

next generation Application Development and Maintenance proposition

Business Aware, Future Proof



next generation
**Application Development
and Maintenance**

Brief Overview

Companies and other large organizations face a growing number of opportunities and challenges, which require their IT function and its services to become more 'Business Aware' and 'Future Proof' to deliver on market-oriented objectives such as:

- Offering a superior value proposition and service levels to their end customers
- Reducing time-to-market responding to changing consumer behavior and the need to support multiple channels-to-market
- Accelerating access to opportunities from globalization based on a relevant value proposition, while maintaining a prudent cost structure, etc.

Large organizations often have a siloed and vastly heterogeneous application landscape, which results in IT management and business performance challenges. In order to remain competitive, businesses constantly need to control costs, so that the IT organization must be prepared to deliver more with less. This dual objective is attainable only if firms realize cost reduction combined with innovation (aligned to the strategic intent of the firm) as two sides of the same coin.





Capgemini's next generation Application Development and Maintenance proposition

Capgemini's next generation Application Development and Maintenance (next generation ADM) proposition is a business process-oriented, industrialized approach to ADM that delivers:

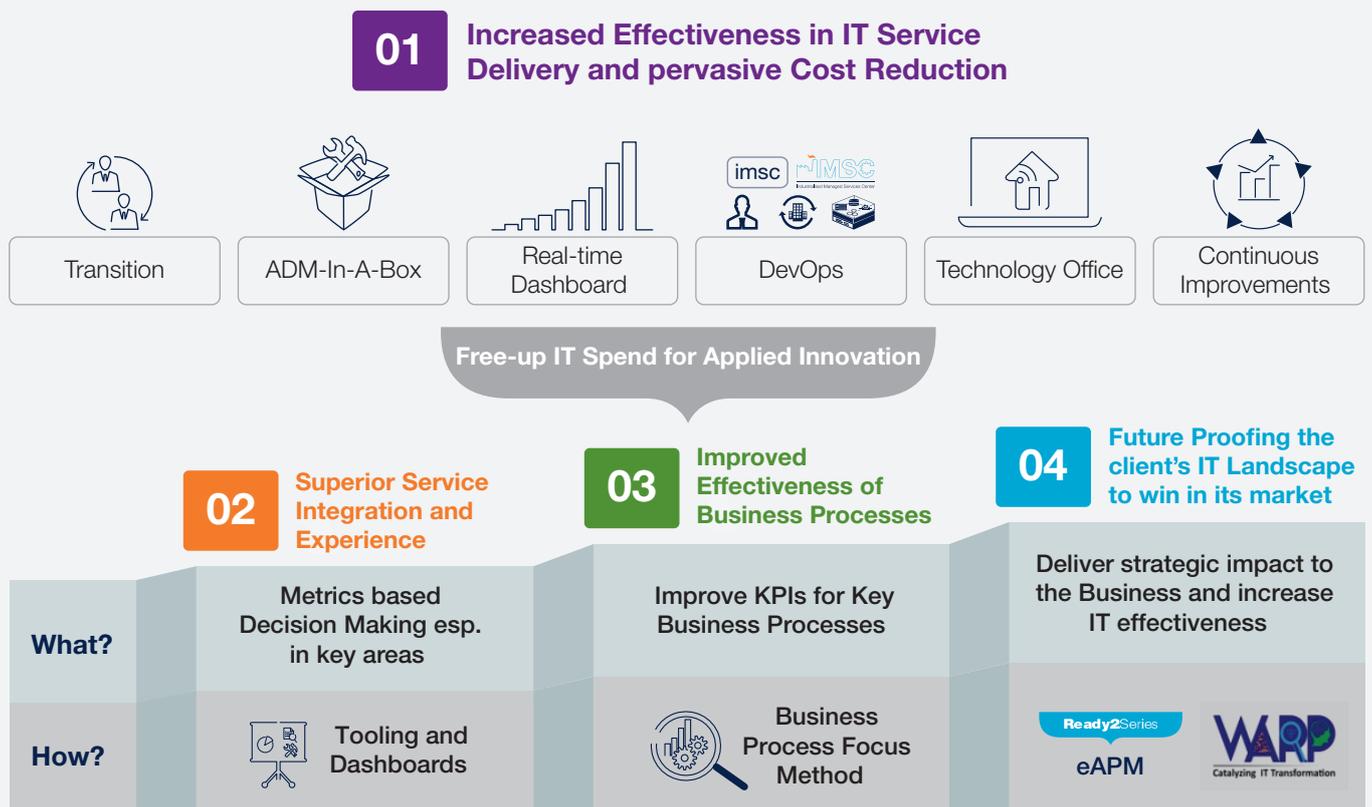
- 'Always-On' availability to execute business transactions
- Pervasive cost reduction
- A 'Business Aware' and 'Future Proof' IT landscape

Our next generation ADM proposition recaptures the essence of why applications were implemented in the first place — to deliver business transactions. It reduces the need for expensive external transformation which is often not based on practical insights from day-to-day execution.

