

IS/IT outsourcing services – basic

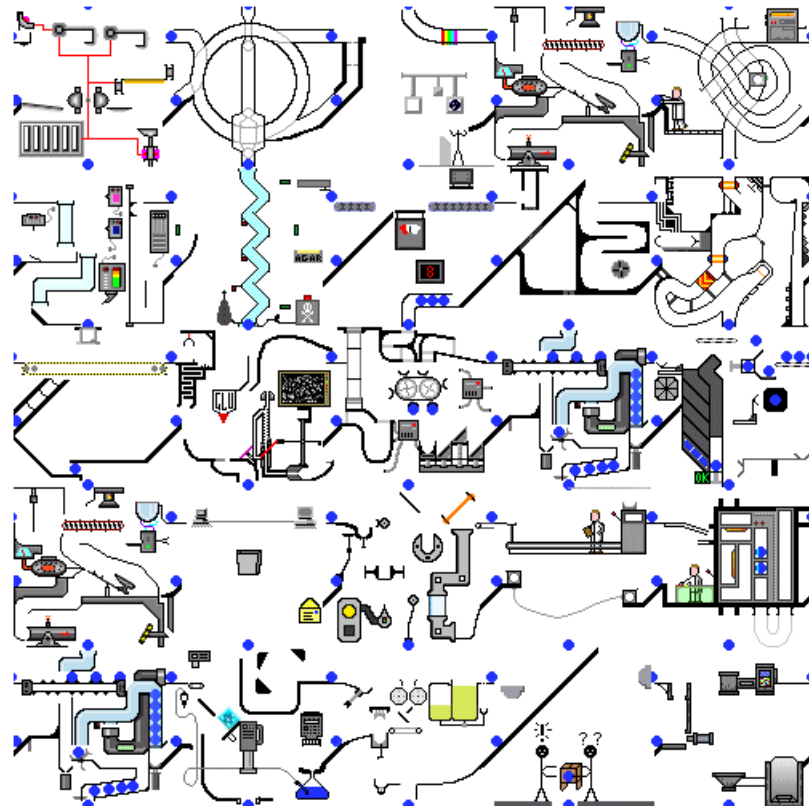
RNDětStaroislazžMichelfeit

Agenda

- **Service Science**
 - Current economic trends
 - Definition of service
 - Basic definition
 - SSME Profesional
- **IT/IS outsourcing services**
 - Outsourcing definition
 - IT services development phases
 - Current status of IT/IS outsourcing services

Discussion

The world is changing ...



