HCL

AL ASM

HCL's Alternative in Managing Applications

IT leaders are faced with a paradox of shrinking IT budgets in the backdrop of expanding business, forcing them to find means to dramatically reduce the spend on application support. This in turn has weakened the rigor and agility of IT - leading to a poorer business alignment, thereby taking a longer time to adapt to business needs.

AS A NEXT GEN OUTSOURCER, HAVE YOU CONSIDERED ASKING THESE QUESTIONS?

Why do I need ASM at all?

Can the service provider enable me to eliminate tickets completely?

Why am I not able to get additional cost take out from ASM?

Can the service provider extract more out of ASM to help me fund my CTB initiatives?

How transparent is my service delivery?

Is the service provider focusing only on IT KPIs and ignoring business satisfaction?

Is my ASM business-aligned?

Can the service provider offer a business aligned operating model for better productivity?

Is my IT ready for change?

Can the service provider impact the IT Agility while being responsible for RTB?

Several G2000 companies have chosen HCL to answer these questions because of our scale and process maturity.

HCL introduces ALT ASM™

HCL brings over 35 years of experience in managing complex I.T application and infrastructure environments to offer ALT ASM™, a unified Application Service Management framework. ALT ASM™ helps I.T. leaders manage and govern the "Run the Business" aspect of their process, and infuses principles of "Agile I.T." to proactively help align business level KPIs with I.T. SLA's. Through ALT ASM™ we will take you to the next generation in application outsourcing.

Global experience with scale and process maturity

DNA Advantage

35+
Years of RTB Experience

People Advantage

35000+
Professionals across 5 continents

Scale Advantage

13000000
Tickets per year

Experience

100,000+
Applications under Maintenance

Traditional ASM	ALT ASM™
Technology aligned **silos** leading to reduced efficiency as # of apps increased	Business Aligned Target Operating Model for increased engagement **Efficiency**
Increased **risk** with inflexible engagement models	Meeting dynamically changing IT needs through **flexibility** in engagement models
Stagnation in operational gains due to effort driven cost management	**Committed Operational Gains** from year 1 with optimal service levels through LEAN and ITIL processes
Reactive IT leading to poor Agility	Proactive problem management and service request management for **predictive** delivery
IT led KPIs; IT focused on **run the business** activities	Business Led KPIs: IT focused on **Business Advantage**

ALT ASM™ is delivered through MaSCoT™ HCL's managed services framework. MaSCoT™ incorporates 40 service elements and several HCL accelerators that will help you fully realize the benefits of a managed service delivery model.

Managed Services with Continuous improvement leading to Transformation (MaSCoT)

MaSCoT is HCL's way of life in delivering managed services. It has built-in mechanisms for eliminating waste in IT through Lean principles.

Proactive preparation of business cases for Transformation

Discovery and optimization of business processes, applications, databases and IT infrastructure through BAIT™

Proactive initiatives for Value Creation within the scope of service

Value Portal through MyCustomer Portal

Productivity benefits through continuous improvement based on LEAN principles

- Right Sizing
- Standardization
- Performance Management
- Tools & Automation
- Proactive & Predictive Delivery
- Knowledge Management

MaSCoT

Managed Services with Continuous improvement leading to Transformation

Transform — Define — Transition — Deliver — Manage — Measure — Improve — Add Value

Solution for Transition and Steady State services
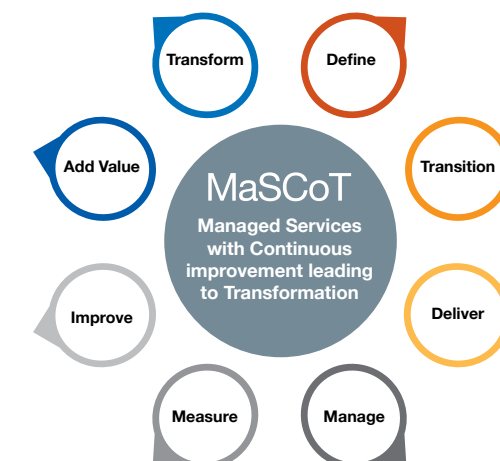
- Due Diligence
- As – Is Scope
- Solution Design
- Target Operating Model (TOM)
- Transition Strategy
- Governance | Price

Mature and proven ASSeT™ methodology

- HR and OCM | SLA Finalization
- Tools Setup | Process Harmonization
- Robust Governance | Infrastructure Setup
- Third Party Contracts | Reverse Transition

Global Delivery Model

- Tools -(MAST/MTaaS) | IOMC
- CMMi/ITIL based Processes and Quality Control
- Standard Development and Estimation methodologies
- Disaster Recovery and Business Continuity
- Knowledge Management
- Information Security
- Shared Services

Integrated reporting through MyCustomer Portal

- SLA/KPIs | Risk
- Business Value
- CSAT | Billing

Governance

- Multi-Vendor Governance
- Project Management
- Resource Management
- Risk Management
- Scope Changes
- Demand Management

MaSCoT ensures:

- Scientific upfront discovery of optimization levers through baselining and benchmarking.