The Capgemini next generation ADM proposition enables clients simultaneously to capture business value from next-gen industrialization and transformation. It is implemented in accordance with Capgemini's Collaborative Business Experience™ model, which yields better, faster, and more sustainable results. Crucially, it does not adopt the 'rip-and-replace' approach to your existing investments.

Capgemini's next generation ADM proposition has four pillars. The pillars incorporate a judicious blend of IT execution and business-IT strategy to ensure the optimum levels of industrialization and transformation in ADM engagements.

Figure no.1 – Pillars of next generation ADM proposition



Speed-to-Value Levers

The four pillars are backed-up by a broad range of Speed-to-Value levers that add substantial business benefit compared to the traditional Application Development and Maintenance approach. Our next generation ADM proposition deploys several Client Collaboration Assets that help us shape a value proposition, relevant to each client with depth and rigor. Capabilities of the Speed- to-Value Framework and tools span:



Qualitative value proposition shaping (available for iPad)

Aligned to individual client context and business needs



Quantitative modeling (speed-to-value asset)

To enable monetization of cost reduction opportunities (beyond savings from traditional managed services) and benefits from IT transformation



Client simulation functionality (speed-to-value asset)

using "drag and simulate" (abstracting complexities) to visualize the impact of various measures



These asset encapsulate 100+ automation tools across:

IT Input = reduction or elimination of labor / resources +

IT Output = simplification & technical debt reduction and delivering incremental business capability +

Business Outcomes = to ensure that business transactions run without loss of a heart beat

These levers are implemented in accordance with the findings from the Client Value Discovery sessions supported by our portfolio analysis and insight tools such as **economic Application Portfolio Management (eAPM)** and the **Wide-angle Application Rationalization Program (WARP)**. The following diagram illustrates the typical value realization from the speed-to-value levers over the span of a client engagement.

Description of Capgemini's next generation ADM proposition

Pillar 1: Increased effectiveness in IT Service Delivery while realizing pervasive Cost Reduction encompasses:

(a) Smart Organization Model

A choice of an appropriate service strategy is made for each part of the IT portfolio e.g. Manage-Maintain the application landscape, Custodial Model for low-care applications, etc. based on the portfolio characteristics.

(b) Improvements in operational processes and rigor

Capgemini's Swift Sustain and EzTrans Transition Methodologies map stakeholder drivers and any changes in commitment levels required to establish the enabling environment for service transition. This is followed by analysis of the client's IT portfolio using our eAPM/WARP tools



Caselet #1: For a leading North American manufacturing client, the EzTrans Transition Methodology involved assessment of code quality and identification of hot spots during transition. A total of 109 interface diagrams were developed and automation was deployed which resulted in an 80% reduction in high-priority incidents and a 60% reduction in Middleware exceptions.

(c) Reduction in maintenance effort due to an uplift in the quality of the baseline

Capgemini leverages its investment in Application Intelligence tools (such as CAST and others) to proactively scan application code and understand the Technical Control Flow required to support code modifications and drive enhancements in the functional documentation of applications.

(d) Improved resolution effectiveness aided by automation

Automation of ADM activities and pervasive instrumentation across the depth of the IT stack provides client organizations with the ability to improve resolution effectiveness and Service Integration experience.

Our approach to automation involves the structured application of 100+ tools. These tools have been proven on engagements and leverage the latest technology such as Artificial Intelligence, Robotics, Autonomics, DevOps and Application Performance Management.