Picturing Economic Evolution

Delivery Form

Products

Services

Material

Machines, Chemicals
Automotive
Fashion Goods
Consumer Products

Tourism, Retail
Transportation
Construction
Health Care

End product

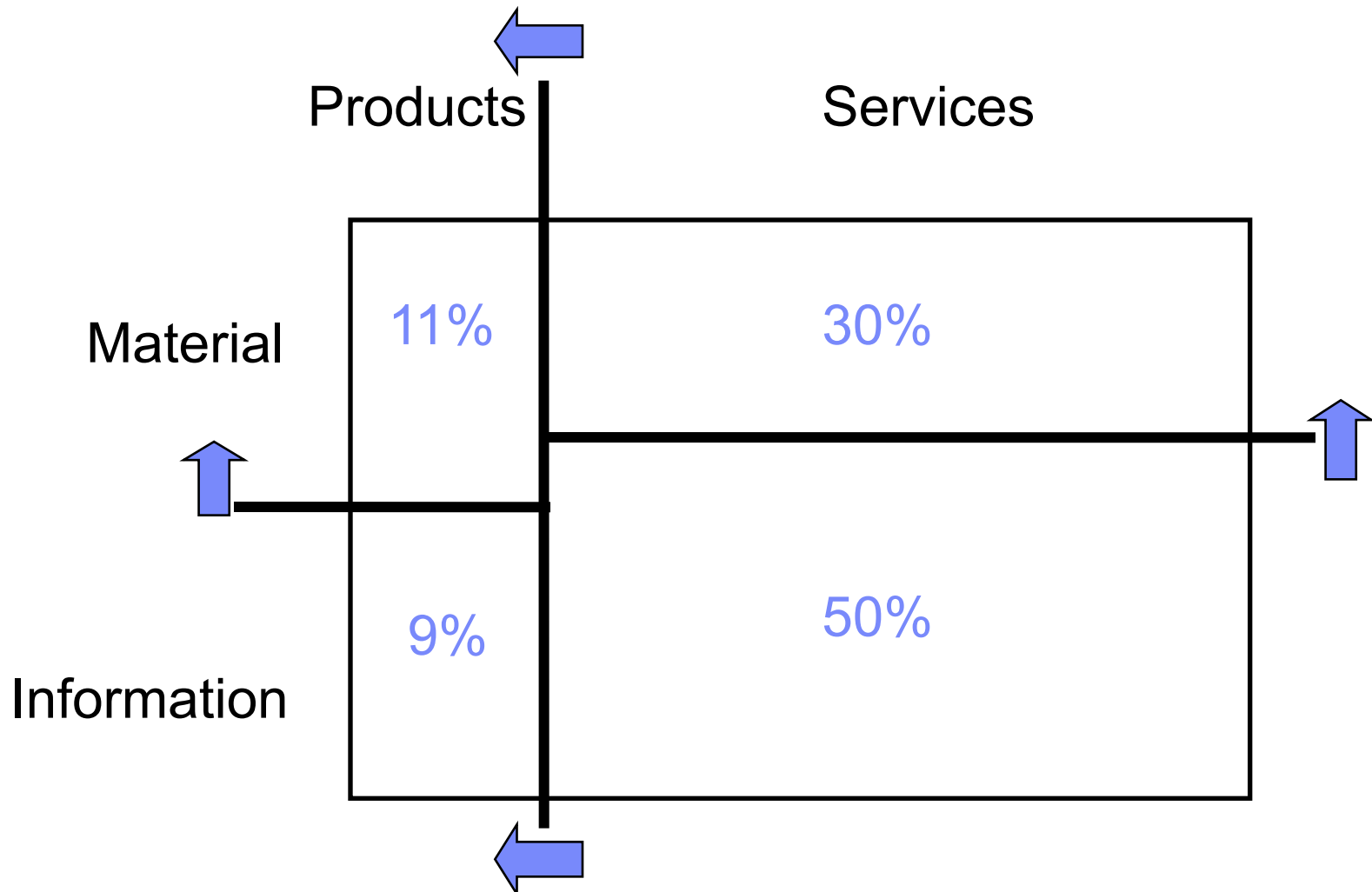
Information

Books, Magazines
Computers, PDA's
Film, Music
Software, Games

Financial Services
Radio, TV
Telecommunication
Legal, Consulting

Why Now?: US GNP Today and in the Future

*From Uday Karmarkar: "Service industrialization in the global economy"
Also author of HBR article: "Will you survive the services revolution?"*

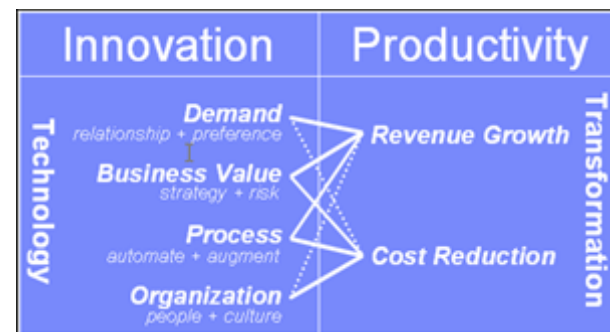


The world became service system.

