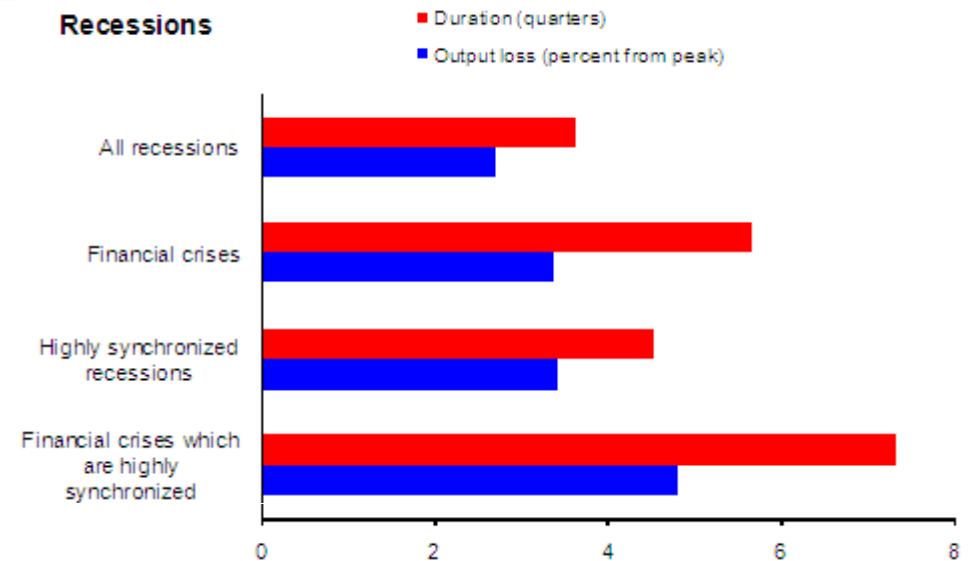
Continued Economic Pressure Forces Automation and Better Cash Management



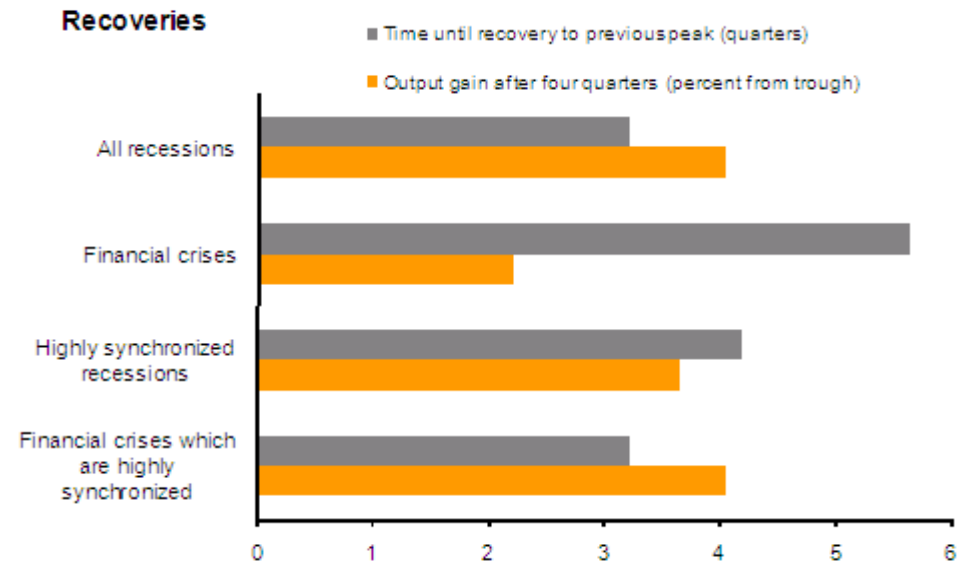
Despite Turbulence, Downturn Will Have a Long Duration



Recessions



Recoveries



Impact on IT: IT as a Transformational Tool

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September 16th, 2008

Economic crisis as a technology change agent

Posted by Jason Perlow @ 5:00 pm

Categories: [Desktop](#), [Enterprise Computing](#), [General IT](#), [Infrastructure](#), [Linux](#), [Mainframes](#), [Data Centers](#), [Linux](#), [...](#)

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Sometimes, to make an omelette, you need to break a few eggs. However if this week's bloodbath on Wall Street is any indication, then I would say we've made ourselves a full-blown **deep dish quiche** the size of Yankee Stadium with tens of billions of cartons of eggs. The biggest and most costly damn quiche that you've ever seen, and the likes of which we can hardly

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Explore the Conversation Further.

