

# DIGITAL DESIGN

## SOFTWARE + SERVICES

An instrument for improved business efficiency + step-by-step  
implementation approach

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# DIGITAL DESIGN

DIGITAL  
DESIGN

- Founded 1992, HQ – St. Petersburg, Russia, 350 employees, 16 mln EUR revenue 2008
- IT consulting and software development company with 1000+ projects completed in **business solutions, custom software development, document management, infrastructure solutions and technical education** in different verticals
- Microsoft Gold Certified partner (12 competences) for 15 years
- Primary supplier of SW development services for Russian Railways
- ISO and CMMI Level 3 certified





How to increase IT infrastructure efficiency without great expenses?



How to upgrade your legacy software instead of re-developing it?



Software + Services and S+S Enabling



Step-by-step approach to S+S enabling concept

# WHAT DOES BUSINESS WANT FROM IT?

**1** IT infrastructure readiness for the business efficiency

Only **34%** of organizations say that IT infrastructure, applications, data and processes form well-performed system\*\*

**2** Focus on core activities: let business do what it is best in

Organizations, where IT brings added value by enabling of innovations and business development: in 2008 – 78%, in 2009 – **82%\*\***

**3** Achieve strategic business goals with proper software and IT infrastructure with less efforts and more results

**40%** SME companies of Finland assert, that total expenses on IT is rising in 2009  
The biggest part of IT personal resources is used for different kind of maintenance and support activities\*

**4** Your current IT infrastructure may work more efficiently and cost less

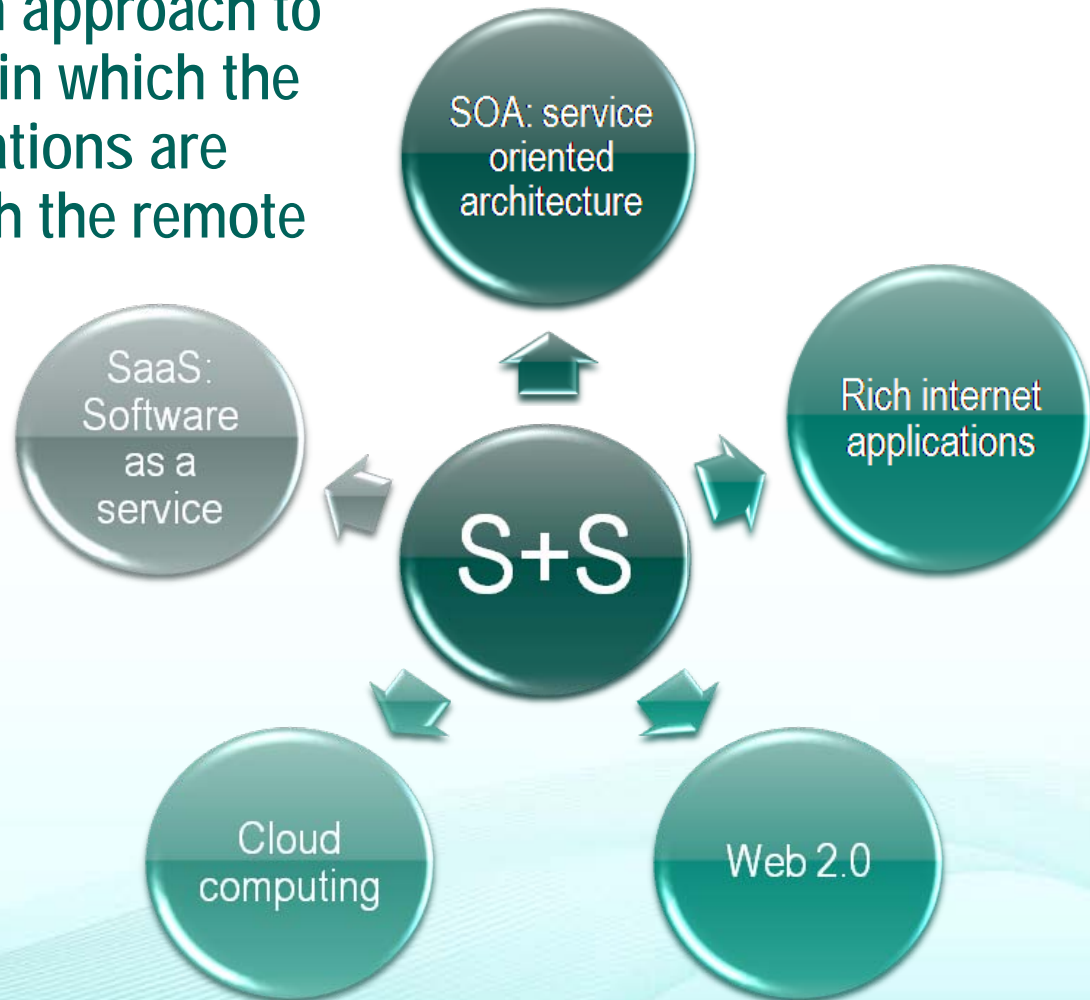
Cost reduction gained because of optimization of IT, part of turnover: in 2008 – 4,54%, in 2009 – **7,57%**  
Saved costs due to optimization of organizational process by IT – **7.6%\*\***

