



Transformation for Growth and Change: Infosys' IMPACT™ Framework and Value Realization Method (VRM™)

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For more information, contact askus@infosys.com

About Infosys

Infosys Technologies Ltd. (NASDAQ: INFY) defines, designs and delivers IT-enabled business solutions that help Global 2000 companies win in a flat world. These solutions focus on providing strategic differentiation and operational superiority to clients. Infosys creates these solutions for its clients by leveraging its domain and business expertise along with a complete range of services.

With Infosys, clients are assured of a transparent business partner, world-class processes, speed of execution and the power to stretch their IT budget by leveraging the Global Delivery Model that Infosys pioneered.

Infosys[®]
POWERED BY INTELLECT
DRIVEN BY VALUES

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Executive Summary

Infosys is a global leader in the “Next Generation” of IT and consulting services with annualized revenues of over US\$ 4.5 billion. We pride ourselves on our strong ability to define, design and deliver technology-enabled business transformation programs that help Global 1000 companies win in a flat world. With employees in excess of 100,000, in countries and continents spanning the globe, Infosys provides a complete range of services by leveraging our cross-industry and multi-domain expertise, and strategic alliances with leading technology providers. Infosys is an organization that is guided by the traditions and beliefs of our founders.

We believe the combination of our strengths in SAP-enabled business transformation, in guiding

our clients towards success, offers the best means of realizing the value objectives of all of our clients. Those strengths include our extensive knowledge of business environment of our clients and our proven track record in execution excellence, with the differentiating qualities of our proprietary tools.

Our global team at Infosys is committed to bringing the right Transformational Approach, Delivery Excellence, Thought Leadership and True Partnership to our clients. This will not only help ensure the success of client programs but will also ensure that it is linked with the defined Strategy, and delivers quantifiable, economic business value, both on time and on budget. We are committed to focusing our effort on delivering to and exceeding expectations.

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The included information presents how we work with our clients to achieve this success.

We impact how our clients transform their business

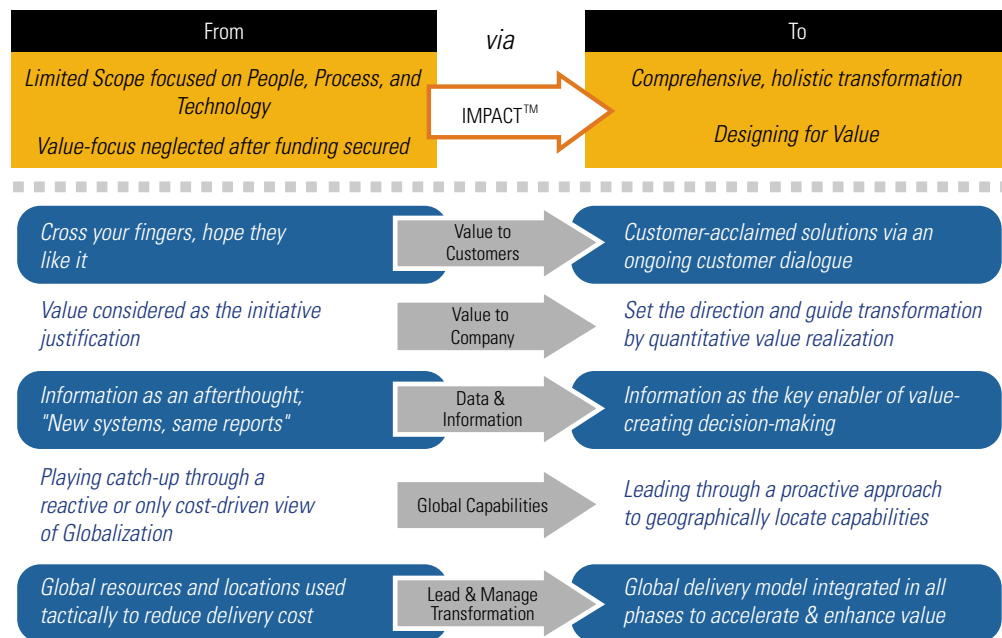
A Business Transformation is

A multi-dimensional change leading to the creation or improvement of one or more business capabilities. It is:

- HIGH IMPACT – Achieving transformation objectives yields significant business value
- BUSINESS FOCUSED – Directly impacts how core business capabilities function/operate
- MULTI-FACETED – Cuts across organizational and / or disciplinary lines
- COMPLEX – Success requires effective governance, communication and integration
- LARGE SCALE – Significant in scope and resources deployed
- MULTI-DISCIPLINED – Requires a diverse team with wide-ranging skill-sets to execute

Companies are looking for a comprehensive business transformation framework to transform their business capabilities, where technology is but one aspect. Infosys' IMPACT™ Framework is the answer.

