

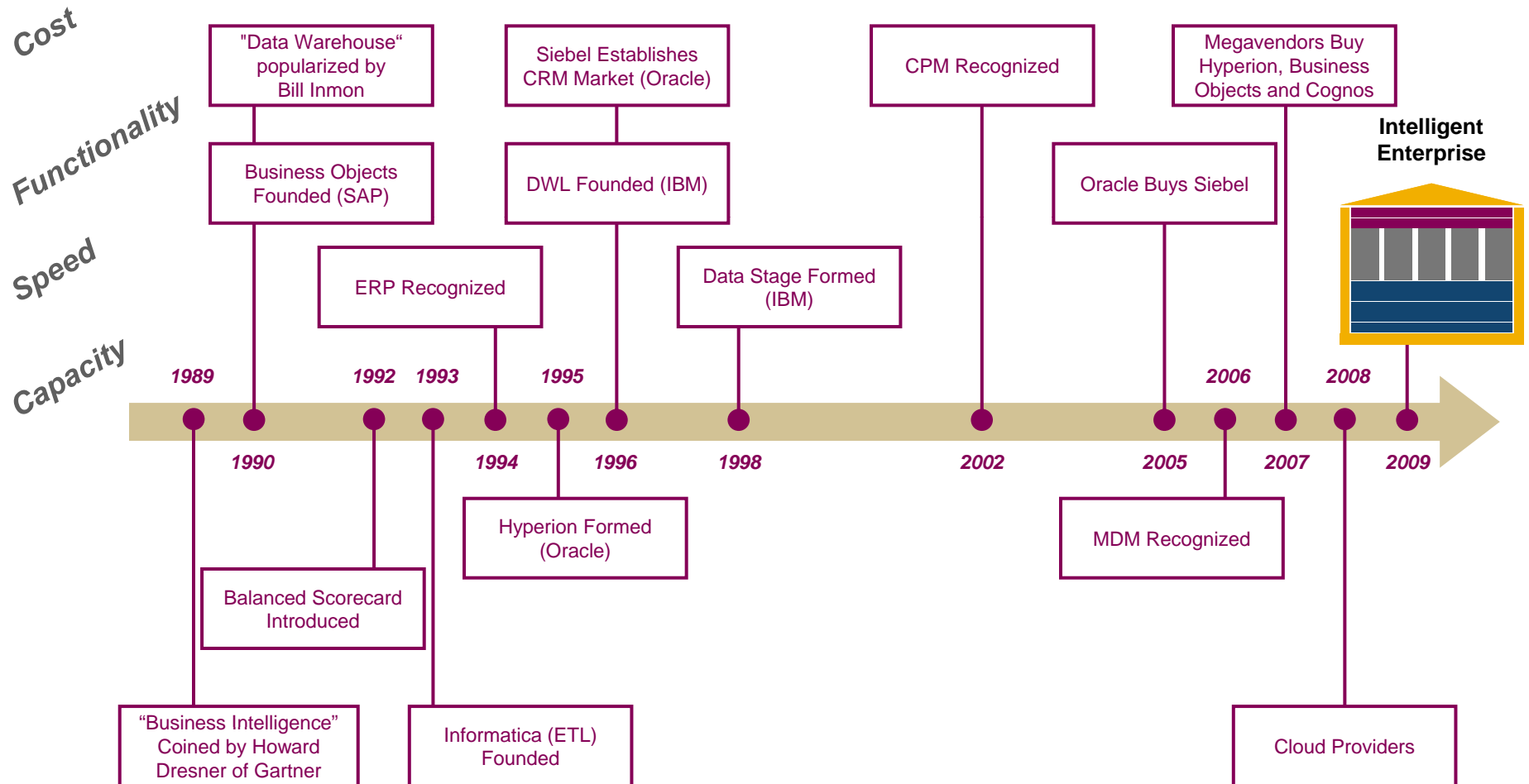
The CSC logo is a red square with the letters 'CSC' in white, bold, sans-serif font. The background of the slide features a blurred image of two women in a meeting, with a whiteboard in the background containing various diagrams and handwritten notes in purple ink. The whiteboard has a flowchart at the top, the word 'PROPULSION' in the middle, and 'ISSP' below it. On the right side, there are handwritten notes including 'Need new', 'Data', 'Chr', 'Concept', and 'Detail'.

