Relevance of Strategic IT Sourcing

The evolution of IT Sourcing as a key strategic tool continues to create advantages for businesses that deploy and manage it well, as IT’s impact in the enterprise becomes pervasive. Companies and governments around the world now recognise Strategic IT Sourcing as a global imperative – strategically placing business operations offshore or onshore, driving the achievement of key business objectives. These developments have given rise to an industry that is worth many billions of dollars today and growing significantly into the future.

Both profit and not-for-profit enterprises are increasingly outsourcing IT for a variety of reasons, such as concern for cost and quality, lagging IT performance, supplier pressure, and more recently, innovation and agility. Indeed, Strategic IT Sourcing is a harbinger of the transformation of traditional IT departments and provides a glimpse of the emerging organisational structures of the information economy.

The outsourcing solution is acceptable to large and small enterprises alike because strategic alliances within this space are now more common and the IT environment is rapidly changing. Nonetheless, outsourcing alliances are complex in nature and evolve over time. Key decisions involved include when to outsource, how to structure, and managing the resulting alliance.

About Strategic IT Sourcing

IT outsourcing has evolved and morphed over the last 20 years to a variety of forms and operating business models today. Strategic IT Sourcing focuses on the strategic forms of IT outsourcing – which include business process outsourcing, multisourcing, “cloudsourcing”, and newer models of joint-ventures, partnerships and acquisitions.

The enterprise Strategic IT Sourcing strategy should have a symbiotic relationship with the enterprise business strategy: on the one hand, it should be driven by the business strategy; and on the other hand, it should drive the business strategy. Cost and the bottom-line have been primary considerations in recent outsourcing decisions, especially in offshoring. Competitive advantage and the top-line should be equally important considerations. Operational and tactical decisions driven by short-term cost considerations alone may be detrimental to the enterprise strategy in the long-term. There are many types of costs: some are manifest and others are latent; some are short-term and others are long-term. There are also many sources of competitive advantage. The costs and the sources of competitive advantage change with time.

Programme Benefits

The course will provide participants with generic concepts and methods to help guide management-level activities and is supported by several case studies. At the conclusion of the workshop, the participant will learn more about:

- The fast-evolving but complex nature of Strategic IT Sourcing
- Key considerations in managing Strategic IT Sourcing for the benefit of the enterprise
## PROGRAMME OUTLINE

### Core Concepts in Strategic IT Sourcing
- IT Demand and Supply
- Moving to the strategic agenda – Investing in Social Capital and Sourcing as Strategy
- Keeping control through core retained capabilities
- Disciplines of Outsourcing

### Supplier Management Best Practices
- Selecting and leveraging suppliers
- Outsourcing Relationship maturity and building the relationship advantage
- Contract management strategy
- Disengagement: Preparing for the next iteration

### Tools for Successful IT Outsourcing
- eSCM Framework for Sourcing Maturity
- Service Level Management and Risks
- Contract scorecard
- Contract Negotiation & Deal Breakers

### Evolving Strategic IT Sourcing
- Transformational Outsourcing and Collaborative Innovation
- Multisourcing
- Steering a course

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### Lead Faculty

Sushil Chatterji is Director & Principal Consultant of Edutech Enterprises, a specialist advisory consulting and training company. Sushil has been providing consulting and training services in Europe and the South East Asian region over the last 10 years. His primary areas of engagement are in Business Governance of IT, and Enterprise Architecture for Business Transformation. He is concurrently partner of ICT Control in Brussels which is a consortium of specialists. In this affiliation, he is responsible for the Enterprise Architecture and Value Governance practice areas.

Sushil holds a Masters degree in Business Management, professional certification in the Governance of Enterprise IT (CGEIT), and is a Certified Enterprise Architect (CEA) from Carnegie Mellon University’s Institute of Software Research, as well as certified in TOGAF which is a framework for Enterprise Architecture.

Having more than 25 years’ experience in the IT industry with IBM, the Singapore National Computer Board, and META Group, Sushil works independently and together with associates to provide learning, facilitation and strategy deployment services to assist organisations in integrating process, knowledge, technology and change approaches for improving business and organisational performance. A strong proponent of Governance of IT, and Enterprise Architecture for Business Transformation, Sushil advises, coaches, trains and mentors using best practices, frameworks and process-improvement methodologies.

Besides providing advisory consulting services to clients, he conducts training at the Solvay Brussels School of Economics and Management (a leading business school in Europe which is part of Université Libre de Bruxelles, and an affiliate of the IT Governance Institute) for the ISACA CGEIT certification (Certified in the Governance of Enterprise IT), and IT Management courses. Sushil is also an accredited trainer with ISACA on the CobiT Foundation, and the IT Governance implementation courses. He is a member of the ISO Work Group that has established and is continuing to develop global ICT Governance standards – ISO/IEC 38500 – as subject matter expert. He is also the author the official 2010 CGEIT Review Manual.