- Enhances business alignment while creating impact-free transition .

- Assures predictable delivery with emphasis on continuous improvement and commitment to adding value beyond contracted needs.

Have there been instances when your IT providers have met their SLA's and your IT targets show GREEN, however, the business still sees these targets as RED? End result being lower end customer satisfaction and a disconnect between IT and business.

KPIs aligned to business processes for Business Aligned ASM

All IT Performance targets are GREEN: But is Business happy?

Business KPIs
- Orders booked / per hour
- On Time Delivery
- Days Sales Outstanding

IT KPIs
ERP availability: **99.5%** Response time: **500ms**

ALT ASM™ Achieves transformation through

| Business Aligned Target Operating Model | Moving from IT KPIs to Business KPIs | Business process to application visibility through Prizm™ | Dashboards enabled with Process Watch™ |

Business to IT Alignment is very critical in creating the shift from IT SLAs to Business SLAs. HCL's proprietary tools enable a wholistic view from business process to IT infrastructure, thus creating a 360 degree alignment between IT and business.

This brings several benefits to the engagement, some of which are:
- Vertically aligned critical incident management
- Business KPI aligned proactive monitoring of IT environment
- Accurate application impact analysis for business process changes
- Accurate business process impact on IT changes

The unique proposition from HCL, is our ability to create this process mapping as a natural by-product of the information captured during knowledge transition, with the help of our proprietary tool called PRIZM™ and enabling ongoing monitoring using our proprietary BAM platform called ProcessWatch which can also be supplemented with customer's own BAM environment such as SolMan, Oracle BAM, etc.

