



Offshoring Platform for CIOs/CFOs

FLATTENING the WORLD:

The Economic, Political & Technical Impact of Global Sourcing

Next Generation BPO: Driving Enterprise Growth & Agility

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General Manager
IBM Global Process Services

JUNE 28–29, 2011 • HYATT REGENCY ON THE HUDSON • JERSEY CITY, NJ USA

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Offshoring Platform for CIOs/CFOs

Centennial Video:

http://www.youtube.com/watch?v=8-M_nPRXO0k



Offshoring Platform for CIOs/COOs

THE TABULATING MACHINE COMPANY
 DIVISION OF
INTERNATIONAL BUSINESS MACHINES CORPORATION
 50 Broad Street,
 New York

Contract for
TABULATING MACHINE SERVICE
 In the United States

Date September 20, 1928.
 No. 11645

State Farm Mutual Automobile Ins. Co.,
Bloomington, Illinois.

Service Offered

The Tabulating Machine Company offers to furnish its Tabulating Machine Service, comprising the use of its machines as specified below ; and Tabulating Cards for use in connection therewith and also the advice and counsel of its staff in applying the tabulating system to your work of general accounting at Bloomington, Ill. upon the following terms and conditions:

Rental of
 Printing
 Tabulators

Total Printing and Listing Tabulating Machines,

Quantity	Printing Banks	Columns	Monthly Rental
_____	5	42	\$ 150.00 each
_____	5	45	160.00 "
_____	7	42	200.00 "
_____	7	45	210.00 "

Total Printing and Listing Tabulating Machines:
 Equipped with Major and Minor Control, Magnetically Actuated:

Quantity	Printing Banks	Columns	Monthly Rental
_____	5	42	\$ 160.00 each
_____	5	45	170.00 "
_____	7	80	175.00 "

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Offshoring Platform for CIOs/CFOs

The world is smaller and flatter—
and increasingly digital ...

... and complexity continues to rise

Every two days, we create as much information as mankind did up to 2000.

Information grows at 66% per year; physical production at 7%.

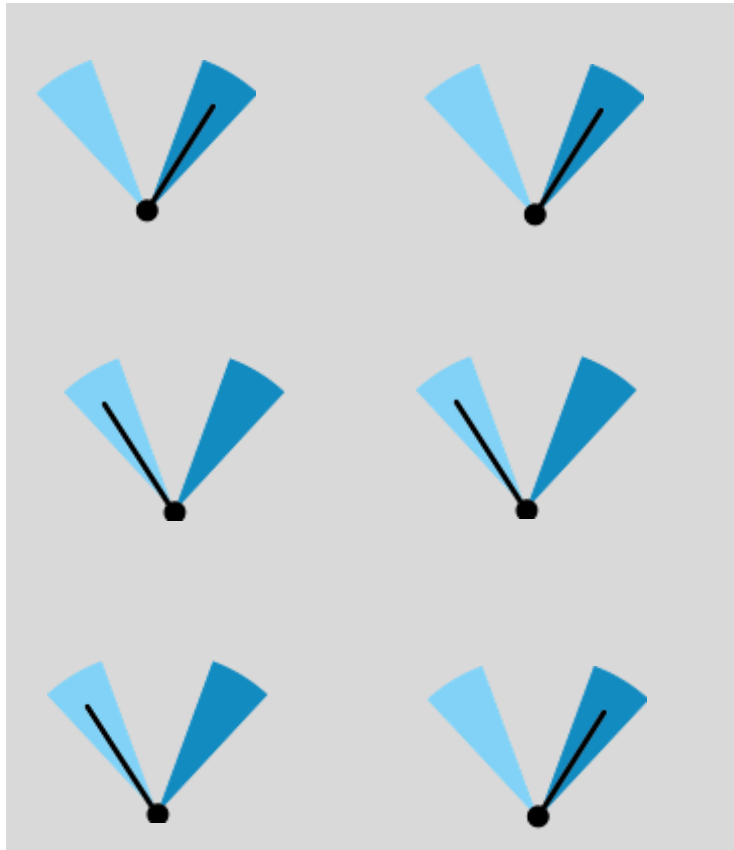
Next 100 years of technological change will feel like 20,000 years.