# LEGACY APPLICATIONS: HEAVY BURDEN

- Dozens of systems, different suppliers
- No integration, duplicated functionality , workflows and data entry
- Desktop applications, limited access
- Maintenance problems: legacy skills, rising costs
- Only step-by-step modernization is possible
- Huge investments already made: HW\SW, personnel, business processes and data
- TO BE CONTINUED....

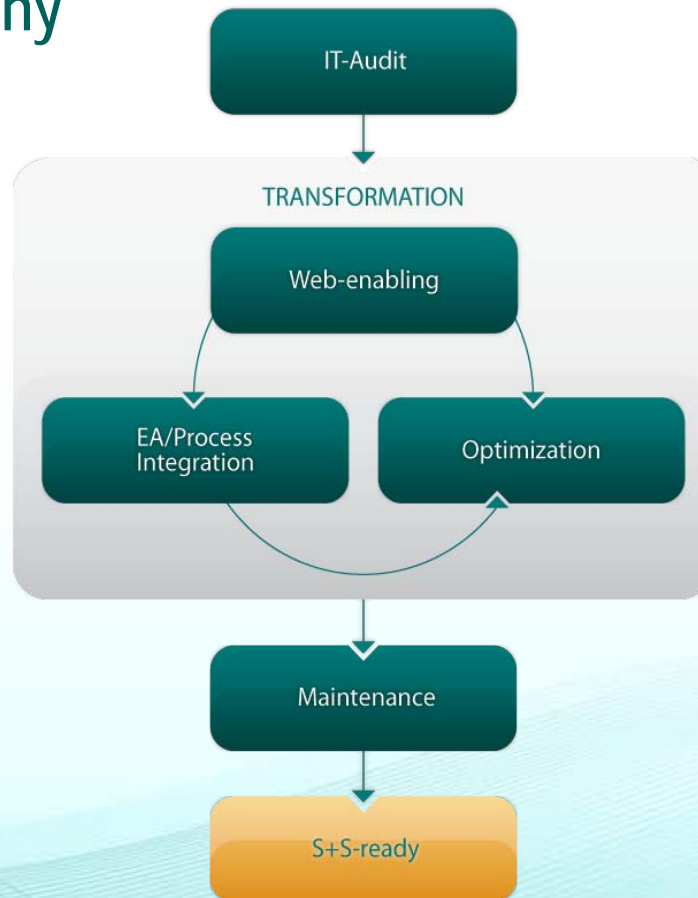
# SOFTWARE + SERVICES

Software plus services is an approach to the software infrastructure, in which the traditional packaged applications are combined and extended with the remote services available online