Over 1.5 B$ worth of ideas have been generated by empowered HCL employees across various engagements and stand a testimony to the power of value creation.
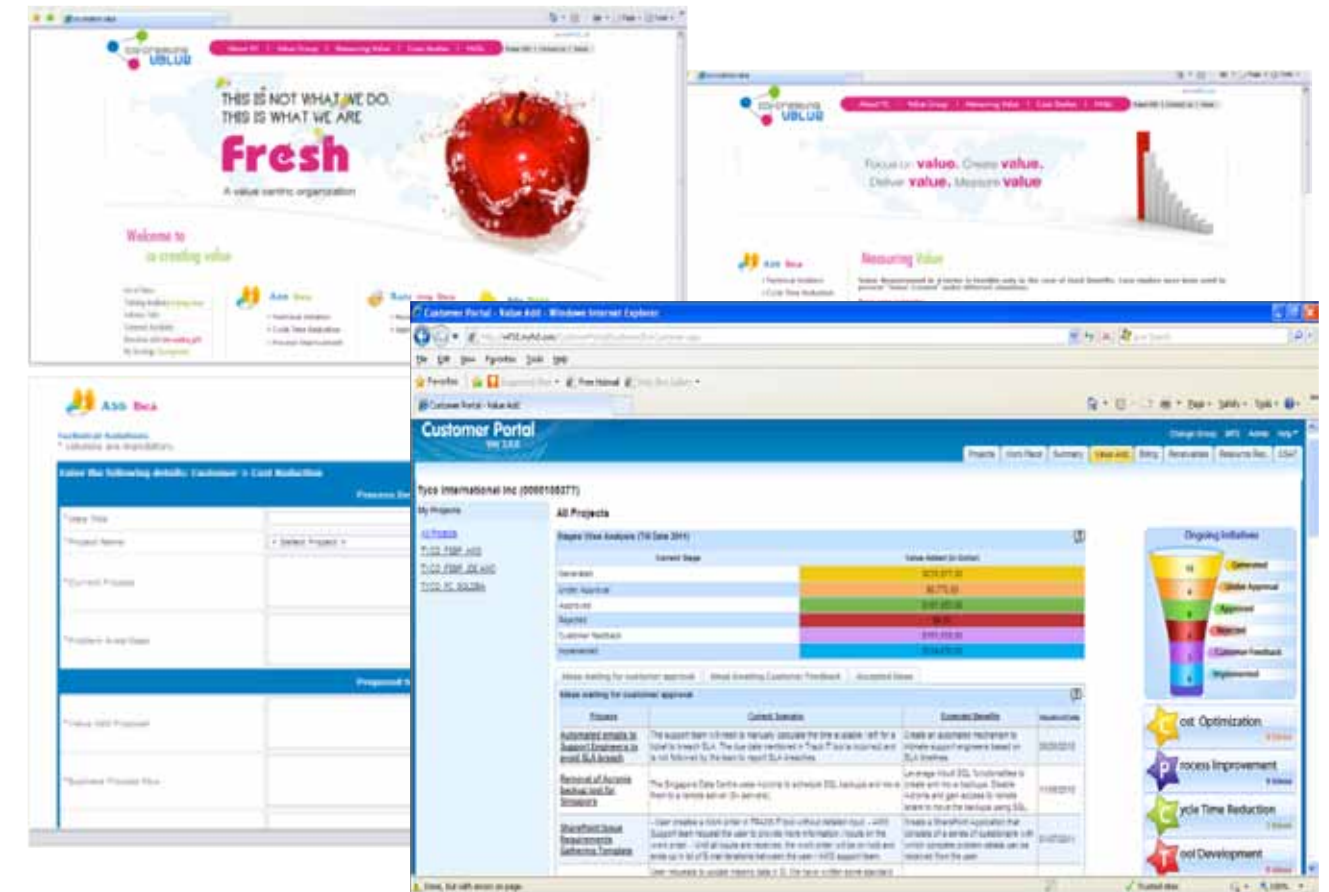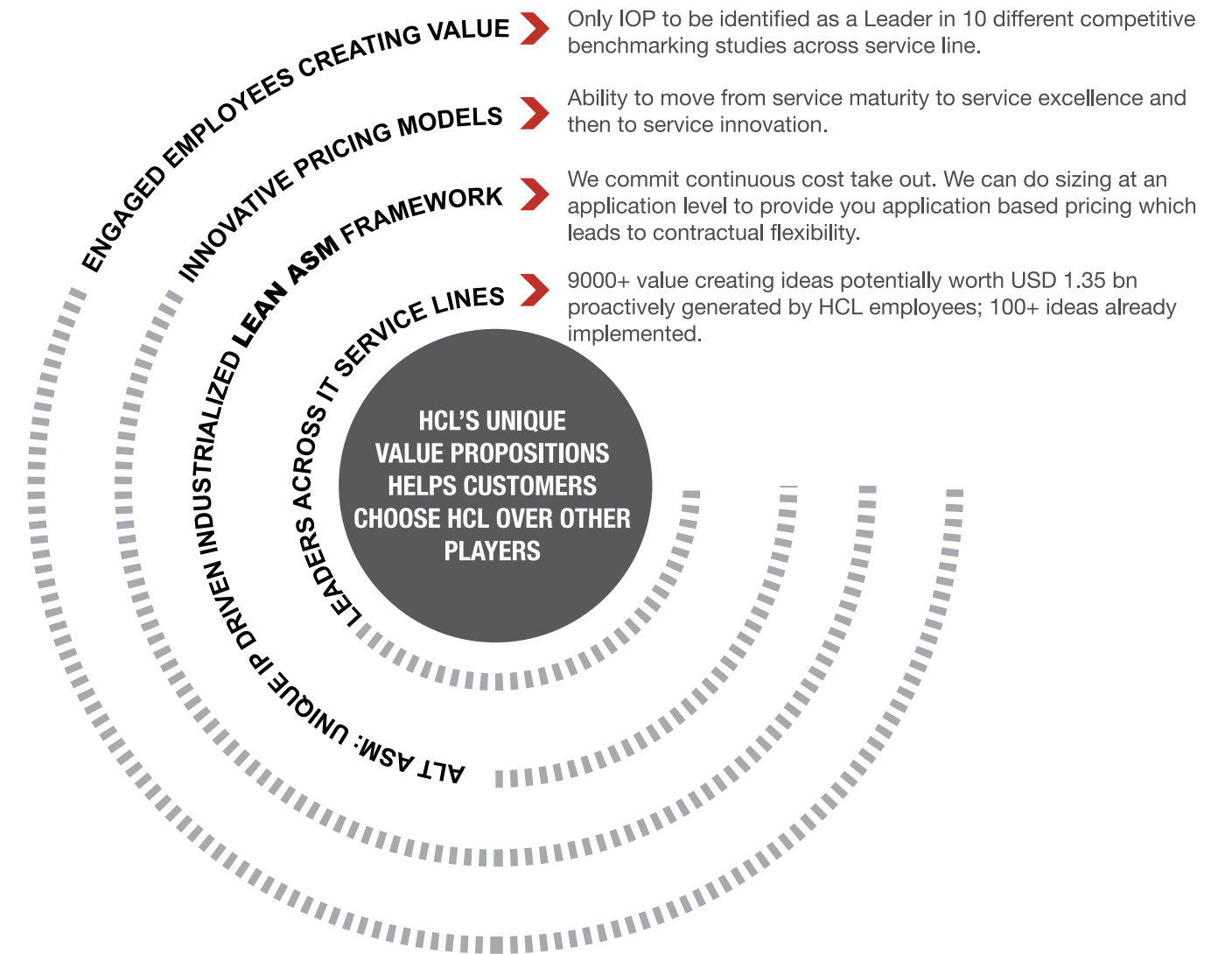
Value Creation @ HCL.