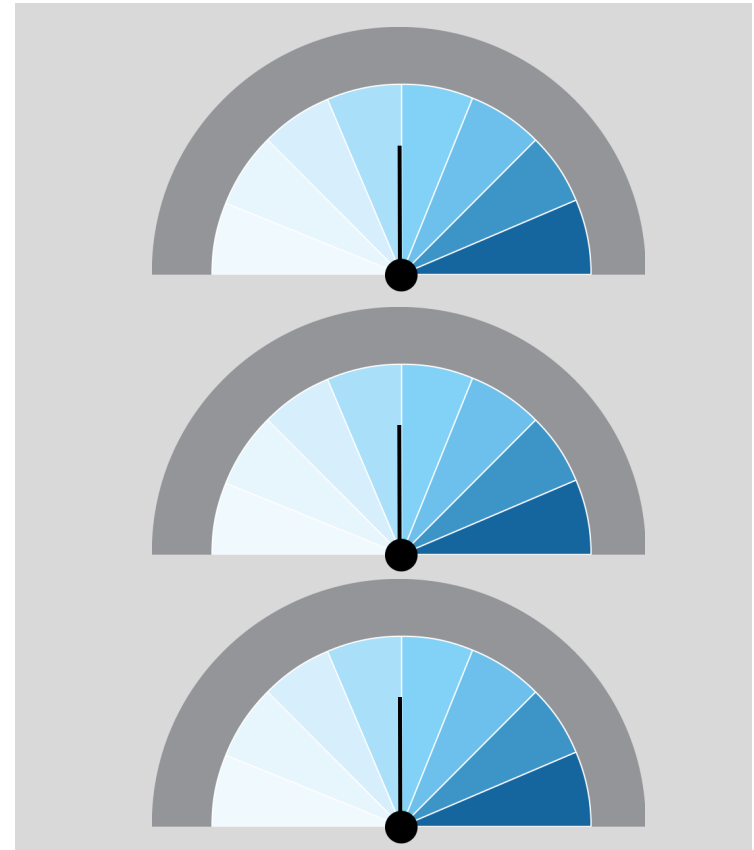
Simplifying complexity drives value ...

...but don't oversimplify

Historic approach felt like a series of simple decisions



New approach requires more nuanced and variable decisions

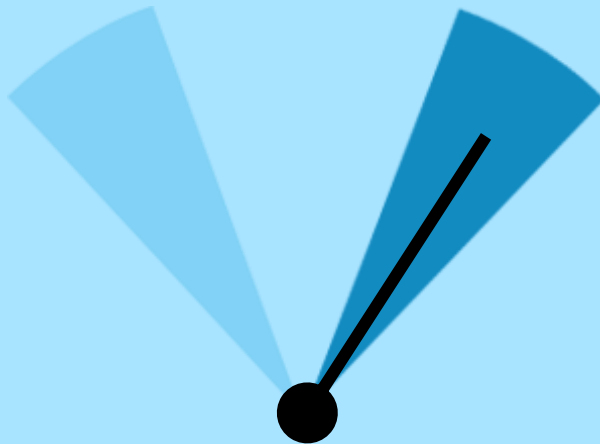


1. The search for "non-core" is a fool's errand

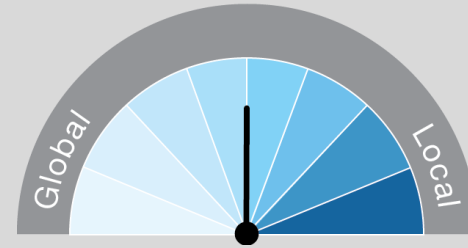
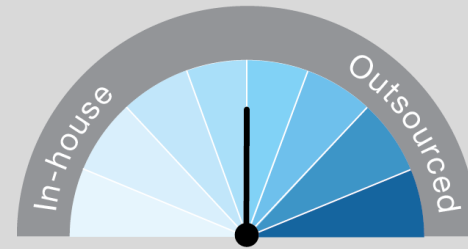
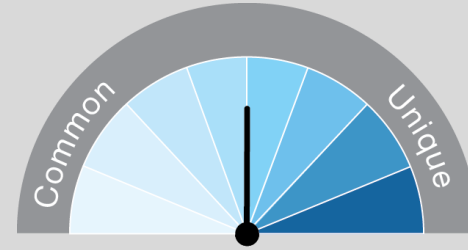
Then