Infosys' approach to Business Transformation is



IMPACT™ supports just about every type of business transformation

- "I need to achieve at least \$90M in annual operating benefit and improve my market cap or else I will be acquired"
- "My competitors are processing claims in half the time that I am"
- "I need to improve operational efficiency and drive costs down due to competitive and market price pressure"

... then our IMPACT™ Framework is for you!

When is the IMPACT™ Framework applicable?

If your company finds itself saying....

- "I need to double my revenues and reduce operating costs in the next 5 years"
- "I need to integrate my newly acquired banks onto the same platform for my international expansion strategy to be successful"

We know our IMPACT™ Framework can be applied successfully at your company – please stop by at booth 300 and ask us how.

IMPACT™ Framework has three areas of impact

Customers and Company

A transformation should have a major impact on the customers of the capability. It should also have a positive impact on shareholder value and free cash flow and improve the client's competitiveness in the market.

Capabilities

A transformation directly changes the capabilities of the organization. Capabilities are defined as the combination of strategy, people, process, technology, information and assets that enable a company to create business value for its customers and business partners.

Transformation

Transformation requires leadership, the ability for the consultancy to work with the client and a team that can envision the future and execute the transformation to achieve that vision.

All about IMPACT™

Why this Framework?

The normal framework of people, processes and technology governed by strict step-by-step approach to implementation leaves clients with information spread across the company, projects without any known value, overlapping and competing projects and a higher than expected amount of project failure. Infosys' IMPACT™ business transformation framework addresses these issues by focusing on company and customer value as the anchor through the entire transformation, seizing quick wins and learning curve

effects through a modular phased approach to roll-out and providing a holistic approach to business transformation when applied in conjunction with the ASAP methodology.

Why focus on Value?

Too often CEOs have no idea what value a long term transformation or what the subsequent projects stemming from it deliver. By focusing on Customer and Company value through VRM™ the business case isn't just something that promises ROI, it is the anchor throughout the engagement. These threads have built in the process of returning to the business case but to make certain the next phase makes sense so the value becomes to Go or No-Go decision. Value through free cash flow, ROI or any other key metric becomes not just the promise of a business transformation, but the symbol of its success.

Why a Phased Approach?

The big 'Go - Live' approach to business transformations provides increased risk and 'business transformation fatigue' due to the need to wait until the end to see any tangible results for the companies' time, energy and investment. IMPACT™ phased approach to roll-outs allows clients to start seeing steady improvements in their capabilities throughout the engagement, not just at the end. Quick wins provide wind in the sails of those managing and working at the company, as well as evidence that the investment in the transformation is worthwhile. In addition to the ROI benefits, the modular phased roll-outs provide valuable information on the larger, longer term projects dependent on the smaller projects. Leveraging the learning curve reduces long term risk, which substantially increases success rates, and of course, value.

IMPACT™ and ASAP

- Work hand in hand to provide a fuller and richer approach to managing an SAP transformation
- ASAP provides a tested and beneficial approach to implementation, while
- IMPACT™ provides information to stakeholders and the entire transformation team on other changes that would unlock even more value

We help our clients realize intended value throughout business transformations

Why does Infosys place such emphasis on value?

- Value is the sum total of all benefits (tangible and intangible) minus costs that a program aims to realize
- However, value is also:
 - Personal (judgment based, personal mindset)
 - Relative to role, time, context, assumptions
 - The cause-and-effect is often unclear
 - Quantifiable in money terms at times, and at times is not

Because of these factors, realizing the total intended value can be elusive, and Infosys' VRM™ works to ensure this does not happen.

