

Achieving High Performance with Application Outsourcing

High performance. Delivered.



Needed now: The right team to get the most from your application portfolio—now, next year— and every year

To be sure that your applications can address today's big challenges, you need an exceptional team to deliver application development, maintenance and support.

Today's IT leaders are dogged by skill shortages, budget constraints, and ever-changing technologies. They are often stuck with an aging and inflexible application landscape that makes it hard to provide the IT functionality demanded by rapid shifts in technology and business.

All this against the backdrop of everything for which the entire organization must be ready—the growth demanded by shareholders, the new market opportunities at home and abroad, the merger-and-acquisition possibilities, the exciting new products in development, and the new digital channels that promise more.

Add it all up and it's plain to see that managing the application portfolio is a formidable challenge that only the most talented, diverse, agile teams can truly master. But very few IT organizations have the breadth and depth of resources to be able to meet all of these demands. The truth is, the application landscape has become far too critical to fail—and too complex for many IT groups to handle by themselves. So the question for more and more CIOs becomes: What kind of partner do we need? How will we get the very best return from our application portfolio, today and tomorrow? How can we become a digital enterprise, while getting the most out of our existing applications?

Leading CIOs have told us, loud and clear: Give us exceptionally reliable, high-quality delivery. Give us more value for the money through continuous improvement, innovation and intelligent insights. Work with us as we evolve to meet the shifts in our market.

It's as simple—and as complex—as that.

A trusted partner will help you strengthen your entire application portfolio—while supporting each application throughout its life cycle

You need a partner that can generate more insight, speed, value and quality...with less complexity, cost, uncertainty and risk.

As organizations demand more from IT, technology executives increasingly turn to outsourcing providers for their experience and guidance. Especially in the area of application outsourcing, IT executives need true business partners that can provide industrialized delivery and intelligent insights along with the flexibility to handle changing organizational goals.

They need application outsourcing partners that can help:

- Improve a company's competitive position and support strategic business objectives
- Keep costs in check, delivering new applications on time and on budget
- Increase responsiveness and agility of current business applications
- Offer skilled professionals and state-of-the-art application outsourcing practices
- Manage and migrate existing systems and capture the savings from a more efficient legacy estate to fund the investments required for digital concepts



From industrialization to intelligence: Raising the bar on IT productivity and value

For the past decade, Accenture has helped companies squeeze more productivity, cost and quality from their IT staff and budgets through a combination of global sourcing, standardization and rigorous application outsourcing. To reach the next level of IT effectiveness—and meet growing business demands—IT now has to get “smarter.” Accenture is raising the bar for our clients through intelligence—more automation, better use of industry and company knowledge across the application life cycle and greater use of analytics in application service delivery.

Through our emphasis on operational excellence—the result of rigorous, repeatable and standardized processes, with goals and metrics that we continuously monitor—we support your operation’s ability to outperform, with a commitment to incorporate intelligence and innovation over the course of the outsourcing relationship.

We deliver exceptional application reliability, quality and cost control along with continuous improvement and innovation to meet your evolving IT and business needs.

As we move from industrialization to intelligence, we apply smarter business acumen more extensively across the application life cycle, analyzing, prioritizing and generating automatically. We offer—and continually develop—a robust set of intelligent assets to consistently support the automation of repetitive tasks to reduce costs and improve speed and quality.

You can depend on us to help you today and in your journey to that next generation.



Industrialization: Delivery and performance you can trust

We integrate reliability and quality into our industrialized delivery to bring you the best of Accenture.

Accenture has a hard-earned reputation for getting the job done right, no matter what. We thrive on accountability for results: application availability, response and resolution times, schedules, budget, and value delivered. We bring experience, watchful management, hard work, and an unparalleled commitment to success. We are intent on improving our clients' IT performance and their business outcomes, and we're there to move those applications into the digital enterprise.

Here's how that happens:

Rapid and smooth transitions

You can depend on us to provide smooth transitions and accelerated value across the application life cycle. Our transition management approach transfers knowledge quickly, seamlessly, and cost-effectively, providing for quicker realization of benefits while minimizing disruption of everyday activities.