The Employee First Customer Second (EFCS) culture of HCL has enabled and empowered our employees with the ability to connect and create ground-up innovations in their engagements.

Every employee and engagement is measured rigorously on the value generated, which is acknowledged and approved by customers in a transparent manner through the Value Portal.

These values are over and above what HCL contractually commits in an engagement, thus seeding culture of innovation in each engagement. The value generated can be across business process improvement, cycle time reduction, operational efficiency, cost reduction, automation etc. Many of these value ideas get implemented in engagements without any additional investment from the customer and results in cost savings or business benefits or both.

For over 35 years HCL has believed in the philosophy of investing in clients, partners and emerging technologies to help address client business imperatives.

ENGAGED EMPLOYEES CREATING VALUE

INNOVATIVE PRICING MODELS

ALT ASM: UNIQUE IP DRIVEN INDUSTRIALIZED LEAN ASM FRAMEWORK

LEADERS ACROSS IT SERVICE LINES

HCL'S UNIQUE VALUE PROPOSITIONS HELPS CUSTOMERS CHOOSE HCL OVER OTHER PLAYERS

Only IOP to be identified as a Leader in 10 different competitive benchmarking studies across service line.

Ability to move from service maturity to service excellence and then to service innovation.

We commit continuous cost take out. We can do sizing at an application level to provide you application based pricing which leads to contractual flexibility.

9000+ value creating ideas potentially worth USD 1.35 bn proactively generated by HCL employees; 100+ ideas already implemented.

Customers across industry verticals have trusted HCL do deliver value in their complex application landscape and have chosen HCL as a partner of choice in their journey towards business excellence.

Some of our ALT ASM™ engagement snapshots:

ALT ASM

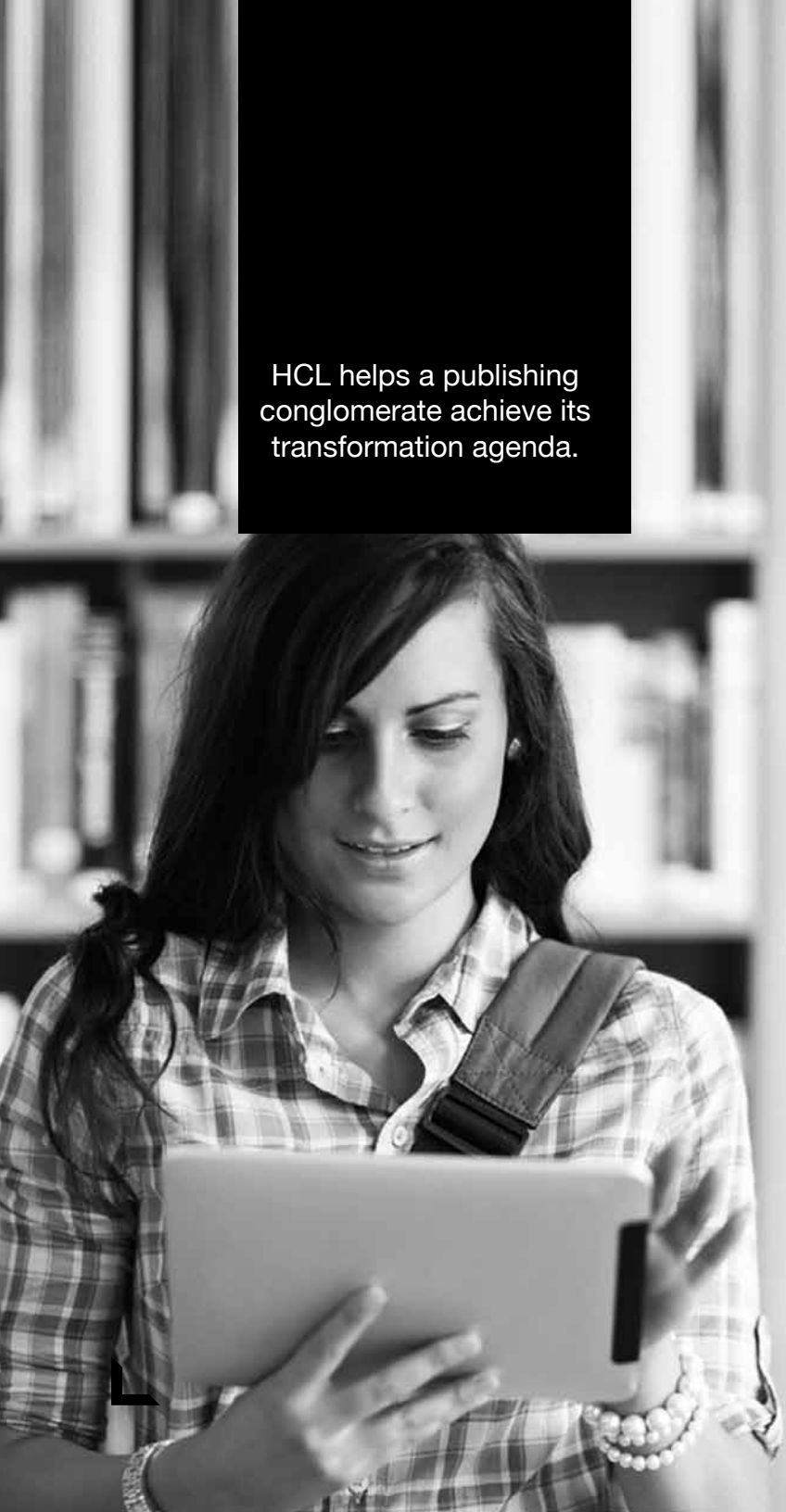|	
Business Aligned Target Operating Model for increased engagement Efficiency	• 150% productivity improvement for F500 document management company • 25% productivity increase in ticket handling for leading logistics company
Flexibility in staffing reducing the risk of business fluctuation	• 34% cost savings for a leading supplier of ATE due to flexible ramp up and ramp down • Flexible ramp up/down leading to extra efficiency of 50% for a F50 Investment Bank
Committed Operational Gains from year 1 with optimal service levels through LEAN and ITIL processes	• 49% operational savings delivered for F100 global investment bank • 32% operational savings delivered for leading logistics company
Proactive problem management and service request management leading to increased Agility	• 52% reduction in number of incidents in a single year for a leading F&B company • 82% reduction in critical incidents for a leading logistics company
Business Led KPIs: IT focused on Business Advantage	• 50% reduction in O2D time increasing EBIT by US$ 2.5M for a telecom supplier • Improvement in Order Management time by 19 hrs/mth for a leading F&B company

HCL helps a publishing conglomerate achieve its transformation agenda.

BACKGROUND

- Our client is a large publishing conglomerate with its primary lines of business in education, business information services and consumer publishing. Its operations span the globe and it owns iconic brands in each product category

- In the last decade it embarked on its transformation journey. Its key businesses of publishing and information services were already getting affected by trends that would have enduring significance— the increasing draw of the Internet, fast growing business in emerging markets, open source content and personalized learning experiences. It partnered with HCL to help it achieve its transformation agenda

CHALLENGES/ OBJECTIVES

- Our client's clear mandate was to aggressively optimize its operating costs and increase operational efficiencies. Deciding to outsource functions like application support & maintenance, product engineering, helpdesk and business operations, would help to:
- Reduce cost
- Improve time to market
- Improve quality and processes
- Develop strategic IT partnerships, enlist specialist help and drive significant IT efficiencies
- Accelerate innovation and digital readiness

THE SOLUTION

- **Well-structured engagement methodology:** HCL followed a structured methodology with defined stages for opportunity assessment, feasibility studies, knowledge transfer and steady state. This methodology ensured that process transition took only four months to complete. Enthused by the performance and the quick cost gains, our client decided to entrust the product helpdesk support for its testing solutions arm, to us.

- **Wide applications spread, and deep involvement across the 'product to customer' value chain:** More business units reached out to HCL in search of solutions. In the next seven years, HCL would partner in a large number of enterprise reorganization and market penetration initiatives. HCL developed a comprehensive application suite that integrated editorial, production, manufacturing, inventory planning and paper management business functions; standardized cross-organization content management workflows; developed a new-age digital authoring and editorial product that converged planning & scheduling to drive workflow processes; developed an e-book platform leading to end-to-end streamlining of content creation workflows; provided full-service assessment and information analysis functionalities; and developed a custom publishing and platform reader.

