# BUSINESS APPLICATIONS MAXIMIZED
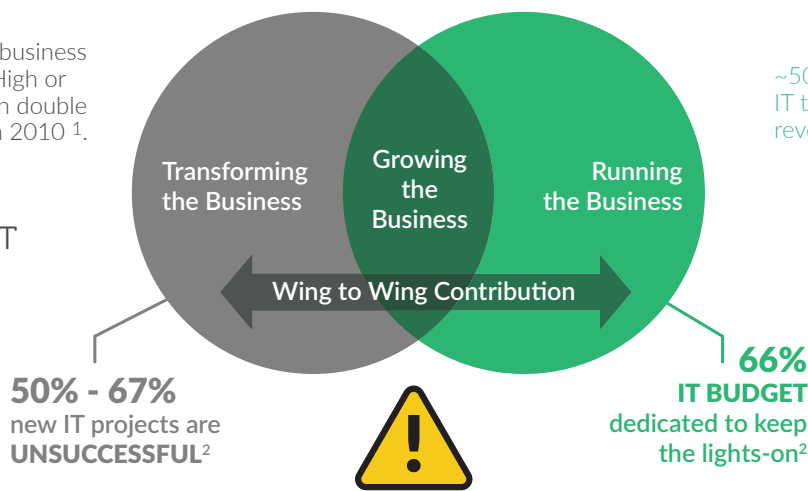
**Softtek®**
Near Shore

## THE FUNDAMENTAL DILEMMA WE SOLVE

### 1. The board is raising the expectation of the business value of IT

66% expect IT's strategic business value contribution to be High or Extremely High, more than double that of the respondents in 2010 [1].

~50% of CEOs want IT to contribute to revenue generation [1].

### 2. Two issues prevent IT from fully complying

Transforming the Business

Growing the Business

Running the Business

**Wing to Wing Contribution**

**50% - 67%**
new IT projects are
**UNSUCCESSFUL**[2]

**66%**
**IT BUDGET**
dedicated to keep
the lights-on[2]

### 3. Satisfaction with outsourcing continues to decline

Only 11% of the firms indicated that they are very satisfied with their decision to use a third party for application outsourcing. That's down 31% vs. 2007 [4].

### 4. Most application organizations are extremely immature

**70%+** application organizations operate at the Ad Hoc level, the lowest in Gartner's Application Maturity Model [5].

### 5. Possible reasons for sub-par performance

Excessive emphasis on labor arbitrage through time & materials arrangements

The design-build-maintain approach has created a bloated application & services portfolio

Lack of transparency in the use of resources

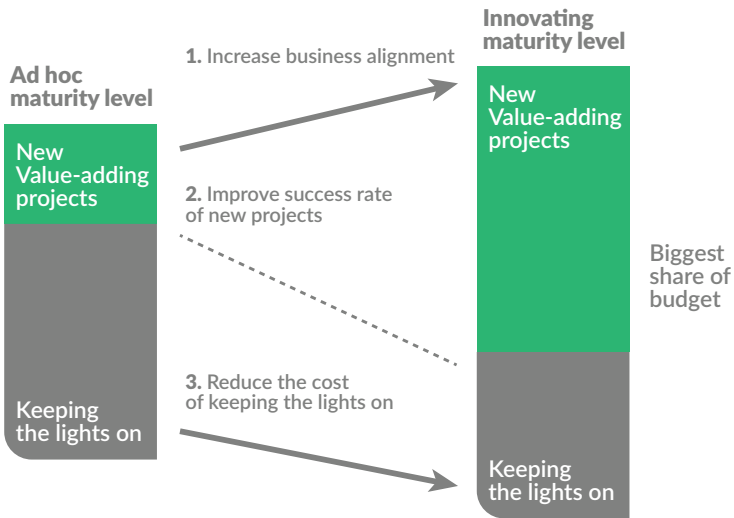1 Gartner-Forbes Board of Directors Survey 2011
2 Standish Group Chaos Report 2010 & Ambysoft IT Project Success Survey 2010
3 Forrester-Forrsights Budgets & Priorities Survey Q2 2010
4 The Death of Traditional Outsourcing and Its Reinvention As "IT-As-A-Service", Forrester 2011
5 Gartner Application Organization Maturity Assessment Results 2011

