# Enterprise Solutions

**Chandra Shekar Kakal**

*Senior Vice President, Global Head – Enterprise Solutions*

570⁺ Customers
104,000⁺ Employees
496,000⁺ Shareholders
240,000⁺ Social beneficiaries
3,500⁺ Vendor partners
One Infosys
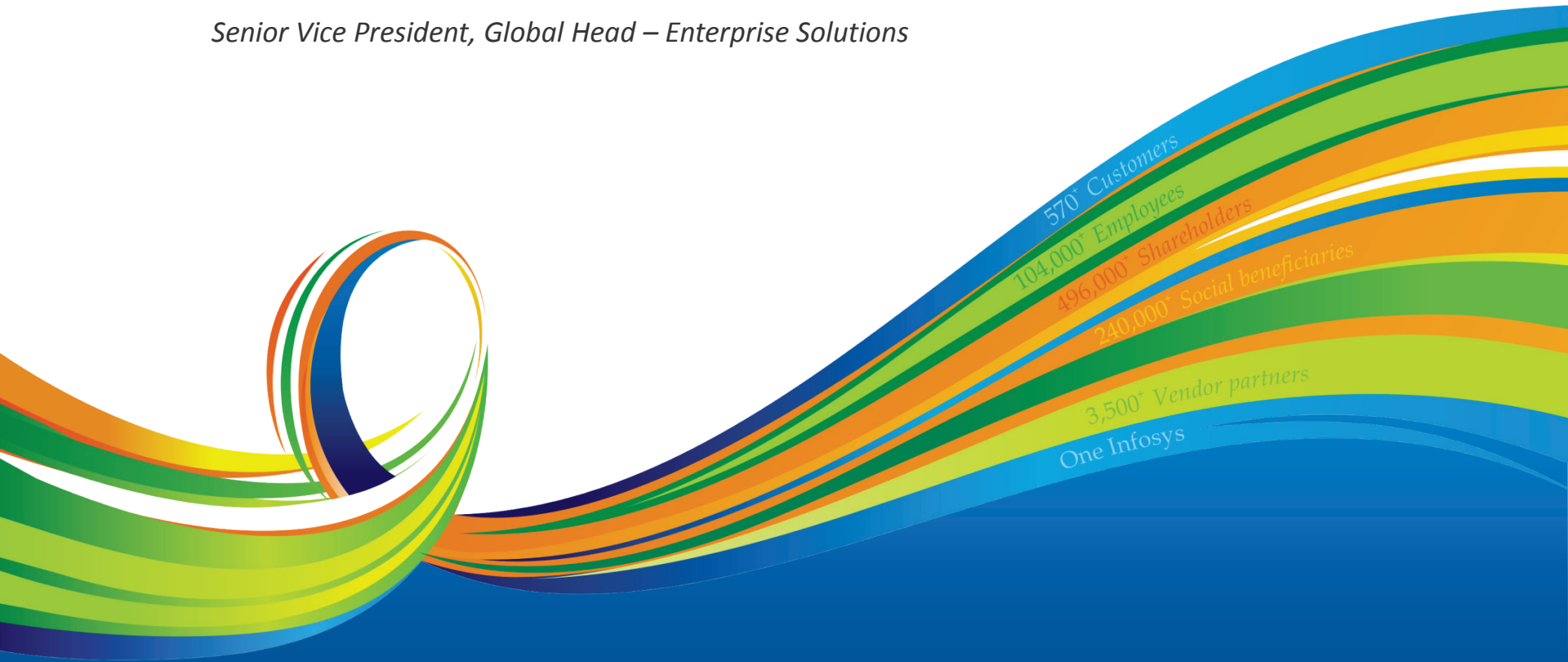
# Safe Harbor

Certain statements made in this Analyst Meet concerning our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, industry segment concentration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks or system failures, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Infosys has made strategic investments, withdrawal of governmental fiscal incentives, political instability and regional conflicts, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Additional risks that could affect our future operating results are more fully described in our United States Securities and Exchange Commission filings including our Annual Report on Form 20-F for the fiscal year ended March 31, 2009 and on Form 6-K for the quarters ended June 30, 2009 and September 30, 2009. These filings are available at www.sec.gov. Infosys may, from time to time, make additional written and oral forward-looking statements, including statements contained in the company's filings with the Securities and Exchange Commission and our reports to shareholders. The company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the company.