Top 10 států dle pracovní síly
 (asi 50% světových pracovních sil v 10 státech)
A = Zemědělství, G = Zboží, S = Služby

Stát	% ww Labor	% A	% G	% S	25 yr % delta S
China	21.0	50	15	35	191
India	17.0	60	17	23	28
U.S.	4.8	3	27	70	21
Indonesia	3.9	45	16	39	35
Brazil	3.0	23	24	53	20
Russia	2.5	12	23	65	38
Japan	2.4	5	25	70	40
Nigeria	2.2	70	10	20	30
Banglad.	2.2	63	11	26	30
Germany	1.4	3	33	64	44

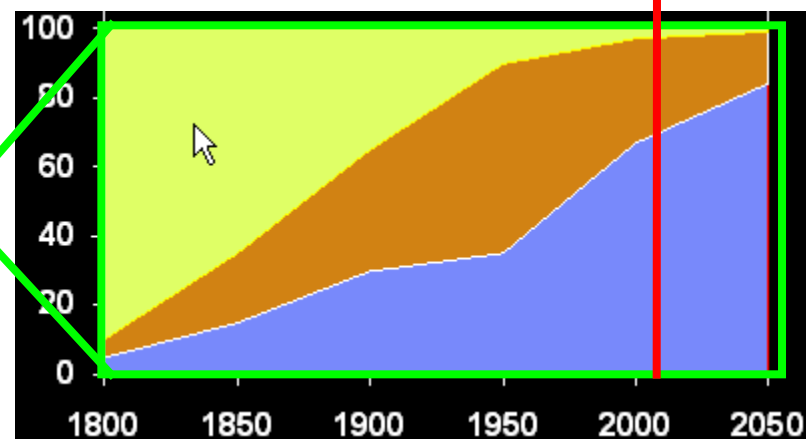
>50% (S) služby, >33% (S) služby



2004

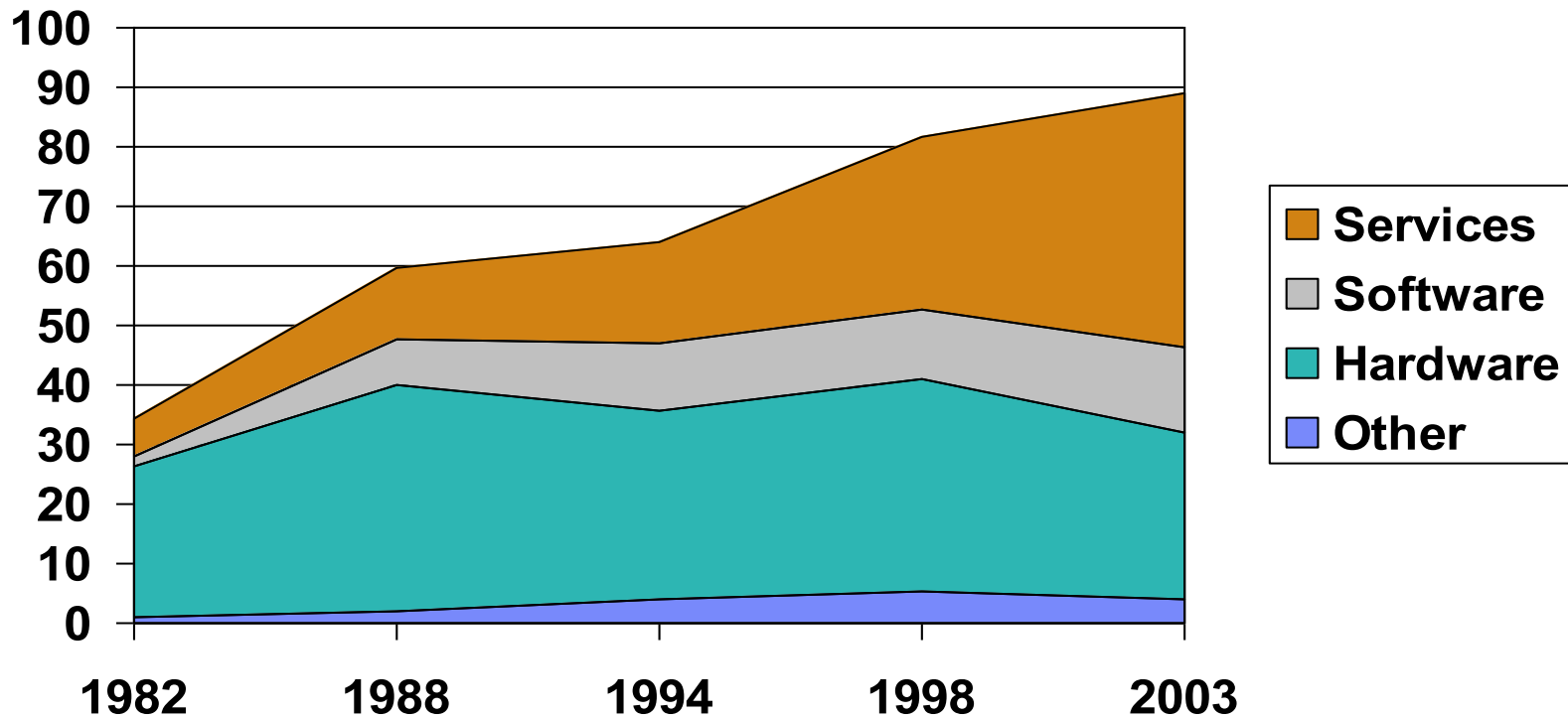
2004

U. S.

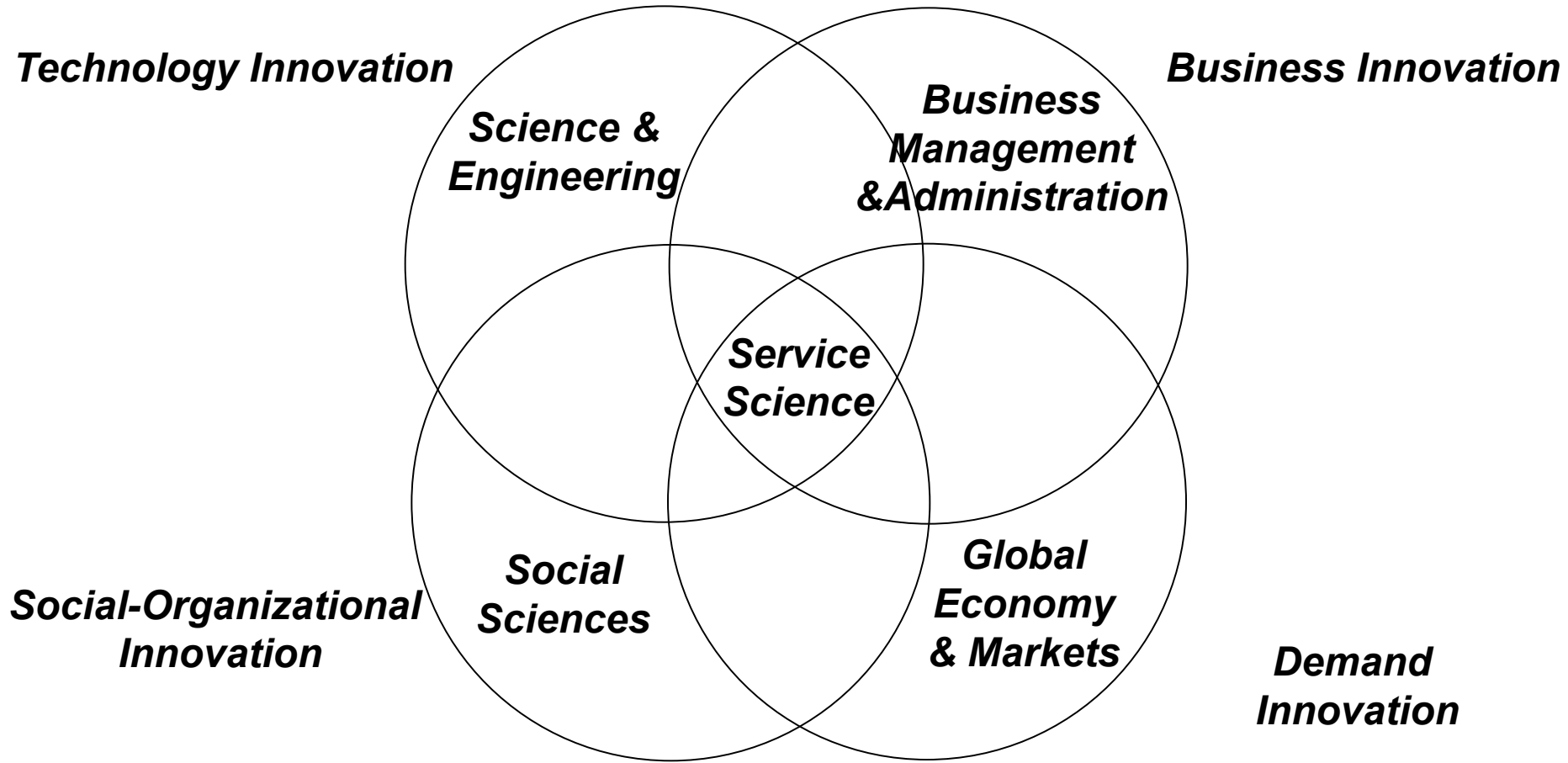


Největší migrace pracovních sil v historii lidstva je součástí, daná urbanizací, globální komunikací, cenou, růstem buznysu a technologickými inovacemi.