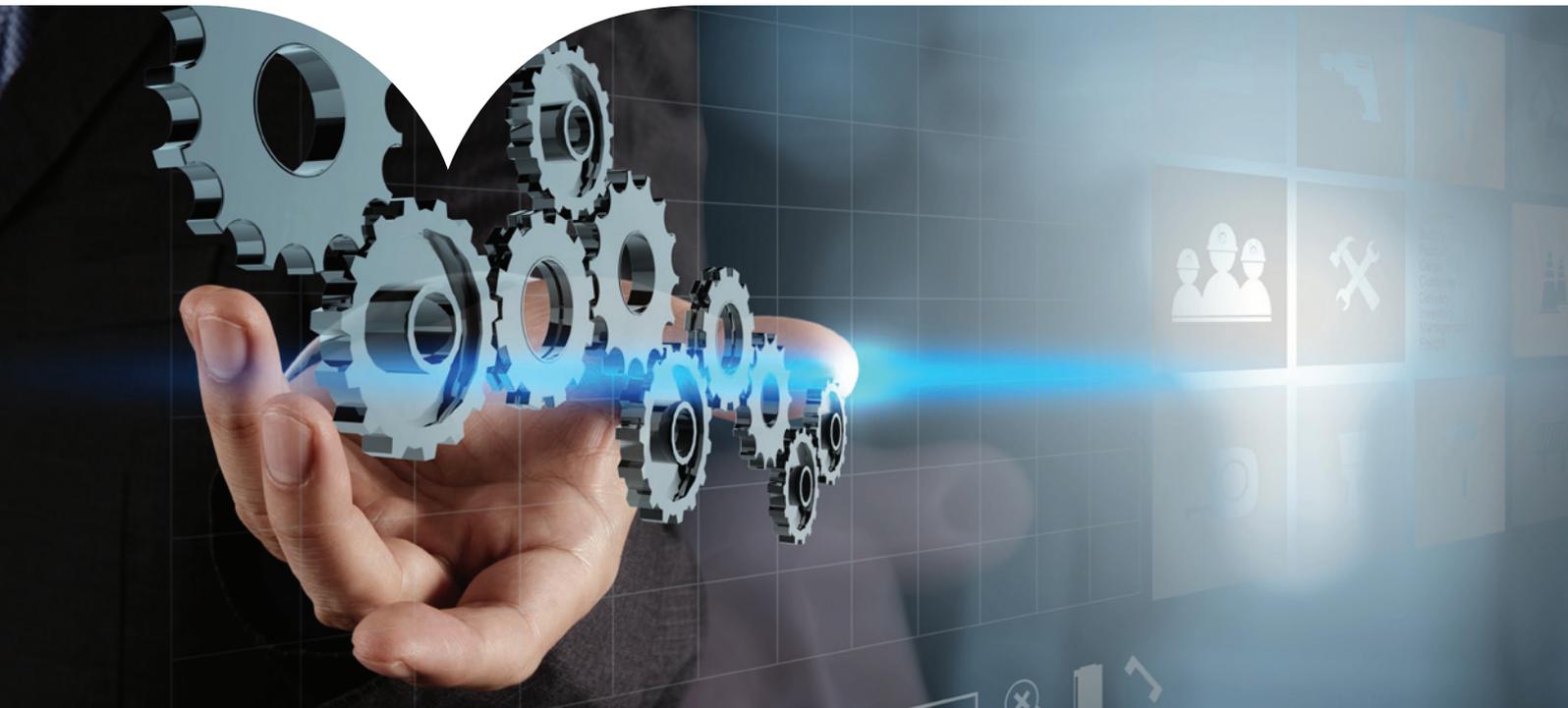
(e) Work volume reduction

In Capgemini's next generation ADM engagements, instrumentation deployment is used to drive shift left resolutions. Preventive maintenance efforts and proactive initiatives such as vulnerability analysis, reduction in redundant inventory items, and reduction in compute power requirements are implemented, to reduce the volume of work.

Pillar 2: Service Integration and Experience is driven by the following elements:

a. Organizational Model: a Business Service Integration approach is driven by an Integrated Service Management Office and focused management of the Service Catalog

b. An integrated Service Desk is established to avoid issues from going back and forth between resolution teams, and improve First Call Resolution



Caselet #2: For a leading European retailer, 300 reports were generated using an in-house tool across their global operations. The queries took between 8 and 48 hours to execute. The same queries were re-engineered to execute in 2 to 10 minutes, thereby delivering substantial performance improvements.

- c. Widely deployed instrumentation provides metrics-based Service Performance Management covering all Service Providers in the IT landscape, and drives fix- before-fail resolutions
- d. Distributed Digital Delivery dashboards help foster cross-location ADM team collaboration

Pillar 3: Improved Effectiveness of Business Processes

IT actions are aligned to the Business KPI Tree, to incorporate the relationship between business and IT metrics that reflect the in-flight health of business transaction instances — at Capgemini, we call the latter SMART ADM KPIs.

