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CHALLENGE THINKING. LEAD CHANGE.

ECM and Shared Services Considerations

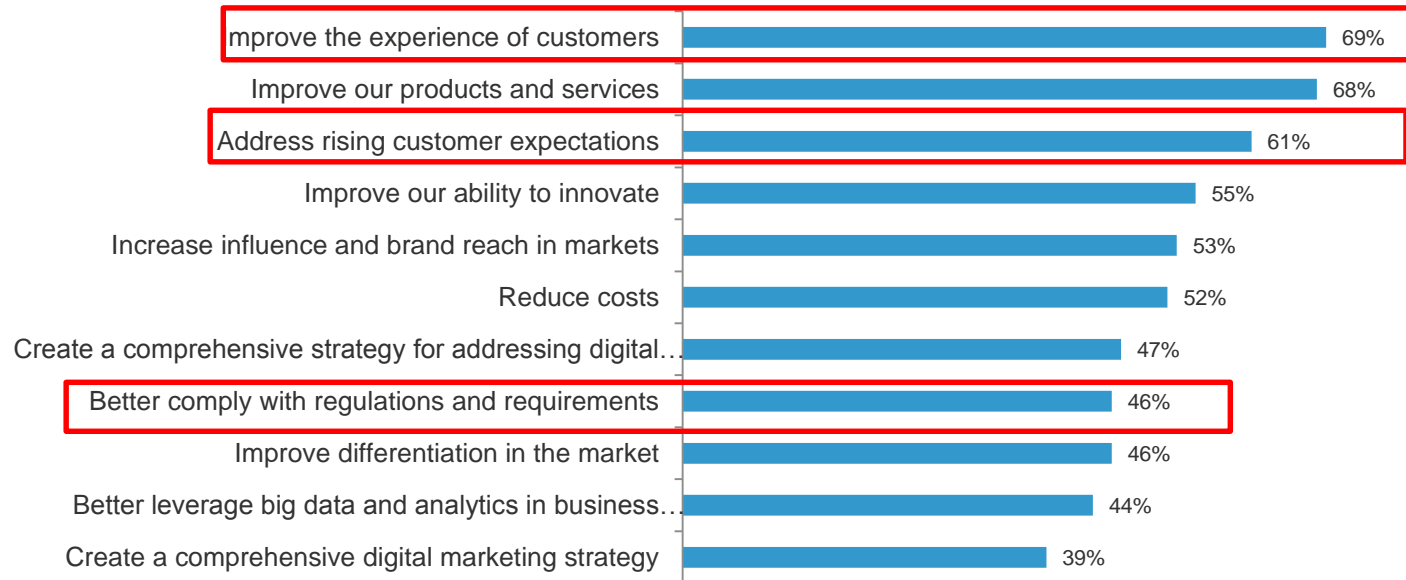**Cheryl McKinnon, Principal Analyst**

October 2015

Agenda

› *The business technology agenda reshapes cost and deployment models*

› *ECM and shared services*

› *Q&A*

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› *Q&A*

Business priorities shift in response in response to the age of the customer

Which of the following initiatives are likely to b your organization's top business priorities over the next 12 months? (high or critical priority)

Initiative	Percentage
mprove the experience of customers	69%
Improve our products and services	68%
Address rising customer expectations	61%
Improve our ability to innovate	55%
Increase influence and brand reach in markets	53%
Reduce costs	52%
Create a comprehensive strategy for addressing digital…	47%
Better comply with regulations and requirements	46%
Improve differentiation in the market	46%
Better leverage big data and analytics in business…	44%
Create a comprehensive digital marketing strategy	39%

Base: 14,596 business and technology decision-makers
Source: Forrester's Business Technographics Global Priorities And Journey Online Survey, 2015

The Age Of The Customer Shifts The Focus To Business Technology

The CIO Mandate: Engaging Customers With Business Technology

		IT	BT
Who		Employees *Policy coerces practice.*	Customers *Value entices engagement.*
What		Business processes *Defined by legal conventions*	Customer patterns *Shaped by customer data*
Where		End-to-end control *On-premises simplifies securing.*	Integrating zones of authority *Cloud simplifies sharing.*
How		Risk reduction *Waterfall methods limit exposure.*	Value generation *Agile methods co-create options.*
When		Asset-based business model *Governance by fiat*	Services-oriented business model *Governance by contracting*

