

# **competitive**

advantage for manufacturing  
through right-fit application management



Your business technologists. Powering progress

**Atos**

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# Faster, smoother, more responsive applications for a challenging world

Manufacturers in every country and every sector are transforming their applications landscapes and processes to help them meet the many different challenges of today and tomorrow.

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Costs of energy and raw materials are on a steady upward path, and demand remains weak in a world economy still trying to recover from a near-global recession. Tighter regulations are placing environmental performance under closer scrutiny, and the drive to achieve true global manufacturing is speeding up, as companies seek to base themselves in markets where demand remains strong, while also keeping their costs under control.

These changes all have the potential to be highly disruptive and can only be managed at the speed permitted by existing IT, yet current environments have grown up in an ad hoc way, containing a lot of duplication and redundancy. We understand how easy it is for successive generations of business IT to develop lives of their own, with new point systems commissioned to deal with specific problems in different parts of the organization, and with acquisitions and mergers adding to the complexity.

That's not the greatest problem: in fact complexity on the factory floor can be as much as five times worse than in the business IT environment. This is where point solutions proliferate, where silos grow in number, and where simply quantifying and understanding what needs to be done can be a massive challenge.

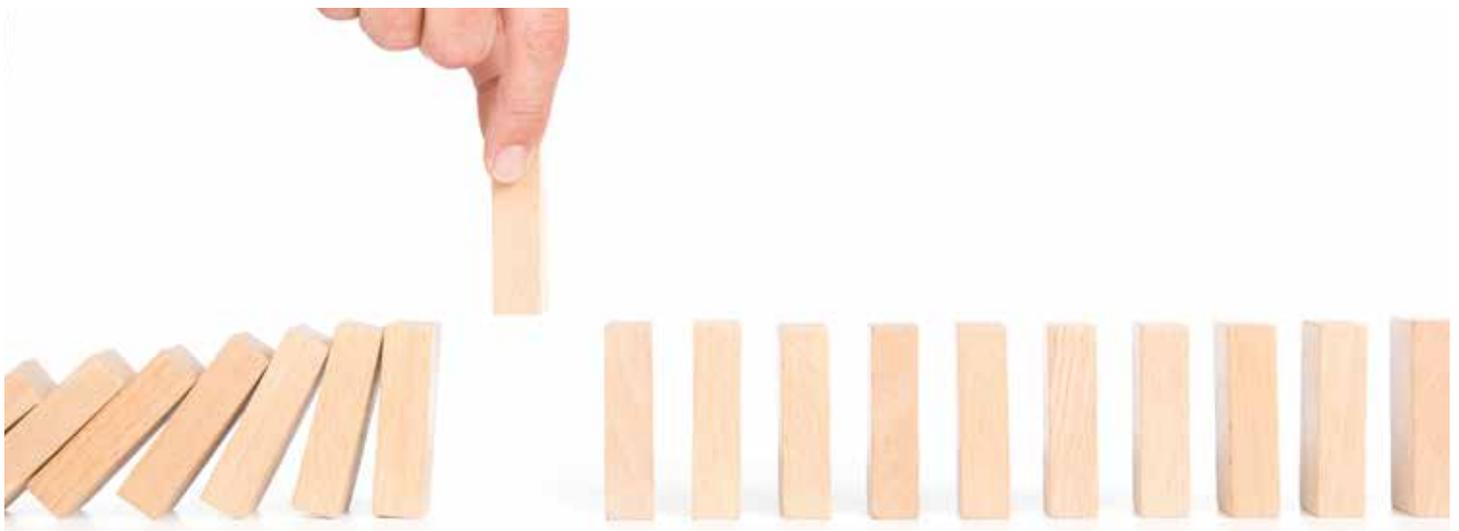
## **Complexity of this kind is a real challenge when manufacturers are seeking to:**

- ▶ Speed up cycle times, improving collaboration in research and development, reducing the risk of innovation, opening access to specialist skills in a wider ecosystem, and bringing products to market much faster than ever before.
- ▶ Become more agile and flexible in their production processes, making it possible to respond faster to market-driven changes and target customers more accurately.
- ▶ Ensure full integration between Operational Technology (OT) and IT, permitting new levels of agility right across extended value chains, from top floor to shop floor.
- ▶ Bring new levels of integration and consistency into their processes as the market continues to globalize, making it possible to split production across multiple geographies and manage a worldwide supply chain.
- ▶ Seek to eliminate production silos, integrating their technology from top to bottom and from end to end. That's the key to reduced costs, higher levels of sustainability, improved agility, and continuous improvement.