# Agenda

- State of business: Consulting and Packaged Implementation overview
  - Industry-wise, product economy-wise, geo-wise
  - A changing market demanding an evolving services footprint

- The Enterprise Application Services market
  - What's the state, trends, demand visibility
  - SAP & Oracle's strategy roadmap
  - Newer Engagement Models & pricing models

- ES vision for the future: strategies for growth
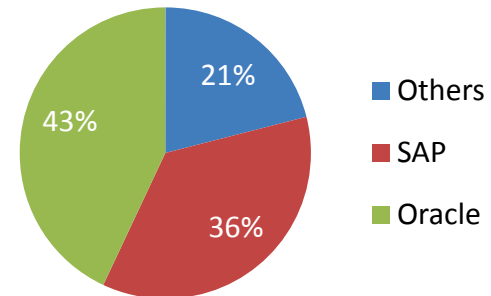  - Examples in the last 12 months…

# Consulting & Package Implementation: Overview
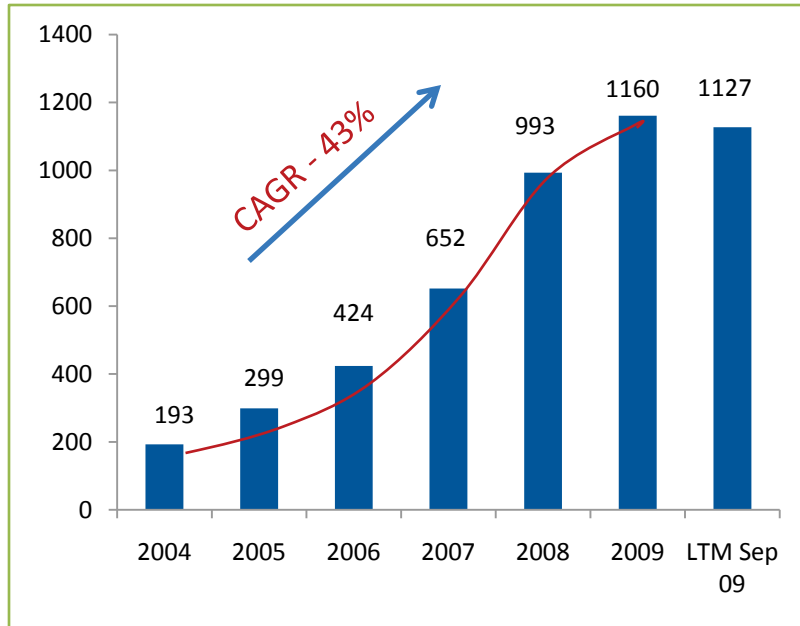
**334**
**Customers**
+119 in last 4 qtrs.

**13,000+**
**Employees**
+1400 in last 4 qtrs.

**Product-wise**



- Others — 21%
- SAP — 36%
- Oracle — 43%

**Industry-wise**



- Manufacturing — 33%
- Retail CPG — 21%
- Energy & Utilities — 14%
- Telecom, Media & Entertainment — 10%
- Banking & Capital Markets — 10%
- Insurance, Healthcare & Life Sciences — 12%

**Geo-wise**



- ROW — 9%
- NA — 59%
- EMEA — 32%
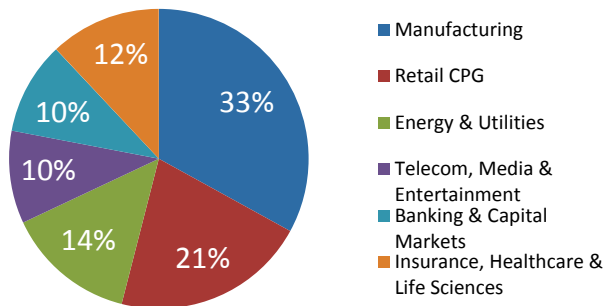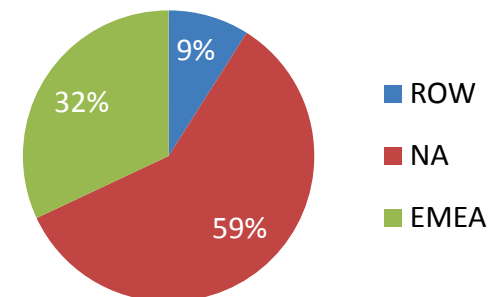
# Keeping pace and offering services to the changing times...