CSC

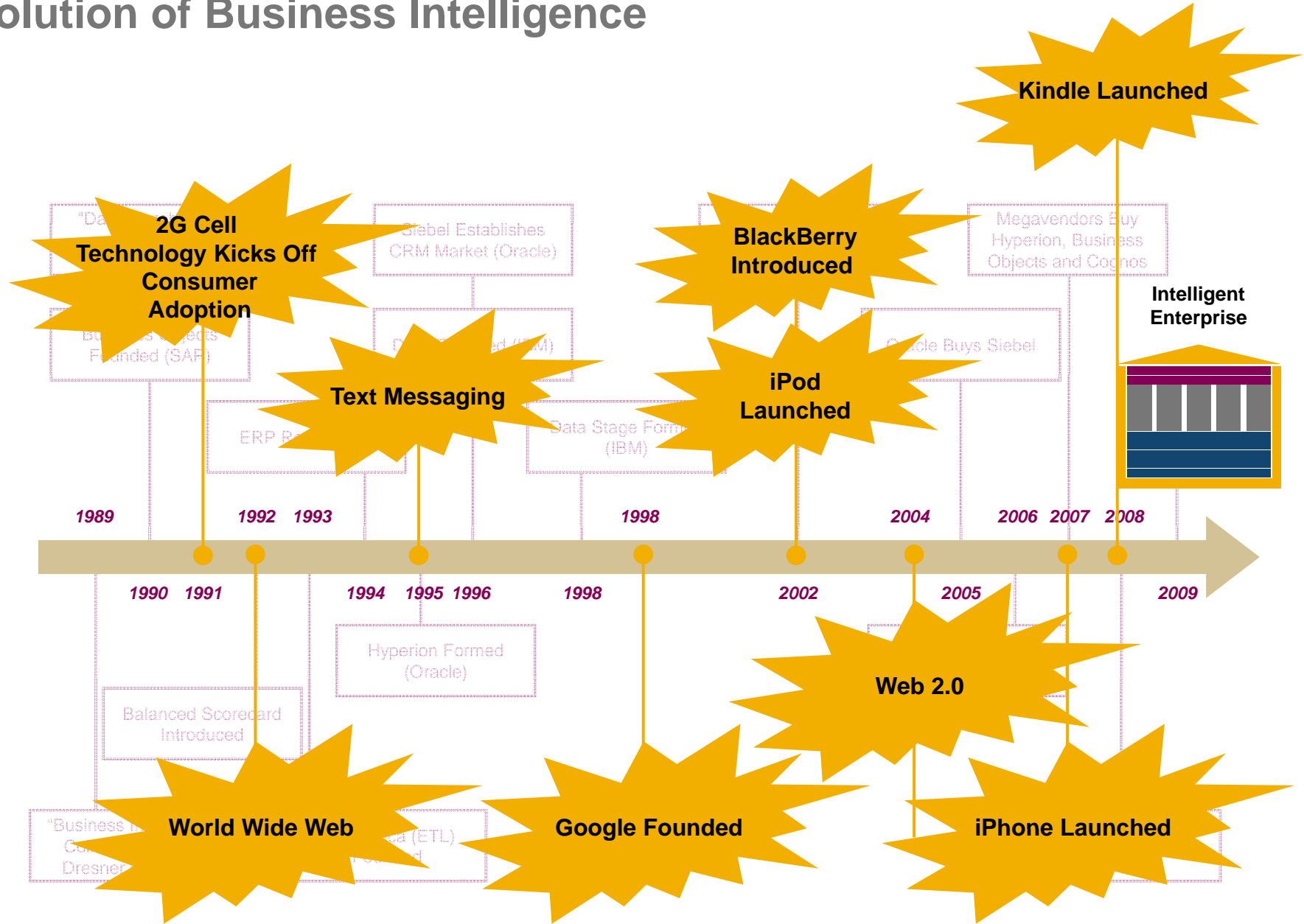
DEFINING AND CREATING THE INTELLIGENT ENTERPRISE

Alex Black
Executive Exchange
November 2009

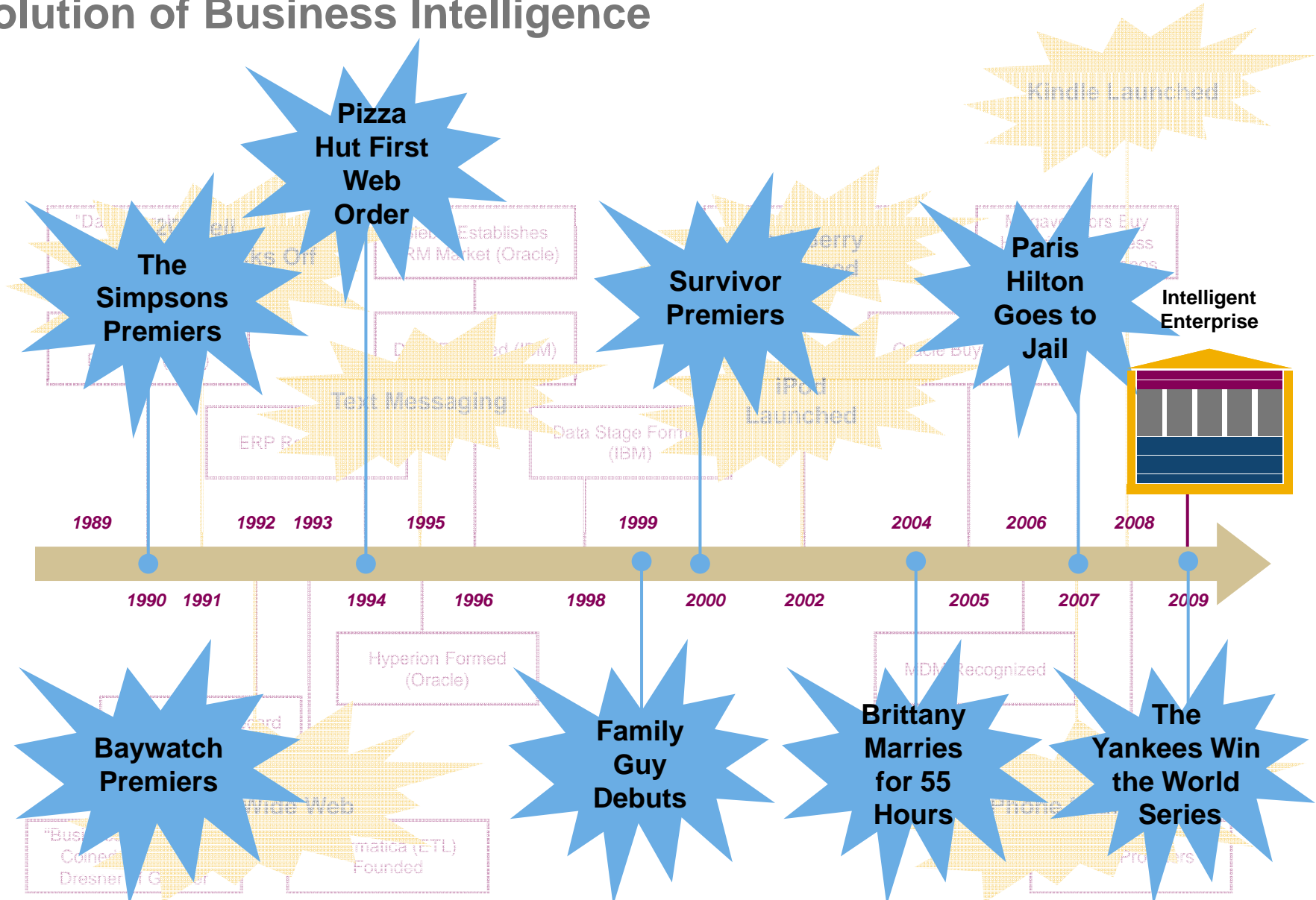
Evolution of Business Intelligence



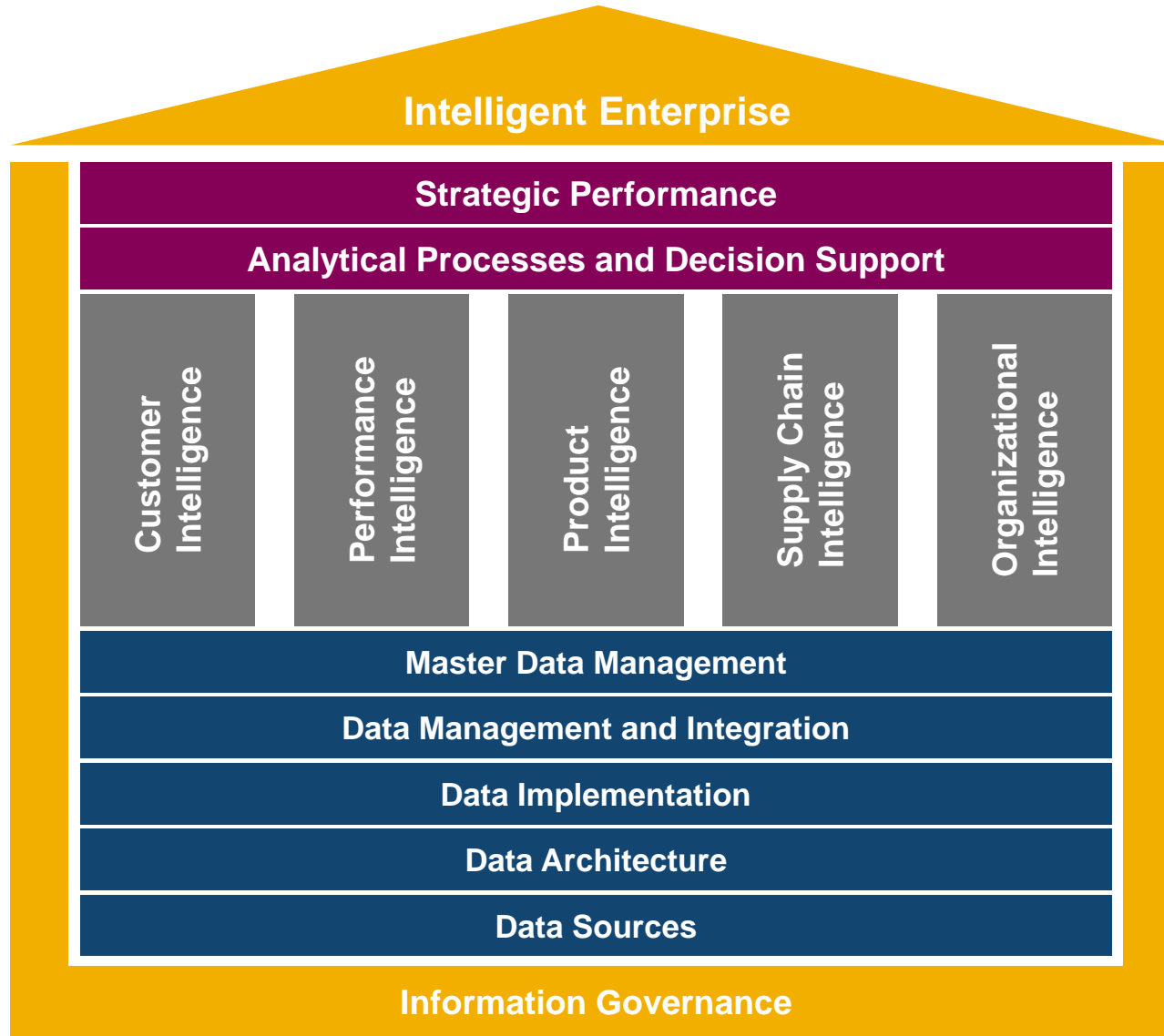
Evolution of Business Intelligence



Evolution of Business Intelligence

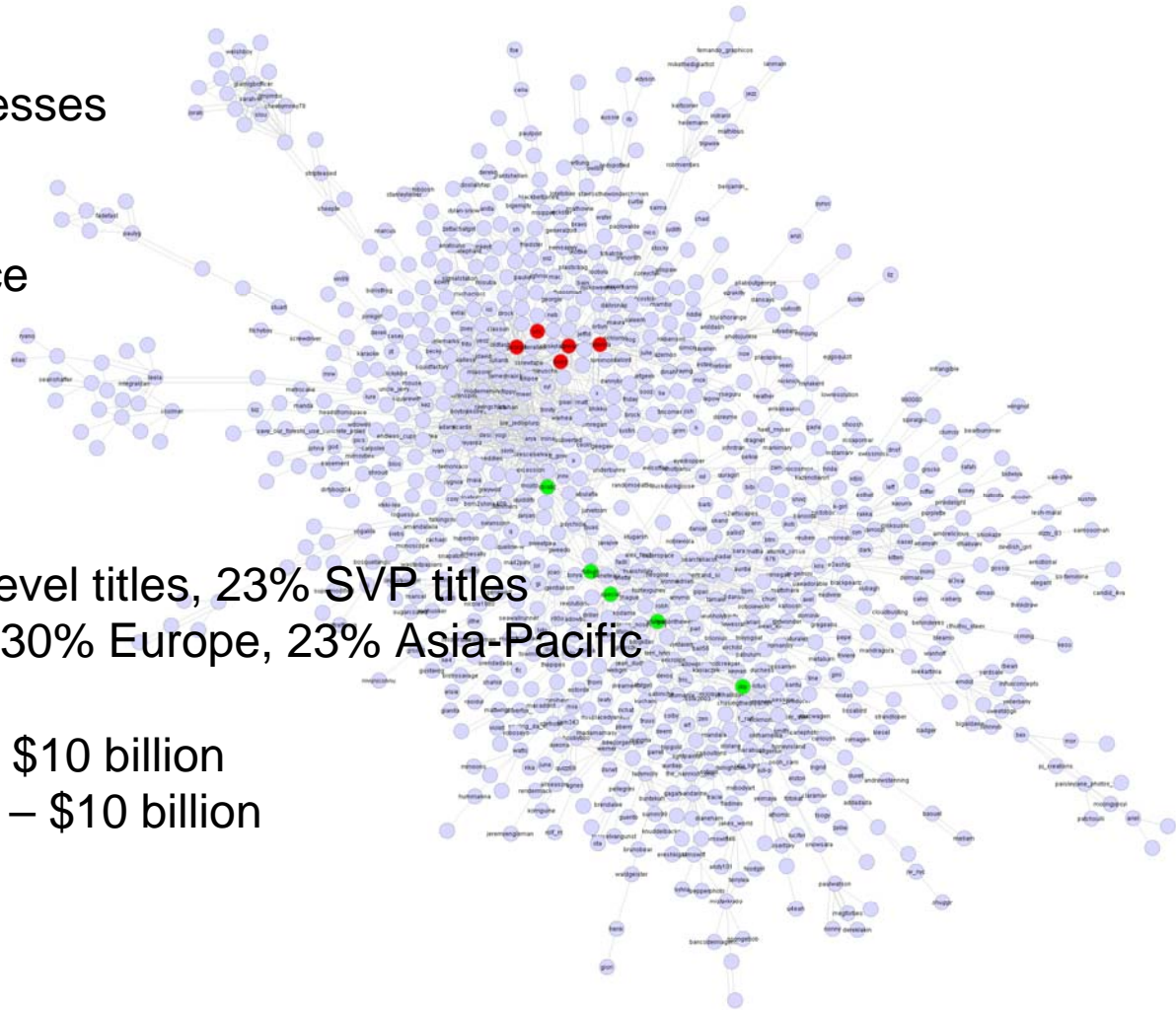


CSC's Intelligent Enterprise Framework



The Intelligent Enterprise: Creating a Culture of Speedy and Efficient Decision Making

- Key focus areas:
 - Decision making processes
 - Analytics and data
 - Technology
 - Information governance
- Survey demographics:
 - 208 respondents
 - 21% CEOs, 45% C-level titles, 23% SVP titles
 - 38% North America, 30% Europe, 23% Asia-Pacific
 - Revenue levels:
 - 29% greater than \$10 billion
 - 40% \$500 million – \$10 billion



1. Creating Competitive Advantage

Which of the following do you feel are most important to create competitive advantage for your company? (Select up to two)

Survey Response:

- Most important factors for creating competitive advantage (selecting up to 2):
 - Superior Executive Leadership (42%)
 - Innovation (41%)
 - Accurate/Timely Decision Making (41%)
- Not as important:
 - Leading edge technology (20%)
 - Lean operations (18%)
 - Increasing market share (12%)



2. Technology Helps, but Only Part of the Solution

How would you rate your company's use of business information to drive better and faster executive decisions?

Has your company implemented technology in support of decision-making, and has it had an impact?

