

The Power of Zero:

Why driving a lean, efficient, and optimized core is your pathway to enabling infinite possibilities



Is your IT core foundation robust enough to reap the benefits of a truly digital enterprise?

With the advent of newer age digital technologies, enterprises have no choice but to constantly evolve. The success of an enterprise's digital journey hinges on its ability to anticipate and thrive on change – faster than their competition. With the constant expansion in digital services giving more power to consumers, applications have become the default source of business value – to the extent that application loyalty is synonymous with brand loyalty.

So, understandably, in responding to market pressures in this AI and cloudfirst era, CIOs are increasingly becoming more "apps-focused" by default. However, this emphasis on future digital transformation can blur their focus on their core – the here-and-now operations – and this can acutely hinder the laying of a foundation for a digital enterprise.

This core should be should be lean, efficient, and maintained with minimal human intervention to the greatest extent possible – and a pervasive usage of intelligent automation can deliver significant cost savings here.

Secure your operational "here" while venturing to your digital "there"

The way forward here isn't always a clear path – what works today might not work tomorrow. None have encapsulated this notion as succinctly as business educator and coach, Marshall Goldsmith, in his preeminent book, "What got you here, won't get you there."

"Here" is the current state of your IT and applications landscape – your current ways of thinking, and your current operating models, while "there" is your desired future digital transformation vision. For many organizations, the only known element within their "there" is a vague, imagined blueprint of some type of digital nirvana – a host of different tools and technologies. These could include intelligent automation, machine learning, blockchain, artificial intelligence, IoT, etc., which combine to perform and transform their businesses.

Seeing your "here" in a different light – your digital transformation launchpad to get you "there"

Making sense of all this and building a ready-to-implement plan for your IT, applications, and business is no easy task. It's crucial for CIOs and IT decision makers to better harness the true power of digital technology in order to become agile at the pace desired by the business.

The key to achieving this digitally empowered IT lies in getting the basics right first – starting with your legacy IT estate. Before your larger digital transformation visions can have a real impact on your business, it's critical that your legacy estate be rock solid, so that it acts as your digital transformation launchpad. And in order to effectively embrace the speed of change in IT, a clear and solid operational framework is crucial.

Digital business success requires a modern core ... A legacy, monolithic core hinders innovation, growth, and employee and customer experience. The modern core must be Agile to adapt quickly to customer and employee demands and changing business models, high-performing to meet the needs of real-time, insights-driven businesses, and intelligent to suggest next-best actions and adapt without human intervention."¹

Liz Herbert, Principal Analyst, Forrester Research

1 Forrester Research, "Digital Business Success Requires a Modern Core," Liz Herbert, VP, Principal Analyst, April 2019.

Introducing the Power of Zero: An actionable paradigm for achieving business excellence through hyper-efficient core IT

The Power of Zero is an actionable framework for solidifying your legacy IT estate as a launchpad for your digital transformation, so that you attain all the speed and agility needed for a truly digital enterprise. In putting your current state of IT and applications in order, the Power of Zero enables you to achieve maximum impact from your core applications – manifesting your vision of a future that is Agile, disruptive, and innovation-led. This means a future state with zero defects, zero touch, zero applications debt and zero business interruption – all leading to zero innovation latency.

Zero defects and tickets through preventive, predictive, and perfective maintenance

The Power of Zero:

Aiming for zero defects and tickets, zero touch, zero applications debt, and zero business interruption – leading to zero innovation latency Zero touch through an Al-infused intelligent platform

> Zero application debt through effective portfolio management

Zero business interruption through insights, competitiveness, and efficiency

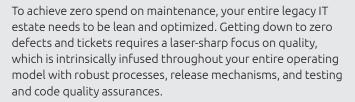
Zero innovation latency through disruptive services

Zeroing in on the legacy IT estate: Driving down IT metrics to level-up your business

The Power of Zero is driven by speed and agility, and delivers business value throughout your entire applications realm: Traditional apps, IaaS, PaaS and SaaS apps, cloud-native apps, and analytics. In your quest to develop a super-lean IT function, which is aligned to your business goals, we apply the Power of Zero to push boundaries by bringing you:

- Zero defects and tickets through preventive, predictive, and perfective maintenance.
- Zero touch through an AI-infused intelligent platform
- Zero applications debt through effective portfolio management.
- **Zero business interruption** through insights, competitiveness, and efficiency.
- Zero innovation latency through disruptive services.

1. Driving down to **zero defects and tickets** through preventive, predictive, and perfective maintenance



We rely on proven tools and methods to reach the desired state of zero defects and tickets, which manifests as a Continuous Service Improvement Plan (CSIP). CSIP is implemented in each of our ADM engagements and monitored with central governance from our ADM Office. ADM Office has change agents implanted in every engagement to measure, monitor, and implement CSIP levers. This is a tangible investment from Capgemini to our ADM clients to drive industrialization at scale.