In fact, by helping our clients understand the importance of value throughout a firm, program success becomes correlated with being "On Value". To us, program success is only truly achieved when all *three* of these variables are on target: (see Figure 1)

Without the "On Value" variable, the actual value realized can be significantly lower. Unfortunately, in many instances this value may not even be identified by companies, and this is one of the key benefits of using Infosys' Value Realization Method.

A reality is that without such a focus on value, a transformation program can unnecessarily leak business value. Stakeholders are left to wonder what happened, and to where the promises of business value disappeared.

Our IMPACT™ framework drives business transformation by ensuring rigorous delivery and solution adoption.

Our VALUE REALIZATION METHOD (VRM™) is the engine that guides clients who use IMPACT™ to realize tangible value.

Please stop by our booth to talk with our consultants who have successfully led our clients using both of these powerful tools.

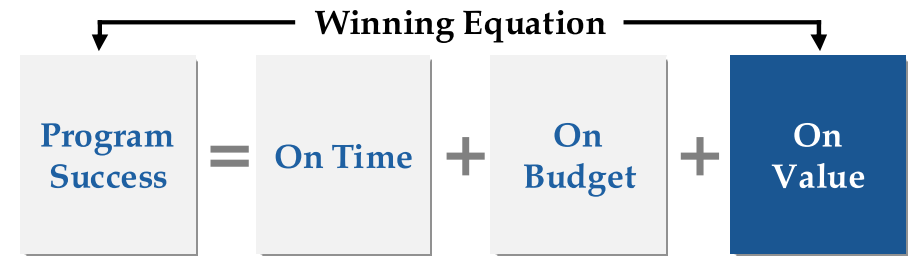


Figure 1

The VRM™ organizing framework helps ensure corporate strategy drives value all the way through transformation programs

VRM™ works by incorporating numerous tools, frameworks, and accelerators

VRM™ does not simply introduce defined processes and metrics into your organization without regard to your actual business. Taking into account the highest level of strategy at our clients, VRM™ takes a holistic approach when identifying how best to serve our clients. See Figure 2 below to know how we work:

VRM™ hits the ground running and from day one to the last day of a solution's life, potential value leaks are anticipated and thus avoided or minimized.

To do so, VRM™ drives tangible business impact by focusing on processes and metrics throughout all phases of a transformation.

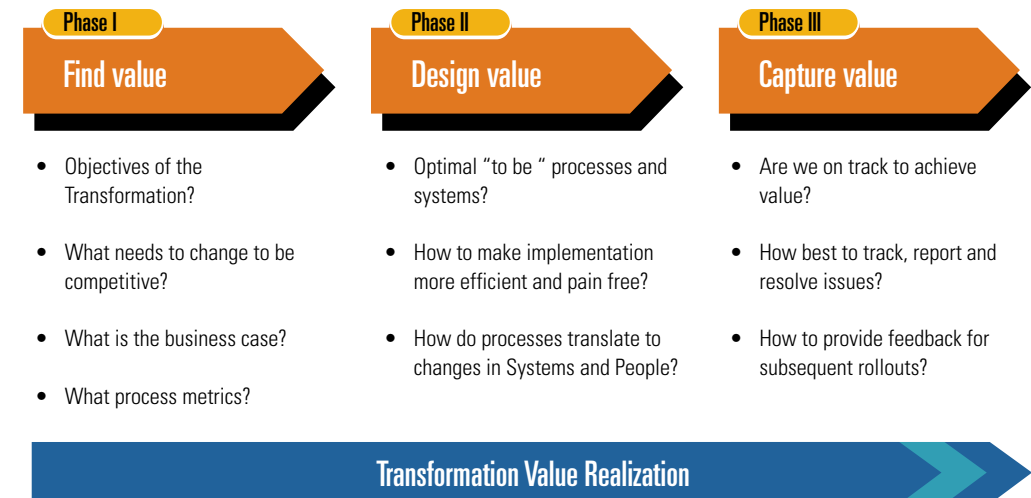


Figure 2

VRM™ is not an initial concept used to kick start an engagement and then forgotten about in later transformation phases

VRM™ In Action

A global CPG leader aspired to build a world-class and game changing Customer Service Operation to maintain competitive advantage and create innovative collaboration opportunities with key customers.