The big challenges will not go away, which makes it vitally important to standardize, optimize, and simplify applications estates as a key factor in building the agile, fast-moving, successful businesses of the future.

That's where the Atos Right-Fit Application Management approach can make all the difference.

**“Typically, we find that by adopting our Right-Fit approach we can reduce a client's annual Application Management costs by 30-50%.”**



# Industrialized approach tailored delivery

Our Right-Fit Application Management approach breaks away from the outdated siloed treatment of applications. Instead it integrates them, creating new and more adaptable service and delivery models that drive efficiency across the manufacturer's organization. The result is an organization fine-tuned for speed and agility, able to focus on market challenges while we take care of the technology that enables change.

We recognize the extraordinary challenges that manufacturers are facing today, as they embrace global working, mass-customization, integrated manufacturing, improved sustainability performance, and faster time to market. In supporting all of these goals, we use standardized building blocks to provide the foundation for every solution. Then our Application Management and industry experts tailor and optimize a service to address your specific business priorities.

## Standardized foundation, customized refinement

Our Right-Fit ethos tackles your key business drivers on three levels:



First, our leading Foundation Application Management services provide the core application support and maintenance functions. Through our optional Application Operation services we can also continually monitor usage and tune application performance. Demand is rarely constant. Our intelligent analysis ensures that we anticipate changes in demand and act accordingly, while also providing actionable advice for excellence in forward planning.

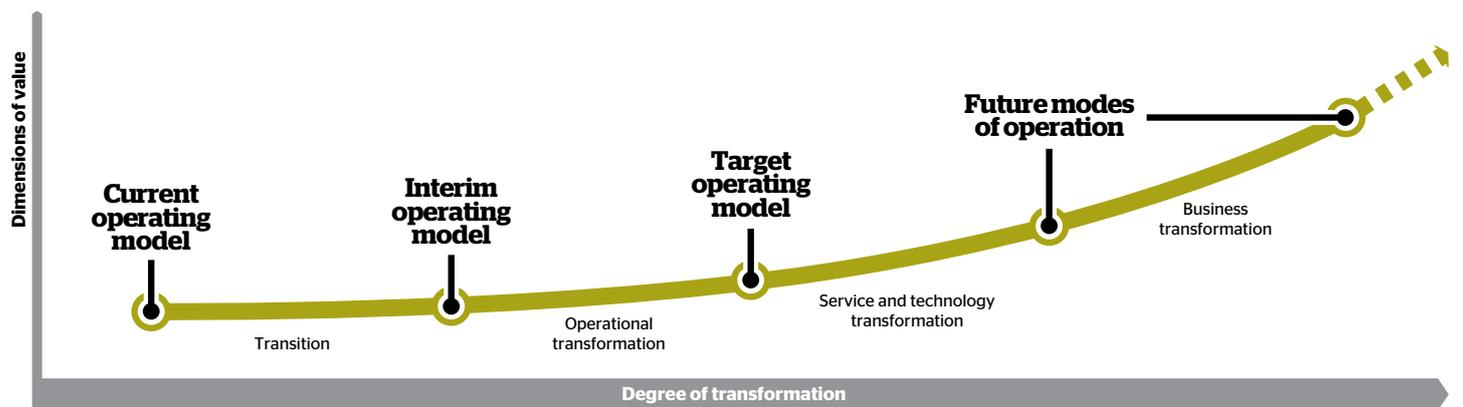
Second, we build on this comprehensive portfolio of core services with transformational Business-enabling Application Management, which changes your application landscape into a rationalized, standardized, and more efficient structure. Part of this improvement involves Lean Management techniques, supported by modernized application platforms, to enable further value to be released from existing applications—as well as for new models, such as cloud services, to be implemented rapidly and seamlessly.