Core

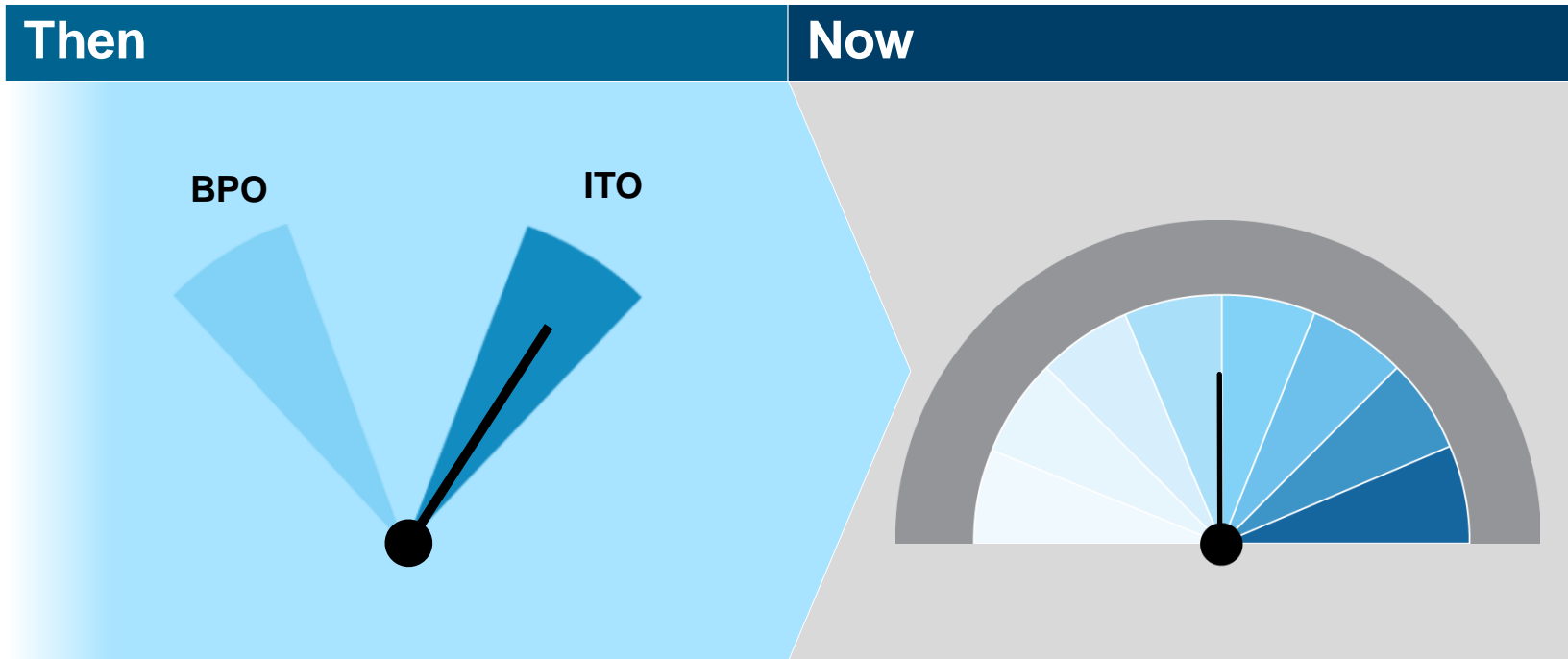
Non-core



Now



2. Business reality doesn't fall neatly into BPO and ITO



3. Neither the elegant redesign nor the “quick save” works at this point

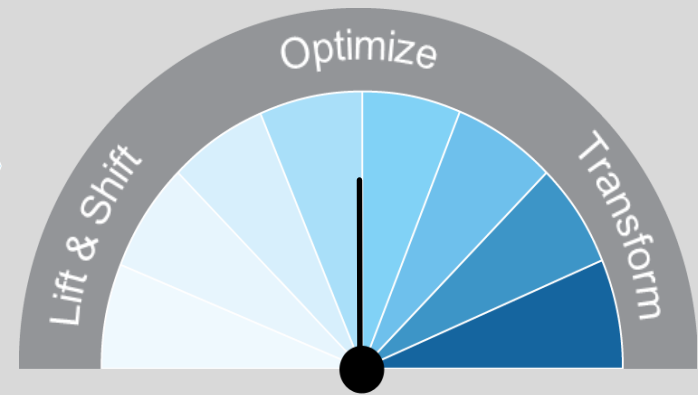
Then

Cost Savings