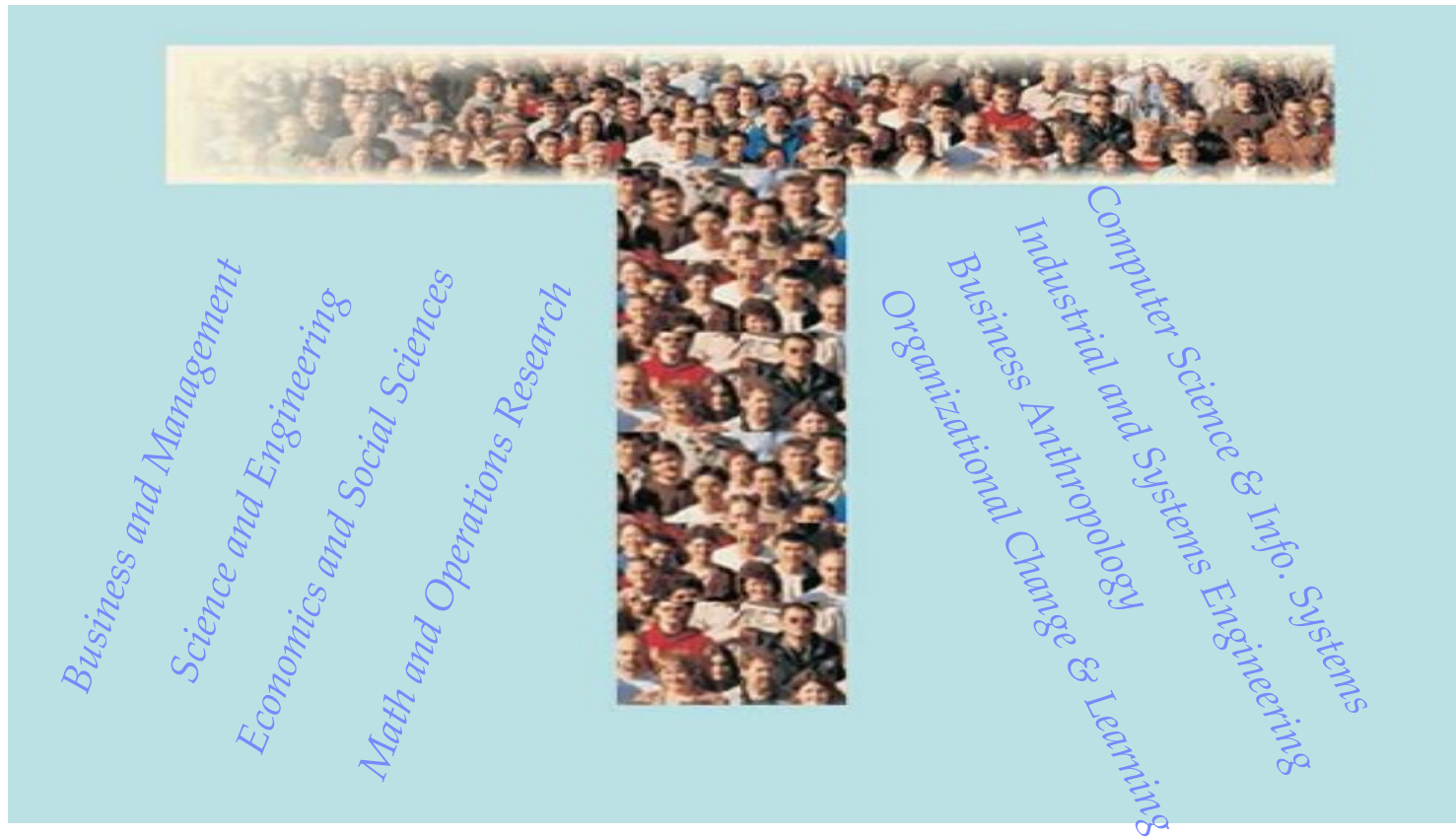
IBM's perspective



Dnešní business vyžaduje více inovací a proto přístup ke službám musí být systematický a interdisciplinární



T-Shape odborníci



Mají znalosti z celé řady oborů a minimálně v jednom z nich jsou jejich znalosti na velmi vysoké úrovni

IT – typický příklad oboru se zvýšeným zastoupením služeb

- **IT přestává být specifickým prostředkem, stává se univerzálním nástrojem, službou, která realizuje stále širší škálu potřeb lidské společnosti , jak jednotlivců, tak organizací.**
- **Uživatel již většinou ani neví, nebo jen tuší, že službu realizuje IT (ITC)**
- **Výsledkem je, že stále více IT specialistů pracuje v této oblasti, klesají požadavky na existující specializace, ale vznikají požadavky na zcela nové, související s charakterem služby**

Outsourcing - definition

- **„Outside resource using“**
- **Contractual relationship, which assign responsibility for some functional area to external resources**
- **It is delegation of some activities on specialized organization**
- **Company handover entire responsibility for certain activity to external supplier**

Outsourcing IT

- **IT/IS Outsourcing is delegation of operation, maintenance and administration activities ITC**
- **IT/IS Outsourcing is prerequisite of industrialization/standardization of seservices**
- **Information services are dominant in advance economics**

Profesoři jsou na řadě jako další?



IT evolution stages

- **0 – 1982**
 - Proper solution
- **1982 – 1999**
 - Standard solution
- **1999 –**
 - Outsourcing solution

Characteristic and cost structure

■ 0 – 1982

– Characteristic

- Mainframes and terminals
- Punch cards data management
- Batch processing, proper application development

– Local cost (fix cost)

- High cost for development and maintenance of proper solution
- Dependence on lack of skilled resources
- High cost for availability and security

Characteristic and cost structure

■ 1982 - 1999

– Charakteristika

- PC and PC Server
- Standard interactive application
- Data entered directly by users

– Internal and external cost (variable and fix cost)

- High investment to buy HW and SW
- Low recoverability (ROI)
- High cost for availability and security