Global reach and scale

Our Global Delivery Network is what enables us to deliver the right skills at the right time for the right price. With 170,000-plus professionals in more than 50 centers, Accenture offices and client locations, the Accenture Global Delivery Network provides specialization in industries, technologies, and business processes and blends that with exceptional breadth and depth of industrialized delivery capabilities, leveraging our scale to the benefit of every one of our clients.

Passion for performance

Our people strive to achieve higher levels of productivity, precision, and predictability while delivering reliable, cost-effective, high-quality services that generate measurable business value. Whether it's for a 25-person or for a 1,000-person engagement, we serve organizations in ways that other providers simply cannot match. It all starts with having the right people. Accenture employs the industry's top talent, whether measured in knowledge, skills and ability or in character, attitude and commitment.

Industrialized methods and tools

Accenture has achieved Level 5 CMMI®-compliance¹; with every engagement and every client; we use our Six-Sigma®-based continuous improvement program to continually drive down cost, improve quality, increase repeatability, and enable high performance.

We have a track record of highly reliable delivery, exceeding a host of industry benchmarks:

- Benchmarking organization Software Productivity Research (SPR) found that Accenture outperformed the industry by 5 percent in adherence to schedule and budget for small-scale enhancements, meets service level agreements 10 percent more often, performs 8-12 percent faster in response and resolution time, and requires 85 percent less effort to

complete an incident and delivers incidents with 90 percent less reopened tickets²

- Our clients report 90-plus percent on-time and on-budget delivery
- Benchmarking organization Quantitative Software Management (QSM) ranked Accenture's productivity in the top 35 percent for Application Development³

Delivery models that suit your budget and talent needs

In our Global Delivery Network, we have created solution factories or large, long-running teams that capture the deeper knowledge, and mature processes, assets and tooling around key industry sectors and technologies. The combination of high-end skills and pre-packaged knowledge in key technologies, business functions, and industries blended with the speed that comes from specialists who know the industry deliver productivity and cost savings.

We have the flexibility to offer delivery models that suit your cost and talent requirements, freeing up your high-cost resources to focus on more strategic needs. And our leadership capabilities are geared to continuously helping you identify opportunities for improvement. The result: we can deliver accelerated time-to-value in the short term and significant cost savings over the long term.

Intelligence: Continuous improvement and innovation

We bring exceptional business value through our focus on industry knowledge, intelligence and innovation to meet your evolving IT needs.

We partner with you to immediately translate IT savings into business advantage, and then bring industry knowledge, intelligent insights and practical innovations to help you scale, flex and respond more quickly to your toughest challenges—and to capture your greatest opportunities. We are constantly pursuing process and service excellence using proven industry and Accenture best practices and developing new innovative tools.

Industry knowledge and assets

Over decades working with clients and technology, Accenture has developed and acquired deep knowledge and significant intellectual property assets across 40 industries.

Agile development

Our agile software development environment enables greater collaboration between the business and IT sides of your organization while simultaneously accelerating time-to-market performance. In addition, modern agile skills help pave the way for digital solutions.

Intelligent insights and tools

We go beyond simply addressing the symptoms, bringing the latest technologies and solutions to all of our engagements. One example: our Accenture Insight for Enterprise Systems tool provides an 'x-ray' of the inner workings of the client's SAP, Oracle or Java system not only to facilitate knowledge transfer but also to optimize the application environment over the long term.

In addition, our proprietary tools for application development, maintenance and support help you cut delivery costs and drive higher productivity. For example, our Analytics tools increase the speed and quality of decision making through statistical modeling and analytics engine to drive productivity and improve predictability of application operations, yielding valuable insight for future applications architectures.

Bringing you the practical piece of technology innovation

Accenture's professionals bring technological, business process, and industry-specific expertise. And, we have strategic relationships with the top technology providers. We collaborate with these providers to pinpoint the most effective way to apply their latest technology innovations—to help you plan for change and maximize business value.

Our teams of industry specialists can offer unique insights to drive business improvement and innovation. And thanks to our deep reservoir of technology knowledge, we can translate leading-edge ideas into practical solutions for our clients and pragmatically integrate capabilities such as advanced cloud, mobility, analytics, and social media into key business processes.