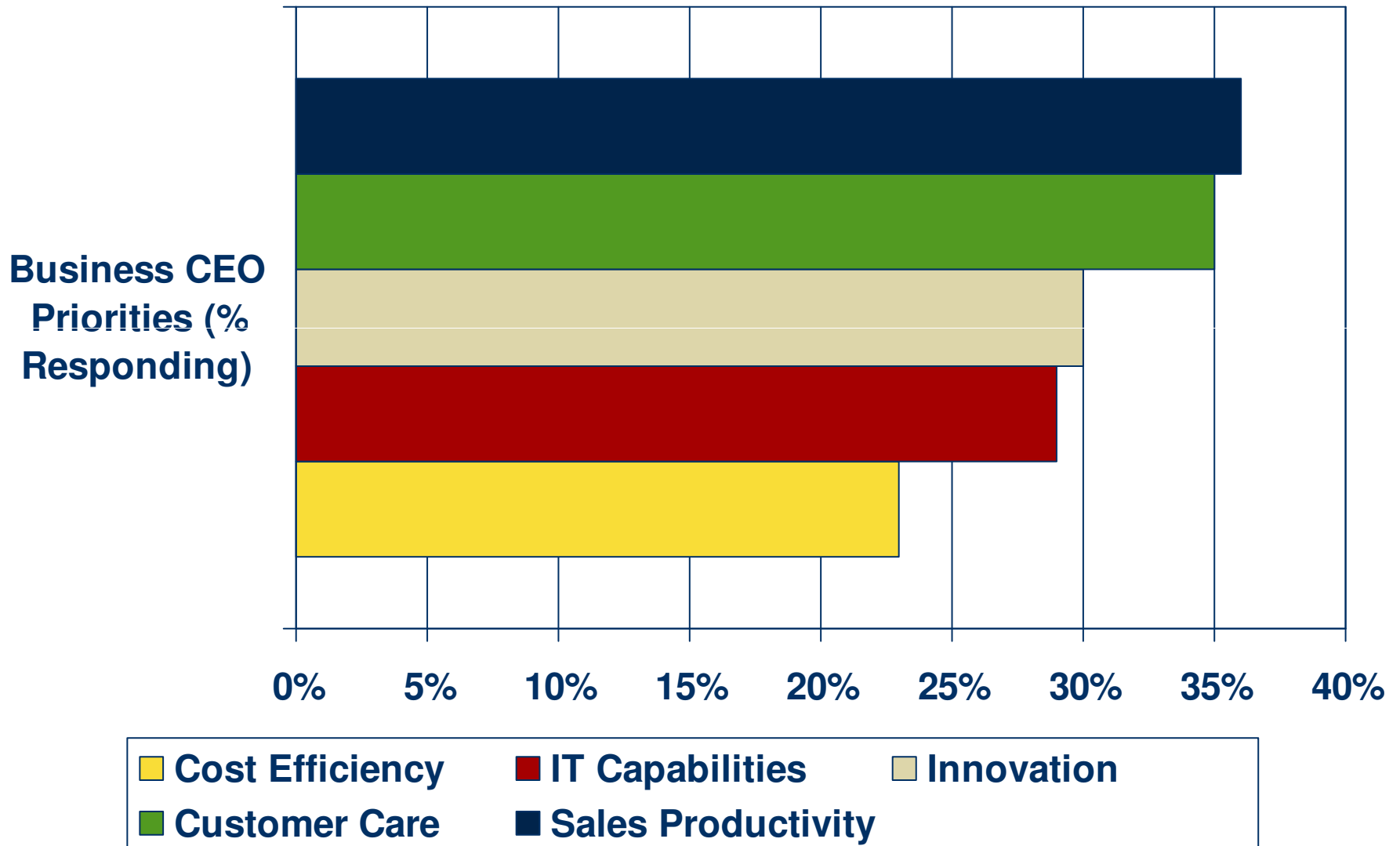
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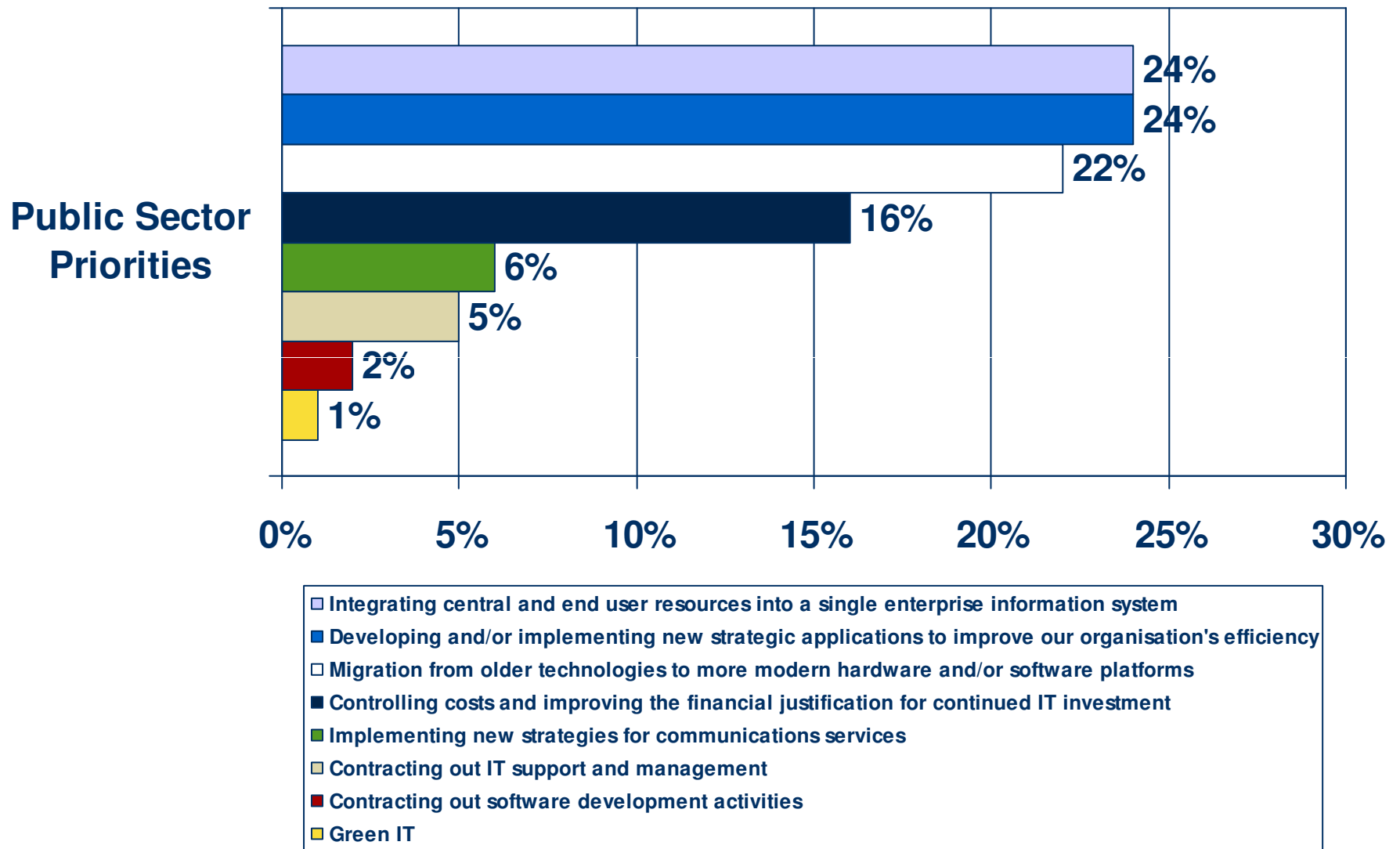
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What CEOs Want from Their Companies