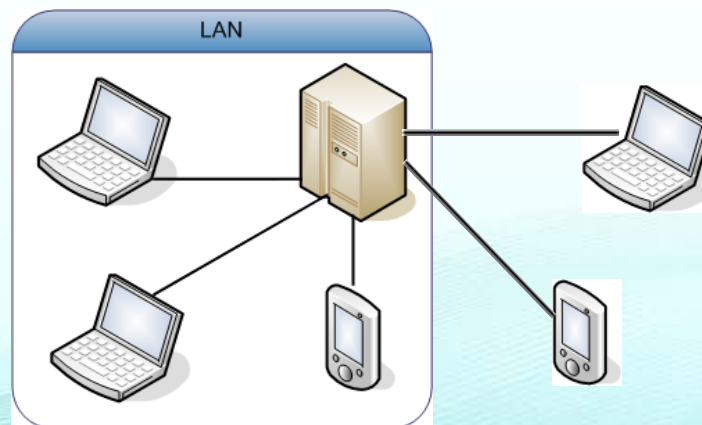
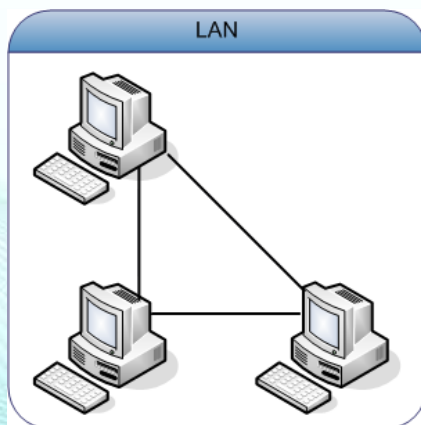
# FROM LEGACY TO S+S-READINESS

To make the modernization successful and seamless it must be planned well as a sequence of steps, each of which has its own value for the company



## Advantages:

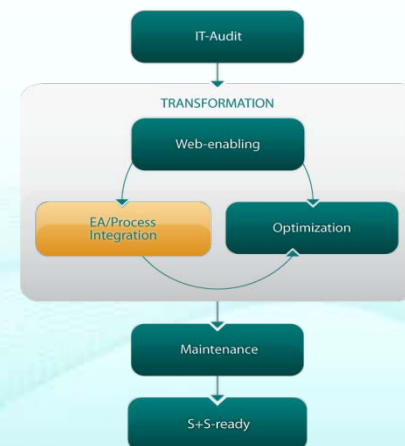
- Re-use of the existing application base
- Reduced maintenance and administration costs
- Increased reliability
- Manageable access to the system for non-employees
- No limit on scalability



# EAI/PROCESS INTEGRATION

## Purposes:

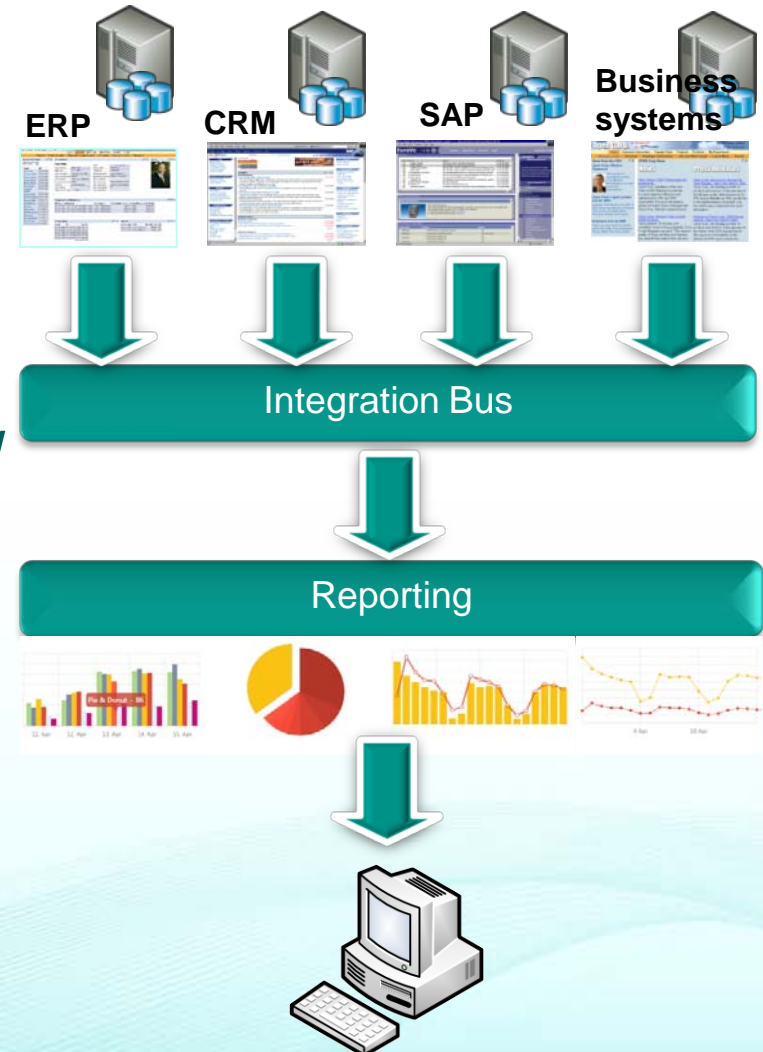
- EII (Enterprise Information Integration) - keep the data consistent, comparable and full
- Vendor independence – extracting business policies or rules from applications, so that even if one of the business applications is replaced, the business rules do not have to be re-implemented.
- Common Facade: single front-end for a cluster of applications, providing a single consistent access interface