The evolution of ERP

- The evolution of extended enterprise – CRM, Supply Chain
- The need for integration - EAI

- Human Capital Management
- Business Intelligence
- Business Process Management

Early 1990's

Late 1990's-early 2000's

Mid 2000's to now -Extension of the Enterprise
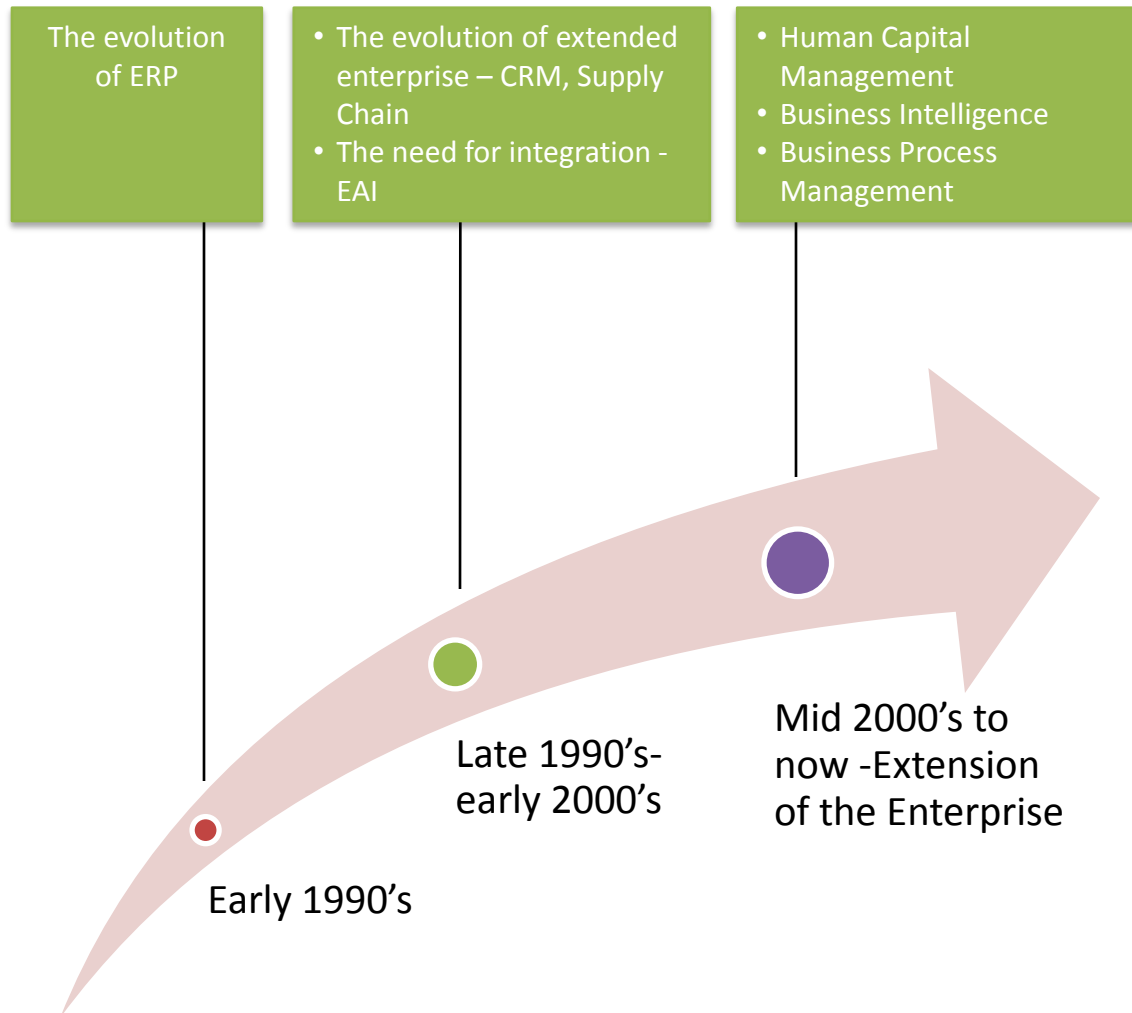
## Business Intelligence Apps

Enterprise Performance Management, Business Analytics

## Industry specific apps

Energy, Utilities & Waste, Manufacturing, Telecom, Services Retail, M & E, Finance, Insurance, Public Service

## Cross Industry Apps

Talent Management, Asset Management, Billing, Transportation Management, Advanced Planning

## Integrated ERP Software

ERP – SAP , Oracle

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- ES Vision for the future: Strategies for growth
  - Examples in the last 12 months…