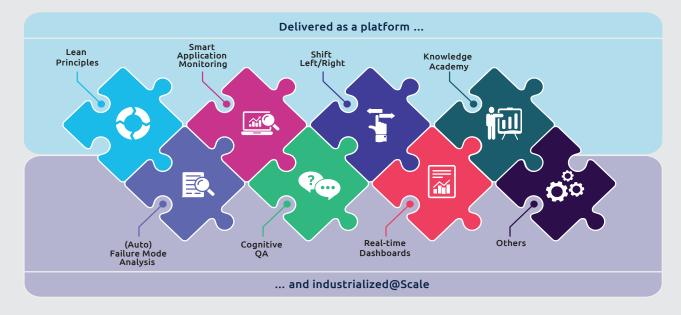
The plan for every engagement is customized depending of the maturity, stability, and robustness of the IT estate.

Some of the levers to achieve a state of zero tickets and defects include:

- 1. Lean principles to eliminate waste and cycle time reduction
- 2. (Auto) Failure Mode Analysis for proactive problem management
- **3. Smart Application Monitoring** for early detection of failures, improved reliability
- 4. Cognitive QA for automated testing
- 5. Shift Left/Shift Right to improve service performance
- 6. Real-time Dashboards to track service performance
- 7. Knowledge Academy for faster on-boarding and deployment of resources
- 8. Others: A combination of market- and Capgeminideveloped tools for process efficiency, DevOps, Autonomics, CI/CD, etc.

FIGURE 1

CAPGEMINI'S INDUSTRIALIZED@SCALE LEVERS FOR ZERO DEFECTS AND TICKETS



These principles have been industrialized at scale. Services are delivered to our clients in various operating models – from specialized factories to dedicated development centers. These principles have also been embedded in our automation platform, which is explained in the next section.

Our Lean principles are built into a Continuous Service Improvement Plan (CSIP), which includes levers like Lean, Shift left, Known Error Databases, Rightshoring, Virtual/Real time dashboard, and Failure Mode Analysis (FMA) to name a few. These levers are customized according to the IT landscape and a detailed operational transformation plan is drawn out for every customer – aimed at eliminating all tickets.

2. Fostering **zero touch** through an AI-infused intelligent platform



Intelligent automation is essential to your future competitiveness. It's true that everyone has been swift to grab automation's low hanging fruit – the quick wins realized from light-touch activities are a no-brainer. However, it's when we get into manual intervention and touch-required activities that leave you more vulnerable to risk, where we see a big drop-off in enthusiasm.

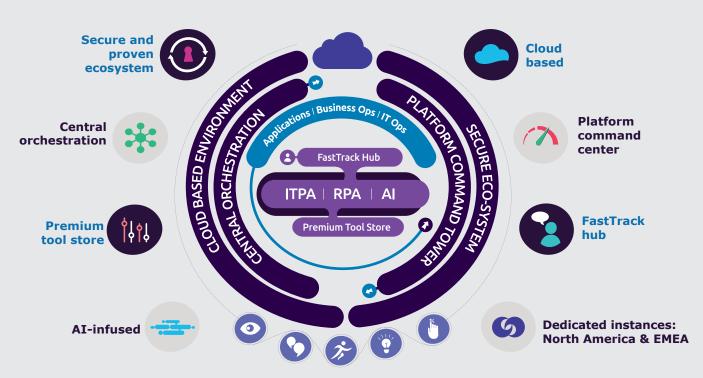
Capgemini's Intelligent Automation Platform (CIAP) is a cloudbased platform for peak performance, cost containment, and faster time to value. CIAP contains costs and speeds up time to value with prebuilt intelligent automation solutions, accelerators, use cases, and sector BOTS.

This technology-agnostic, AI-infused platform, which is already supporting live projects across the globe, enables you to drive innovation and transformation throughout your organization, applications, and IT and business operations – all with speed and flexibility – at a lower cost.

CIAP is a purpose-built, plug-and-play platform that enables you to move from operations-focused, limited-value intelligent automation (IA) initiatives to an enterprise-wide, automation-first approach. Ultimately, CIAP enables you to deploy more high-value projects and achieve a fluid state of "zero touch" intelligent automation.