# EAI/PROCESS INTEGRATION

## Advantages:

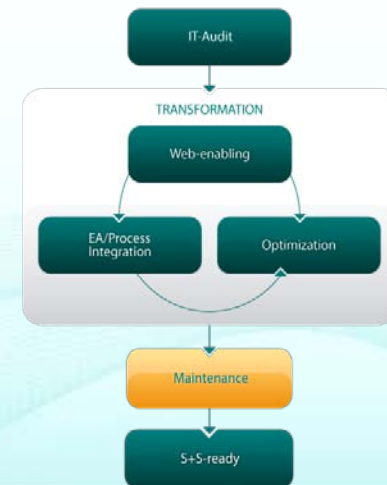
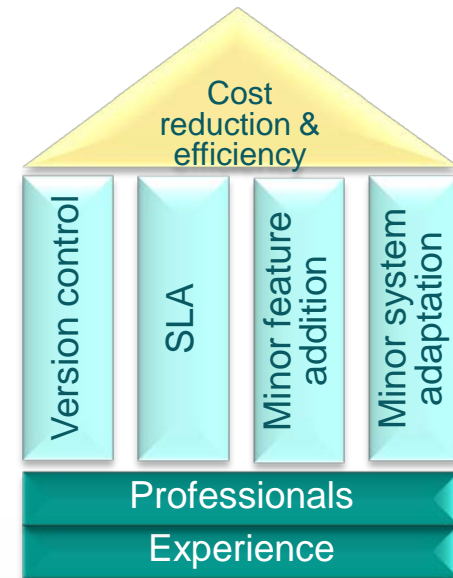
- Single interface shields users from having to learn to interact with different software packages
- Transparent manageable process joins the processes, automated by each single application in the cluster
- Single data warehouse, simplicity of composite analytical reports
- The whole is greater than the sum of its parts



# OUTSOURCED MAINTENANCE

## Advantages:

- Improvement of service utilization efficiency
- Providing of service availability level guaranteed by SLA
- Significant cost reduction due to economy of scale
- Higher degree of independence from your service provider due to a well-documented application maintenance process
- Access to state-of-the-art technologies



