

Gartner Outsourcing & Strategic Partnerships Summit 2012

8 – 9 October 2012 | London, UK
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TRIP REPORT

Business Success through Sourcing Excellence, Emerging Technologies and Stronger Relationships

The Gartner Outsourcing & Strategic Partnerships Summit was held on 8 – 9 October 2012, at the Park Plaza Westminster Bridge Hotel. This report summarizes and provides highlights from the event.

OVERVIEW

The annual **Outsourcing & Strategic Partnerships Summit** was held on 8 – 9 October 2012, at the Park Plaza Westminster Bridge Hotel. Now in its 14th year, the Summit attracted over 600 attendees, bringing together business and IT professionals from a cross-section of organizations and industries from 30 countries.

Led by conference chair, Ian Marriott, the Summit featured over 60 presentations including keynotes, Gartner track sessions, workshops, debates, end-user case studies, theatre style presentations and solution provider sessions to provide delegates with both strategic insight and actionable advice to optimize their sourcing/IT services strategies and service provider partnerships.

The key themes of the 2012 Outsourcing and Strategic Partnerships Summit explored the challenges of navigating very complex macroeconomic and technology environments; the shift to a more diverse, updated sourcing strategy; and the pervasiveness of industrialization. The event discussed how IT is evolving from being an enabler of the business to being the business, which is advancing the needs of the buyer.

SAVE THE DATE

The 2013 Outsourcing & Strategic Partnerships Summit will be held in London on 9 – 10 September 2013





KEY TAKE AWAYS

- CIOs should review the strengths of the outsourcing leadership team. Ensure that it comprises solid leaders, holistic thinkers, and relationship builders.
- Sourcing Managers must re-configure sourcing strategies to support a broader geographic footprint as business opportunities grow in emerging markets.
- Develop a vendor management charter, organizational structure, and establish appropriate roles and responsibilities to drive value from your strategic partnerships.
- Establish collaboration with vendors by first determining your own internal culture of collaboration. Then focus on building a balance of trust and control — particularly with your most strategic partners.
- Prepare and document your cloud sourcing strategy. Invest in governance and demand management to effectively address the shift from traditional outsourcing.

SNAPSHOT OF ATTENDEES

The Summit attracted nearly 600 attendees. In terms of industries represented, the key sectors were technology and telecoms, financial services, healthcare, manufacturing and services, with a wide range of other sectors also represented.

Typical job titles at this event included CIO, Sourcing Manager, Contracts Manager, Vendor Manager, Strategy Manager, Chief Procurement Officer, Sourcing Relationship Manager, IT Director/Manager, Head of Supplier Relationship Management, and Technology Director.

KEYNOTE ADDRESSES

Gartner Keynote:

Outsourcing 2020: Get Your Vision Right for the Future

Helen Huntley opened the Summit with a session that focused on the future of outsourcing and how you should start to prepare for it. Helen spoke about how the role of IT has evolved over time from supporting the business to enabling the business, and in the future, IT will be the business. Coincident with this evolution is the role of outsourcing strategies. Going forward, outsourcing will be more leveraged to the business, resulting in a change in vendor requirements and how they drive value for their clients.

In addition, the business is challenged to deal with the “Nexus of Forces” of cloud computing, social, mobile and information, which will be critical for the enterprise's ability to create value, not just compete on price and cost.

So where should you start? Helen's advice was that you should start thinking about:

- Harnessing the power of your available data, 80% which is unstructured
- Mobile computing
- Social and gaming capabilities
- Partnering with the right suppliers
- Using emerging technology to your business advantage
- Changing your IT staffing vision, focus on business acumen and vendor management



Helen Huntley
Research VP

Guest Keynote: The Attack of the Unexpected: Trendspotting and Future Thinking in Turbulent Times

In this entertaining and thought provoking keynote, Magnus Lindkvist focused on how traditional ways of thinking can lead to competitive advantage by doing things more inexpensively, responding to customers, and creating efficiencies. However, long-term sustainable success is based on creating value, which requires a different approach to thinking, hiring and managing. Magnus suggested having a long-term view, blending ideas, experimenting, recycling failures and having patience.



Magnus Lindkvist
Futurist and Trend Spotter

Gartner Keynote: CEO Concerns in 2012

Using Gartner's latest global survey of over 200 CEOs as a basis, this session provided insights into how CEOs are responding to current business conditions; how they plan to tackle issues in growth, talent, strategy and innovation; and the implications for a sourcing strategy.