FIGURE 2

CAPGEMINI'S INTELLIGENT AUTOMATION PLATFORM: THE KEY FEATURES





Most (organizations) are focused on rule-based tools with few having progressed to artificial intelligence automation. Only 16% of organizations say that they have deployed multiple use cases at scale ... There is significant untapped potential for those organizations that treat automation as a continuous transformation program."²

Intelligent automation has been a part of our existing service delivery to most of our clients. We've already implemented over 85+ business BOTS across our portfolio, delivering improvements in key business process areas. We've also brought 30% savings in MTTR (mean time to resolve), along with another 500+ BOTS covering a variety of standard business processes in the final phases of deployment. The target operating model for the majority of our ADM delivery will have an automation factory, which will cut across all application service lots. A holistic view of automation cross build, test, and run services gives an endto-end stack view of projects that are in various phases of development. Additionally, through Capgemini's automation lead, you will be able to realize cross-tower synergies and drive a common automation viewpoint.

2 Capgemini Research Institute, "Reshaping the future: unlocking automation's untapped value," October 2018.

3. Getting down to **zero applications debt** through effective portfolio management



Most organizations are confronted with lagging legacy system issues and less-than-optimal enterprise architecture, which are two of the main reasons for high ticket volumes. We call this "application debt," or the absence of a big-picture strategic/portfolio view of applications. In such a situation, the focus is mostly reactive, where "defect fixing" takes priority over "defect prevention," in a maintenance contract. There's rarely any proactive initiative to look at the portfolio in its entirety and think about broader questions such as application simplification, migration to the cloud, operating model optimization, technology consolidation, DevOps readiness, CO2 reduction, etc.

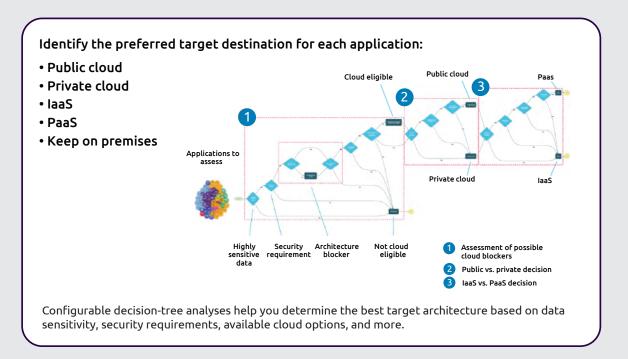
Capgemini's eAPM (economic Application Portfolio Management) empowers you to address these questions based on hard data, analytics, and best-practice benchmarks – rather than hunches or short-term budget constraints – so you can find a smarter path forward. It is a ground-breaking solution that combines our proven portfolio assessment methodology with crisp graphical analysis and a dynamic decision-making tool. eAPM essentially empowers you to take control of your IT assets. We also analyze the underpinnings of your current IT organization – portfolio, operating model, sourcing strategy, resource allocation, etc. – so you can address top priorities in the most effective way from a business perspective. In the assessment phase, we create a comprehensive decision-making framework for your IT landscape.

This assessment phase focuses on opportunities for transformative improvement, including your application portfolio, IT infrastructure, operating model, sourcing strategy, total cost of ownership, digital readiness, resource allocation, and cloud strategy. The assessment also gives you a clear business view of the potential savings and ROI – making the business case complete.

Next, within a period of just a few weeks, we collect data about your IT assets and analyze it, and then apply artificial intelligence (AI) to find correlations and create graphical visualizations. In short, we enable you to answer the toughest questions you face and take the right actions right away – with total confidence. The result is that your IT organization can perform at its best today and accelerate its transformation agenda.

FIGURE 3

A SAMPLE CLOUD STRATEGY ASSESSMENT AND DECISION TREE FROM EAP



4. Enabling **zero business interruption** through insights, competitiveness, and efficiency



The Power of Zero is also about less business disruption and more value creation from your applications. Capgemini's Business Command Center (BCC) plays a central role here. BCC incorporates the right tools and assets to perform powerful actions that improve business process performance, efficiency, and competitiveness. BCC is built upon four key enablers:

Performance: Process performance indicators (business KPIs and corresponding IT KPIs) are measured and monitored to identify opportunities where processes can be corrected or improved.

Efficiency: Business process inefficiencies and non-compliances are detected by business process mining.

Competitiveness: Business KPI benchmarking helps compare business KPI performance with industry top performers (for both strategic and operational KPIs) to identity areas for improvement.

Insights: Insights delivered by BCC's Smart Analytics solution highlights candidates for automation to improve process performance, efficiency, and end-user sentiment analysis.