Business Process Focus to improve outcomes

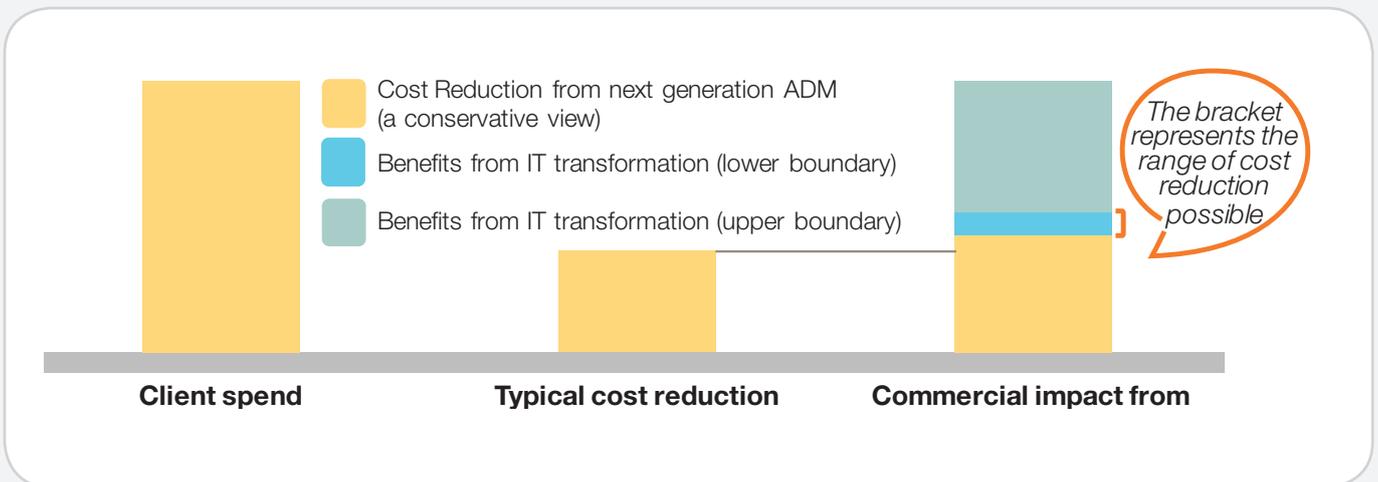
Business Process Focus commences with the development of strategic principles to guide the definition of the future state of the IT landscape and business processes. This is followed by creating Business Capability Maps for each Line of Business (LoB) to understand the number of applications servicing each business capability from which insights are developed for potential optimization. Thereafter, Priority Business Capabilities (and key business processes within these capabilities) are identified using composite scores across multiple perspectives. Simultaneously, inputs from Customer Advocacy methods are also used to identify and select Priority Business Capabilities and business processes. After this, an analysis of the execution effectiveness of business processes is undertaken followed by the development of SMART ADM KPIs and other relevant business metrics. These KPIs are measured based on 'inside-out' and 'outside-in' insights, so that solutions can be proposed aligned to (a) Operational improvements, (b) Improvements that require joint actions with the client, and (c) Improvements that require investment in technology including SMAC and Internet of Things.

Caselet #3: For a leading North American consumer goods client, a monitoring solution was implemented across their portfolio spanning multiple technology platforms. Over 80% of the monitoring checks were automated. This resulted in more than 60% improvement in productivity.

Pillar 4: Future Proof the IT Landscape

The final pillar provides multiple transformational levers, including insights from the Engagement Team to identify ‘bottom-up’ transformation programs—service transformation programs and management of ideas (using Capgemini’s Time, Expertise and Assets’ Mutual Exchange (TEAMx) tool). A first pass Point of Arrival (PoA) Application Landscape is developed using several of these themes. Application consolidation and rationalization using Capgemini’s eAPM and WARP tools (sample output below) can identify the health and usage patterns of applications; their financial costs; and the creation of new applications to address business requirements derived from usage trends.

Based on the Portfolio Analysis and insights derived from deploying the Capgemini eAPM and WARP tools, combined with the work related to Business-IT TOM referenced above, Application Development Factories can be established to realize the Point of Arrival (PoA) Application Landscape. These factories can be set up to cover enhancements, report development, interface development, SAP Advanced Business Application Programming (ABAP) development etc. Application Rejuvenation Factories (across a range of patterns depicted below) can also be implemented to realize the Point of Arrival Application Landscape.



Bringing it all together, our approach combines various facets of next-gen industrialization (Organization Structure Models, Process, People and Automation) leading to deeper and more effective cost reduction. These combined with the benefits from IT transformation, helps us deliver substantially more commercial impact per \$ or € or £ of existing client spend.

Capgemini's next generation Application Development and Maintenance proposition

Capgemini's next generation Application Development and Maintenance proposition is a business value-oriented, industrialized approach for managing client applications that provides always-on business transactional capability while pervasively reducing costs by creating a business aware and future proof IT application landscape. Already deployed across multiple sectors, Capgemini's next generation Application Development and Maintenance proposition is proven to increase the effectiveness of clients' business processes, provide them with superior Service Integration and deliver a better customer experience.

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About Capgemini

With more than 190,000 people, Capgemini is present in over 40 countries and celebrates its 50th Anniversary year in 2017. A global leader in consulting, technology and outsourcing services, the Group reported 2016 global revenues of EUR 12.5 billion.

Together with its clients, Capgemini creates and delivers business, technology and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness.

A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

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