# A $ 70 bn + market with changing dynamics...

## Market size



Faster Economic Recovery
Baseline
Sluggish Economic Recovery
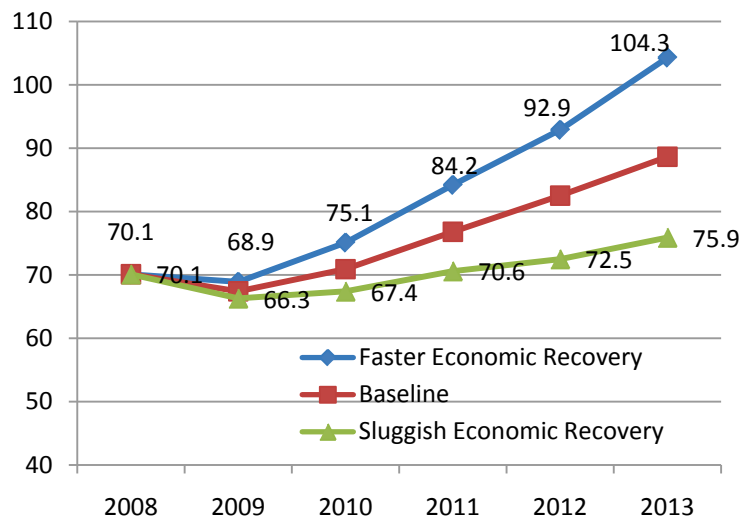
Source: AMR Research 2009

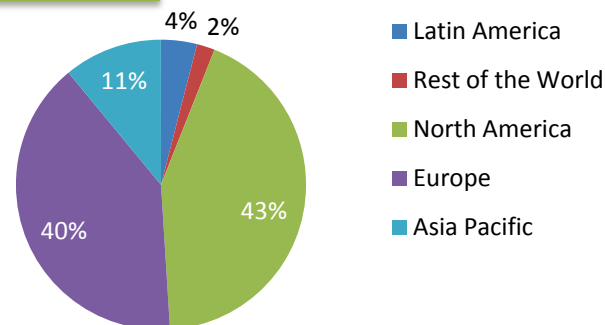## Break-up by service line for base line growth

| (all values in BUSD ) | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|---|
| ERP | 37.5 | 36 | 37.8 | 41.2 | 44.8 | 48.05 |
| SCM | 6.7 | 6.2 | 6.5 | 7.1 | 7.5 | 8.1 |
| Supply Management | 2.8 | 2.7 | 2.9 | 3.1 | 3.3 | 3.6 |
| HCM | 7.8 | 7.6 | 8.1 | 8.7 | 9.3 | 10.1 |
| CRM | 15.3 | 14.9 | 15.6 | 16.7 | 17.6 | 18.8 |
| Total | 70.1 | 67.4 | 70.9 | 76.8 | 82.5 | 88.65 |

## Trends

- New generation of product suites: Business Suite of SAP and Fusion of Oracle
- Newer Models: Pricing, SaaS, platform based, managed services emerging

## Geo split



- Latin America
- Rest of the World
- North America
- Europe
- Asia Pacific

## Demand

| Transformational | ↔ |
|---|---|
| Implementation & Roll outs | ↑ |
| Upgrades | ↓ |
| Support & Maintenance | ↑ |

## The product vendors are clearly at an "inflection point"

# Partnership with product vendors...

## SAP

- Global services partner
- Point solution development
- Solution demo lab
- Partner for Infosys Business Platform
- Vertical CoEs at Infosys

## ORACLE

- Global partner
- Co-development
- Partner for Infosys Business Platform
- Business solutions Labs
- Collaboration with Oracle University
- Oracle Titan award 2009

**Diamond Sponsor at Oracle Openworld, 2009;  Kris delivers closing keynote**

## TIBCO — The Power of Now®

- Global consulting partner
- Product development
- Biggest TIBCO community outside TIBCO
- Engineering partner for TIBCO since 2000
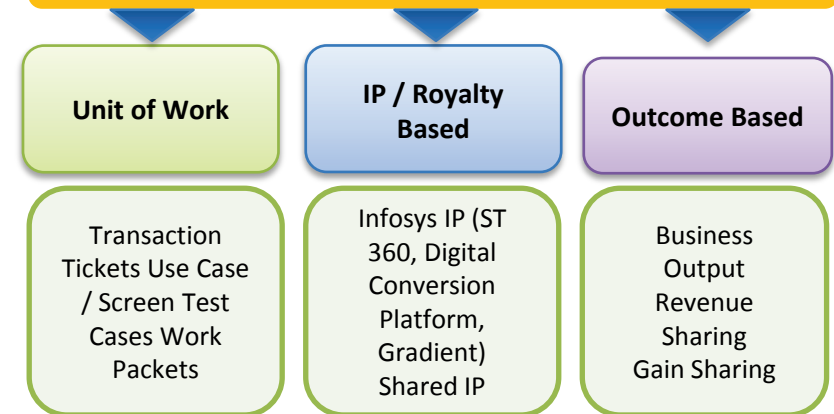- Only TIBCO concept center worldwide at Infosys campus