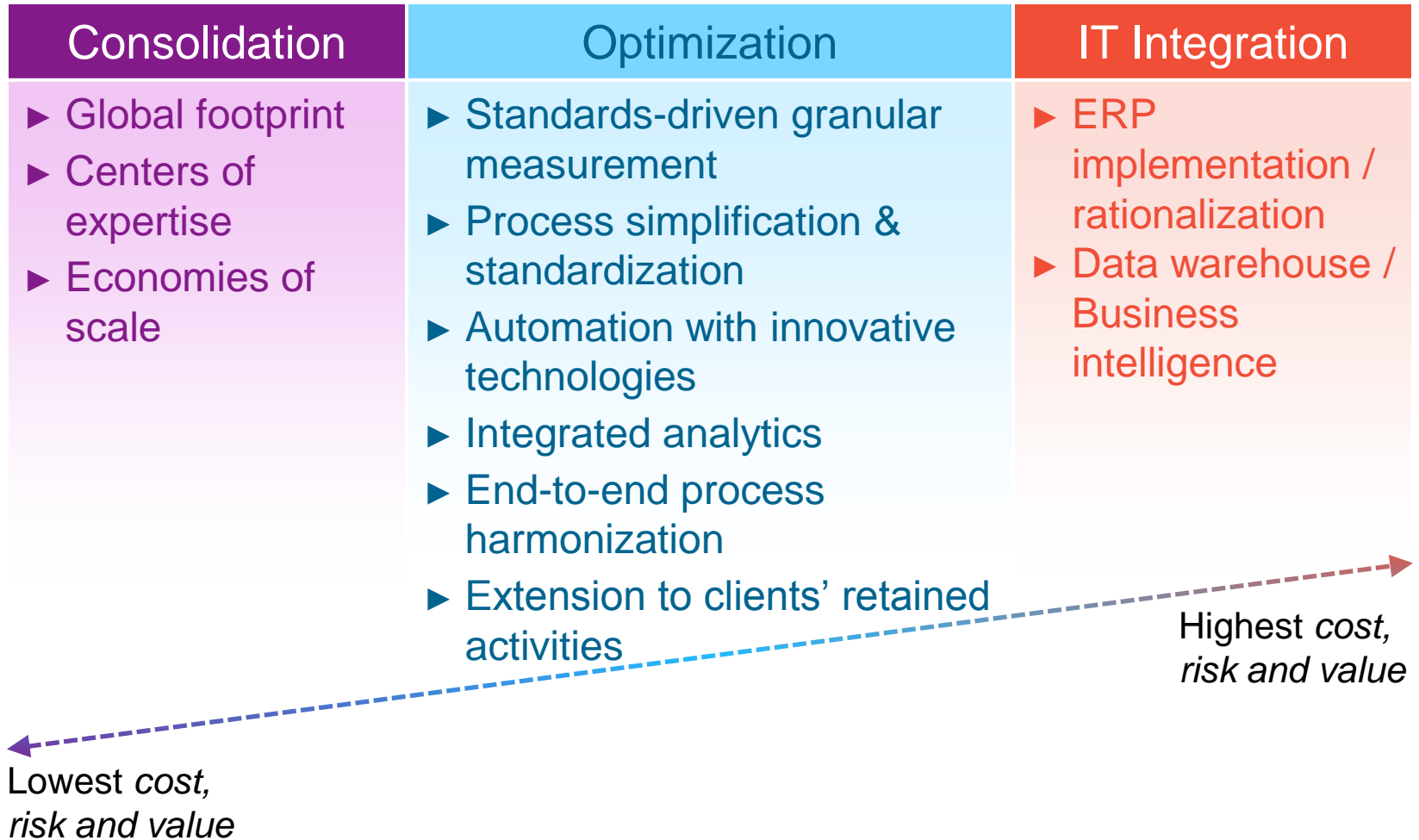
Transformation



Now

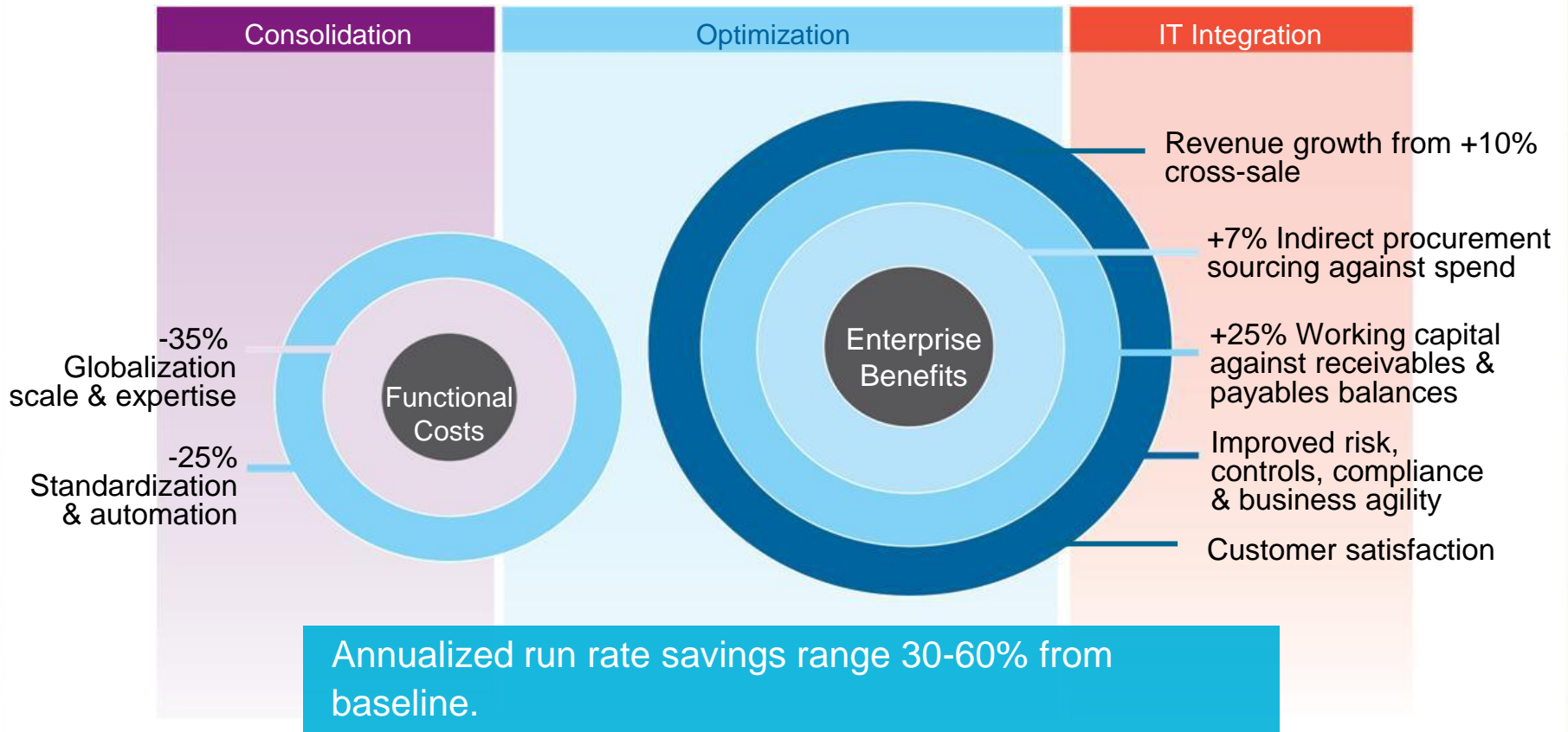


A transformation roadmap must fit your needs



4. It's as much about *top* line as it is bottom line

Total Service Value



5. Atomization trumps industries and functions