Survey Responses:

- 3% rate their companies as “experts”
72% “Beginner/Laggard” or “Some Experience/Needs Improvement”
- 37% have implemented technology and seen a positive impact; another 32% are implementing solutions within the next 12 months (11% implemented technology with no impact)
- Biggest obstacle to successful decision making: organization silos (51%)



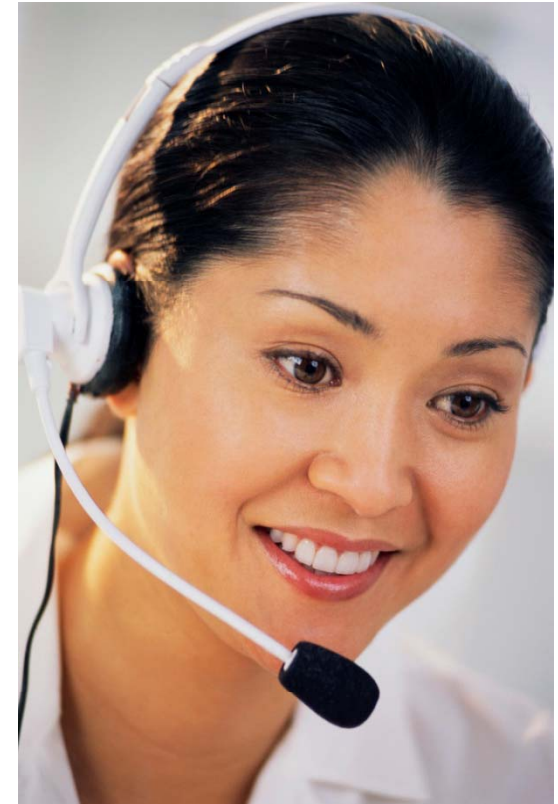
3. A Palpable Disconnect In Customer Service

What does your company perceive as the greatest potential advantages of faster design-making? (Select up to three)

Which areas of your business produce the best business insights?

Survey Responses:

- Greatest potential benefit cited with faster decision making was “*Better Customer Service/Support/Satisfaction,*” 59%
- 34% indicated “*Customer Feedback/Support/Service*” is the most critical information utilized in strategy formulation (36% — *Market Research*; 33% — *Demand Modeling/Forecasting*)*
- Conversely, when asked which area of business produces the best business insights, only 10% of respondents chose “*Customer Support/Service*”



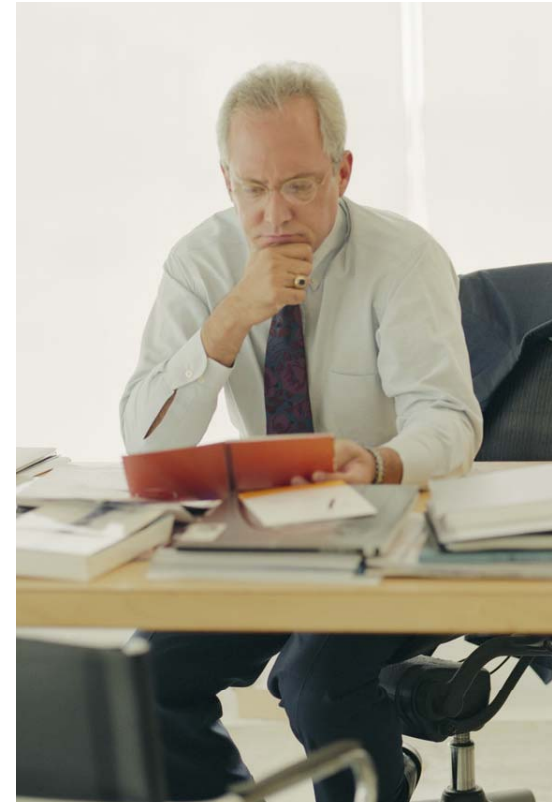
4. Information Governance is Missing

In your view, how effective is your organization's information governance function in producing accurate and timely business information?

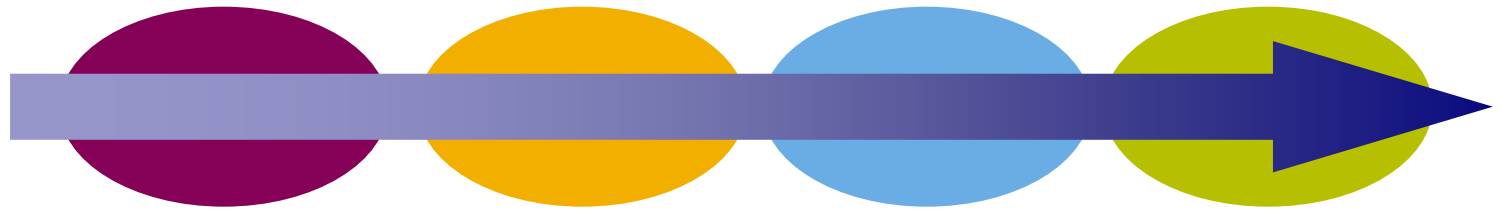
With regard to corporate data, how would you rate the business information used to make decisions at your company? (Rate on a scale of 1 to 5)

Survey Responses:

- 16% indicated they have a dedicated information governance office
- Only 12% of respondents indicated a classification of "Very Effective" when assessing their governance function
- The following percentages represent a "Very Good" rating for data:
 - Accuracy (14%)
 - Completeness (8%)
 - Quality (12%)
 - Access (8%)