FUJITSU | Microsoft | IBM® | bea™ | webMethods. | infor be enterprising | workbrain

Sun microsystems | SAVVION | VITRIA | sterling commerce | INFORMATICA Turning integration into insight.™ | KRONOS

# New Engagement Models…to suit customer needs

## Newer Engagement/Pricing options

### Last 8-12 months…

| | |
|---|---|
| A Pharmaceutical giant | Application based pricing |
| A Transcontinental Mining and Resources group | Ticket based pricing |
| A world-leading Agri-business | Outcome based pricing |
| Government Department in India | Transaction based pricing |
| HRO – platform deal - Australian Major | Volume based pricing |
| A large deal in Infrastructure management services | Device based pricing |

### Alternate Pricing Models

| Unit of Work | IP / Royalty Based | Outcome Based |
|---|---|---|
| Transaction Tickets Use Case / Screen Test Cases Work Packets | Infosys IP (ST 360, Digital Conversion Platform, Gradient) Shared IP | Business Output Revenue Sharing Gain Sharing |

### Portfolio for UoW

| Work Packet based 25% | Transaction based 23% | Ticket based 20% | Others 32% |
|---|---|---|---|

## Shared Services Platform/ M-CoE

**Our Offering:**
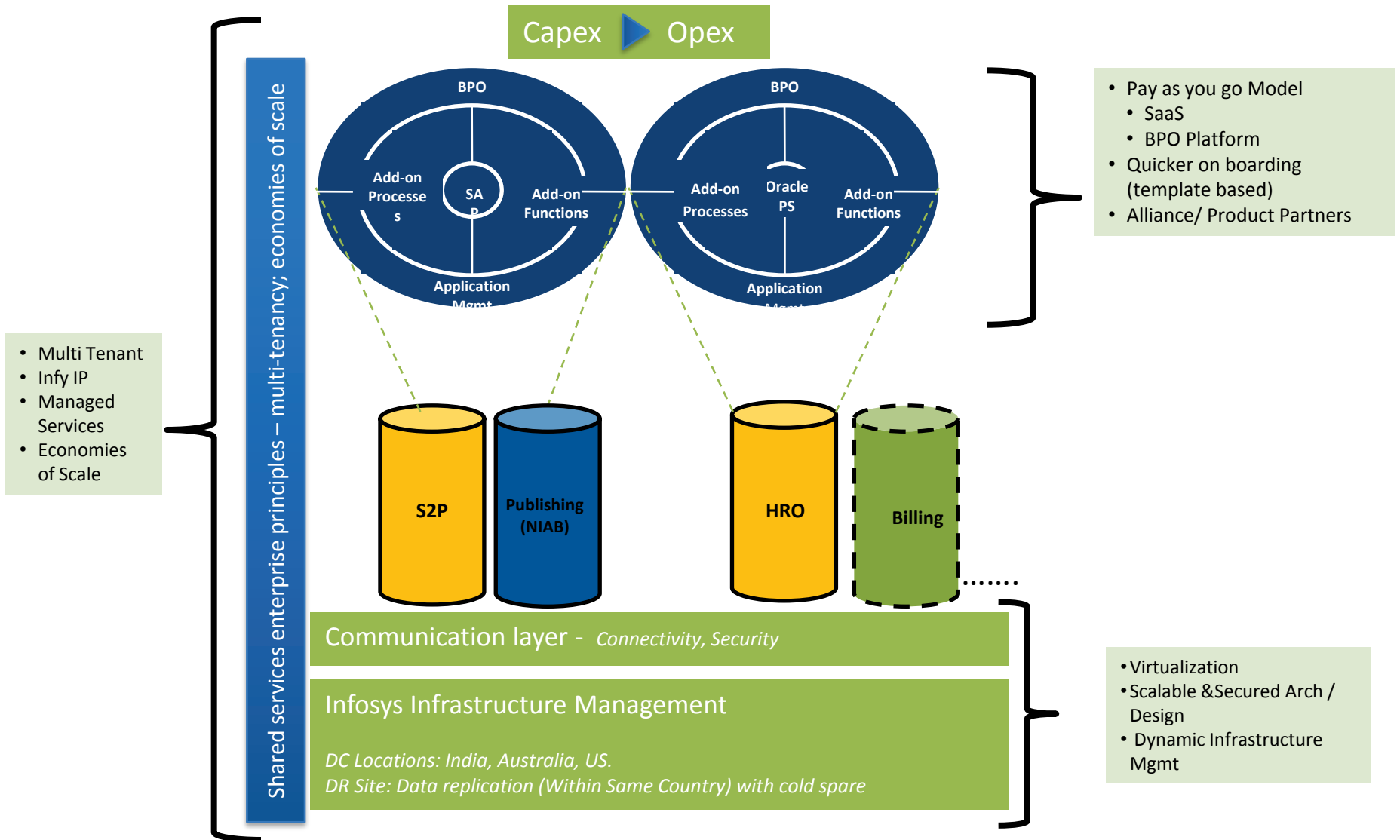- Global Support Center offering IT services shared across multiple customers on Enterprise Packages
- Managed Services with SLA based Performance
- Innovative Pricing Models
- Coverage across various time zones (24x7x365)