Public Sector Priorities



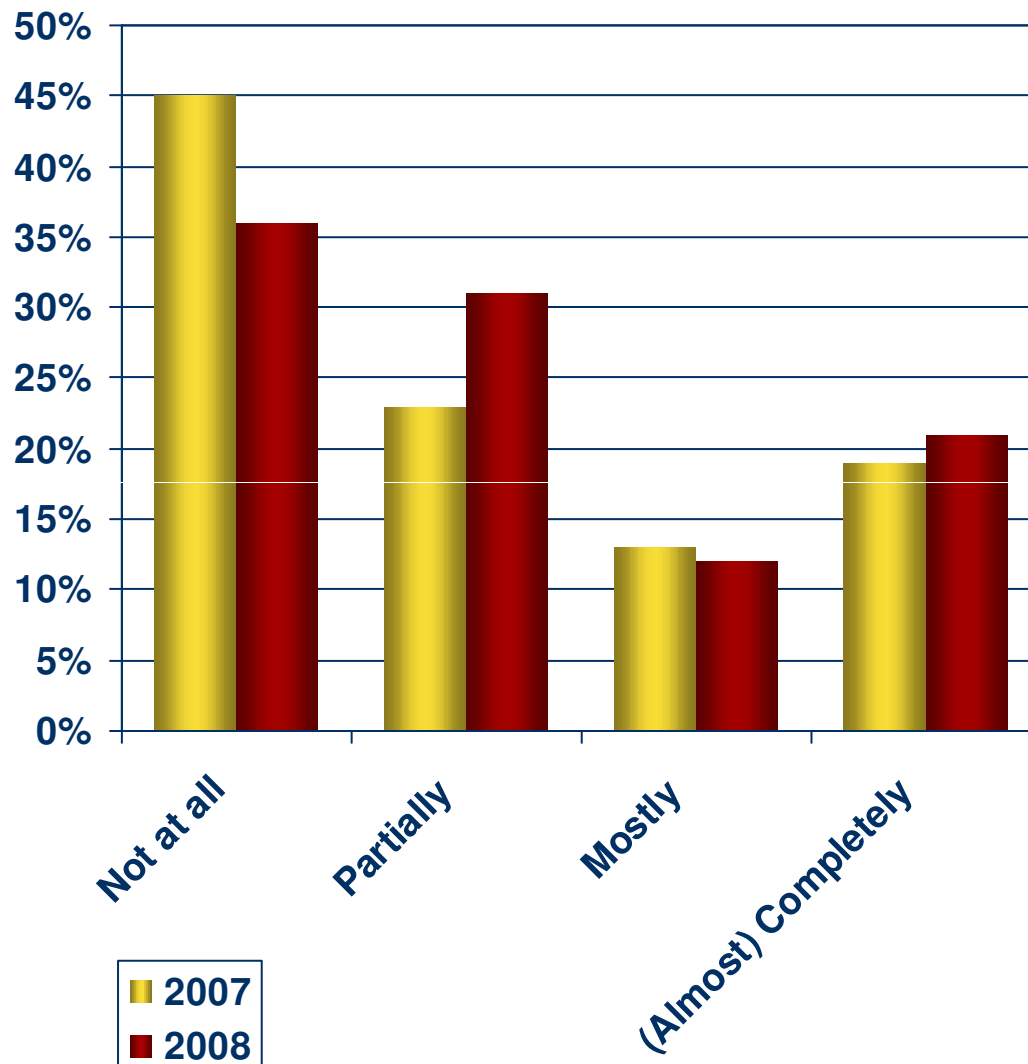
Solution Investment Remains a Pressing Need – Top Priorities by Sector

Financial Services Data Privacy IT/Business Alignment Compliance	Public Sector Security Privacy Efficiency
Services Skills IT/Business Alignment Agility	Retail and Wholesale Manufacturing Efficiency Business Intelligence Real Time Performance

Part 2

How Can ICT Help with These Challenges?