Third, we then add our manufacturing-specific, vertical Application Management approach. This is where, as business technologists, we enable a high degree of customization, addressing industry-specific issues and applying our sector knowledge to create genuinely transformational solutions that deliver competitive advantage and commercial flexibility.

“By standardizing and rationalizing a client's application estate, we find that we can deliver cost savings of 10-20% per year.”

# Innovate, deliver, transform

Right-Fit Application Management is a transformational approach to Application Management. Although we use standard modules as the basis for every solution, we select and combine only those appropriate to the client's needs. We then bring services specific to manufacturing clients in order to deliver efficiency, performance improvements, and competitive advantage.



Our transformational approach extends across the entire applications value chain. It begins with business consulting, moves onto architectural design, and then through implementation, migration, and long-term, high-performance delivery. Atos brings together all of the skills and capabilities needed to handle every requirement, from upfront consulting to maintenance, management, and continuous improvement. That is how we drive transformation, stage by stage, across your business.

This transformation journey first addresses the business at the operational level, creating a lean and distributed delivery model based on our industrialized processes, automated tools, and global reach. From here we move on to evolve your service provision, modernizing and integrating your applications to ensure that you have agile and efficient processes at the heart of your organization.

Finally, we collaborate with our customers to undertake business transformation. This consulting-led step has maximum impact with the deployment of innovative and sector-specific solutions that create your future business model.

Cost reduction, quality improvement, application and business process optimization, innovation, and competitive advantage are delivered progressively. This enables us to remain in touch with your business objectives, adding value at every stage yet remaining flexible enough to adapt as your needs change.

## Competitive pricing

The Atos Right-Fit approach is designed to be highly flexible, enabling us to deliver a service precisely crafted to fit specific client needs. We provide a wide range of pricing models, including partnerships that share risk and rewards, targeted gain share, and outcomes-based pricing. As leaders in cloud-based delivery, we also provide highly scalable services that enable clients to access precisely the right levels of support they need and pay only for what they use. Options include:

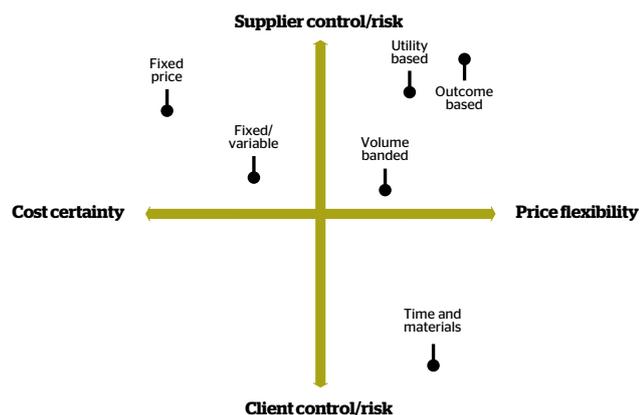
**Fixed-price**, which provides the highest degree of certainty based around a defined scope. To bring extra flexibility into this model, we can also deliver a blend of fixed and variable pricing, giving a defined price for a determined scope but with charges agreed for any variance beyond that.

**Volume banding**, based on pricing for specific types of activity and benchmarked against best-in-class services.

**Outcome-based** pricing based on shared risk. This model can also provide incentives to exceed targets, while guaranteeing a minimum service level.

**Utility-based** pricing is our most flexible payment model, allowing you to call on our resources based on a per-user/per-application cost, enabling you to flex expenditure with demand.

*“By implementing best practice industrialized processes we find that we can significantly improve the quality of service delivery.”*



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# Focusing on your success

## With a dedicated solutions portfolio for manufacturers

Applications management for manufacturing has many unique features and requires a high level of industry knowledge and expertise. Atos has deep roots in the manufacturing world and that helps us to deliver the right solutions for our clients.

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Manufacturers of every kind want to reach the point where integrated, globalized manufacturing processes are a reality. To make that happen, they need to work with a true specialist: a strategic partner that understands the pressures they face from the inside. Atos is exactly that kind of company. We know manufacturing because we have an engineering and industrial heritage that goes back for more than a century and a half. That has helped us to build vertical application management solutions precisely tailored to the needs of manufacturers.