As part of a multi-year program, the client partnered with Infosys to transform their Order to Cash (OTC) processes by building a business value driven and best practice based OTC Global Template on the SAP platform followed by a rollout to multiple geographies.

Infosys' VRM™ is an integral component of the overall transformation approach to maintain focus on the program's business value objectives of reducing operating costs, increasing revenues and reducing working capital.

The Infosys VRM™ approach has successfully positioned the client to realize over \$70 million in annual benefits post go-live.

VRM™ was designed to be flexible in the event of assisting transformations mid-flight but robust enough to support entire end-to-end programs. Here is a sampling of the types of questions solved in each phase: (see Figure 3 below)

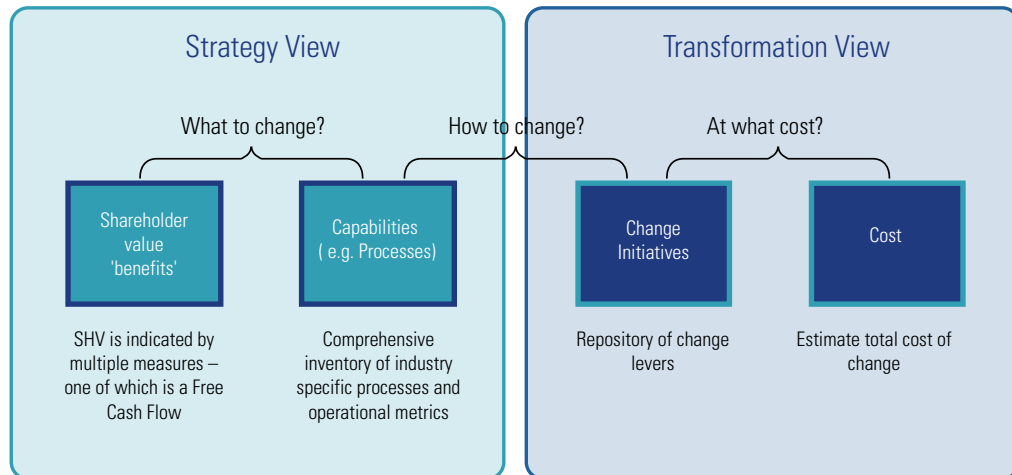


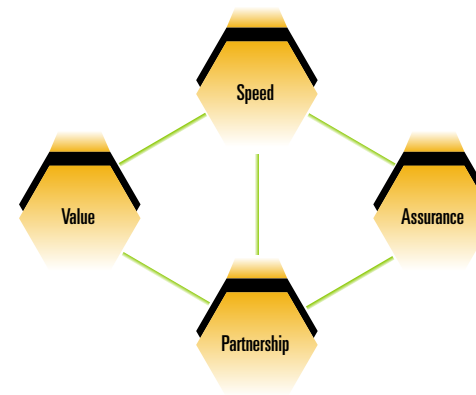
Figure 3

Critical Success Factors in Transformation

From the inception of Infosys Consulting, we have held the belief that there are four Critical Success Factors that our clients will expect from us. Those critical success factors are: Value, Speed, Assurance and Partnership.

Our Global Team at Infosys is committed to bringing the right Transformational Approach, Delivery Excellence, Thought Leadership and True Partnership to our clients. This will not only help ensure the success of client programs but will also ensure that it is linked with the client-defined Strategy, and delivers quantifiable, economic business value, both on time and on budget.

We are committed to focusing our effort on delivering to and exceeding expectations by means of our factors leading to success.



1. Value: Our Approach to Transformation and Value Realization

The Infosys IMPACT™ Framework is a unique transformation approach: Keeping SAP's ASAP methodology at the core, it provides a comprehensive integrated approach to achieve business transformation objectives. Our approach to ERP-enabled business transformation is designed to maximize tangible and strategic value by driving defined improvement in business process performance. Our business transformation methodology - IMPACT™ - will help drive rigorous delivery and solution adoption.

Integral to this framework is Value Realization Method (VRM™) which is our differentiated approach for:

Maximizing tangible and strategic business value: We believe the success of a program is ultimately measured, not only by being on budget and on time but by being on value. Our proposed solutions have built-in a Value Assessment & Measurement plan for the processes where SAP implementations are mature, and a Value Discovery component for areas where SAP implementations are an early stage of consideration or development. In addition our approach also ensures all key design decisions are based on associated business value and that the business value is tracked through the lifecycle of an engagement.