Nokia Siemens Networks outsourcing Application Management Services

When Nokia Siemens Networks needed to improve performance and lower costs by outsourcing its IT application management, it turned to Accenture. The telecom company now outsources to Accenture the IT application management services that support many of its HR and finance and control functions as well as its corporate-wide tools and platforms. Accenture was chosen based on our successful history with the company and willingness to listen and collaborate for mutual success. The transition involved more than 80 applications in various technologies supported from 10 countries by 14 incumbent suppliers—all successfully achieved in just three months. Accenture's Global Delivery Model, using two centers in India and one in Brazil, played a key role in reducing costs and improving performance.

South American communications provider optimizes applications

Accenture worked with a South American communications company (telephone, internet, cable) to optimize existing applications as part of a new development and maintenance services model, which helped cut costs by 20 to 30 percent (various applications) and improved user satisfaction by as much as 80 percent.

Accenture helps you realize a range of benefits—from lower labor costs to maximized business value

Whatever your IT goals, we can help you achieve them.

Accenture offers a value-driven approach for application outsourcing. We focus on reliability, continuous improvement and business value to deliver measurable business impact. Whether you want to stabilize your environment and cut costs or ultimately move your business in a different direction, we help you make the most out of industrialized delivery, continuous optimization, and IT-driven business innovation to make sure you achieve your goals.

Stabilize and reduce costs

We help you stabilize your environment and reduce application costs, both from the standpoint of labor and total cost of ownership. We align IT service levels with business priorities, ensuring that we are serving IT and IT is serving the business. This is enabled through a reliable, trusted delivery from day one, with ongoing delivery improvements over time to drive greater productivity, quality and cost savings. This can include identifying areas where your company faces skills shortages, and offering access to those critical skills. In this more stable IT environment, where processes are streamlined and management controls are in place, your employee productivity also rises dramatically.