Increasing IT/Telecoms Convergence to Improve Efficiency



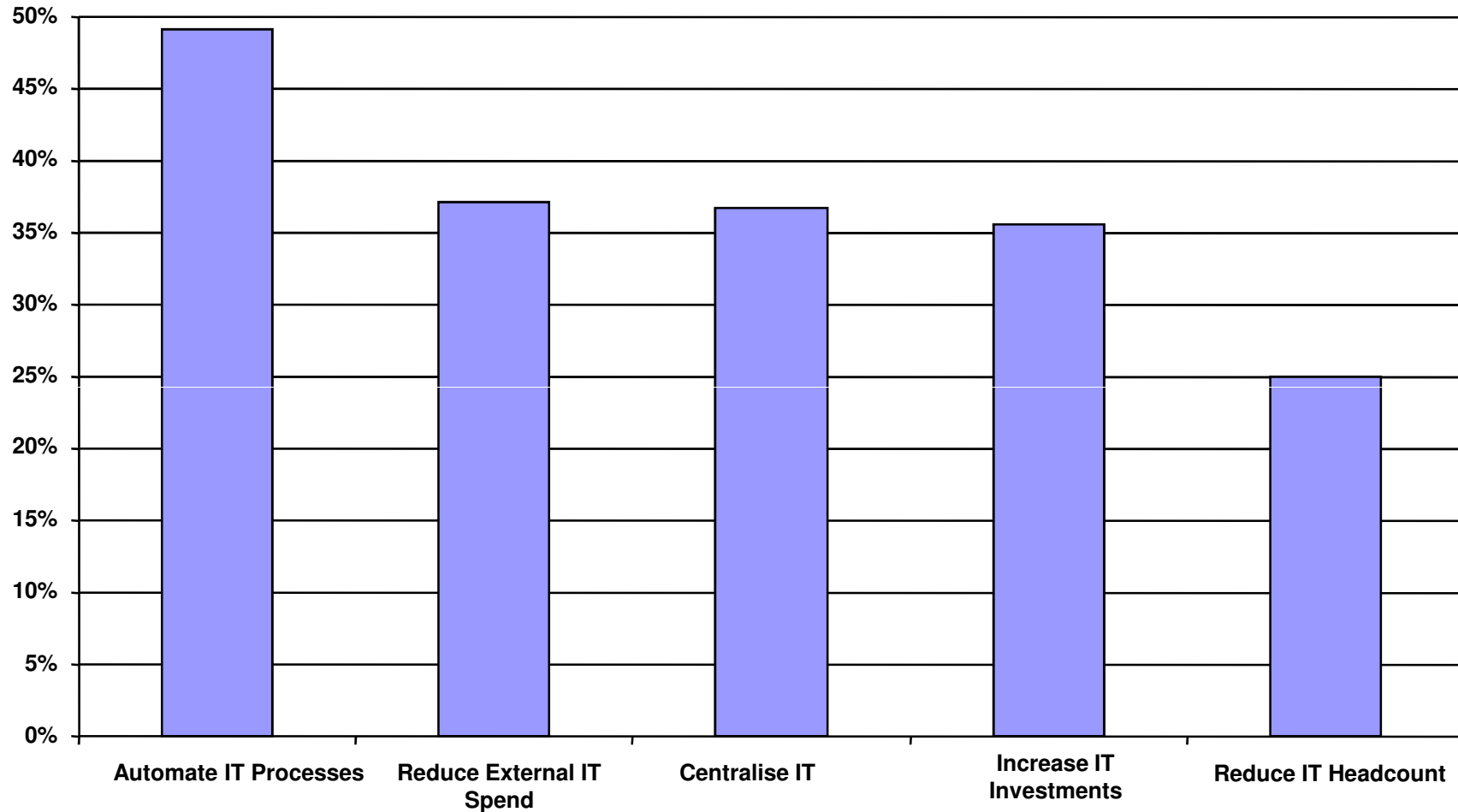
- CIOs acknowledge the need for convergence as a key step to evolving to unified communications.
- The number of companies that are almost completely or completely converged increased again compared to last year.
- Even more companies expect to be in some stage of the convergence process within the next year.

Note: n = 672 (all respondents)

Source: WAN Manager Survey, 2008

Automation Improves Cost Position and Flexibility

% of Respondents Likely/Highly Likely To Take This Action

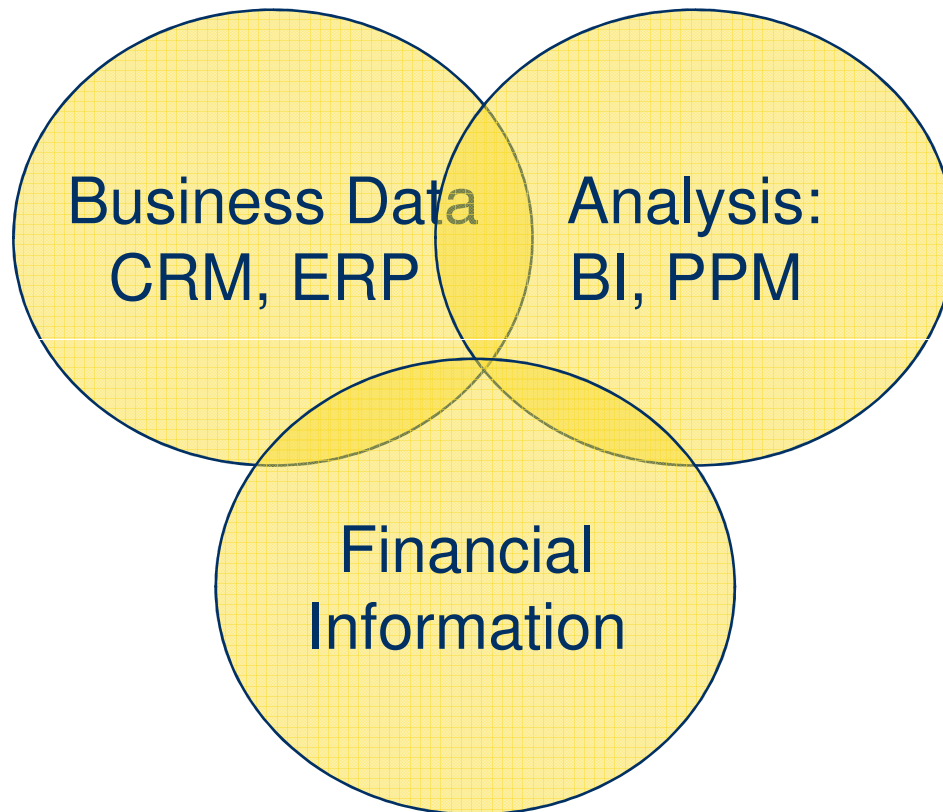


How will your organisation react to the deteriorated economic climate in Europe? Please indicate the likelihood of each response, where 1 is very unlikely and 5 is very likely.
N = 515