# TRANSFORM IT INTO A BUSINESS-ENABLING ENGINE

**Ad hoc maturity level**

New Value-adding projects

Keeping the lights on

**1.** Increase business alignment

**2.** Improve success rate of new projects

**3.** Reduce the cost of keeping the lights on

**Innovating maturity level**

New Value-adding projects

Biggest share of budget

Keeping the lights on
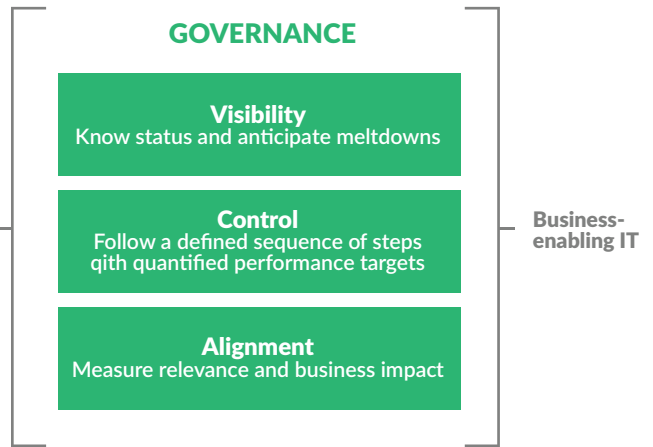
## 1. Re-shift the priorities

Revenue-driven IT organizations need to dramatically improve the success rate of new IT projects, reducing the cost of keeping the lights on while increasing business alignment.

We address these needs through a disciplined process-driven approach governed by business-relevant metrics.
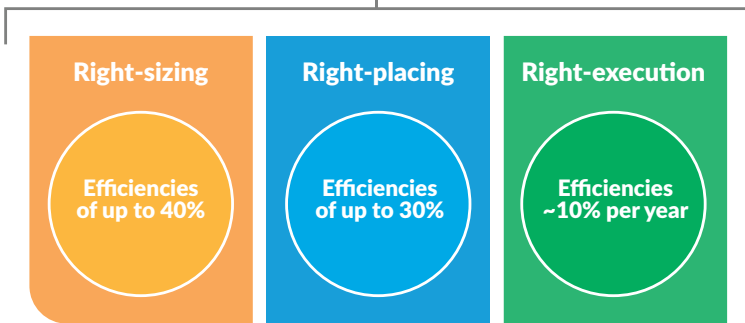
## 2. Service delivery governance

As a Six-Sigma and CMMi Level 5 organization, we've designed services around mature processes, which provide consistency and predictability. We've also developed advanced dashboards which track performance metrics from a business perspective. These are just two elements of a mature governance model that enhances the organization's ability to act and adjust to changing conditions.

### GOVERNANCE

**Business Domain**

**Visibility**
Know status and anticipate meltdowns

**Control**
Follow a defined sequence of steps qith quantified performance targets

**Alignment**
Measure relevance and business impact

**Business-enabling IT**

## RIGHT-GOVERNANCE

| Right-sizing | Right-placing | Right-execution |
|---|---|---|
| Efficiencies of up to 40% | Efficiencies of up to 30% | Efficiencies ~10% per year |

## 3. Right-approach for service delivery

There are many ways to achieve efficiency. We believe that every engagement should start by establishing the right service delivery governance, and then, based on performance goals, decide the size of the team and its geographic location, not the other way around.

## Why partner with Softtek?

Unique ability to attract, develop and retain talent. Mature service delivery capabilities. Vast domestic presence throughout Latin America and robust network of Global Delivery Centers. Serving the US market since 1995, Softtek is the Premier LatinAmerican nearshore service provider, and a partner of choice for outcome-based Application Outsourcing services.

## ABOUT SOFTTEK

Founded in 1982, Softtek is a global company and the largest provider of Digital Business Solutions from Latin America. With a broad portfolio of business-transforming products and solutions, Softtek helps Global 2000 organizations evolve their digital capabilities constantly and seamlessly, from ideation and development to execution.

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