1.1 Adherence to the Solution Design

Adherence to the Solution Design and the use of standard SAP processes is critical to the success of an SAP-enabled program. Infosys is in a position to leverage:

- Our knowledge repositories across industry processes and regions to help restrict customizations to areas of competitive advantage or legal compliance
- Tools like an Infosys-developed Complexity Cost Calculator to help drive decisions on deviations from the Solution Design or standard SAP
- A Design Authority to further help in the governance of the Solution Design

1.2 Thought leadership for business value

Infosys has made significant investments in developing industry specific solutions and technology accelerators to help deliver value to its customers. These span across all business process areas and also the entire lifecycle of an SAP project. Infosys is eager to work with our clients to implement the relevant business solutions in the context of the clients' visions

2. Speed: The result of repeatable "Delivery Excellence"

We believe repeatable "Delivery Excellence" allows Speed in execution. We are confident in

our ability to demonstrate “Delivery Excellence” for an SAP program.

- Our approach focuses on an **accelerated timeline**. We will achieve this by:
 - Executing common development and testing efforts in parallel rather than running them sequentially
 - Driving automation and reuse through the testing lifecycle
 - Following a regional hub approach for Global implementations that further allows increase in speed and reduction in risks and costs
 - Leveraging synergies in functionality across phases to further optimize the timeline
 - Establishing concurrent rollouts at regional and global levels

3. Assurance: Proactive mitigation of program risks

Infosys believes that it will be the lowest risk option for clients for a good reason:

Track Record: 94% of the time Infosys is on-time and on-budget with our client programs, including large SAP transformation programs. This is institutionalized in our people, processes, consultative approach...our culture. We believe we bring in a level of discipline and rigor to the process.

Program Design: The program design has key components which further mitigates the risks associated with SAP Programs:

- **The Team:** We have the capability to form a team of experts with experience of having delivered large transformational global SAP programs.
- **The Approach:** The Infosys approach applies thought through a number of aspects which further help de-risk programs. Some of the prominent ones among these include:
 - Continuity of key design resources through all phases
 - Ensuring that the program hub is central to the region where the solution is being deployed

- Concurrent and rapid prototyping during the Blueprint process - as opposed to building the prototypes at the end of the Blueprint phase.
- Concurrent prototypes will ensure buy-in early in the process to solidify support and clarify the process, thereby reducing the risks
- Infosys will also help clients ramp up the organizational readiness by coaching and assisting in the Organization Change Management efforts by leveraging extremely senior and experienced leaders
- “Win at the Screen” by the usage of very innovative tools to increase adoption by improving learning effectiveness
- Institutionalizing Knowledge Management through the program to ensure that the knowledge is retained and effectively used through the SAP program lifecycle.

- **The PLAN:** Infosys will work with the SAP Program leadership team to validate, refine and finalize Integrated Work Plans thereby helping to establish a plan with wide acceptability

4. Partnership: Together we will succeed

Infosys believes that the success of an SAP Program hinges on a very strong partnership. Infosys believes that it has the key values and qualities to help nurture the strong relationship:

Partner Ecosystem: Infosys is a Global Services Partner of SAP, which is the highest level of Alliance Partnership that exists. We are currently collaborating with SAP on “breakthrough thinking” investment initiatives to develop the next generation SAP Accelerated Implementation methodology. Infosys will leverage these relationships to help bring the teams together to deliver value to clients. In addition, Infosys also has a track record of effectively working in a multi vendor environment by effectively defining a very clear operating model.

Executive Commitment: Our clients have the attention and commitment of top Infosys executives, up to and including board members who will be involved in monitoring the progress of a program, expressing their commitment to the program success.

Culture & Values: Lastly but not the least, Infosys shares core value systems of customer centricity, superior quality and the finest standards of excellence with our clients. We feel extremely proud of the integrity, transparency and diligence that has helped us be a successful yet humble organization.



For answers to questions and additional information, please email us at:
Value_Transformation@Infosys.com