The 4 Key Paths To IT Process Automation Investments in the Current Crisis

- Organisations that have decided that they can achieve better cost efficiencies through process automation, and view the current economic situation as a "good time to start".
- Organisations that will be forced to reorganise their IT delivery structure through centralisation and reduction of local IT functions.
- Organisations that will be forced to reduce IT headcount but will be expected to maintain or improve levels of service and support.
- Organisations who are already on the path of IT Process Automation and will continue these investments to further improve IT efficiency and reduce cost.

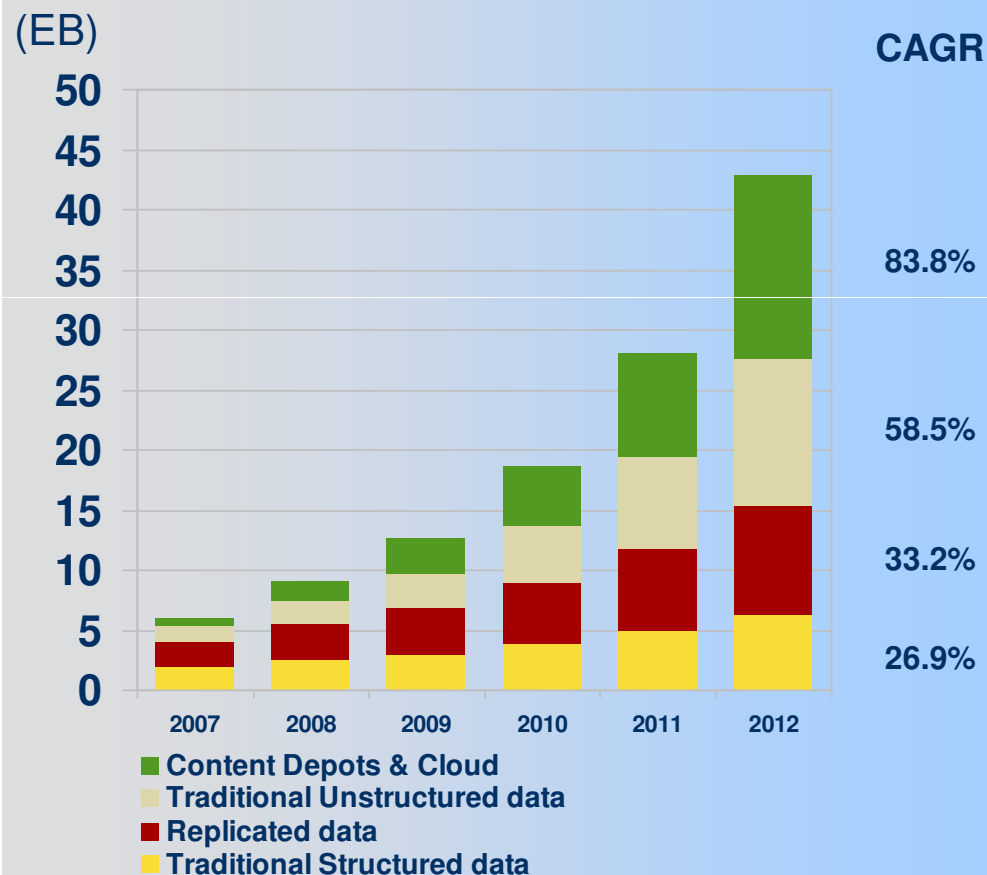
Better Integration and Insight into the Business is Critical



- Although supply chains are more efficient, most organisations have too many systems which are not integrated.
- As a result it is difficult to get access to critical information and get that information to the right people.
- Traditional problems around BI and lack of financial planning information remain.