Enterprise Intelligence Maturity Model: Three Critical Capabilities



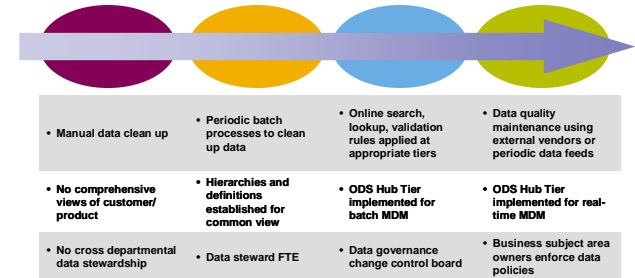
Capability	Stage 1	Stage 2	Stage 3	Stage 4
Information Integration	<ul style="list-style-type: none"> No comprehensive data integration <p>ThermoFisher</p>	<ul style="list-style-type: none"> Hierarchies and definitions established for common view 	<ul style="list-style-type: none"> ODS Hub Tier implemented <p>Johnson & Johnson</p>	<ul style="list-style-type: none"> ODS Hub Tier implemented for real-time MDM
Insights Derivation (Modeling/ Analytics)	<ul style="list-style-type: none"> No use of predictive models 	<ul style="list-style-type: none"> Some proxy-based models <p>Avis Budget Group</p>	<ul style="list-style-type: none"> Segment or trend analysis <p>Kroger</p>	<ul style="list-style-type: none"> Complex predictive models for propensity scoring
Insights Operationalization	<ul style="list-style-type: none"> Established key performance indicators (KPIs) associated with individual projects 	<ul style="list-style-type: none"> Alignment of individual strategies — data driven for success <p>Leggett & Platt</p>	<ul style="list-style-type: none"> Alignment of KPIs and scorecard measurements — strategic <p>Netflix</p>	<ul style="list-style-type: none"> Insights-based decision making

Thermo Fisher Profile

Information Integration



- Thermo Fisher is an \$11.6 billion manufacturer and distributor of equipment and consumables to the life sciences industry
- Founded in 1956
- Business Model: B:B and B:B:BC



Thermo Fisher: Problem and Objectives

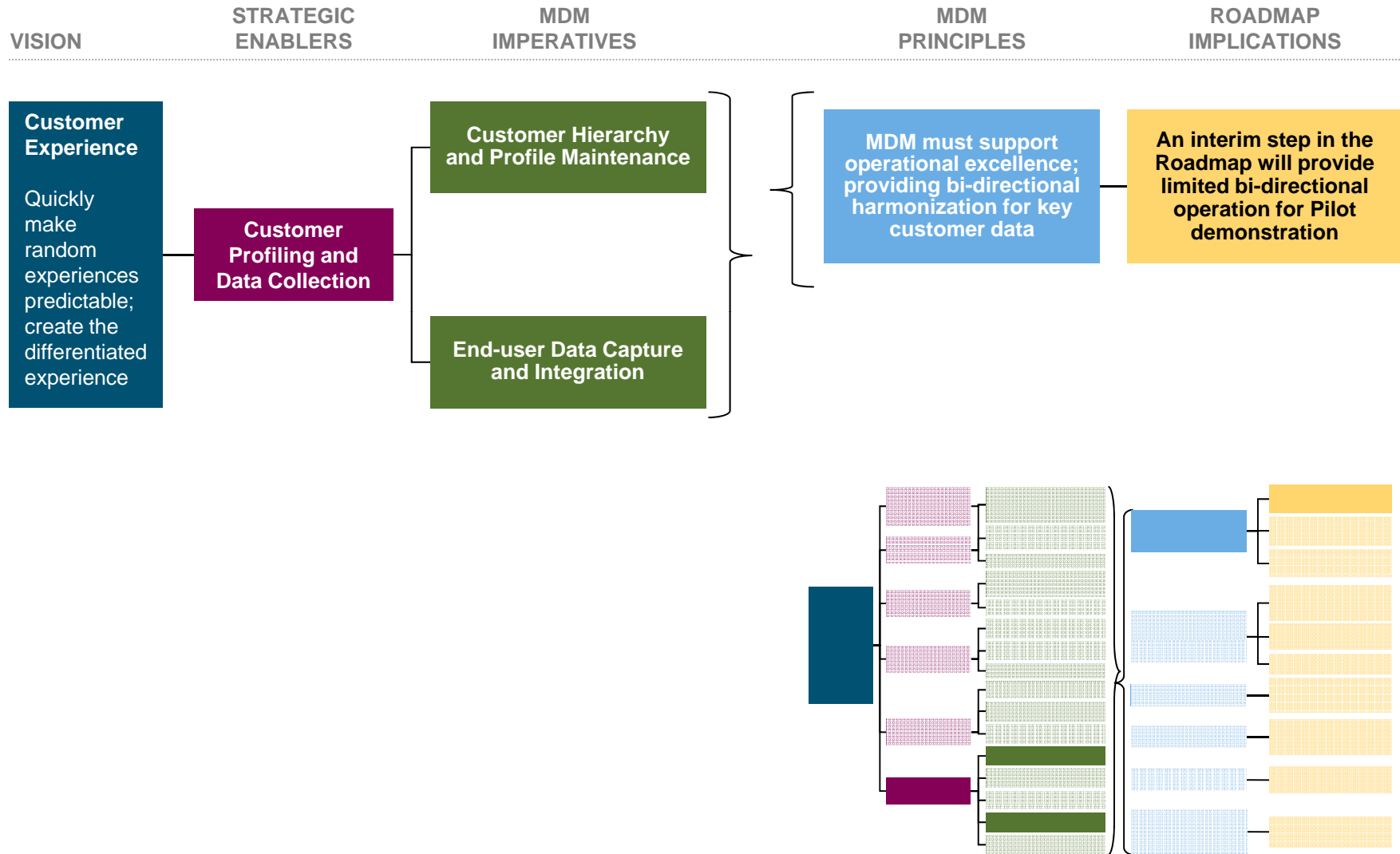


- Problem
 - Data is good for individual transactions, but the data quality is poor for business management
- Implications
 - Limited ability to cross-sell
 - Limited support for financial planning and budgeting
 - Thermo Fisher is difficult to do business with
- Foundation — MDM enables all Big Six strategic corporate initiatives