- **HCL as a value leader - contributing to the organization's overall business vision** - Provided: One common platform across all operating companies; Content creation and website updating free of IT intermediation; Compliance with all corporate governance standards; Synergy with both online technology standards and the existing infrastructure, business applications and content management frameworks

- **Additional service lines grown:** In addition to the above, HCL also provides global helpdesk support across the company's North America and European businesses, encompassing 38 business units and 230 user locations. Multi-lingual support is provided, with state-of-the-art voice infrastructure and data connectivity and the support spectrum covers MSOffice, VPN, Mac, in-house apps and network account management.

- **Deploying delivery and governance models that closely answer client needs:** HCL refrained from using a single delivery model for all the engagements. Rather, after closely understanding the business needs of individual projects HCL took an appropriate route with a view to consistently pare costs through its Managed Services Delivery model and Fixed Price, Full-Ownership Delivery model.

RESULTS / BENEFITS

HCL's engagement scope has touched nearly all functional aspects of the client's value chain. The organization has gained immensely in terms of process standardization and overall IT governance, by virtue of HCL's CMM Level 5 quality assessment and process methodologies.

- **Relentless cost optimization:** HCL's offshore-driven delivery mechanism helped reduce the cost of eBook production from $3500 to $150; its process simplification initiatives helped save over $5 million per year in paper procurement.

- **Real-time response to market needs:** Zero level variance for all project schedules has meant faster go-to-market. Prior to HCL's involvement, the client had a problem responding to real-time spikes in demand that outpaced its production forecasts, leading to slower rollout of titles and only partial fulfillment of the market demand. All this changed, post HCL's reengineering of publishing workflows. As a result, online ordering via B2B channels, increased by 366 percent—from $ 150 million to $ 700 million.

- **Process standardization leads to work predictability:** With standardized workflows for integral content management lifecycle, there were significant efficiencies in terms of creation, editorial, delivery, archiving and re-use.

- **Netting those "big" ideas:** Systematic capture and implementation of ideas has meant a 360-degree improvement in the way things are done. New processes have been developed centered around cost improvement, cycle time reduction

SNAPSHOT

- **Vertical:** Media & Entertainment
- **Service Areas:** Application Support & Maintenance, Product Engineering, Help Desk Services
- **Technologies:** Java, Microsoft, Interwoven, Documentum, Oracle, Sybase, Informatica, Mainframes/COBOL, Objective C/Cocoa for Mac, BO/Actuate
- **IPs / Frameworks:** InsighIT, Content 2.0, ASSeT

Global outsourcing to deliver risk-free IT.

BACKGROUND

- Our client is a global multi-brand publishing and marketing company, publishing a best-selling magazine that reaches approximately 70 million readers in 100 countries, through 52 editions, and in 35 languages. The company has under its umbrella: 29 brands with products produced in 24 languages and sold in 78 countries, and 65 branded websites with 22 million unique visitors per month

- A disconnected IT organization severely hampered its abilities to deliver in a demanding, fast-paced business environment. Our client thus wanted to transform to a "center-heavy, site-light" shared services model that would streamline its operational processes and IT infrastructure, leading to overall organizational agility

CHALLENGES/ OBJECTIVES

- The company had a fragmented global IT setup, with 23 IT locations across 45 countries; it had separate application platforms for its fulfillment and marketing workflows, and localized helpdesks and distributed data centers. The IT organization was structured to cater to specific regions, which made it "site-heavy". Likewise, the end-user interface was also local, both in terms of the go-to-market strategy and operation support. For instance, there were 37 multi-lingual marketing web sites for subscription and advertisement bookings. A region-focused IT strategy meant:

- Multiple applications for the same functionality

- Redundant infrastructure and vendor contracts to manage the services

- Multiple resources to a role leading to high people dependency and high costs

- Cycle time variation and limited agility to respond to business needs

- Distributed demand management and limited IT standards across the organization

- Transformation was high cost and needed extensive change management

THE SOLUTION

Our client's goal of 'one-company, one-process' was achieved by bringing disparate application layers supporting functions like fulfillment, marketing, digital properties, human resources, finance and geographic services onto an integrated shared services platform. The scope of the engagement was complex, involving 42 infrastructure towers across 50 locations and 430 applications across the globe. Yet it was achieved within budget, before time, and seamlessly across 45 countries. Complete transitioning of IT infrastructure and applications involved more than 450 resources, 400+ applications across 14 business units, and understanding of a large number of databases, servers and applications, while also ensuring that there were no disruptions to business-critical components like the company's 24X7, multi-lingual global helpdesk supporting call volumes in excess of 4,20,000 per annum.