Of the top 20 priorities of the European CEO, growth, cost containment and entering new markets are at the top, while innovation and technology rate lower on the importance scale.

Interestingly, when asked who manages the innovation agenda at the enterprise, 30% of CEOs indicated that the responsibility fell in their office, 10% with a dedicated innovation manager, 6% business unit head, and less than 5% went to the CIO or CTO.

Mark's recommendations to sourcing managers, vendor managers and contract managers were:

- Maintain tight cost control — CEO sentiment suggests a global slowdown
- Set information innovation goals for your partners. What new kinds of data could add value?
- Use your sourcing network radar to improve IT related competitor intelligence
- Bias towards emerging markets — check for fit scalable services in likely target countries
- Demand business value frameworks for mobile, social and cloud offerings
- Make your pitch "iPad-pretty" if you want to convey memorable messages to the C-suite



Mark Raskino
VP and Gartner Fellow

Guest Keynote: Leading IS Transformation at AstraZeneca

In this keynote, Jon Kirby, the CIO of AstraZeneca, described some of the challenges that are facing the pharmaceutical industry and that challenges that faced the company's IT function when he became CIO. Jon discussed how he has made IS relevant and an integral part of AstraZeneca's overall business strategy. Jon's strategy is built around three key focus areas: deliver competitive advantage; excellence in execution; and people.

From a sourcing perspective, Jon gave an insight into how AstraZeneca has implemented a new sourcing and operating model for its IT infrastructure in an accelerated time frame, moving away from a single source, one size fits all approach, to a multi-source ecosystem that delivers agility, flexibility, resilience and transparency.



Jon Kirby
CIO, AstraZeneca

Guest Keynote: Beyond the Limits

In the final keynote of the Summit, Sir Ranulph Fiennes, the world's greatest living explorer, gave an inspiring and humorous review of a lifetime of extraordinary adventures around the world. Beginning with his army days in the 1960s, fighting in Oman, and encompassing expeditions to British Columbia and the Polar regions, he gave a fascinating insight into where and why things went right or wrong.



Sir Ranulph Fiennes
The World's Greatest Living Explorer

Top of Mind Concerns (What Attendees Asked About)

- How to set up the right sourcing strategy and management team
- How do I determine the vendor management mission for my enterprise?
- What emerging technologies should I be examining for our current and future needs?
- How do I determine whether to offshore, nearshore, onshore or rural source to meet my needs
- How do I evaluate and select service providers, especially in new emerging areas?
- Is cloud real and ready for us to use now?
- How do I determine which vendors are strategic and how do I treat them differently?
- How do I contract and manage a hybrid of IT services?
- How to establish an operational, organizational and governance model for vendor management?
- What impact will cloud and utility models have on data centre outsourcing and hosting?
- What are the best practices for managing the integration between multiple vendors
- How do I assess which vendors have the best global delivery model?
- How do I ensure that my data and IP is secure when using external service providers?
- What are key trends impacting the IT Services market and providers?

Top-Ten Most Attended Track Sessions

1. Manage the Integration Across Vendors: The Building Blocks of an MSI
2. To the Point: The CIO's Guide to Strategic Vendor Management
3. Where Next for Your Offshore Services?
4. Leading Change in Outsourcing
5. The Discipline of Vendor Management: What Works Best for Your Organization?
6. Application Services Imperatives: Adopting New Models For Cost and/or Business Value
7. The Great Cloud Debate: Is Cloud a Pragmatic Approach to the Future or Just a Fad?
8. Integrate and Use The New and Existing Delivery Models To Successfully Select and Contract with Outsource Providers
9. The CIO's Guide to Negotiating with the Megavendors: IBM, Microsoft, Oracle and SAP
10. Outsourcing That Does Not Produce Better Analytics Cannot Innovate

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20TH CENTURY BUSINESS HABITS BELONG THERE.

The old ways won't cut it anymore. That's why we're helping companies around the world rethink the way they compete, reinvent the way they work and rewire the way they operate. In short: embrace a more collaborative, flexible and global approach. Because today it's the specific way a business takes care of business that determines how far it will go tomorrow.

**THE FUTURE IS NOW.
LET'S PUT IT TO WORK.**



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