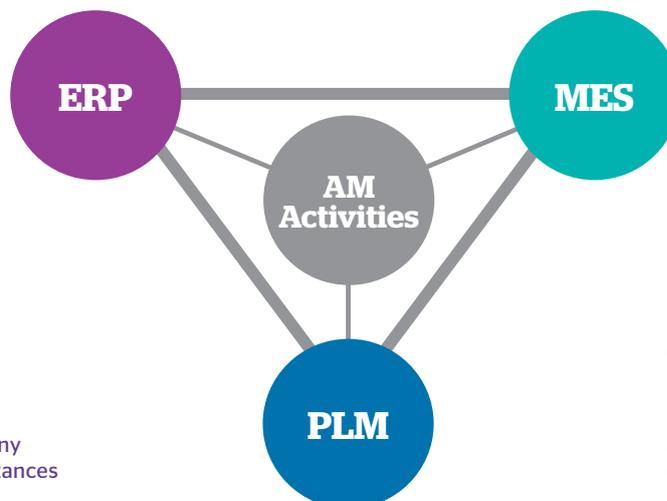
Atos connects deep industry expertise with the Right-Fit Application Management approach. Manufacturers can gain all the benefits of the Atos transformational journey, with the four key benefits of reduced costs, enhanced business continuity, revenue growth, and agility, through services that maximize their investments in core manufacturing-specific applications.

We recognize that for some core manufacturing applications, especially for PLM, usage patterns will always be unpredictable, as development personnel enter and then exit a specific process. That's why we have created our extended PLM cloud offer, Dynamic PLM Services (DPS), to enable completely scalable access to expert application support. This is a pioneering service that is likely to become the industry norm, both for PLM and other specialized applications.

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## Right-Fit for ERP

ERP is the heartbeat of any manufacturing company, but many manufacturers have multiple instances of SAP, and these need to be consolidated, simplified and harmonized in order to drive higher operational efficiency and improved cost performance. Atos has built the world's strongest SAP portfolio for manufacturers, and we have the ability to simplify a complex landscape to enable greater agility while reducing costs at the same time. Right-Fit AM from Atos can deliver seamless interaction with other core systems and processes, drive improved productivity through SAP mobility, and open up higher quality intelligence and reporting for rapid innovation and assured compliance.



## Right-Fit for PLM

PLM is the key to long-term competitive advantage, but it is also perhaps the most unpredictable and complex of all services to provide. Also one of the strongest and most experienced PLM players in the world, Atos brings hands-on business know-how into the heart of application management, delivering responsive, expert support of a kind that others cannot match. With a dedicated vision and approach we understand the need for total security and IP integrity, and we guarantee this with the added benefit of remote delivery from our own R&D centers. In this way we provide the perfect balance of cost, efficiency, security and scalability, all with innovative and flexible commercial models.

## Right-Fit for MES

Manufacturers aim to achieve more integrated and globalized operations, building more consistent manufacturing processes that enable global manufacturing and support their strategic objectives. To do that, they need to simplify factory floor applications landscapes that are often extremely complex, and Atos is one of the few companies qualified to help them. The Right-Fit approach for MES covers the entire application lifecycle along the manufacturing value chain, from initial assessment and architectural design, to implementation and migration, up to long-term maintenance and close support to users, using our SureSource network of global delivery centers and resources.

“We help our clients by taking over the day to day operations of their application estate, enabling them to focus on their core business activities.”



**Worldwide footprint**

- Global Delivery Center
- Local Delivery Center

**Commercially flexible, globally delivered**

Right-Fit Application Management is provided using our SureSource Distributed Delivery model, enabling us to offer the optimum balance of delivery resources according to your needs. We blend on-shore, near-shore, and offshore working with common processes and tools, co-ordinated by our customer service team, to provide seamless delivery.

Our SureSource approach ensures that clients receive exactly the right service for their priorities and requirements. It now includes the DirectSourcing pure-play option, which enables clients experienced in offshoring to access standard applications delivery on cost and value terms that compare with Indian pure-play companies. Yet our offer always remains an integral part of our global sourcing strategy, and additional capabilities and resources can be mobilized any time, as needed.

We ensure complete consistency at all times through the use of proven, integrated, standardized, and industrialized processes and will structure the delivery team around your business and geographic requirements.