Characteristic and cost structure

■ 1999 -

– Charakteristic

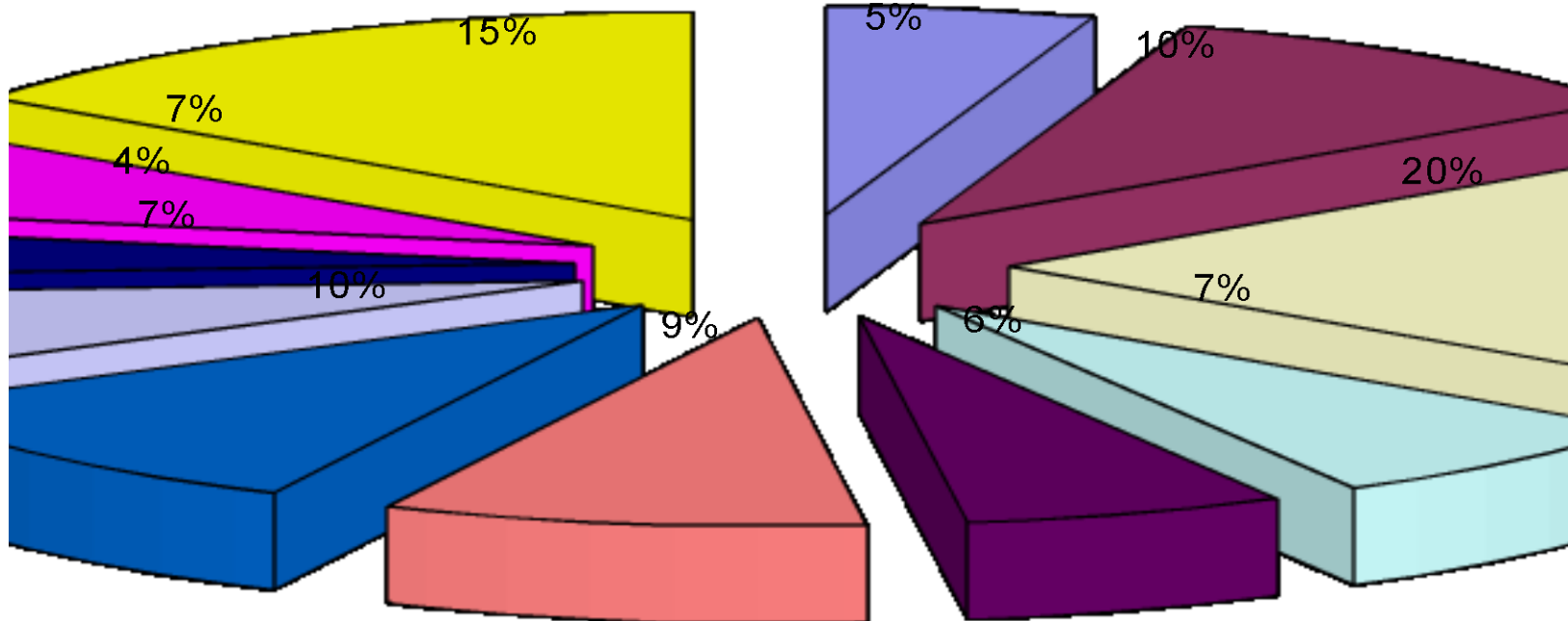
- Independence on HW (Shared datacentre)
- Standard services
- Distributed infrastucture

– External cost (variable cost)

- Only variable cost (performance pay)
- Independence on lack of skilled resources
- High availability and security

