



LATITUDE

EXECUTIVE CONSULTING

Technology and Consulting - Newsletter

The organisations covered in this issue are:

1. Logica
2. Capgemini
3. Atos
4. IBM
5. Accenture
6. Infosys
7. Vodafone
8. Pegasystems
9. KPMG
10. Diligenta
11. Cognizant
12. CSC

December 2011

Welcome to Latitude Executive Consulting's latest newsletter, reviewing recent marketplace activity. The newsletter focuses on the Technology and Consulting sectors, with the material sourced from a range of media and business contacts/partners.

1. Logica

- Logica has promoted Melba Foggo – a member of its global business consulting leadership team – to Managing Director of UK business consulting.
- Reporting into new Logica UK CEO Gary Bullard and global business consulting leader Amanda Mesler, Foggo will remain Head of Logica's International Practice for Sustainability, alongside her new role.
- Her remit will be to grow Logica's UK business consulting practice, with a focus on future IT, including cloud computing, security, sustainability, customer intelligence, business information management, and business change and transformation.
- Commenting on her appointment, Foggo said "I see this as a great opportunity to expand a business that already has a strong industry presence and a large number of successes behind it. This is a critical time for UK organisations and knowing we can make a real difference through our consulting services is motivating."
- Her move to lead UK consulting and Bullard's arrival has coincided with Logica's announcement of its third-quarter results, which show a 3% fall in consulting and professional services revenue, caused by what the company terms "mixed trends across our markets".
- However, despite this downturn, over the nine months to the end of September, Logica's consulting and professional services business generated stable revenue, with overall revenue in the third quarter rising 2% on last year's comparable quarter to £914 million.

2. Capgemini

- Capgemini has reported Q3 revenue up 5% to €2.4 billion (£2.1 billion), helped by a 6% average gain across the 'cyclical' activities of consulting, IT and professional services.
- Confirming its stance on sustainable consulting revenue, Capgemini said its third-quarter bookings totalled €2.2 billion, with consulting, technology and local professional services increasing bookings by 6%, while outsourcing bookings fell slightly through the early renewal of several major contracts.
- There was 1% growth in the UK and Ireland (affected by public spending cuts), with an increase of 5% in North America and 8% in France.
- For the full fiscal year, Capgemini has maintained its objectives of 5% revenue growth and a 0.5 point gain in its operating margin.

3. Atos

- Atos has partnered with Beijing-based software firm Ufida to create a joint venture (called Yunano) that will deliver cloud computing. The initiative enables Atos to expand its footprint in China and Ufida to make its first foray into Europe.
- The two companies have invested €5.7 million (£4.9 million) in the joint venture, with 70% of the shares held by Atos and 30% by Ufida. Headquartered near Paris, Yunano plans to provide one-stop products and services that can be localised, as well as cloud applications including financial systems, ERP management software and IT consultation.
- Atos Chairman and CEO Thierry Breton commented: "Creating this joint venture is an important step in our strategy to further grow our market share in cloud services in Europe and our business in China. Ufida is the leading software company in China with more than 200 branches, 12,000 employees, more than 1.2 million customers and excellent credibility in the market. Our combined forces will accelerate our innovative offering of cloud computing and IT services to serve customers globally."

4. IBM

- IBM has reported a strong quarter in difficult economic conditions, with pre-tax profit rising 7% to \$5 billion and revenue up 8% to \$26.2 billion.
- IBM's global business services division - including consulting - made 13% more pre-tax profit in the third quarter of this year, than in last year's comparable period. Profit reached \$2.5 billion, on revenue rising 8% to \$15.1 billion
- IBM CEO Sam Palmisano commented: "In the third quarter, we drove revenue growth, margin expansion and increased earnings as a result of our innovation-based strategy and continued investment in growth initiatives. Growth markets delivered outstanding revenue performance and we also achieved strong results in Smarter Planet, business analytics and cloud."
- All IBM's geographies increased their revenue during the quarter, with EMEA up 9% at \$8 billion, the Americas up 7% at \$10.9 billion and Asia-Pacific up 10% at \$6.5 billion.
- Palmisano has also announced that he will be replaced by Virginia Rometty as President and CEO with effect from 1 January 2012. Palmisano will remain as chairman. Rometty is currently Head of Sales, Marketing and Strategy, and previously led the formation of IBM global business services.

5. Accenture

- A multi-year deal has been signed between UK-based mining company Anglo American and Accenture to provide application development and management services. The contract is designed to help the mining giant simplify its existing supplier base, support its application portfolio, and improve service reliability through upgraded performance.
- Accenture will manage Anglo American's global suite of commercial applications across group functions and its platinum, copper, nickel, iron ore, thermal coal and metallurgical coal commodities business. To do this,

it will provide IT consulting and development services to build and test applications, as well as ongoing application maintenance and support.