IT And Business Technology Agendas Differ Greatly

Embark On Your Road Map To BT Leadership

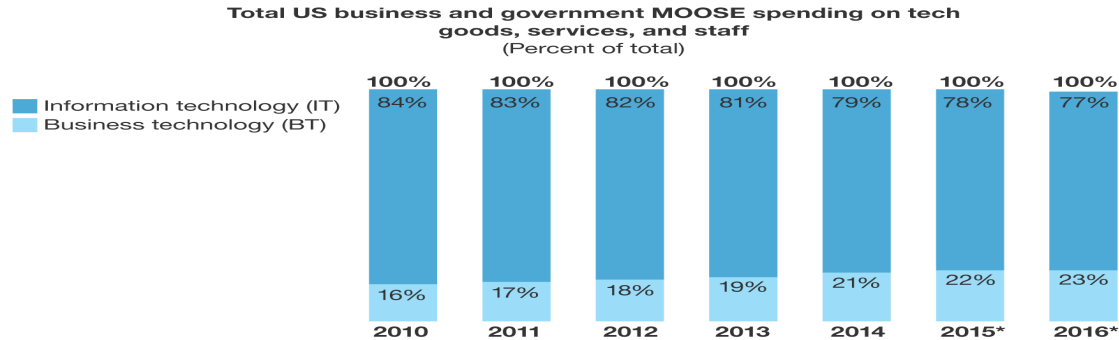|	IT agenda	BT agenda
Management and governance		
Planning cycles	Typically annual	Synchronized with customer cycles
Project focus	On time, on budget	Outcome delivered
Innovation	Episodic	Continuous through dedicated resources
Sourcing	Focused on costs	Focused on strategic issues
Finance		
Business case development	Costs and benefits (ROI) emphasized	Flexibility and market risk emphasized
Financial decision-making	Based on net present value (NPV)	Scalable, and tailored to specific case
Purchasing and pricing	Fixed	Consumption-based
Metrics and culture		
Performance assessment	Based on business operations	Based on business outcomes
Employee engagement	Focused on internal operations	Focused on customers

Anticipate shift from IT to BT spend

*MOOSE = "the costs to **maintain** and **operate** the tech **organization**, **systems**, and **equipment**"*

BT's Share Of Tech MOOSE Will Rise To 23% By 2016

Tame Your Tech MOOSE Before The BT Agenda Makes It Bigger

Total US business and government MOOSE spending on tech goods, services, and staff
(Percent of total)

■ Information technology (IT)
■ Business technology (BT)

	2010	2011	2012	2013	2014	2015*	2016*
Total	100%	100%	100%	100%	100%	100%	100%
IT	84%	83%	82%	81%	79%	78%	77%
BT	16%	17%	18%	19%	21%	22%	23%

Note: Data excludes communications equipment used by telecommunications carriers in their core business operations.
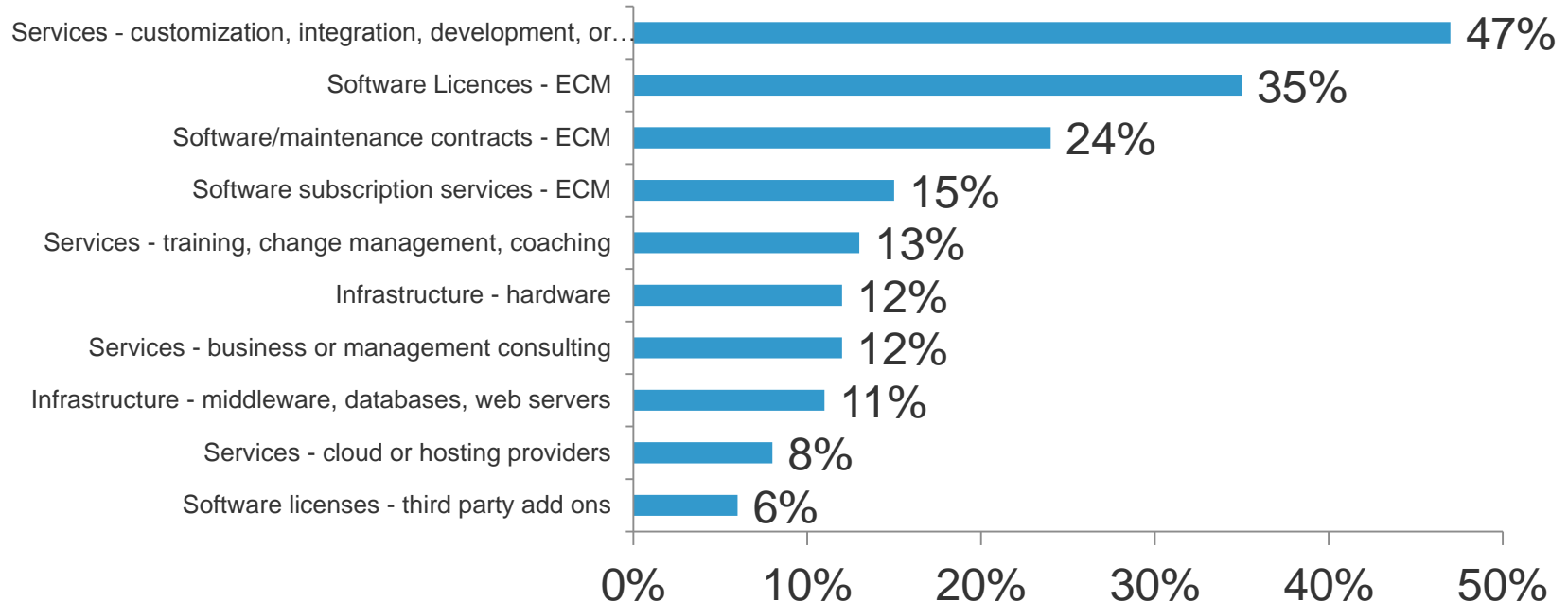*Forrester forecast