HCL's approach to the client's need for end-to-end process and IT rationalization was multi-tiered:

- Consolidate and standardize the IT organization

- Integrate applications and infrastructure operations for business agility

- Reduce costs primarily through resource optimization and minimalization of the IT organization

- Create overall IT optimization through virtualization of enterprise architecture and fulfillment workflows

- Accelerate the speed of innovation via investment and partner centricity

The transition to steady state was completed in just six months. Since achieving steady state, HCL has worked on a number of initiatives to bring improvements to processes and technology and make the IT organization future-ready. These include:

- Continuous service delivery improvement through process maturity assessment, better incident and problem management.

- Creation of a next-generation web platform that consolidates 37 multi-lingual websites onto a single layer leading to faster refresh, cohesive user interface and look and feel across geographies.

- Global pre-media consolidation in more than 25 countries.

RESULTS / BENEFITS

- Optimize cost through consolidation and the elimination of obsolete technologies

- Process optimization and IT rationalization through migration towards standard processes, tools, and platforms to attain operational efficiencies, continuous improvement and significant cost savings. For instance, consolidation of web/marketing sites has significantly reduced server and support costs. It has also made launching of a companion website much quicker, shoring up advertising revenue prospects

- Business agility and operational reliability

- Enterprise standards, global governance, unification of the IT team leading to acceleration in innovation and IT management

- To take the relationship beyond the cost and operational excellence paradigm, a joint executive board has been set up to provide strategic clarity around our client's transformation agenda, marketplace realities and the resultant roadmap to be followed. This board is responsible for developing high level IT strategy, develop mechanisms for better leveraging of IT, defining key milestones and ensuring leadership buy-in and support to keep the transformation momentum going. As an outcome, HCL has been roped in to assist in the client's market understanding and penetration activities for launching innovative language training courses. This serves as an example of how HCL's customer focus, IT expertise and domain understanding has all powerfully come together to achieve business objectives in ways much beyond a traditional vendor-client relationship.

SNAPSHOT

- Vertical: Media & Entertainment

- Service Areas: Application Integration & Consolidation, Infrastructure Management

- Technologies: Mainframe, Oracle, Lotus Notes, AS/400, Microsoft, Network, Data Center

HCL partners with a leading global media content provider to manage its transformational digital platform.

BACKGROUND

- Our client is an US$14 billion leading entertainment content provider that operates across 160 countries and connects with audiences across multiple platforms like television, films and digital media. Its global operations are run through two separate arms—media networks and filmed entertainment. A first-mover in establishing its digital presence, our client had 300+ digital properties for its leading brands under the media networks umbrella. With a bouquet of sites—some of which were the most popular in the world, attracting 90 million unique visitors—the company had immense revenue potential riding on these sites

- While wanting to optimize this opportunity, operationally, all these properties were organized in silos with decentralized or individual brand IT departments spread across multiple locations. Further, multiple legacy platforms and products were still used to support these 300+ brand sites, which resulted in a number of challenges

CHALLENGES/ OBJECTIVES

- With individual IT teams servicing needs for a business unit, there was a great deal of duplication in application development, use, enhancement and maintenance
- Redundancies in development, testing, quality assurance and component reusability
- Discrete views of information, leading to huge data redundancies
- No common IT performance metrics or maintenance schedules. Testing was ad hoc, leading to frequent site shutdown
- Inefficient management of infrastructure—both people and resources
- Operational inefficiencies affected the company's competitiveness on several parameters—its customer view and market reactiveness, cross sell and up sell efficacy and overall response agility
- Confronted with relentless pressure on margins and with a limited ability to invest in significant restructuring, the company wanted an IT partner with technical expertise and industry comprehension who could rationalize its IT organization and quickly create efficiencies and savings.

THE SOLUTION

In late 2008, HCL did a thorough due diligence exercise and suggested a three-phased business transformation approach:

- To rationalize the digital platform

- Standardize and integrate processes and modernize infrastructure and technologies, with an overall focus on reducing capital and operational expenditures

- The savings made would be reinvested in the third phase to transform the digital rights management and asset management processes and to create newer revenue models

The rationalization exercise centered around creating a shared services platform that would be common across all the digital properties. The principal building blocks that the platform consisted of were:

- A unified digital media management solution for unifying digital asset management, media players and content management

- Unified product development with a consistent development model and shared functionalities across sites

- Federated search optimized content discoverability across distribution outlets

The roadmap that was followed involved first retiring the legacy applications and moving all the digital

RESULTS / BENEFITS

- For transitioning discrete operations to a shared services framework, HCL leveraged its proprietary ASSeT (Assessment - Service Transition - Steady State) framework, which ensured that the entire digital platform was up and running in just five months. The innovative/integrated operating model that evolved as a result of the shared services organization led to immense, renewable benefits with significant business impact:

- Unified digital media management - quicker time to market, consistent ad models, and consistent rights management. Improved features like automated video data upload reduced data creation efforts from 5 hours to 30 minutes, with a multiplier impact

- Unified product development enabled full exploitation of functionalities like search, syndication, social networking and content management systems. Deployed across 70 sites, the speed searching feature led to cumulative savings of $3.3 million in 3 years

- Software testing which was ad hoc was aligned to a systematic framework - HCL's proprietary XFit for testing BPM workflows halved earlier efforts

- The unified digital media player feature became available across 100+ properties and came with a customizable UI that helped users build a distinct look and feel for individual sites; also provided quick rollout

- Cut down 50% of end user network requirements for downloadable or watchable properties

- Retirement of databases led to significant savings in infrastructure costs – approx $100,000. Currently, the 8th most popular website portfolio in the world, our client's digital properties have scored wins on the basis of this integrated digital platform—delivering both operational excellence and customer enjoyment

SNAPSHOT

- Vertical: Media & Entertainment
- Service Areas: Application Integration, Legacy Modernization, Infrastructure Management
- Technologies: HTML, PHP, Java, Microsoft, MySQL, Sybase
- IPs / Frameworks: XFit, ASSeT

Notes

The World is noticing something unique about HCL

BusinessWeek
HCL's Employees First is a new and radical management philosophy which will catch on with the world sooner or later

FORRESTER
Publishes a Case Study recognizing the business value of HCL's *Employees First* - "For HCL customers, improved engagement and employee passion translates into greater flexibility, proactive innovation, and a desire to do the right thing for the customer, regardless of what the rules might say", it says.

top 2012
One of Britain's Top Employers for the 5th Consecutive Year

Gartner
Exclusive report on EFCS recognizes that this philosophy empowers HCL's frontline employees to make decisions and take actions for the benefit of customers

ASIAN HUMAN CAPITAL AWARD
HCL wins the Asian Human Capital Summit 2011 Award for its innovative and impactful people practices centered on its *Employees First*, *Customers Second* philosophy

Optimas AWARDS
Ranked as the world's Most Innovative Company in its workforce practices

UNIVERSITY of VIRGINIA DARDEN SCHOOL OF BUSINESS
Darden School of Business has done a case study on the impact created by HCL through its "Employees First Customers Second" practice

USA TODAY
HCL's Employees First and 'democratization' of management concept could 'bring about a corporate renaissance'

HARVARD BUSINESS SCHOOL
Harvard Business School teaches about HCL as a case study on business transformation highlighting the Employees First initiative

50
HCL is in the Elite "Thinkers 50" List

FORTUNE
Acknowledges HCL Technologies as the world's most modern management

FORRESTER groundswell 2011 AWARD WINNER
Honored with the Forrester Groundswell Award 2011 in the 'Management – Innovative Systems' category for 'Value Portal' – an employee idea exchange platform where employees collaborate, innovate and lead the implementation of their ideas to deliver value to HCL's customers

WORLD'S MOST DEMOCRATIC WORKPLACES
WorldBlu lists HCL as one of the 44 Most Democratic Workplaces in the World

EMPLOYEES FIRST
Published by Harvard Press, **Employees First, Customers Second** is admired by global thought leaders - Tom Peters, Tony Hsieh, Gary Hamel, Judy McGrath, Ram Charan and Victor K. Fung; Ranked No. 17 on the Best Seller list in 800-CEO-READ; Listed amongst the 'Best Business Books of 2010' by the Library Journal of America; Ranked No. 7 on Amazon UK's listing of 'Best Business Books of 2010'.

Employees First Customers Second

In an industry that has long lived by the mantra that focus on the customer is the only thing that brings results, we wish to differ. At HCL, we focus on employees first. We believe that employees bring strategic value to an organization and are critical to its success in the global marketplace. The future growth and competitiveness of any organization depends more than ever before on attracting best talent, engaging and empowering them to achieve their own, and the organization's goals. Towards this, we practice Employees First – the first of it's kind of articulation, which is at the core of our efforts to provide our employees a work environment and culture they can take pride in. And it is lived everyday at HCL.

Hello, I'm from HCL! We work behind the scenes, helping our customers to shift paradigms and start revolutions. We use digital engineering to build superhuman capabilities. We make sure that the rate of progress far exceeds the price. And right now, 90,000 of us bright sparks are busy developing solutions for 500 customers in 31 countries across the world. **How can I help you?**

www.hcltech.com

HCL