**Our Offering:**
- "Pay-per-Use" pricing models
- Robust Security Policies
- MANTRA – A de-risked accelerated and collaborative Transition Management Suite
- ESSENCE – Ticket tracking platform

# Strategies for growth: Infosys business platforms

Capex ▶ Opex

**Shared services enterprise principles – multi-tenancy; economies of scale**

- Multi Tenant
- Infy IP
- Managed Services
- Economies of Scale

**BPO**

Add-on Processes | SAP | Add-on Functions

Application Mgmt

**BPO**

Add-on Processes | Oracle PS | Add-on Functions

Application Mgmt

- Pay as you go Model
  - SaaS
  - BPO Platform
- Quicker on boarding (template based)
- Alliance/ Product Partners

**S2P** | **Publishing (NIAB)** | **HRO** | **Billing**

**Communication layer -** *Connectivity, Security*

**Infosys Infrastructure Management**

*DC Locations: India, Australia, US.*
*DR Site: Data replication (Within Same Country) with cold spare*

- Virtualization
- Scalable &Secured Arch / Design
- Dynamic Infrastructure Mgmt

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# ES vision continues to be 'Partner of Choice' and the mission is focused on achieving leadership…

**Vision: Partner of Choice**
*To be Partner of Choice to key stakeholders in the global market for Enterprise Solutions*

**Mission: Market Leadership**
*Achieving externally recognized leadership in the Package Application services space in chosen verticals*

| Roadmap | The last decade… | | | | ES 2.0: The next wave… | | |
|---|---|---|---|---|---|---|---|
| | Incubation | Build scale & portfolio diversification | Rapid growth | New Biz models & portfolio diversification | Differentiation | Vertical leadership | Market leadership |

Responding to the changing market environment and building strategic partnerships…

# Strategies for growth and differentiation

Grow transformation business

Vertical leadership

Accelerate business platform-based solutions

Accelerate IP commercialization

Execution leadership

Enhance geo penetration

# Case studies - last 12 months

## Showcase of customer needs and successful partnership with Infosys

**1**
Infosys won a strategic win at an aviation major. to set up Centers of Excellence (CoE) on two key technology bundles – PeopleSoft and IBM/Cognos – over 3 years

**2**
Infosys won a major win at a Home improvement major to be the sole service provider for all PeopleSoft applications including HR, Finance & Spend Management

**3**
Infosys has successfully helped Transforming HR systems through PeopleSoft for a global north American Oil & Gas company

**4**
Infosys leveraging the Shared Services Platform for a European Chemicals manufacturing major to simplify, standardize & manage key processes.

**5**
Infosys won a significant win for Managing total HRO including hosting, applications, processes for a leading Australian company through Infosys Business Platforms

**6**
Infosys won and is executing a management services engagement for SAP for the next 5-7 years from an Australian mining conglomerate

**7**
Infosys won a major engagement for transforming the way a major American city manages its assets and also proactively mitigate storm events leveraging Oracle technologies

**8**
Infosys is implementing Maximo and transformational Siebel CRM Rollout for a major north American OEM manufacturer. Went live on CRM 1st milestone in early October 09

**9**
Infosys is part of enterprise wide transformation program via SAP delivering a SAP BI integration program for a leading marketer and distributor of food services

# Thank You

www.infosys.com