**Experience to deliver**

With 10,000 application specialists worldwide supporting nearly one million users, we provide 24/7 operations to global organizations. Our regional business units and network of global delivery centers give us the scale, knowledge, experience, and resources to deliver.

**A new dimension to SureSource**

Now we have added an innovative new option to our global sourcing strategy DirectSourcing which is the first pure-play offshore service to be offered by a European outsourcing company. We created DirectSourcing to provide world-class, cost-effective delivery that is integrated within a global sourcing strategy and yet offers real pure-play costs at the same time.

We recognize that, for most manufacturers, application management is still seen as an on-shore, and for preference, on-site service. Through our policy of standardization and simplification, we can ensure that even for some complex core manufacturing applications at least some maintenance, testing, and long-term management functions can be delivered from offshore locations. In that way, we can

bring the additional cost-saving potential of offshore delivery to industry sectors that have not benefited from them in the past.

Once you begin migration to a rationalized and standardized applications environment, we will push costs down and provide innovative, results-focused commercial options. The Atos SureSource strategy, now including the new DirectSourcing concept, ensures that experienced clients can always have the best of both worlds: improved cost-efficiency and flexibility, backed by access to added value resources whenever needed.

**“We find that clients who outsource their IT and operational functions to a best-of-breed partner are able to significantly grow their revenues by refocusing on their business strategy.”**

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# A culture that makes the difference

But we're about more than facts and figures. We have embedded a set of values throughout our business and our people. And we live by them every day, in every client engagement.

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## We're accountable

We believe in accountability. We hold ourselves accountable to our clients and our colleagues for the outcome, with robust control and strong commercial models that ensure our interests remain aligned with those of our client. We share the risk along with the reward.

## You can trust us

Because trust is so central to a successful partnership, we deliver transparently. For example, we favor joint governance and management, a collaborative partnership culture, independent audit, and benchmarking.

## We're competitive

We constantly strive to add value and achieve excellence by being agile, flexible, and proactive. Initiatives such as our Lean Management program ensure that all of our people are continuously looking to reduce cost and increase quality.

## We value service

Together, we work to understand our clients' businesses. We consider problems as an opportunity to improve and work with our customers to solve them and deliver further benefit across their business.

## We believe in innovation

It keeps us sharp. Positive. Creative. Enthusiastic. A cut above the rest. We welcome inventive solutions. Our 'FreshIdeasStartHere' scheme and global scientific community stimulate and foster innovation.

## We only accept excellence

Bottom line, we believe in excellence. We maintain the highest standards in everything we do, focusing on results and acting with ambition. To measure this we are accredited to international best practices including ISO 20000, ISO 9001, ISO 27001, and CMMI.

## Next steps

Right-Fit Application Management isn't a 'one size fits all' solution. It's a method of transforming your application ecosystem to become more efficient. More flexible. To address the challenges you face in a fast-changing manufacturing sector and in every part of the world.

To begin our discussions, we'd be happy to undertake an Application Management assessment. It's a rapid process that identifies the most effective route forward for your business and can highlight cost savings as well as how to more effectively align IT with your business needs. This collaborative approach is at the heart of our business values and is an essential part of any partnership in transformation.

If you'd like to discuss Right-Fit Application Management, please get in touch and let us show you how it can put your business on a foundation for long-term growth.

Talk to Atos, your business technologists.

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# About Atos

Atos is an international information technology services company with annual 2011 proforma revenue of EUR 8.5 billion and 74,000 employees in 42 countries. Serving a global client base, it delivers hi-tech transactional services, consulting and technology services, systems integration and managed services. With its deep technology expertise and industry knowledge, it works with clients across the following market sectors: Manufacturing, Retail, Services; Public, Health & Transport; Financial Services; Telecoms, Media & Technology; Energy & Utilities.

Atos is focused on business technology that powers progress and helps organizations to create their firm of the future. It is the Worldwide Information Technology Partner for the Olympic and Paralympic Games and is quoted on the Paris Eurolist Market. Atos operates under the brands Atos, Atos Consulting & Technology Services, Atos Worldline and Atos Worldgrid. For more information, visit: [www.atos.net](http://www.atos.net)

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