

Maximize Value from Transformation and Globalization

Success Factors for Transformation and Globalization

Large corporations undertake SAP-enabled business transformation and globalization programs to extract maximum value from their investments and help business to grow in a dynamic environment. Most often these programs, though successful at the end, run into several roadblocks and overruns in terms of effort, cost and time due to improper business and IT alignment and priorities, change management, inefficient blueprints and execution, and solution designs not directly linked to business benefits.

This impacts the confidence of business in IT's ability to deliver solutions that are mapped to its needs. The result often is a situation where in a couple of years down the transformation road customers do have an SAP solution but are unable to justify to business the value it has delivered.

Value Proposition

Based on our extensive experience in handling multiple business transformation and globalization programs, Infosys has unique frameworks, methodologies and tools to address the potential sand-traps in such programs. This enables us to handle them in efficient and effective ways while accelerating specific phases and activities of the programs. Infosys' unique VRM helps drive such transformation programs while achieving business value with tangible benefits.

Offerings

To address the pain points in large transformation and globalization programs and to maximize their value, Infosys' SAP practice has devised various framework, methodologies, tools, and techniques. These include:

- IMPACT Framework and Methodology
- VRM (Value Realization Model)
- Accelerators for global business blueprint and local country specific blueprints
- Over 25 Infosys SAP Tools for accelerating realization phase
- Infosys' Country Specific Knowledge Management Portal possesses more than 45 countries' legal and statutory requirements along with SAP solutions based on previous experience in those countries
- Pre-configured solutions in specific verticals based on SAP best practices
- Process repositories (readymade process maps) for specific verticals
- Tranceed - A large-scale program management framework and tool developed by Infosys

Benefits to the Customer

- Business value driven efficient and effective execution of large-scale transformation and globalization programs
- Accelerating globalization programs by 15-20% using Infosys framework, methods and tools
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 or 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

When is the IMPACT framework applicable?

If you hear this in your organization...

- “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”

All about IMPACT

Why this framework?

The normal framework of people, processes and technology governed by a strict step-by-step approach to implementation leaves clients with information spread across the company. This creates projects without any known value, overlapping and competing projects and a higher than expected rate 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. It makes its impact by seizing quick wins and learning curve effects through a modular phased approach to rollout. Most significantly, it provides a holistic approach to business transformation when applied in conjunction with the ASAP methodology.

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 companies' time, energy and investment. The 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 ROI benefits, the modular phased roll-outs provide valuable information on 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 benefit-driven approach to implementation
- IMPACT™ provides information to stakeholders and the entire transformation team on other changes that can unlock even more value

- “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!

Why does Infosys place such emphasis on value?

Too often CEOs have no idea of the value of a long-term transformation or its subsequent projects. By focusing on customer and company value through VRM™, the business case using IMPACT goes beyond mere promises of ROI by being the very anchor of the engagement. Its threads have built in the process of returning to the business case to make certain the next phase makes sense. This ensures that the value of each phase becomes intrinsic to a Go or No-Go decision to move forward (see diagram). 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.

- 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
 - Unclear about cause-and-effect
 - Quantifiable in financial terms at times, and not at others.

These factors make it difficult to realize the total intended value. Infosys' VRM™ works to ensure this does not happen. In fact, by helping our clients understand the importance of value throughout the organization, program success is directly correlated with being “On Value”. For Infosys, program success is only truly achieved when all three variables (On time, On Budget, On Value) are on target.

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. Infosys' Value Realization Method ensures that this key variable is closely tracked.

One reality is that without such a focus on value, a transformation program can needlessly 'leak' business value. In such scenarios, stakeholders are often left wondering where the promises of business value disappeared.

Value Realization Method (VRM™)

Our IMPACT™ framework drives business transformation by ensuring rigorous delivery and solution adoption. Our VRM™ is the engine that drives tangible value for clients who use IMPACT™. VRM™ does not simply introduce defined processes and metrics into your organization without regard to your actual business. Taking our clients' strategies at the highest levels into account, VRM™ takes a holistic approach in identifying the optimal way forward.

VRM™ is operational from day one of the transformation journey to the last day of a solution's life. It anticipates potential value leaks to avoid or minimize them. To this end, VRM™ drives tangible business impact by focusing on processes and metrics throughout all phases of a transformation. VRM™ was designed to be flexible in the event of assisting transformations mid-flight but robust enough to support entire end-to-end programs.

Success Story: VRM™ in Action


The vision of a global CPG leader was to build a world-class and game-changing customer service operation for competitive advantage and also to 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. The program entailed building a business value driven and best practice based OTC Global Template on the SAP platform. This was followed by a rollout in multiple geographies.

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

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

Analyst Speak

 "Infosys is one of the top India-based consultancies in the SAP space. Its strategy and consulting services continue to grow, making it able to compete and win business against the largest multinational providers. Infosys has strong vertical expertise particularly across manufacturing, life sciences, CPG, and utilities. Infosys offers many compelling pricing and delivery models across implementation as well as ongoing support and maintenance of SAP." Source: The Forrester Wave™: SAP Implementation Providers, Q3 2009 by Liz Herbert, August 10, 2009, Forrester Research Inc.



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About Infosys

Many of the world's most successful organizations rely on Infosys to deliver measurable business value. Infosys provides business consulting, technology, engineering and outsourcing services to help clients in over 30 countries build tomorrow's enterprise.

For more information about Infosys (NASDAQ:INFY), visit www.infosys.com.