

CIOs acknowledge that better IT sourcing is needed to support evolving business IT needs. In the Forrester consulting report, commissioned by KPMG, CIOs were clear that growing demands on IT meant more engagement externally – and better frameworks to manage supplier relationships.

IT SOURCING

IS A SECONDARY ISSUE FOR MOST ORGANISATIONS. However, with the scope of IT always growing and changing, it's still important.

Top 3 **30% of**
priority **respondents**

Higher priority issue for medium-sized enterprises **< 5,000** staff.

WHY IS IT IMPORTANT?

Solving IT Sourcing issues helps with improving business operations, customer service and business growth.

40%

Operational Improvement

22%

Customer Service

16%

Business Enablement

21%

Business Growth

WHAT'S DRIVING IT?

IT Sourcing is all about creating tangible value.



Aligning IT service delivery with business outcomes



Reducing IT costs

WHAT ARE THE BIG ISSUES?

EXISTING

Management of an increasing number of vendors and ensuring cooperation between them.

EMERGING

Inconsistencies in service processes and methodologies.

WHAT ARE THE CHALLENGES?

Ensuring IT service providers co-operate with other suppliers. This issue is amplified by the lack of consistent processes and delivery methodologies between suppliers and the apparent focus on service upsell rather than service delivery.

Inter supplier co-operation

Inconsistent processes/methods

Focus on upsell

Sourcing of suitable suppliers

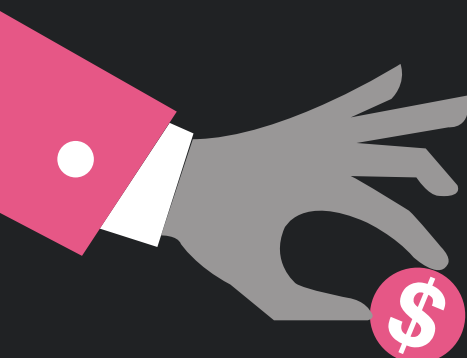
Suppliers' poor understanding of their customer's industry

DOES IT PAY?

CIOs say better IT Sourcing will deliver tangible benefits.

A strong positive impact on business revenue.

A large positive impact on IT cost reduction.



HOW IS IT DELIVERED?

Almost three out of four organisations leverage external assistance to resolve their IT Sourcing issues.

Pure outsource 72%

Internal & External 4%

Internal Only 24%

