Computer Sciences Corporation Accelerates Innovations to Capture New Business Opportunities

Executive Summary

CUSTOMER NAME Computer Sciences Corporation

INDUSTRY

Service Provider

BUSINESS CHALLENGES

- Identify new, high-growth service models
- Differentiate offerings to prevent services from becoming commoditized
- Develop strategy for offering new and differentiated, network-enabled services and applications

SOLUTION

Work with the Cisco Internet Business Solutions Group to analyze market opportunities, plan and prioritize new service offerings, and create a compelling business case to guide current and future investments

BUSINESS RESULTS

- Intelligent framework for prioritizing new market opportunities
- Strategy to identify and double the managed services revenue
- Strategic roadmap for introducing new services and for guiding investments

Leading global systems integrator Computer Sciences Corporation (CSC) was searching for ways to enhance their portfolio of services with new innovative, differentiable service offerings. With assistance from the Cisco[®] Internet Business Solutions Group, CSC formulated a cohesive strategy for deploying a new portfolio of networkenabled service offerings that could lead to significant increases in revenue and improve value-creation for customers substantially.

BUSINESS CHALLENGES

Computer Sciences Corporation (CSC) is a leading global outsourcer and systems integrator, serving nearly half of all Fortune 500 companies over the past decade. Today, more than 5,000 financial institutions use CSC software, and the company's 79,000 employees manage nearly 400 data centers and 1.3 million desktops worldwide.

Like most systems integrators, CSC had historically focused on providing customized solutions for its customers, rather than on building centralized, scalable offerings. While CSC had achieved extraordinary success, the company's leaders recognized that the market was changing. Basic outsourcing and systems integration opportunities were shrinking, and customers increasingly viewed these services as undifferentiated commodities.

"Our focus is on innovation as a way to enable competitive differentiation, delivering advanced capabilities that enable our customers to streamline and transform their



Prepared by Internet Business Solutions Group

2

business processes," says Marwan Shishakly, vice president, global solutions and technologies, CSC. "We believe that this approach provides a vehicle for CSC to stay ahead of the competition."

"The Cisco consultants' approach was different. They were able to take a much closer view of our realities because of their unique position in the marketplace and their understanding of application-aware and application-sensitive networking."

> Marwan Shishakly, vice president, global solutions and technologies Computer Sciences Corporation

CSC's leaders believed the solution lay in developing new product management capabilities and in creating innovative new offerings that would be centrally delivered and scaled to customers worldwide. CSC's Global Infrastructure Services (GIS) division—the business unit that built and delivers the company's worldwide network backbone—believed the CSC network offered the ideal platform for delivering new services. Historically, the network had played a key role in many CSC activities, but it had not been a central component of the company's business strategy. Repositioning the organization to focus on centralized, network-enabled services would require a significant organizational shift—as well as a clear strategy for identifying and attacking new business opportunities.

SOLUTIONS

CSC engaged with several outside consultants to develop a framework for adopting new, networkenabled capabilities. The output of these engagements laid the groundwork for establishing the strategic direction. Nevertheless, the team still felt they required a more detailed roadmap to prioritize and implement the new offerings. They also needed to integrate all of their ideas into a compelling business case that could guide CSC's technology investments. They turned to the Cisco[®] Internet Business Solutions Group (IBSG).

"We started developing a view of our investments, and trying to align those investments with the best opportunities in the market," says Cal Wood, director, network strategy/product management, CSC. "We had worked with some outside consulting firms, and we asked Cisco to help us vet some of the ideas that came out of those engagements. Cisco IBSG was able to assist us with quantifying the size of the addressable markets and identify those areas that CSC was best suited to attack."

IBSG helped CSC review and segment the overall marketplace, assess the size and growth rate of the various opportunities, and identify steps CSC would need to take to deliver each solution. Based on this work, CSC narrowed its focus to three primary offerings: WAN/server optimization, content management, and application acceleration—providing customers with a more intelligent network infrastructure that can identify and control traffic on a granular, per application basis.

"We were able to jointly prioritize the leading opportunities for our business unit and assess how those opportunities meshed with CSC's larger business strategies," says Wood. "IBSG then put together a consistent view of the addressable market space within those various opportunities. We were able to group those ideas into portfolios and create a detailed roadmap for new investments based on those services we could offer today, what we could add to augment those services, and which investments would be likely to produce value first."

3

Prioritizing and quantifying the market opportunities naturally highlighted the importance of a centralized service model within CSC to deliver the new services cost-effectively. The data helped the CSC team build a sound business case around investing to develop an applications-aware portfolio of network-enabled services. Most important, the work offered more than generalized strategic direction. It provided a detailed roadmap for actually deploying new service offerings and guiding specific investments in the future—backed by the same research Cisco uses to guide its own business investments.

"The Cisco consultants' approach was different; they were able to take a much closer view of our realities because of their unique position in the marketplace and their understanding of application-aware and application-sensitive networking," says Shishakly.

"We were able to jointly prioritize the leading opportunities for our business unit and assess how those opportunities meshed with CSC's larger business strategies."

> Cal Wood, director, network strategy/product management Computer Sciences Corporation

BUSINESS RESULTS

With help from IBSG, CSC was able to drill down to gain a more comprehensive understanding of the market opportunities, narrow the company's focus around the best possibilities, and develop a detailed, compelling business plan to attack them. Through this work, IBSG was able to help CSC identify the potential for significant increases in custom-integration revenue. Ultimately, the CSC team was able to develop a cohesive strategy to help transform CSC into a more innovative, competitive, and forward-looking business.

"Our collaboration with IBSG helped us understand where the competition was right now, where Cisco felt that competition would likely be in the future, and the key concepts to think about in order to differentiate our services in those spaces," says Wood. "We believe the path we developed presents an opportunity to grow our business."

Internally, CSC's work with IBSG has helped define a cohesive strategy for implementing centralized, network-enabled service offerings and for building a compelling business case for viewing the CSC network portfolio of solutions as a strategic differentiator.

"As our business continues to evolve, the focus and planning going on to enhance the network portfolio of services has assumed ever more importance," says Shishakly.

The CSC team also believes their work with IBSG helped validate their own strategic plans for rolling out new, differentiable service offerings, and for providing a sound framework to guide CSC's investment decisions.

"While other consultants and business analysts we had engaged with provided insight into the addressable market opportunities, this did not always translate into innovative new offerings. It was extremely helpful to work with Cisco and confirm where their thinking was the same as ours and where it differed. This validated the firmness of our convictions in terms of our direction," says Shishakly.

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"Our collaboration with IBSG really helped us understand where the competition was right now, where Cisco felt that competition would likely be in the future, and the key concepts to think about in order to differentiate our services in those spaces. We believe the path we developed presents an opportunity to grow our business threefold."

> Cal Wood, director, network strategy/product management Computer Sciences Corporation

NEXT STEPS

CSC has begun preparations for implementing some of the new services the company identified as key business opportunities. It has launched a cross-functional effort to develop the applicationaware networking portfolio of services, encompassing stakeholders from throughout the organization. CSC leaders believe these services represent a natural next step for the company, given the breadth of its experience supporting and managing business applications. IBSG is playing a key role in this effort, and is continuing to work closely with CSC to help define optimal strategies to make this effort a success.

5

MORE INFORMATION

The Cisco Internet Business Solutions Group (IBSG), the global strategic consulting arm of Cisco, helps Global Fortune 500 companies and public organizations transform the way they do business—first designing innovative business processes and then by integrating advanced technologies into visionary roadmaps that improve customer experience and revenue growth.

For further information about IBSG, visit http://www.cisco.com/go/ibsg



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