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Source: Tame Your Tech MOOSE Before The BT Agenda Makes It Bigger. May 2015

Agenda

› *The business technology agenda reshapes cost and deployment models*

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Services are largest portion of ECM budgets

Where do you expect to spend the most of your ECM budget in the next 12 months? (Please select three choices)

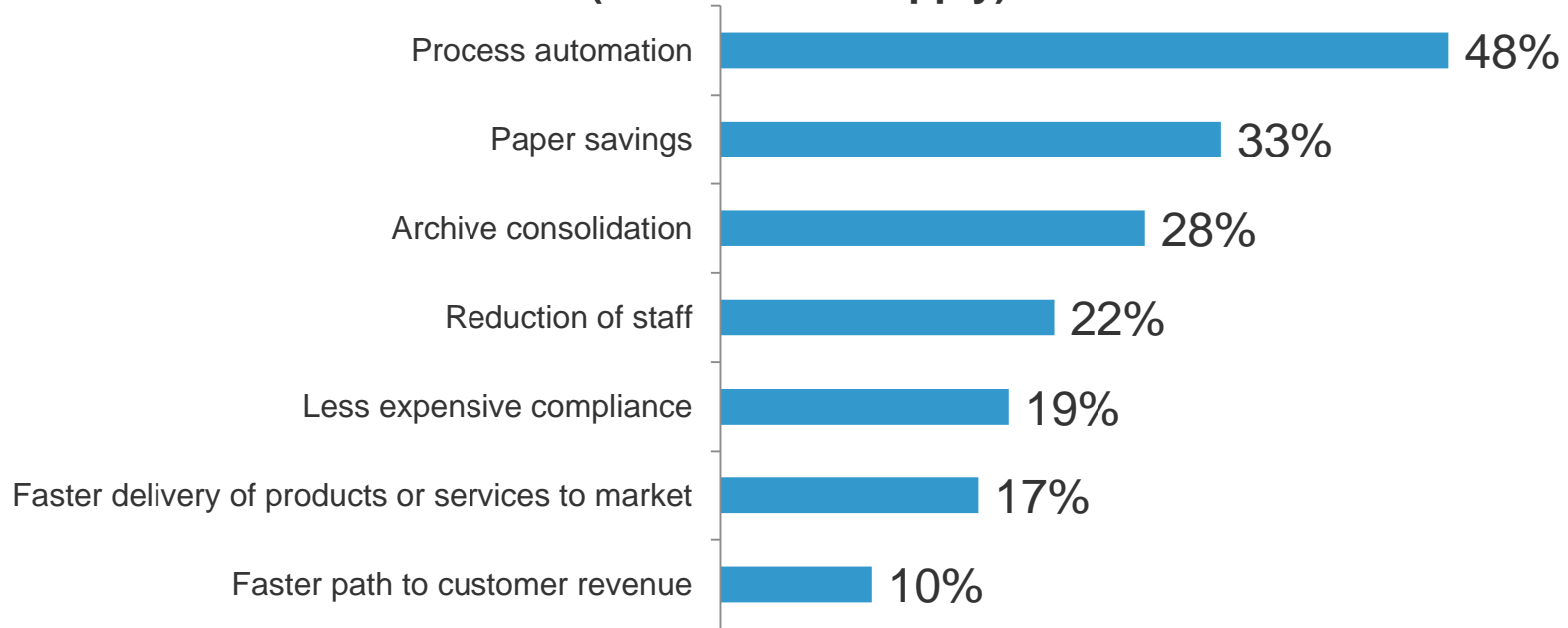| Category	Percentage
Services - customization, integration, development, or…	47%
Software Licences - ECM	35%
Software/maintenance contracts - ECM	24%
Software subscription services - ECM	15%
Services - training, change management, coaching	13%
Infrastructure - hardware	12%
Services - business or management consulting	12%
Infrastructure - middleware, databases, web servers	11%
Services - cloud or hosting providers	8%
Software licenses - third party add ons	6%

