IT Cost Reduction

The current downturn in the market is forcing C-level executives to continuously look for ways to reduce IT costs without impacting business goals. An effective cost reduction strategy looks across multiple dimensions of IT while aligning the cost reduction levers with business priorities. A structured approach to cost reduction supported by strong governance and program management can lead to enduring benefits from the program.

Key Challenges

- Lack of clearly defined objectives, goals, constraints, parameters and measures of success
- Lack of commitment, sign-off, ownership and accountability from key stakeholders to actually deliver the savings
- Lack of transparency and visibility into current IT costs and cost drivers, including shadow IT spending
- Cost reduction addressed via isolated efforts
- Multiple efforts addressing the same set of costs

How Infosys Can Help

Infosys IT Cost Reduction Framework

The Infosys framework evaluates IT spending across multiple dimensions thereby providing visibility into critical levers to reduce IT costs:

- Assets vs. Capabilities
- Investments vs. Expenses

Views of IT Spend

Investments
- Re-prioritize based on business alignment and priorities.

Expenses
- Reduce discretionary spending (e.g. training, meetings, travel, etc). More reductions require taking a hard look at ‘Assets’ and ‘Capabilities’

Spend on Assets
- Reduce operating expenses for assets through rationalization (simplification, standardization and consolidation of Infrastructure, Applications and Data)

Spend on Capabilities
- Simplify, automate and relocate the execution of the capabilities (e.g. spending on people and process)

The Infosys implementation approach helps you:

- Identify the cost reduction opportunities
- Analyze and establish the opportunities aligned with business priorities
- Formulate an implementation plan

IT COST REDUCTION IMPLEMENTATION APPROACH

Launch → Discovery & Analysis → Roadmap

1. IDENTIFY OPPORTUNITIES
- Develop engagement charter
- Review IT simplification & cost reduction initiatives
- Identify additional opportunities
- Agree on engagement scope and engage stakeholders

2. ANALYZE & ESTABLISH OPPORTUNITIES
- Establish simplification & cost reduction potentials
- Validate strategies with stakeholders
- Additional opportunities
- Agree on simplification & cost reduction levers’ strategies

3. DEVELOP PLAN
- Develop program plan, business case, proforma IT budget
- Prioritize
- Program plan, business case, proforma IT budgets
Allied Services

Business Process Outsourcing

We offer business process outsourcing solutions to our global clients by leveraging process, domain and people management expertise. We manage risk for our clients through a scalable, cost-effective and predictable delivery platform.

Modular Global Sourcing

A strategically mature alternative to total outsourcing and ad-hoc offshoring. Align your sourcing strategy to your business strategy, modularize your applications and processes and leverage the power of Global Delivery Model.

Independent Validation

Infosys provides adequate validation and verification services to ensure that you get the best value from your applications. A “must have” service if you are serious about long term leveraging of your application assets.

Enterprise Application Integration

Make the whole of your IT applications much greater than the sum of its parts. See immediate and dramatic productivity growth.

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.

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