FIGURE 4



CAPGEMINI'S BUSINESS COMMAND CENTER (BCC): IMPROVED BUSINESS PERFORMANCE



5. Creating a state of **zero innovation latency** through disruptive services



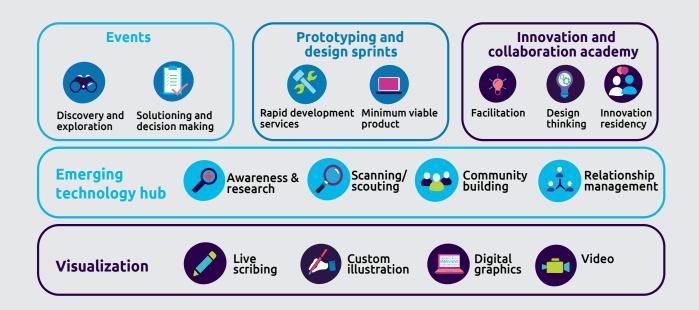
When it comes to innovation and your business, you can never afford to be playing catch-up with ideas that are slow to materialize. To always stay one step ahead of competitors, the right innovation mindset is crucial. Our ADM services stack has a dedicated portfolio of services for a deep look into innovation – both outside-in and inside-out.

Discover the opportunities and threats that emerging technologies, market and customer trends, and new business models are introducing to your sector. Engage with domain experts from your industry, technology leaders, and startups while gaining access to new, disruptive capabilities. Align leadership and identify areas to focus on in your innovation pipeline. Capgemini is commited to innovation. In order to make innovation materialize in a more concrete fashion, Capgemini defines and agrees upon specific KPIs and related service credits for innovation. For most of our engagements, we offer investment in an Innovation Fund that will support you in the phases of idea creation, business case or business benefit development, and also proof-of- concept (PoC) implementation.

Additionally, many view innovation as some type of shiny, crowning achievement – the cherry on top. When we think of innovation, we don't want you to see a sparkling oneoff project or individual payoffs. We want you to envision a dynamic, flourishing state of continuous change – where innovation is infused all throughout your future business. Innovation is not just the cherry on top here, but a rich, cherry-infused cake.

FIGURE 5

OUR BLUEPRINT FOR ATTAINING ZERO INNOVATION LATENCY



ADMnext: Business-focused ADM Services for accelerated growth

In applying the Power of Zero, Capgemini's ADMnext moves applications development and maintenance (ADM) from an insurance-based function to investment-focused, business value driver. ADMnext goes beyond reactive support and single-speed legacy application and infrastructure estate change – transforming your ADM and IT function into a valuable asset that's aligned to your business objectives to drive growth.

The change, innovation, outcomes – and future – you want

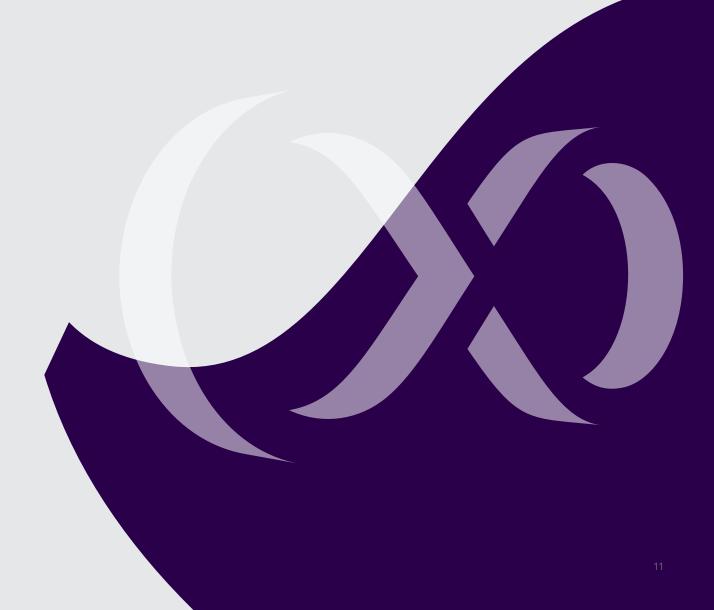
Essentially, ADMnext equips you with the ability to rapidly respond to change – or rather to embody the change, the innovation, and the outcomes you want for your business. At

Capgemini, we fully believe in this simple, yet powerful vision, and we are committed to bringing everything ADMnext – and the Power of Zero – can offer your applications.

A lean, efficient and a resilient core with zero human touch goes a long way in driving operational agility and helps clients restore services quickly in times of crisis.

When you apply the Power of Zero through a committed and a capable partner, your results can be truly infinite.

Find out more about what the Power of Zero and ADMnext can do for your business <u>here</u>.





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About Capgemini

Capgemini is a global leader in consulting, digital transformation, technology and engineering services. The Group is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year+ heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. Today, it is a multicultural company of 270,000 team members in almost 50 countries. With Altran, the Group reported 2019 combined revenues of €17 billion.

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