Base: 130 content management professionals; Note: "Don't know" excluded from analysis
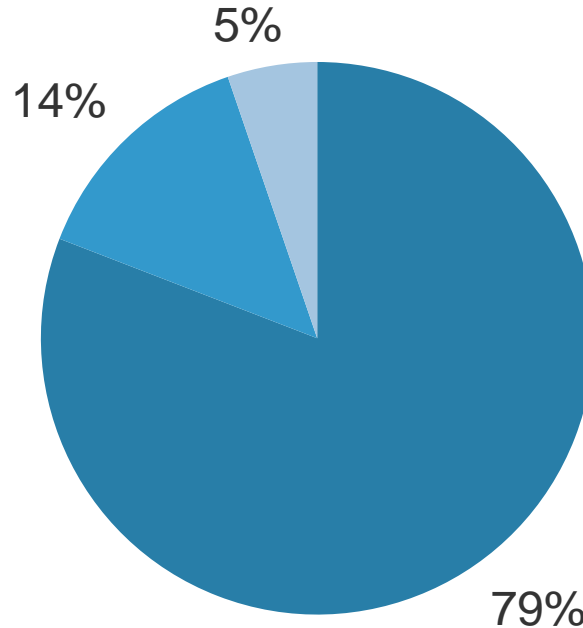Source: July 2015 Global Enterprise Content Management Online Survey

Process automation tops ECM ROI

Where have you recognized return on investment (ROI) in ECM? (select all that apply)

Process automation	48%
Paper savings	33%
Archive consolidation	28%
Reduction of staff	22%
Less expensive compliance	19%
Faster delivery of products or services to market	17%
Faster path to customer revenue	10%

Base: 130 content management professionals; Note: "Don't know" and "Other" excluded from analysis
Source: July 2015 Global Enterprise Content Management Online Survey