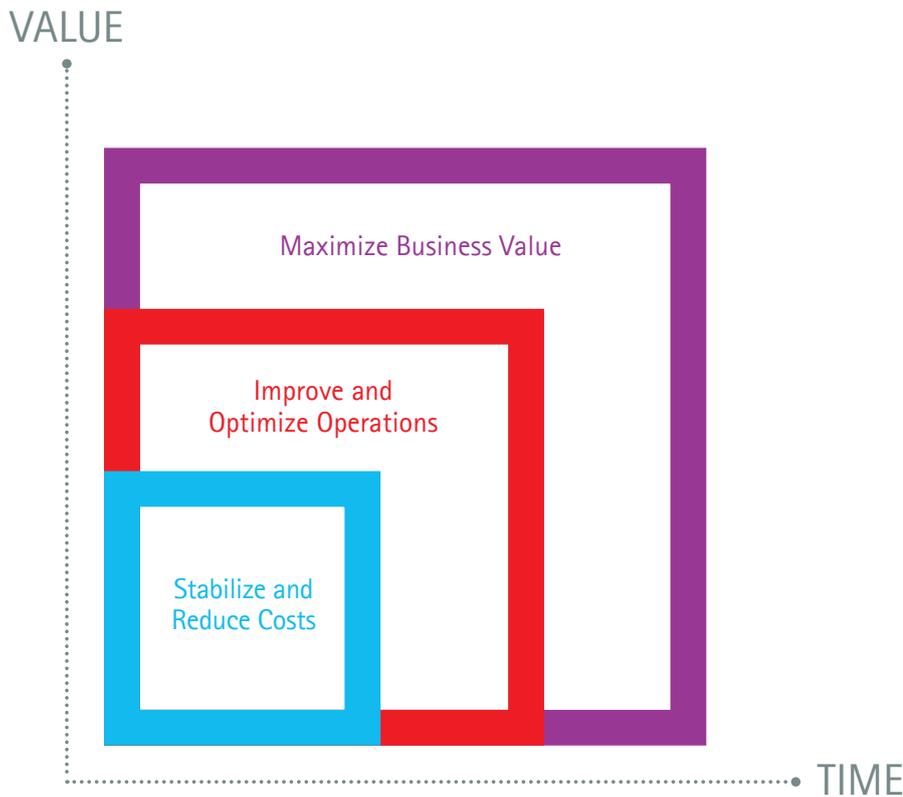
Improve and optimize operations

We work with you to improve and optimize operations. We continuously look for opportunities to drive greater business value from your application landscape. A range of new business benefits, in addition to the IT benefits already realized through stabilization, starts to emerge. We rationalize technology platforms as well as simplify and enhance hardware and software assets. We measure, monitor and fine tune your application portfolio to maintain the business alignment as your business needs change. We enable your teams to respond more quickly to business application requests, and in turn, we help you achieve greater agility. All of this results in increased value from your IT investments and lays the foundation for digital transformation.

Maximize business value

We help you innovate and evolve your business. Having achieved the first two goals, you will be prepared to move forward and capture competitive advantage more quickly and maximize business value. We partner with you to initiate and sustain investments required for a digital future. Better applications mean better information, which means improved decision-making, increased revenues and higher shareholder value.

Our integrated, flexible, value-driven approach to applications delivers measurable, positive business impact



Stabilize and reduce costs

Benefits

- Reduce application costs from 20 to 50 percent (including up to 30 percent reduction in Total Cost of Ownership)
- Align service levels with business priorities
- Access critical skills quickly and utilize shared resource models for greater flexibility and cost savings of 15 percent
- Increased productivity up to 30 percent in application maintenance and 50 percent in application testing

Improve and optimize operations

Benefits

- Improve quality and end-user service levels through root cause analysis and process improvement
- Reduce overall ticket volume by up to 70 percent and high severity incidents by 25 percent
- Exceed 90 percent on-time and on-budget delivery for applications
- Increase application performance through the cloud

Maximize business value

Benefits

- Increase speed to market by 10-50 percent through agile development
- Maintain 100 percent regulatory compliance
- Accelerate decision making through big data and analytics as a managed service
- Build competitive advantage by rapidly supporting new business initiatives with technology innovation
- Reduce business operating and change costs

Consumer goods company gets more stable enterprise solutions—and reduces risks

Accenture helped a global consumer goods manufacturer ensure the availability and stability of its enterprise solution and minimize risks associated with developer staffing. The enterprise solution provides an integrated view of the business to support better, more informed decisions that drive profitability, free the client of the burden of attracting and retaining skilled technology professionals, and assure the ongoing stability of the solution. The results? The company has cut its time to respond by 75 percent, halved the time to resolve, and saved more than \$1 million in annual delivery costs.

AstraZeneca achieves high performance through digital application delivery

With Accenture's help, AstraZeneca UK designed and delivered an interactive mobile application for its sales force. The company wanted to deliver promotional content such as interactive sales presentations on mobile devices at low cost. To help the company achieve this, Accenture drew on its deep knowledge of Web and native software development.

AstraZeneca was able to convert content to the iPad within two months, in time for new campaigns. Cost savings totaled more than 80 percent versus spending with traditional marketing agencies.

A flexible spectrum of application outsourcing services

Accenture services can help you maximize your application portfolio and improve your organization's competitive advantage.

