

Aligning Business and IT Strategy for Competitive Advantage and Bottom-Line Results

- Almost two-thirds of financial executives remain unclear about how to set IT spending levels or how to assess the business value of such spending.
- Only 6 percent of financial executives feel that they have an IT strategy that is aligned with corporate goals.

– Fifth Annual Survey
Technology Issues for
Financial Executives

You know the pressure. Increasingly, you are faced with situations that present difficult and unseen business challenges. Questions like these cut to the core of your team's management strengths and test your company's competitive drive:

- How can you measure and link your IT expenditures to business value today?
- Are you getting the maximum value from your IT investments?
- Have you made hard choices in the face of a mandatory across-the-board downsizing or cost-cutting mandates?
- Can your IS department meet internal and external demands for innovation and speed to market?
- Has the inflexibility of your IS environment been highlighted by business pressures associated with acquisitions, divestitures and mergers?
- When offered an extremely attractive outsourcing arrangement, have you asked yourself "could a third party accomplish this project or process better and cheaper?"
- Have technology advances caused you to question whether or not these advances are product opportunities for your company?

When can IT strategy serve your business goals?

Although IT spending is a major business investment, many executives have difficulty linking expenditure to business value results. In most organizations, an integrated business and IT strategy does not actually exist. Information systems plans, technology architectures and project plans are developed as a reaction to the long and frequently changing list of business users' needs. They are not developed holistically or strategically. While there is awareness that IT could significantly enhance profitability beyond cost effectiveness, there is less recognition that technology could play a major role in shaping over-all business strategy and enhance competitive advantage.

CSC's Fusion

Fusion is CSC's business-centric process for seamlessly integrating business and IT strategy. *Fusion* views the interaction between business processes and IT functions in a way that acknowledges the strategic potential of technology. This positions IT as a strategic asset and the IT organization as a business partner. *Fusion* aligns strategic goals and redirects IT spend to high priority mission-critical initiatives.

The *Fusion* approach continually enforces the need to define all technology aspects from the business perspective. This demystifies technology because IT issues and opportunities are discussed in language that is familiar to you. And, perhaps most importantly, the approach separates the issues of corporate information needs from specific hardware and software concerns. In other words, it deals with the "I" and "T" of "Information Technology" separately.

One of *Fusion's* key differentiators is its fundamental orientation toward strategic self-sufficiency. While providing prescriptive advice and facilitation, the *Fusion* approach installs a self-sustaining, ongoing process for building an integrated strategy and maintaining alignment. You and your teams experience an improved understanding of both business priorities and IT capabilities during the course of a *Fusion* engagement.

A CSC Fusion client experienced a volume growth of 80 percent in the first year of the program.

Their 25 percent increase in annual IT spending yielded an initial profit increase of 300 percent.

About CSC

Computer Sciences Corporation helps clients achieve strategic goals and profit from the use of information technology.

With the broadest range of capabilities, CSC offers clients the solutions they need to manage complexity, focus on core businesses, collaborate with partners and clients, and improve operations.

CSC makes a special point of understanding its clients and provides experts with real-world experience to work with them. CSC is vendor-independent, delivering solutions that best meet each client's unique requirements.

For more than 40 years, clients in industries and governments worldwide have trusted CSC with their business process and information systems outsourcing, systems integration and consulting needs.

The company trades on the New York Stock Exchange under the symbol "CSC."

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Fusion outcomes

- Executive understanding, ownership and commitment;
- A fully integrated and aligned business and IT strategy;
- IT strategic priorities identified, justified and linked to business imperatives;
- Business and IT organization capabilities aligned to business strategies;
- Methods and tools enable you to remain integrated and aligned;
- IT projects priority ranked;
- Maximum IT investment productivity ... qualitatively... quantitatively; and
- Accelerated strategic program; phased approach gives quick results for each stage.

One thing we promise — partnering with CSC will cause you to think about and employ IT in a fundamentally different way.

Proven IT strategy expertise

CSC has global and local experience in strategic alignment and IT strategy development across many industries, including government, health, manufacturing, consumer products, defense, energy and financial services.

Large, small, transaction-driven, process-driven — CSC has had broad exposure to every business environment. We understand that while there may be common features, your organization has unique needs that must be addressed.

Process methodology leadership

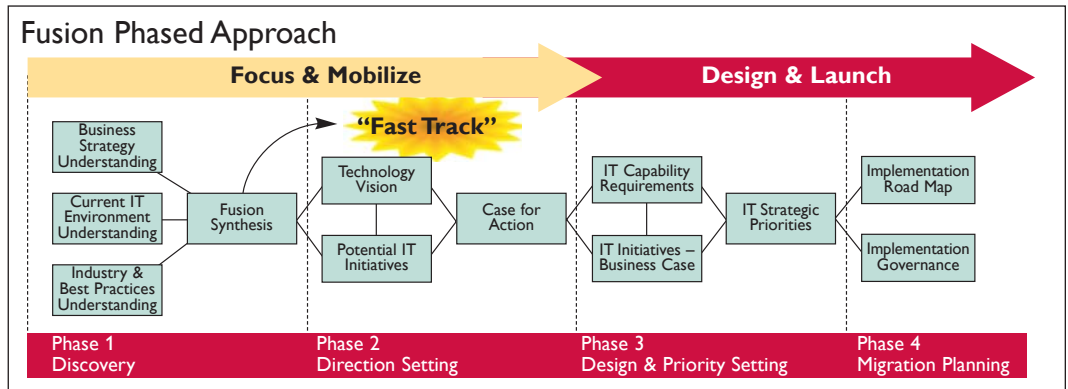
CSC's rigorous system of quality and program management methodologies ensures consistency of service delivery, meeting of budgetary and scheduling targets, and appropriate risk management.

CatalystSM is CSC's methodology and model-based tool that brings a standard approach to end-to-end planning, execution and management of IT strategy development. Fusion is a technique within Catalyst that accelerates IT Strategy development by targeting value-linked initiatives.

End-to-end service provider

Whether you require assistance with development of an aligned IT strategy or end-to-end solution provision, we can tailor our service offering to suit your exact needs.

CSC also has the capabilities to offer much more. With more than 66,000 employees in locations worldwide, CSC has a uniquely comprehensive range of global services.



Case Study

A U.S. specialty lender and servicer found that regulatory factors provided a unique window of opportunity for substantial growth and expansion. Management determined that IT would be a critical enabler for its nearly five-fold expansion target. Executive management called upon CSC and its Fusion methodology to help it develop the appropriate course of action to meet its goals.

CSC employed the Fusion methodology to assess the current IT condition and to determine the priority ranked initiatives necessary to meet business growth targets. Growth strategies included expansion in servicing capacity, introduction of new sales channels and products, broadening of customer markets and lower cost sources for new loan funding. Executing these growth strategies required substantial improvement in three technology areas:

- Information systems would require significant enhancement and repair to handle the increasing volumes and product flexibility;
- Supporting architectures needed to be more customer and channel centric;
- Client staff needed coaching and training in the required new technologies.

CSC identified and priority-ranked programs that best met the client's business needs and timing, yet fit within their current and emerging technical capabilities. CSC further supported the organization's business goals by installing expanded processing capacity, flexible channel capabilities, enhanced Web-based retail services and origination features that enabled volume growth of 80 percent within the first year. A 25 percent increase in annual IT spending yielded an initial increase in profits of 300 percent with the organization poised to continue its fivefold expansion.