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ILLUMINATING THE FUTURE

Technology & Consumer Services



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ILLUMINATING THE FUTURE



During half a century of supporting the world's leading organizations through the use of innovative technology, we've amassed some of the most knowledgeable and proven business leadership in key vertical industries.

Standing at the forefront of their respective industries, each leader strives to offer valuable insight into practices that your business should follow for even greater success.

CSC World has gathered their informed viewpoints on topics ranging from increasingly collaborative and transparent business-IT organizational relationships; consumer-driven innovation; and "extreme data"; to Green IT and the economy's impact on technology. These leaders also present the biggest IT challenges facing their six industries:

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by Scott Kohn

Technology waits for no one. Just when you get comfortable with the latest innovation, the next breakthrough comes along, shaking up everything again. The same can be said for business. Resisting change and resting on your laurels is futile in the digital age.



From the Baby Boomer era to that of Generation Z, the time to scale-level adoption of new technologies has dropped from decades to years to months. In the last half of 2008, consumers downloaded more than 500 million applications (apps) via Apple's iPhone apps store. Previously, it had taken Apple's iTunes store two years to reach 500 million downloads.

Consumers are not limiting IT adoption to fun and games. Bank of America launched its mobile banking service in May 2007 and already has more than 1.5 million subscribers. A third of all consumers currently use mobile phones to assist in shopping. Consequently, retailers such as Kraft Foods, Coca-Cola and grocery retailer Kroger have

all developed mobile phone apps. Everyone is getting onboard. The global ubiquity of multifunctional utility devices, along with the confluence of broadband service and cloud-level computing capabilities, has mobilized the platform of consumerism.

The "data exhaust" of this mobile horde of consumers has created a flood of "extreme data" along the way. These new sets of data streams, the new channels of communication and interactive nature of the platform have dramatic implications for any company selling consumer products or services. It is not just the amount of unstructured, multichannel data that companies must sort through; it's the speed at which the data is produced and propagated through the global network — and its inherent interactivity. "Transparency" in this new world gets a whole new meaning.

Out with the old organizational model

As IT becomes pervasive and globalized, it appears as though we have actually shrunk the world. As manufacturers, distributors, employees and customers become more interconnected, the impact on business linkages across the value chain is that companies are becoming more transparent.

Traditional organizational models are being challenged by the adoption of open, transparent collaboration tools, technologies and social networking behaviors. As a result, organizational models are changing significantly and rapidly. CEOs are blogging and employees are interacting directly with senior management.

As companies integrate and adopt enterprise-class commercial applications, their ability to operate as effective global organizations has increased dramatically. No longer will functional silos or geographic barriers impede the flow or accumulation of data. One impact with major implications for many companies — who, in the past, operated on a patchwork of poorly controlled, custom-developed legacy applications — is the amassing of huge stores of accurate, integrated operational data. This data, a resource largely untapped until now, is being used to measure the organization through integrated key performance indicators and



dashboards, giving managers and executives the ability to see the state of their operations in a new light. The information is also being mined to support key strategic and operational decisions, taking competition to a whole new level.



Building transparency and collaboration

By getting the business more involved in the service to be delivered and technology more in the hands of the end user, new relationships are developing. Value for service delivery is both created and enhanced when the business understands the cost and is able to see the impact of that cost and how it will enhance their experience. Many consumer-based companies are taking advantage of open portals as a collaboration tool, whereby customers can provide product suggestions. We see an evolution toward more transparency with customers and suppliers through the entire supply chain.

The consumer and commercial marketplaces require complex collaboration among partners to produce goods and services. An ever-evolving ecosystem of partners, focused on both speed to market and cost reduction, creates a diverse and complex supply chain. Our clients have recognized the need to partner — with complete transparency — in order to remain competitive in a global economy. The challenge is to manage these relationships as the ecosystem grows.

Focusing on the here and now

In addition to technology's fueling of organizational transformation, companies today are looking for solutions that decrease time to market, unite their global workforce, streamline operations and cut costs. IT can be the driving change agent for creating value and helping the business meet these challenges, especially as we face the worst economic storm of the century. The economy's impact in the short term is that everyone, consumers and companies alike, is proceeding with caution because the future is uncertain. Until a majority of us begin to see improvement, this current state of caution will persist. From a company perspective, this means projects that don't produce six-month cash return will likely be delayed. Fortunately, the consumer products industry is a diverse portfolio of companies and brands, and while some may be experiencing dips in sales and margins, others are seeing increases. In all sectors, downturns create the opportunity for leading companies to invest in capabilities that will enable them to gobble up more market share.

Overall IT spending will be down for many of our clients who are not interested in mega projects with long-term ROI. Instead, they will invest in operational efficiency projects that promise faster returns. Companies are getting back to their core operating principles. They plan to focus on what they are good at and invest in product and business analytics to make strong business decisions, thereby shedding non-core functions by outsourcing

or eliminating them. Many companies will look to low-cost centers and create an optimal labor mix once they identify commodity services. We anticipate a tighter integration between business and IT services throughout this economic downturn; additionally, more clients will implement open source solutions and take advantage of cloud computing for specific business functions.

Make an impact, then make it last

As all companies look to the future, "fast and flexible" are the goals — and IT is their enabler. We are focused on creating solutions that have a sudden impact on a client's business and provide adaptability over the long term. The future of business is collaboration, and the future of collaboration is in the cloud — not behind the firewall. For cloud computing to work, issues such as identity management and authorization must be addressed.

Security policies will come to the forefront as the IT industry grapples with "digital disruptions" brought on by collaboration, cloud computing and information transparency. A culture change will be required — and trust will be essential, as we leverage cloud computing and better understand the balance between transparency and security.

Our mission is to fix it now, design it for change and aggressively monitor change and the specific needs in our clients' businesses and related industries. We are committed to change, dedicated to client satisfaction and positioned to capitalize on the combined knowledge and expertise across CSC.

“ THE FUTURE OF BUSINESS IS COLLABORATION, AND THE FUTURE OF COLLABORATION IS IN THE CLOUD — NOT BEHIND THE FIREWALL. ”

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About CSC

The mission of CSC is to be a global leader in providing technology enabled business solutions and services.

With the broadest range of capabilities, CSC offers clients the solutions they need to manage complexity, focus on core businesses, collaborate with partners and clients, and improve operations.

CSC makes a special point of understanding its clients and provides experts with real-world experience to work with them. CSC is vendor-independent, delivering solutions that best meet each client's unique requirements.

For more than 50 years, clients in industries and governments worldwide have trusted CSC with their business process and information systems outsourcing, systems integration and consulting needs.

The company trades on the New York Stock Exchange under the symbol "CSC."

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