Growing Volumes of Corporate Information Creates Cost Challenge

Consumption of Enterprise Disk Capacity by Type



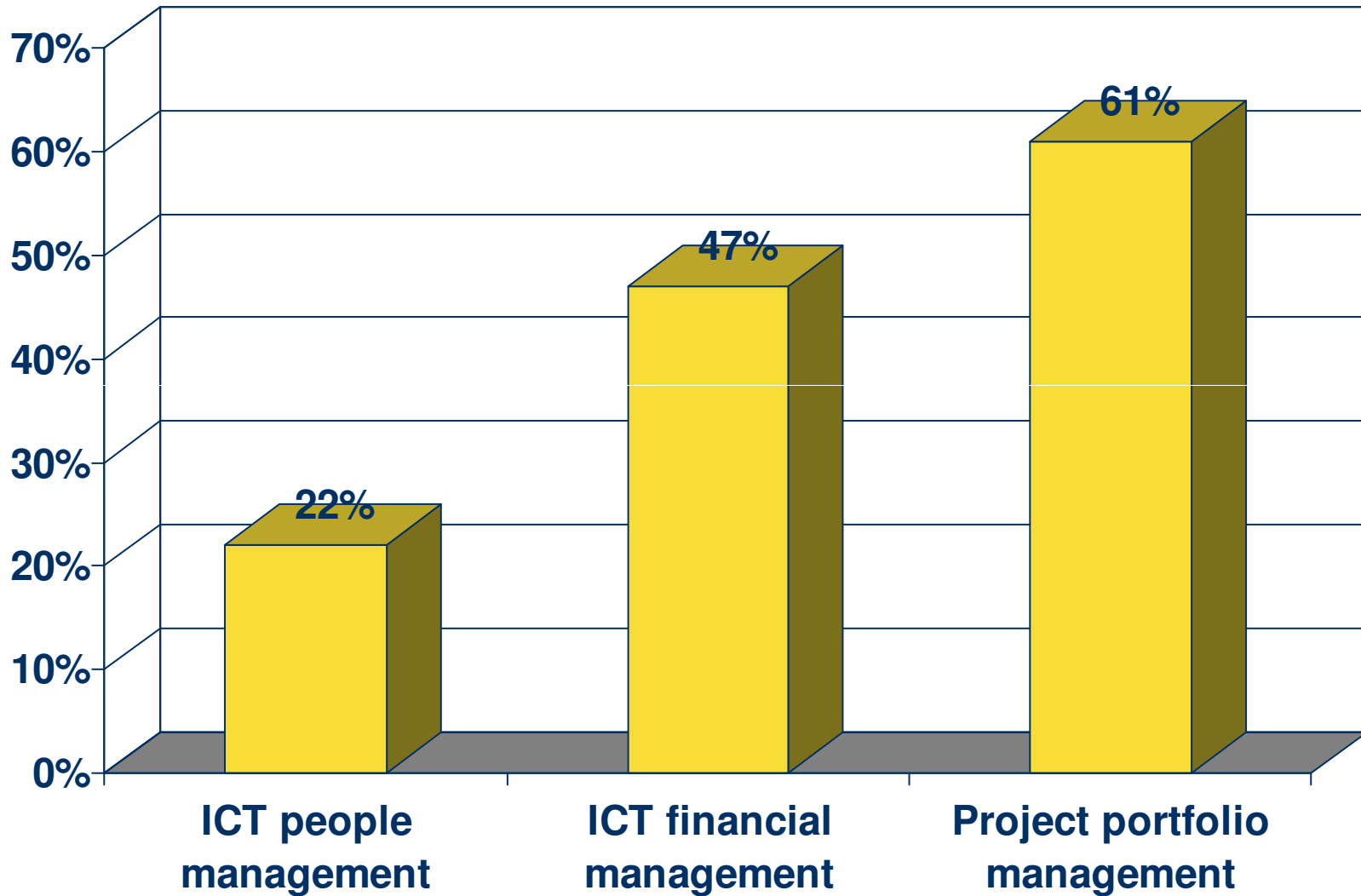
Unstructured data tends to be poorly managed:

- High cost of storing this data using traditional techniques.
- Increases legal risk from non-compliance.
- Poor return on investment if the data cannot be analysed.

Opportunities for new thinking around corporate data:

- More involvement of business executives in defining their data requirements.
- Possible benefit of cloud services in managing and analysing data.