- Rik Vervisch, Senior Executive in Accenture's mining industry group, explained: "Consolidating global application development and management services will enable Anglo American to realise IT synergies and reduce application development and management costs. We look forward to helping the company build and maintain a high-performance application suite to support its strategic programmes over the coming years."

6. Infosys

- Export Development Bank of Egypt (EDBE) and Infosys have announced the successful implementation of Finacle universal banking solution across EDBE's operations in Egypt. Infosys has implemented Finacle core banking, treasury and CRM solutions in over 20 branches across the country. The solution went live in just seven months and is at the core of EDBE's retail growth strategy and its promise of enhancing customer experience across services. EDBE now operates its entire banking operations on Finacle to support a customer base that covers more than 70,000 accounts, about 70% of which are Egypt's most important corporate customers.
- Export Development Bank of Egypt is a public shareholding company that operates in the banking sector. The Bank offers banking and financial services, which encourage the export activities of the agricultural, industrial, commercial and services sectors. The bank sought to move to a technology that would act as a catalyst for change to achieve the following: scalability to meet future expansion plans; flexibility to integrate its services across channels and provide innovative products to customers with faster turn-around time and reduced total cost of ownership; agility to manage the transition into retail banking; centralization of all back-office functions on the platform to ensure more control over business processes and significant improvement in branch productivity.
- Leveraging Finacle, the bank now has a centralized system for all its branches and is empowered to create a differentiated customer experience through a unified customer view of its retail & corporate customers. EDBE has also been able to seamlessly integrate its services across branches, reducing time taken for end of day activities by 75%.
- Speaking on the partnership, Mr. Magdy Ramadan, CIO, Export Development Bank of Egypt, said, "New age banking requires an advanced core banking platform. A renewed technology focus is vital to achieving our business objectives of growth and customer satisfaction. Finacle with its unmatched delivery track record, has proven its excellence in retail banking operations. The implementation of Finacle and the ease with which it interfaces with other external systems has helped us reduce our turnaround time and centralize operations across branches, thus radically improving our efficiency and customer service. The ease of implementation was a satisfying experience and we are excited to be part of this successful partnership".
- According to Haragopal Mangipudi, Global Head - Finacle, Infosys, "Core system replacement is one of the top priorities for banks all over the world, driven by the inadequacy of current systems to provide a platform for

growth. We are delighted to partner with EDBE in their technology-led transformation journey. The transition from legacy to centralized new age Finacle systems has been smooth and achieving this in just seven months is an accolade for the hard work, passion and perseverance of the entire EDBE and Finacle team. The success of this implementation will go a long way in helping EDBE gain leadership in their focus market.”

7. Vodafone

- Vodafone UK has announced the appointment of its first Head of Public Services Network (PSN). The move highlights Vodafone’s continued support of public sector transformation and recognition of the role the PSN framework will play in achieving it. PSN aims to leverage the scale of the public sector and support standardised technologies that can be adopted more broadly to create an open, collaborative environment for all UK Public Sector employees.
- The new Head of PSN, Simon Holmyard, who comes from within Vodafone’s public sector sales and management teams, will work closely with the Cabinet Office and other key areas that are tasked with the PSN’s development and delivery.
- Simon will represent Vodafone’s expertise in delivering innovative communications solutions and services that will further support the demands of the new government ICT strategy and the PSN framework itself. He will also work closely with Vodafone’s public service teams, who are dedicated to helping specific parts of the public sector, to ensure the company meets each area’s individual needs.
- Vodafone has a long standing relationship with public sector bodies as a trusted communications partner. It has most recently been working closely with police, health, central and local government organisations to help them improve the speed of delivery of public services.
- Vodafone has been championing the use of innovative communications technology to deliver new ways of working which can generate substantial savings for public sector bodies, for example by reducing the need for fixed office space. Vodafone’s technology also lets employees work from wherever they need to which helps organisations improve productivity and speed up the delivery of public services.

8. Pegasystems

- Pegasystems Inc. the leader in Business Process Management (BPM) and software for customer centricity, today announced significant enhancements to the company’s Customer Process Manager (CPM) customer service solution that extend the product’s capabilities in monitoring and acting on social media, offering true multi-channel support for customer inquiries and interactions.
- Pega CPM’s process-centric capabilities maximize the value of every customer interaction across all communication channels including social and mobile. The solution provides a state-of-the-art customer service solution that automates critical interaction activities and reduces manual and inconsistent treatments. Pega CPM seamlessly integrates to existing systems to accelerate deployments and provide service staff access to key

customer information in every inquiry, boosting service quality and driving greater efficiency throughout the enterprise.

- Recognized as a leader in Customer Service Solutions, CPM utilizes Pega's patented Build for Change technology to provide staff the right information at the right time, delivering a superior customer experience and a dramatic increase in productivity. The new capabilities uniquely enable organizations to provide personalized customer service and realize a rapid return on investment.
- With industry-leading case management functionality, businesses can now manage and automate complex interactions that frequently extend beyond the contact center and into the back-office.