	Banks	Retail	Energy	Auto
CRM	█	█	█	█
F&A	█	█	█	█
SCM	█	█	█	█
HR	█	█	█	█

	Banks	Retail	Energy	Auto
CRM	█	█	█	█
F&A	█	█	█	█
SCM	█	█	█	█
HR	█	█	█	█

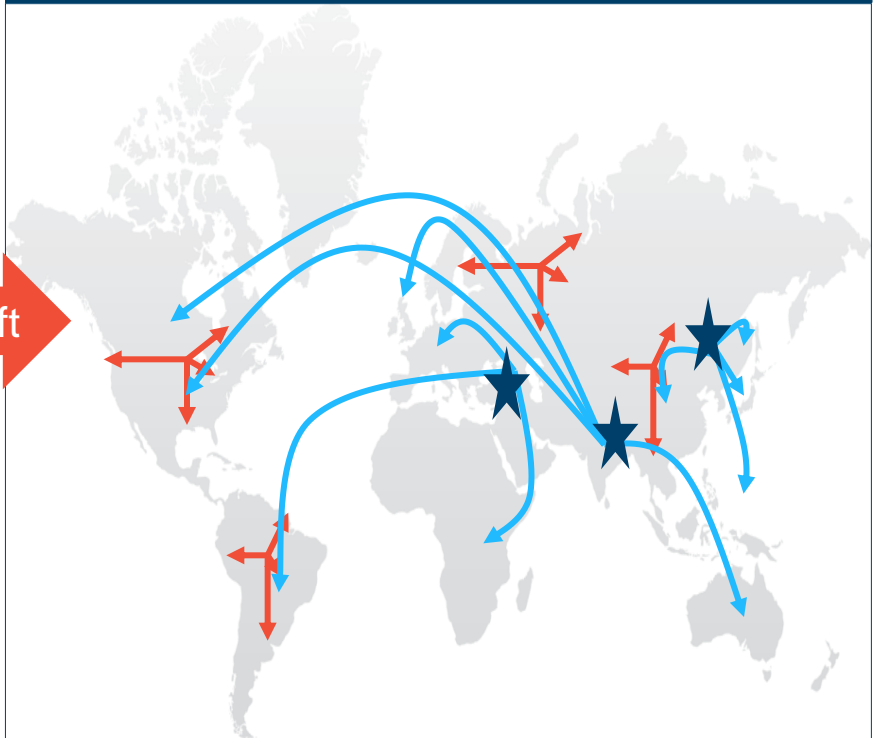
6. How you “-shore” is not the point

Geography-centric

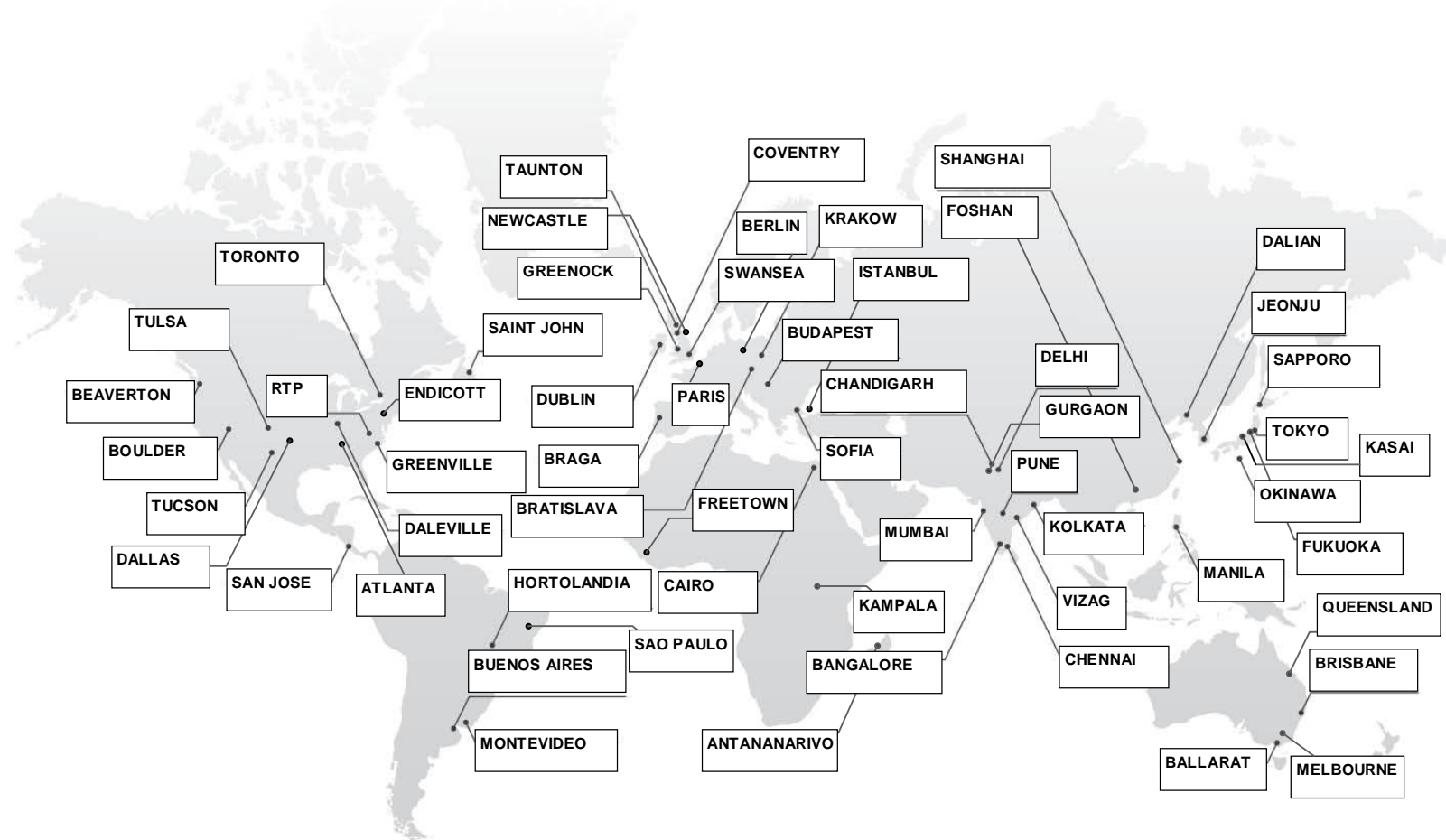


Shift

Globally integrated



Connecting delivery processes, systems and data enables greater collaboration in a global economy



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7. Your next senior executive is working in
~~the mailroom~~ a delivery center