Outsourcing trends

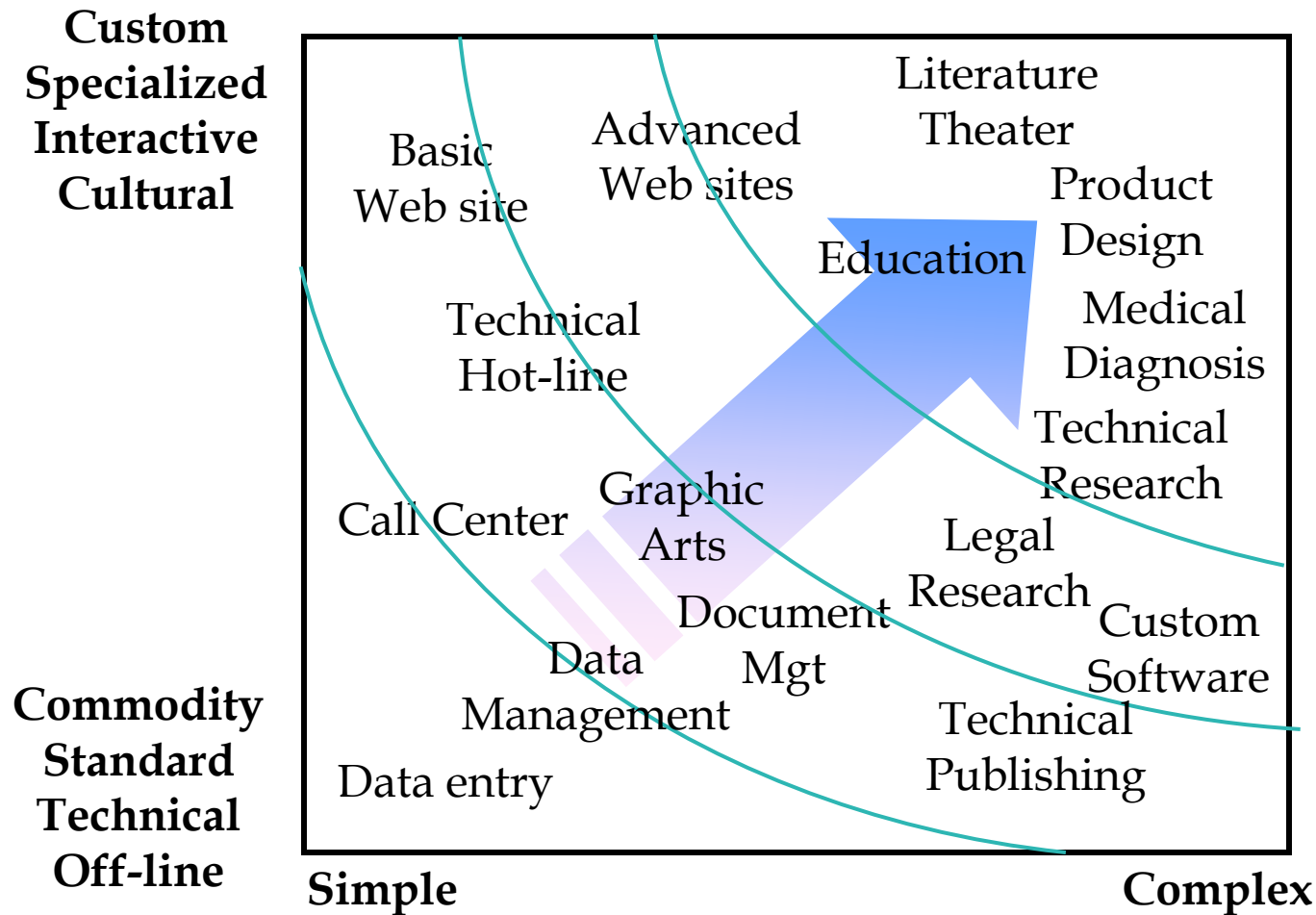
- Outsourcing by towers



Types of outsourcing

- **Personal outsourcing**
 - Staff and services providing
- **Complex outsourcing**
 - Staff, services and all resources providing
- **Partial outsourcing**
 - Staff, services and some resources providing
- **Business process outsourcing (BPO)**
 - Services providing

IT-enabled Services



Benefits and opportunities of outsourcing

- **Economical – financial**
 - Clarity and cost reduction
- **Personal**
 - Availability of skilled staff
- **Administrative – factual**
 - Risk delegation on outsourcing supplier

Service Level Agreement

- **Basic specification, conditions and rules**
 - Service description, metrics, payment conditions
- **Hard metrics**
 - availability, response time
- **Soft metrics**
 - Quality of outsourcing services

Discussion

Thank you for your attention