Data teams see value in a shared services model

5%

14%

79%
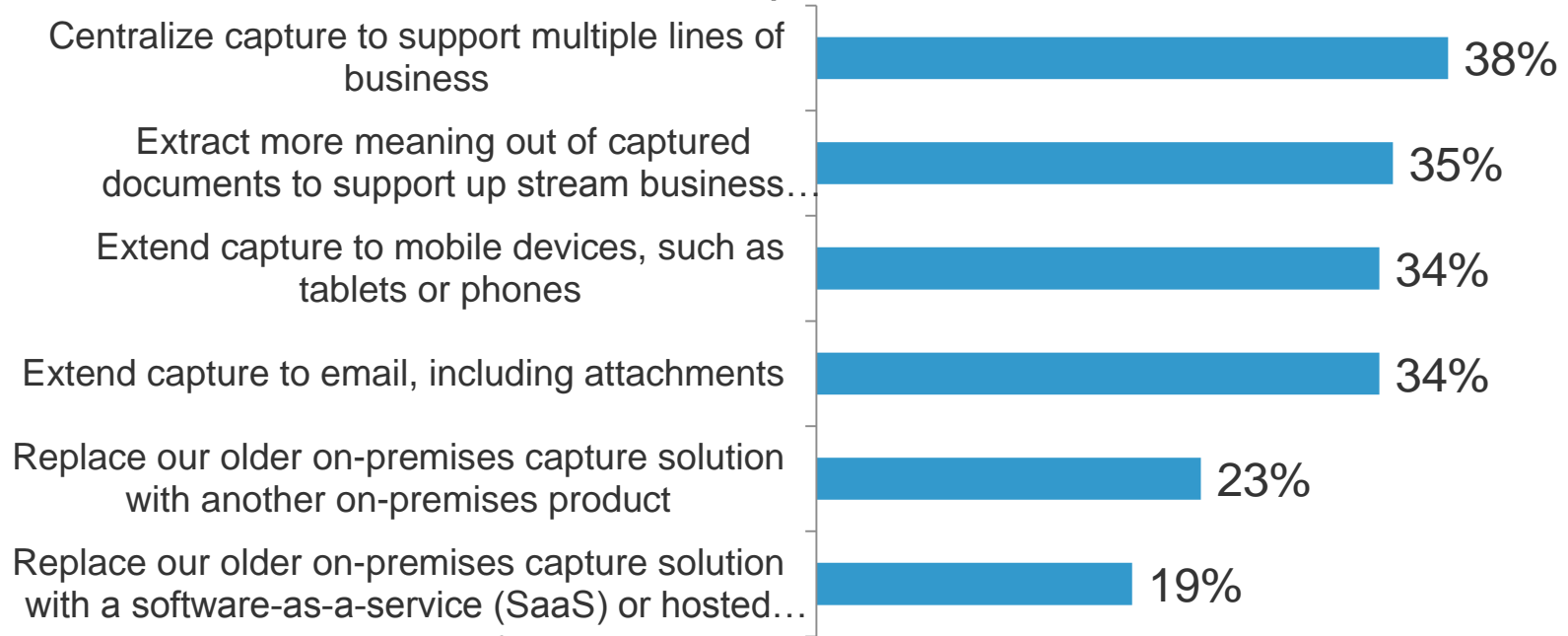
How much do you agree with the following statements about your firm's BI?
(We have a formal organizational structure for analytics support (e.g.,shared services model))

■ Agree

■ Middle

■ Disagree

Base: 331 Indian data and analytics decision-makers; Source: Forrester's Global Business Technographics Data And Analytics Survey, 2015

Centralization of capture is a top priority

Over the next 12 months, please rate the importance of the following capture initiatives – Responses "Important"

Initiative	Value
Centralize capture to support multiple lines of business	38%
Extract more meaning out of captured documents to support up stream business…	35%
Extend capture to mobile devices, such as tablets or phones	34%
Extend capture to email, including attachments	34%
Replace our older on-premises capture solution with another on-premises product	23%
Replace our older on-premises capture solution with a software-as-a-service (SaaS) or hosted…	19%

Base: 121 content management professionals
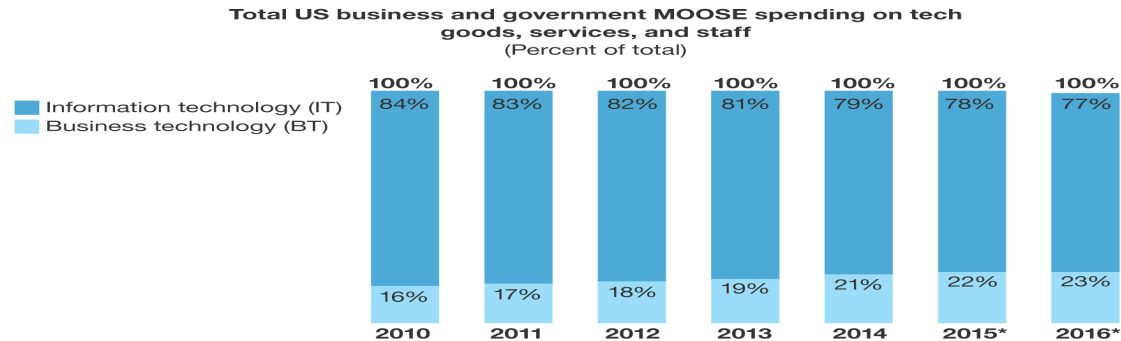Source: July 2015 Global Enterprise Content Management Online Survey

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*Forrester forecast

115762   Source: Forrester Research, Inc. Unauthorized reproduction or distribution prohibited.

Source: Tame Your Tech MOOSE Before The BT Agenda Makes It Bigger. May 2015

Thank you

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