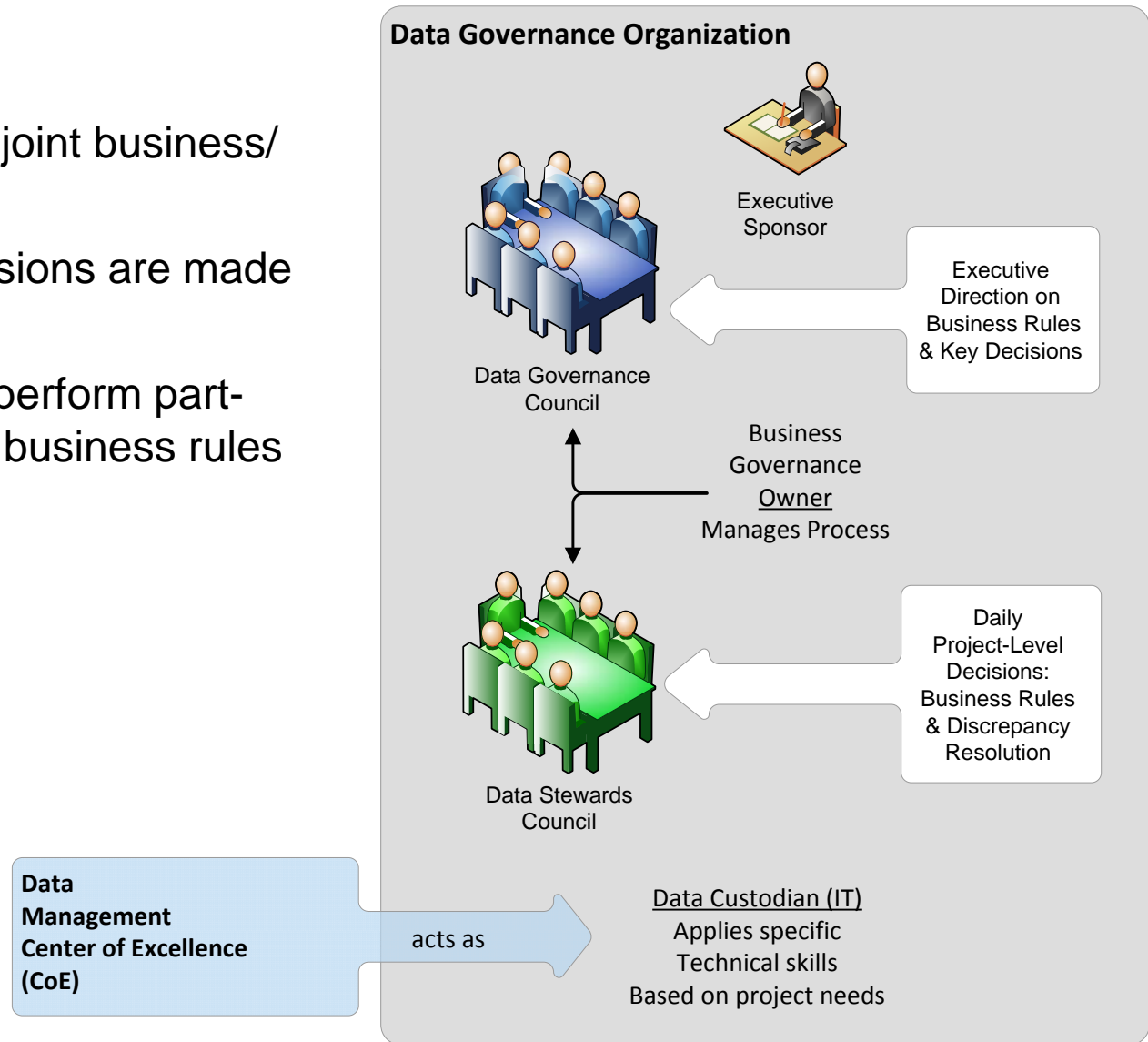
- Scope
- Sponsor
- Architecture
- Governance
- CoE
- Pilot

MDM Strategic Framework: Implications



Data Governance Structure

- Data Governance is a joint business/IT responsibility
- Most governance decisions are made during MDM projects
- Business participants perform part-time duties to develop business rules that manage data