Tracking ICT Resources to Meet These Needs



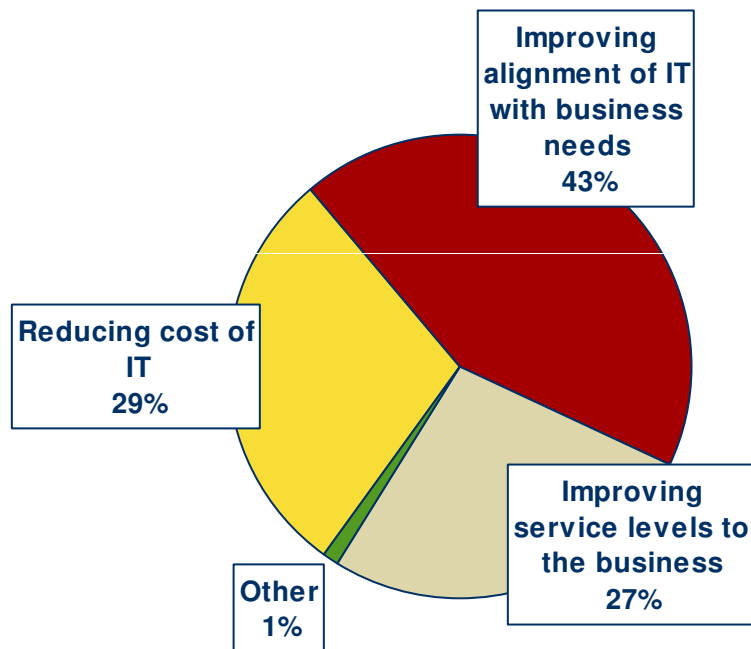
Part 3

Improving Supplier Management and Sourcing

Misalignment Between CEO, CFO and CIO

European Enterprises' IT Strategic Direction for the Next 24 Months

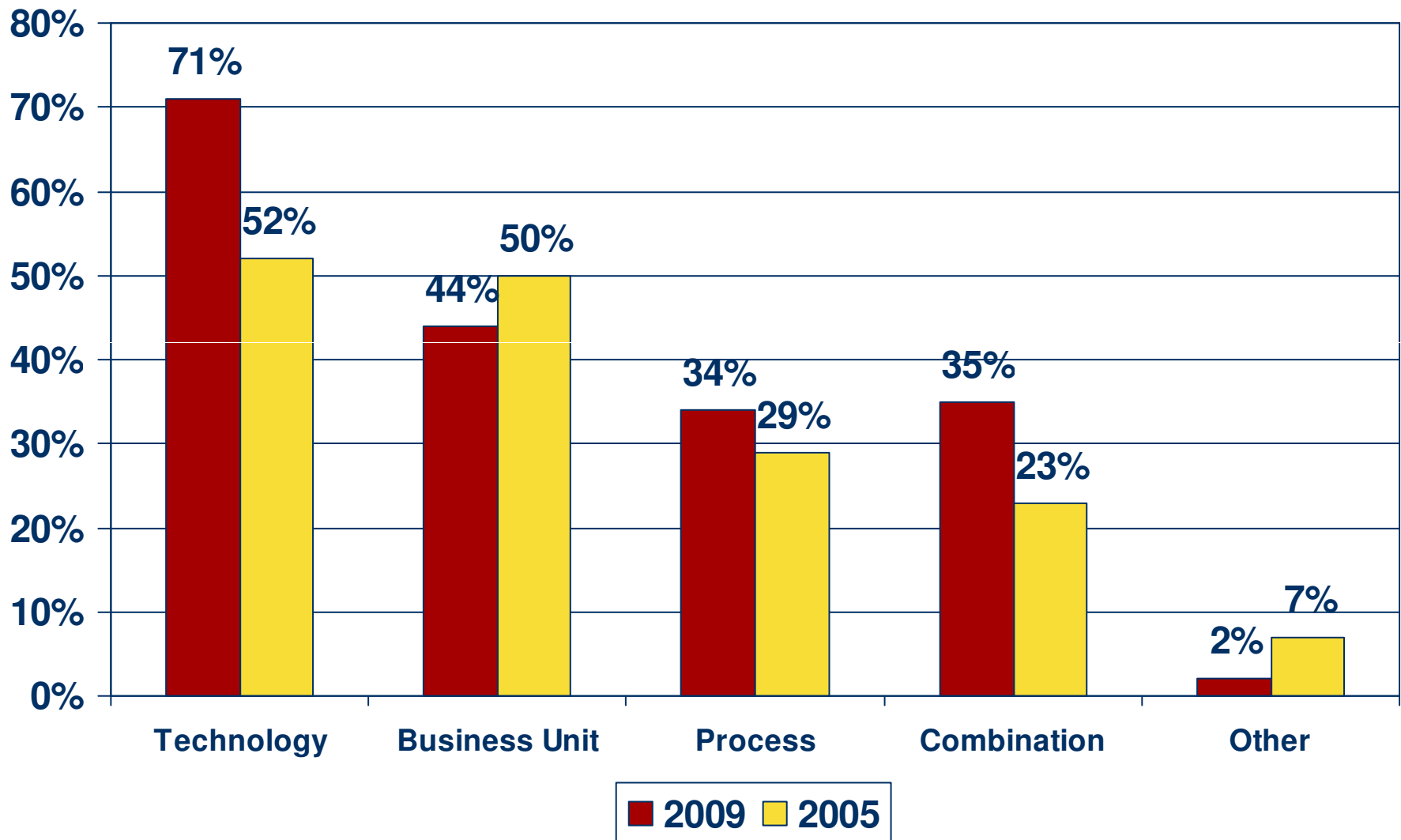
Q: Which of the following statements can be best applied to the general trend of your IT strategy for the next two years?



- Dramatic increase in emphasis on cost cutting (+70% compared with 2008). Decline in emphasis on spending to improve service levels.
- Financial Directors are pushing cost reduction too hard impairing the service levels offered by the business.
- CEOs are looking for increased contribution from IT to achieve the organisation's goals

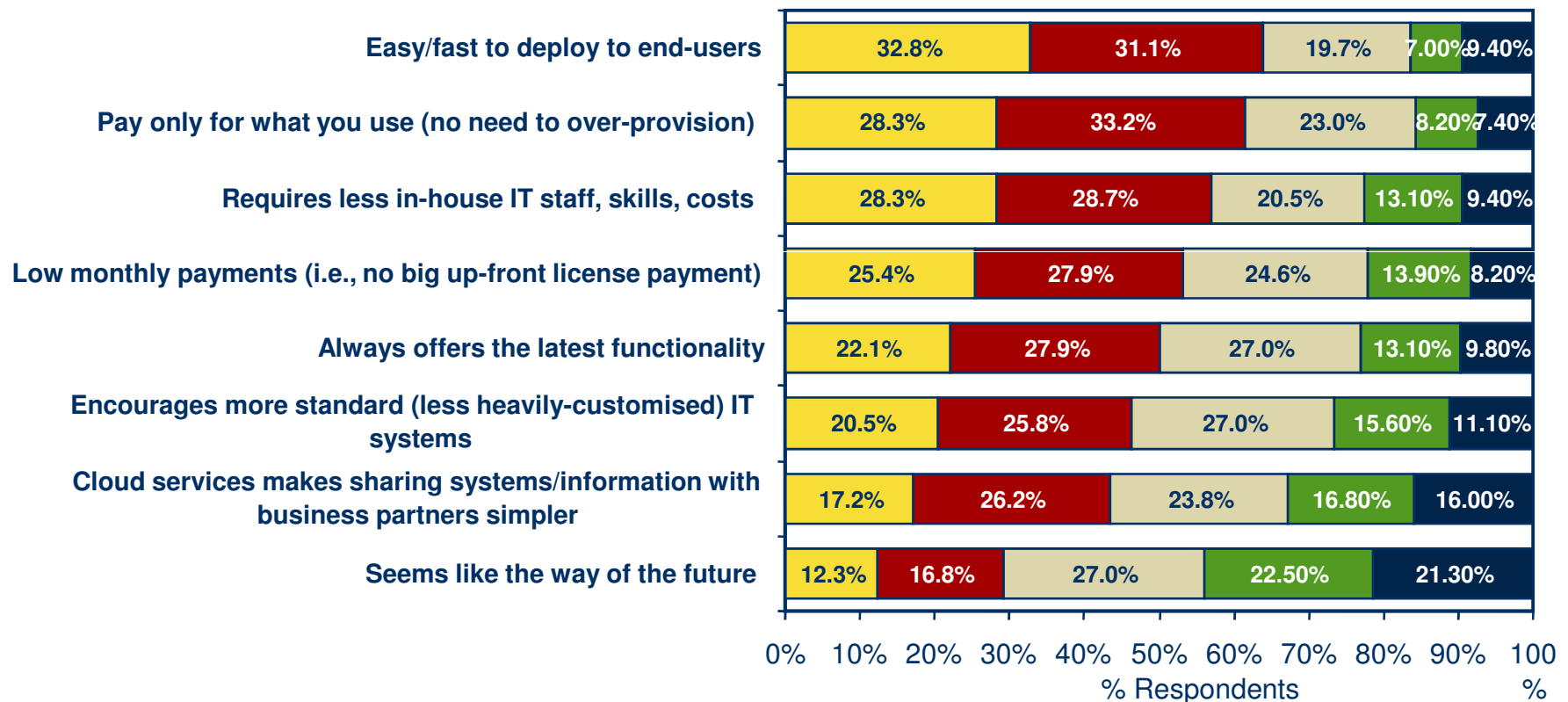
Note: n = 553
Source: IDC European Services Survey 2009