9. KPMG

- KPMG continues to build its risk consulting practice with the appointment of Paul Evans as a Director. Evans joins from the Serious Organised Crime Agency (Soca) to bolster a management team that includes three recently promoted partners and 14 new directors at the top of the 1,100-strong UK practice.
- Evans will work with KPMG clients to ensure risk is on the boardroom agenda and advise on the challenges they face. At Soca, he was Executive Director for intervention with responsibility for establishing a new approach to organised crime. He also led Soca's international network, its asset recovery and financial crime portfolios, and its national cyber crime team.
- Previously, Evans was Chief Investigation Officer at HM Revenue & Customs, where he had responsibility for the conduct of the organisation's criminal investigation and asset recovery casework.
- Adam Bates, UK Head of Risk Consulting at KPMG commented: "Paul is uniquely placed to advise businesses on the significant challenges they face. His background means he is also able to stress-test an organisation's ability and help it make appropriate decisions when under extreme pressure."

10. Diligenta

- Diligenta, Tata Consultancy Services' (TCS) UK business process outsourcing subsidiary, has won a £1.4 billion, 15-year contract to administer 3.2 million policies for pensions and insurance giant Friends Life.
- This deal adds the administration of over 3 million policies to a base of about 5 million policies they handle for other insurance companies. Around 1,900 Friends Life staff across the UK will transfer to Diligenta and continue to service Friends Life customers. Diligenta and TCS will provide IT infrastructure and services, with some policies being migrated to TCS BaNCS Insurance, a global insurance platform run by TCS.
- Friends Life CEO, Andy Briggs, said: "This long-term partnership with Diligenta gives our business the speed and flexibility to deliver the right solutions for our distributors and their clients."

11. Cognizant

- Cognizant Technology Solutions Corporation has announced its third quarter 2011 financial results. Revenue for the third quarter of 2011 rose to \$1.601 billion, up 31.6% from \$1.217 billion in the third quarter of 2010.
- “Cognizant has delivered another strong quarter of industry leading revenue growth with non-GAAP operating margins within our target range. Growth during the quarter was again broad-based across our portfolio of industries, services and geographies,” said Francisco D’Souza, President and CEO. “In spite of persistent macro-economic uncertainties, clients throughout the world continue to invest thoughtfully and strategically in their businesses and are directing investments toward building agility to drive the dual mandates of operational efficiency and business transformation. Cognizant’s continued investments across multiple service horizons help address these dual mandates and drive superior business value regardless of the economic environment”

12. CSC

- CSC has announced the signing of a new outsourcing agreement with global defense and security company, BAE Systems. The five-year contract replaces the existing agreement that was due to expire in April 2012. The estimated contract value is up to \$160 million per year. The agreement was signed during the third quarter of CSC fiscal year 2012.
- CSC will deliver a full range of IT services, including service desk, collaborative services, end user compute, mainframe, physical/virtual servers, storage and networking, service request fulfilment and project services and application maintenance and support.
- “Signing this new agreement with CSC demonstrates the success of our long-standing business partnership,” said Dean McCumiskey, BAE Systems Global Chief Information Officer. “As the defense industry continues to evolve, CSC’s expertise and support in delivering highly competitive, value for money services across our business in support of our strategic and operational objectives will be invaluable.”
- “We are pleased to have finalized this new contract and look forward to supporting BAE Systems’ dynamic, changing business,” said Andy Williams, President of CSC’s Northern European operations. “This fourth generation IT outsourcing agreement recognizes CSC’s ability for delivering an excellent service, providing cost efficiencies as well as innovative technology-enabled solutions to complex business challenges.”

The above information has been sourced from a range of media publications and statements made in public company announcements. Latitude Executive Consulting acknowledges all copyright and trade names. The information does not represent Latitude Executive Consulting’s view or opinions. Copyright, Latitude Executive Consulting, 2011.



Introducing Latitude Executive Consulting

Latitude Executive Consulting, founded in 2003, has a wealth of experience in hiring senior leadership and commercial profiles spanning every major sector and geography. Our teams of experienced, market-specific Consultants and multi-lingual Researchers ensure the successful delivery of assignments globally.

Our expertise has created an exacting and contemporary recruitment service that is thorough yet agile. We have the flexibility to source people expediently, enabling our clients to hire the best possible talent in the shortest practical timescales.

Through the utilisation of market leading technology, processes and infrastructure we engage in a combination of methodologies to maintain, update and grow a community of function and sector specific contacts. Through constant communication with this network we are kept apprised of all market developments and are able to track individuals throughout their careers.

Our approach applies the highest standards of professionalism through a proven delivery mechanism that never compromises on quality.

Contact

Please call us on 020 7292 8630 or visit www.latitudeexec.com for more information on our range of services.