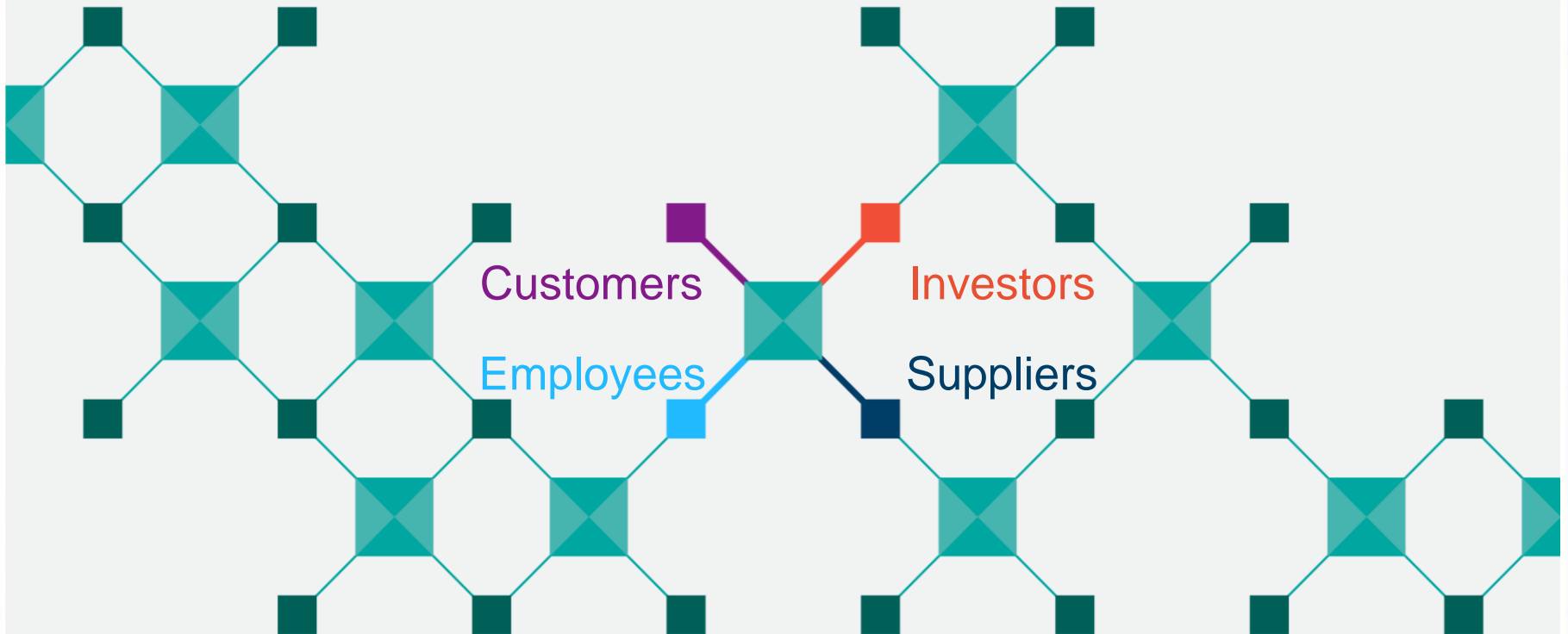


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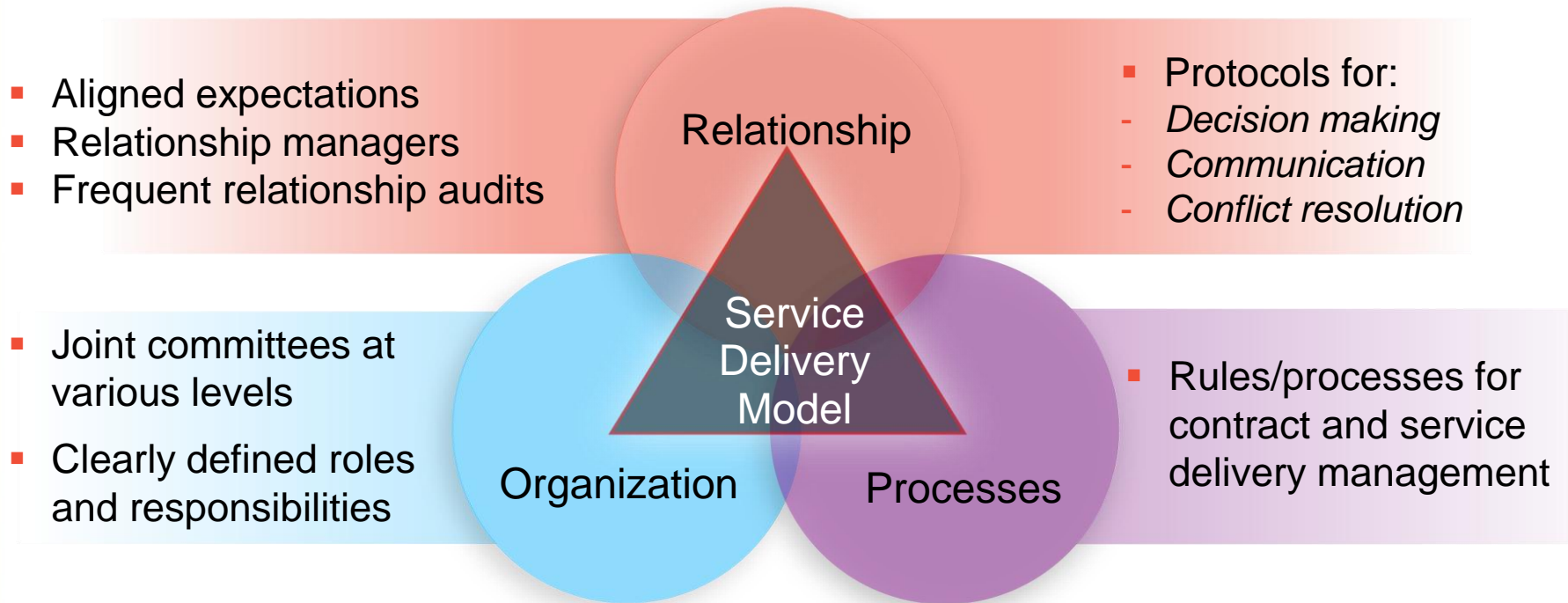
GPS Video:

http://w3.tap.ibm.com/medialibrary/media_view?id=101055

Simplifying complexity requires collaboration



8. Governance matters: 'Set it and forget it' doesn't work



9. The science of process still matters



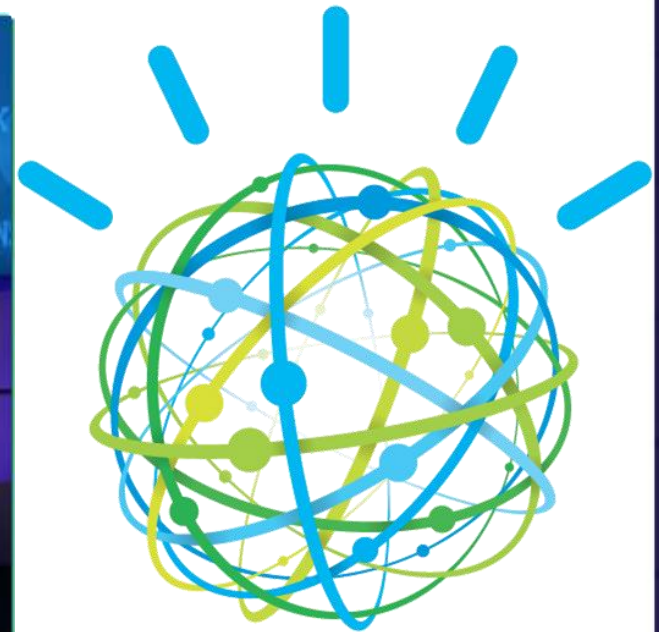
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10. Insight + Innovation = Dexterity



Time and Resources





Offshoring Platform for CIOs/CFOs

Imagine Watson in your call center

To compete at Jeopardy!, both humans and computers need to:

The same analytics-driven insight can innovate your business processes.

Tap into a broad, open domain of clues

Manage large quantities of data from an instrumented world

Parse complex human language

Transform complex data into meaningful insight

Be precise at finding the answer with appropriate confidence

Ensure confidence in analytics to make key business decisions

Do all of these in under three seconds

Do it at the speed of business, in real time

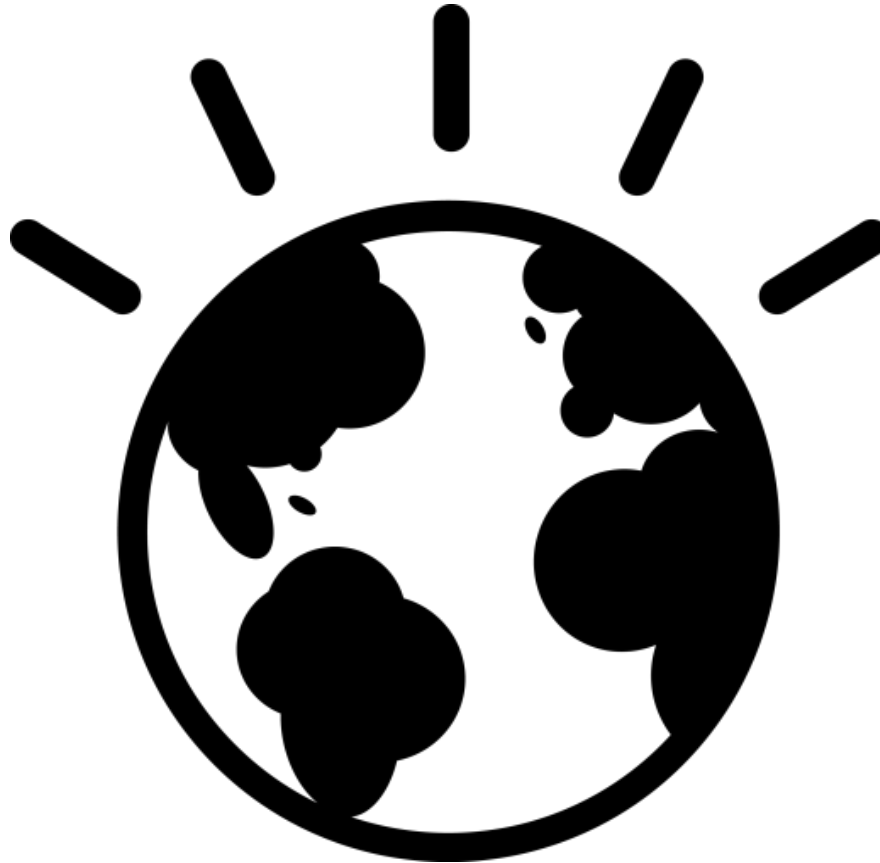


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Watson Video:

<http://www.youtube.com/watch?v=FC3lryWr4c8&feature=related>

The mandate for change is a mandate for smart





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THANK YOU!

ibm.com/services/process

ibm.com/services/outsourcing

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