Centralisation of IT to Get Benefit Across the Organisation



Cloud as a Solution to These Challenges

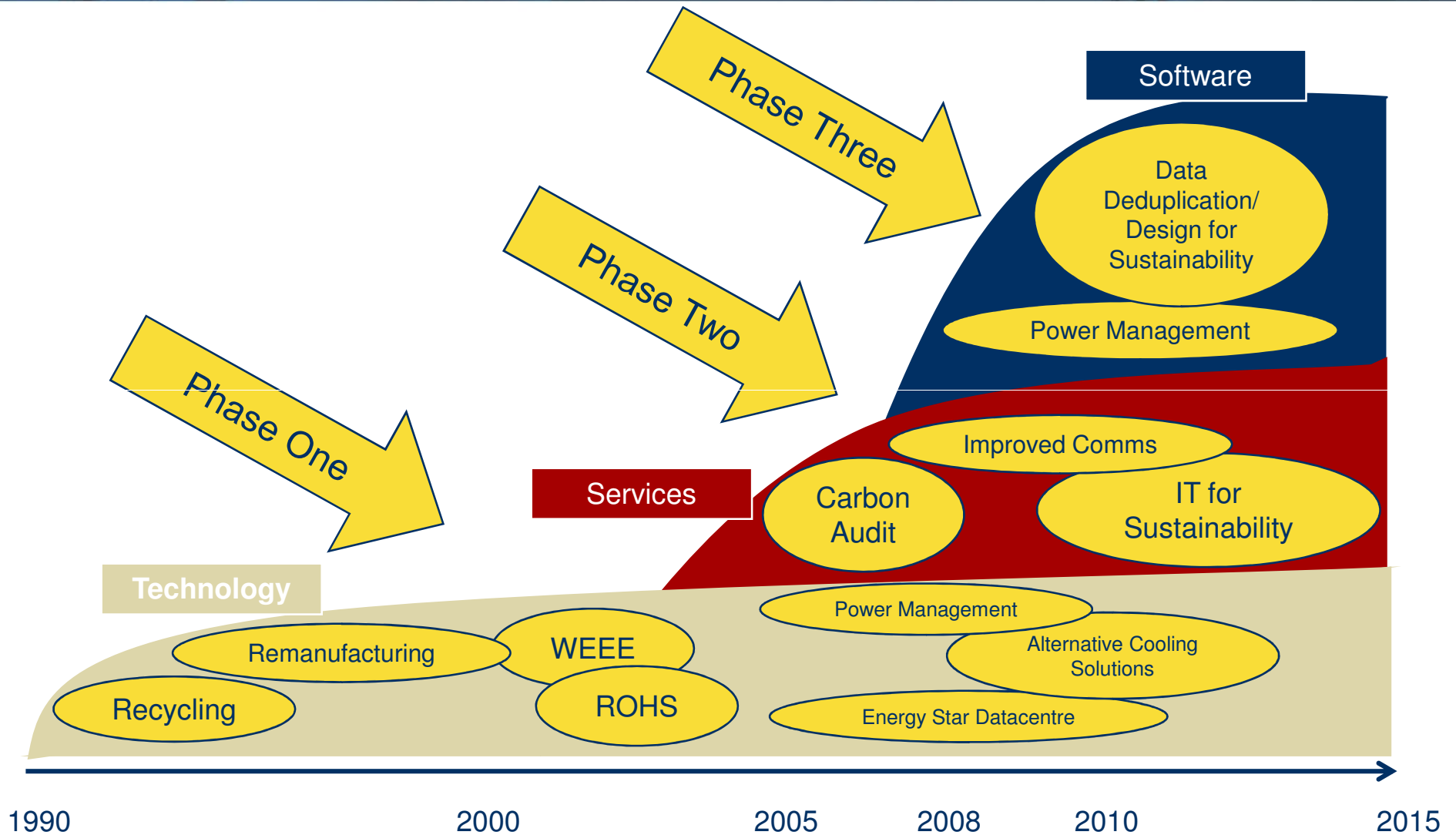
Of the following benefits commonly ascribed to the cloud/on-demand model, how do you rate their importance to your organisation?



N=244



Sustainable Technologies and Services: A Timeline



Building Efficiencies:

- Tactical Changes
 - Maximise the utilisation of existing resources across the ICT estate.
 - Improve the flow of information around the business, compatible with security.

- Medium & Long Term Strategic Implementations
 - Prepare for new service delivery models through continued consolidation, virtualisation and centralisation.
 - Look at the ICT environment as a change enabler for sales, customer care and business processes.