Scope of services

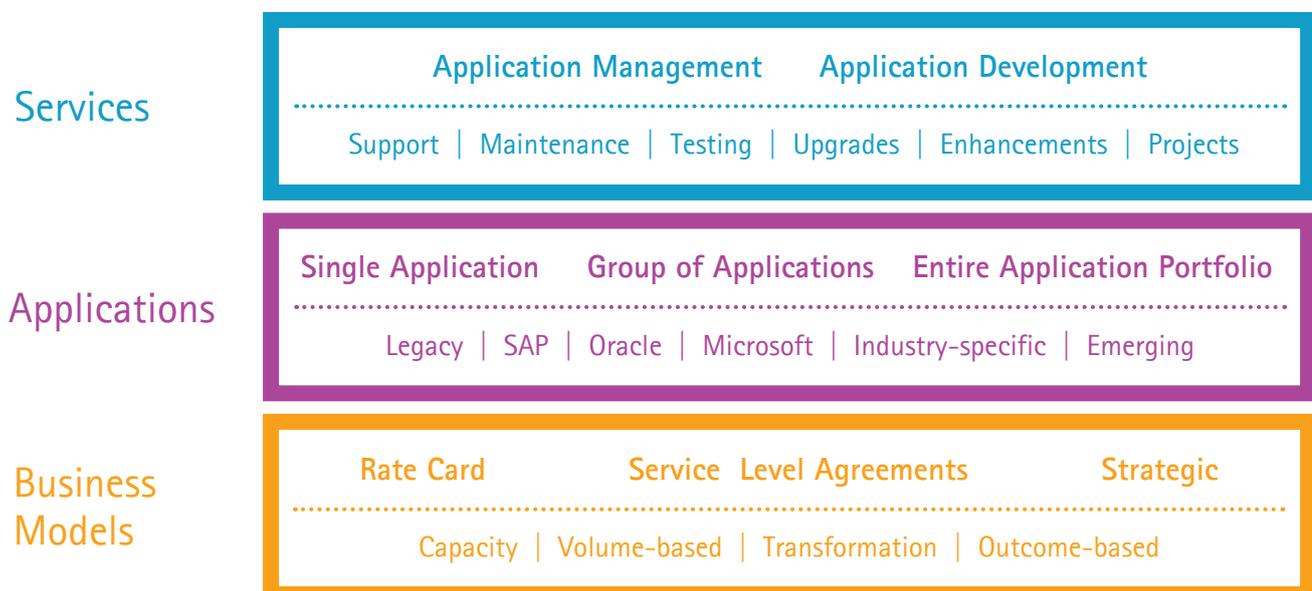
We can support your applications at the level you require, whether its low-cost support, ongoing development and maintenance, testing, enhancements or upgrades, in addition to projects designed to extend the viability of the applications your business relies on. With specialized knowledge and experience in more than 40 industries, we can tailor our application outsourcing services to your organization's unique needs and business goals.

Breadth of applications

We can accommodate any number of applications. You can outsource a single critical application, a group of related applications, or an entire portfolio. Whether it's a 20-year old legacy application, newly customized software, commercial applications from Oracle, Microsoft, SAP and others, or emerging technologies including Cloud, Mobility, Social and Analytics, we can manage your portfolio.

Business models

We offer application outsourcing under a range of business models, from capacity and volume-based pricing to arrangements where compensation is tied to specific business results. Whether you seek an outsourcer at set competitive rates, or a strategic partner to share risks and rewards, we can collaborate with you to achieve the business outcomes you seek. We also offer a bundled approach to service delivery that offers significant cost and efficiency advantages over selecting individual service providers. We can bundle application outsourcing with infrastructure outsourcing, and with a variety of business process outsourcing capabilities.



U.S. state government develops compliant services

For one of the largest U.S. state governments, Accenture provided application development, maintenance, and training to deliver more compliant social services systems to underserved families. Collaborating with several providers, Accenture helped the state avoid a \$200 million-plus penalty and receive a \$193 million refund.

Japanese insurer cuts application management costs

By outsourcing its applications to Accenture, a leading Japanese insurer reduced costs associated with application management by 30 percent. At the same time, productivity has increased by 10 percent, with productivity improvements of as much as five percent expected in each year of the seven-year arrangement.

Let's work together to make sure that your applications portfolio is geared for success every day. You can rely on Accenture for application outsourcing. We're ready to help you realize immediate cost advantages and achieve improved business value over time. Visit www.accenture.com/ao or call your Accenture account representative to get started.



About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with approximately 275,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$28.6 billion for the fiscal year ended Aug. 31, 2013. Its home page is www.accenture.com.

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Sources

- 1 Published Appraisal Results—Software Engineering Institute, <https://sas.sei.cmu.edu/pars/pars.aspx>
- 2 Benchmarking conducted by Software Productivity Research (SPR) in a study of more than 17,000 development and application management engagements. The study was conducted in 2013.
- 3 Benchmarking conducted by Quantitative Software Management (QSM) which looked across 450 companies and found that Accenture is in the top 35% for Application Development. The study was conducted in 2013.