# OUTSOURCED MAINTENANCE

## Comparing to internal IT-personnel

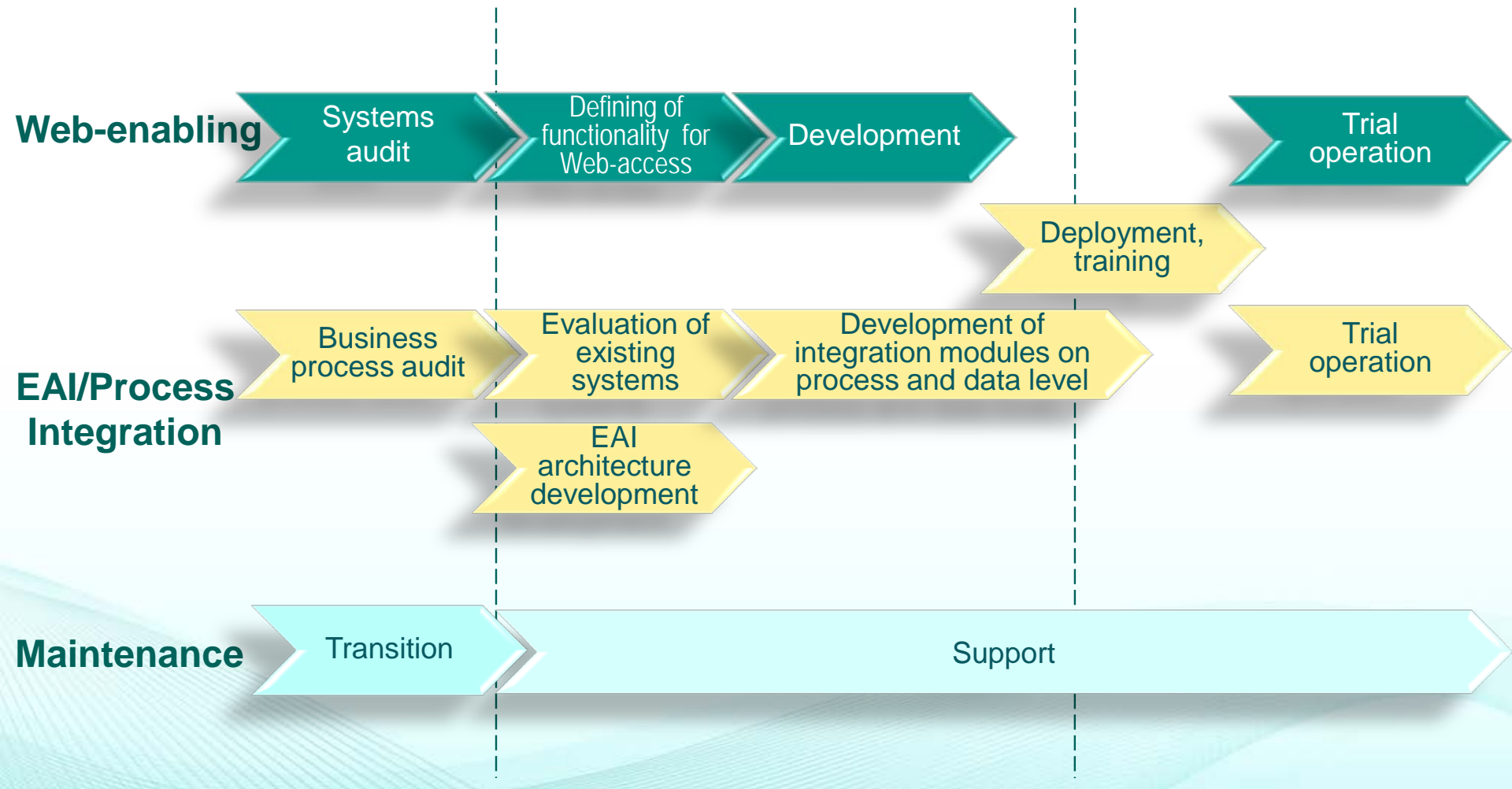
| Criteria           | Internal personnel   | Outsourced Maintenance                         |
|--------------------|--|--|
| Responsibility     | Physical body  | Artificial person                              |
| Experience         | Personal experience  | Professional approach,<br>confirmed experience |
| Quality of service | Matter of personal control   | Measurable criteria of SLA                     |
| Confidentiality    | Labor agreement  | NDA  |
| Expertise          | Has to be an expert in the variety<br>of the systems including ERP,<br>CRM | Provides a team of specialists                 |

## Advantages

- Better continuity of your business through improved performance and reliability of your applications
- Minor initial investment on services launch due to reduction of hardware and software licenses purchase
- IT Flexibility - your IT infrastructure is agile and can be adjusted to the changing needs of your business, varying from in house IT to outsourced IT.



# WORK DECOMPOSITION



# S+S ENABLING VS TRADITIONAL APPROACH

| Criteria               | Traditional Approach to IT Infrastructure Management                                     | S+S Enabling Approach  |
|------------------------|--|--|
| Investments            | New investments into system development/acquisition; loss of previously made investments | Saves investments made into old systems development/acquisition                    |
| Time to production     | Full development cycle   | Re-use of the existing systems – short development cycle                           |
| Personnel education    | Obligatory education of the staff to start usage of the new systems                      | Facultative education since the staff could continue using customary procedures    |
| Complexity             | «Patched» approach – infrastructure parts updates on ad hoc base                         | Comprehensive approach – whole infrastructure is involved into coordinated process |
| Continuity of business | Discontinuity through systems replacements   | Natural smooth changes   |
| Final result           | Endless process  | Has ultimate goal  |

