

IT Outsourcing as an Option for SMEs

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e-Business Is Everywhere



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Change is inevitable

- Companies are finding more players in their industry
- We are having more sophisticated consumers
- Influx of new technologies



How you got where you are today may not take you to where you want to go tomorrow.



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Why Outsource your IT


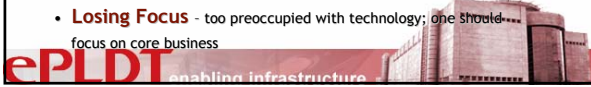
- IT is key to strategy and competitiveness
- Dramatic increase in demand
- Flat or declining IT budgets
- Tenure labor model and aging plant
- Cost cuts target non-instructional programs



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e-Business Strategic Challenges



- **Costs** - requires upfront infrastructure, hardware and software investment
- **Constant changes** in technology
- Need to **secure** network and ensure system uptime (virus attacks, security threats & system outages)
- Formidable task of **integrating** the system
- External customer **adaptability** to the system
- **People** - internal resistance; need for skills development, additional IT support resources
- **Losing Focus** - too preoccupied with technology; one should focus on core business

So, what's your option?



"Shift these risks to a service provider who is equipped and organized to manage the changes."

OUTSOURCE



What is Outsourcing?

Outsourcing is securing, through a contractual arrangement with a third party, the resources, with the required core competencies, to enable the continuance of those activities which are mission critical for the well being of the Enterprise, but do not fall within the Enterprise's own core competencies.

Why outsource?

- Reduces operational costs
- Increases IT expertise presence
- High Speed end to end connectivity
- Quick time to market
- Easier to scale
- 24x7 management
- Evolution of the www as a platform for business, impacting both communications, and efficiencies
- Increasing sophistication of web centric architectures

What can you Outsource?

- Internet Infrastructure
- Data Center Infrastructure
- Data Security
- Infrastructure Management
- Software and Applications ???

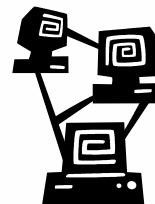


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What can you Outsource NOW?

- Internet Infrastructure
 - Internet Connectivity
 - Office Connectivity
 - Web Services
 - eMail Services
- Data Center Infrastructure
 - Server Hosting
 - Managed Storage
 - Outsourced Software Infrastructure



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What can you Outsource Now?

- Data Security
 - Managed Firewall
 - Managed Gateway AV
- Infrastructure Management
 - Managed Helpdesk
 - Managed/Outsourced Call Center Infrastructure
- Full IT Outsourcing



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Managed Applications?

- Application companies and service provider are re-visiting ASP as a model to deliver their applications
- We may see...
 - Outsourced CRM
 - Outsourced SFA
 - Outsourced Financial Applications
 - Outsourced ERP
 - Outsourced School System



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What does it give you?

- Internet presence
- eCommerce Sites
 - Web Storefront
 - Electronic Load
- Content
- Support Applications
- VAR for Outsourced Service

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Summary

- Outsourcing has become an accepted management tool worldwide
- Companies have outsourced operational activities to improve their capabilities, implement needed change quickly, or reduce cost or risk
- Outsourcing becomes a valuable tool for SMEs to compete in the growing global economy.

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Outsourcing

“Outsourcing is something that you will be involved in sooner, rather than later.”



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Thank You!

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