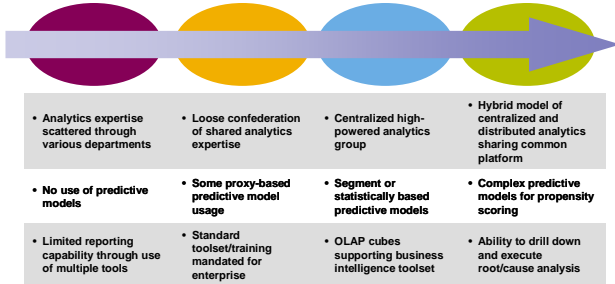


Avis Budget Group Profile

Insights Derivation

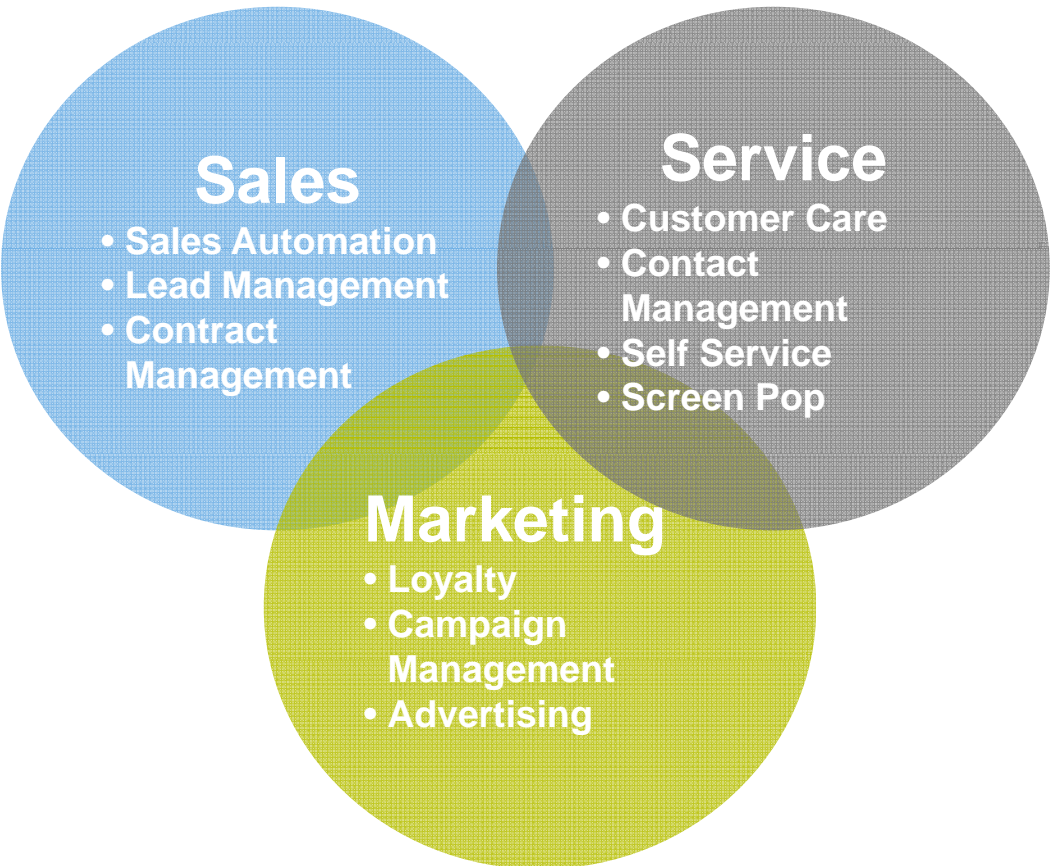


- ABG had revenues of \$5.47 billion in its latest fiscal year
- Founded 1946
- Business Model: B:B, B:BC and B:C

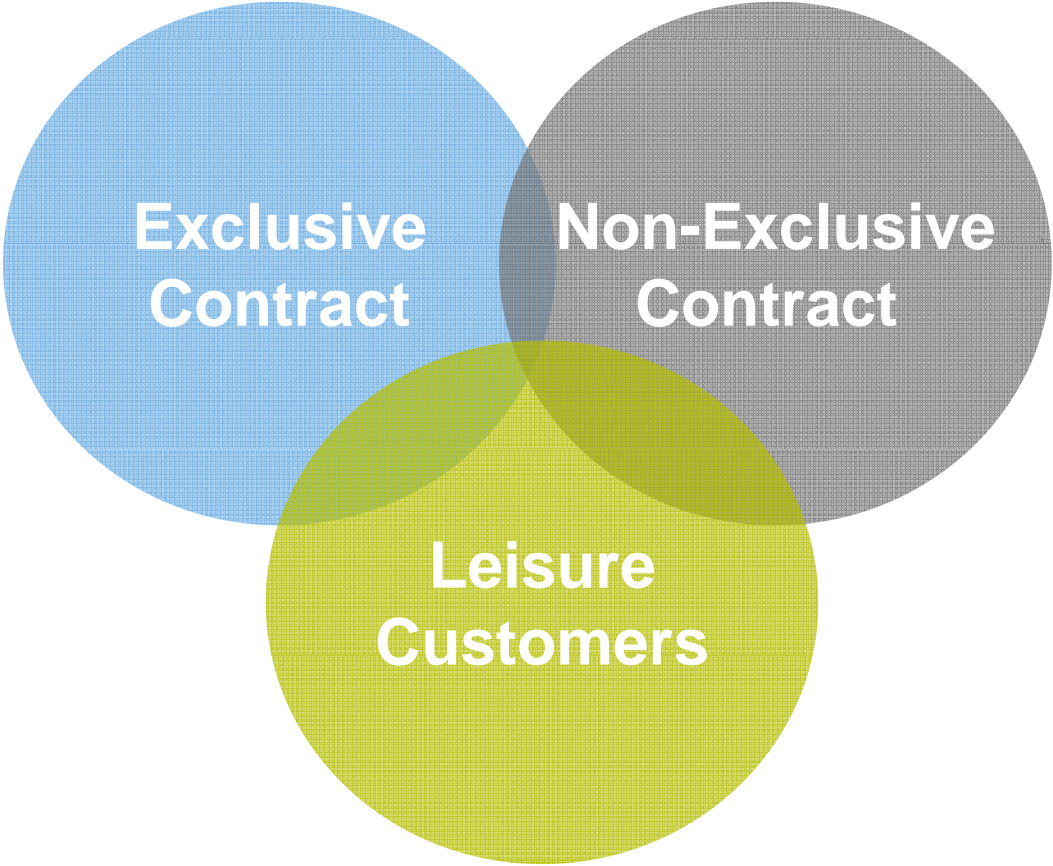


- The recession has impacted ABG significantly
- Investing now for future competitive advantage

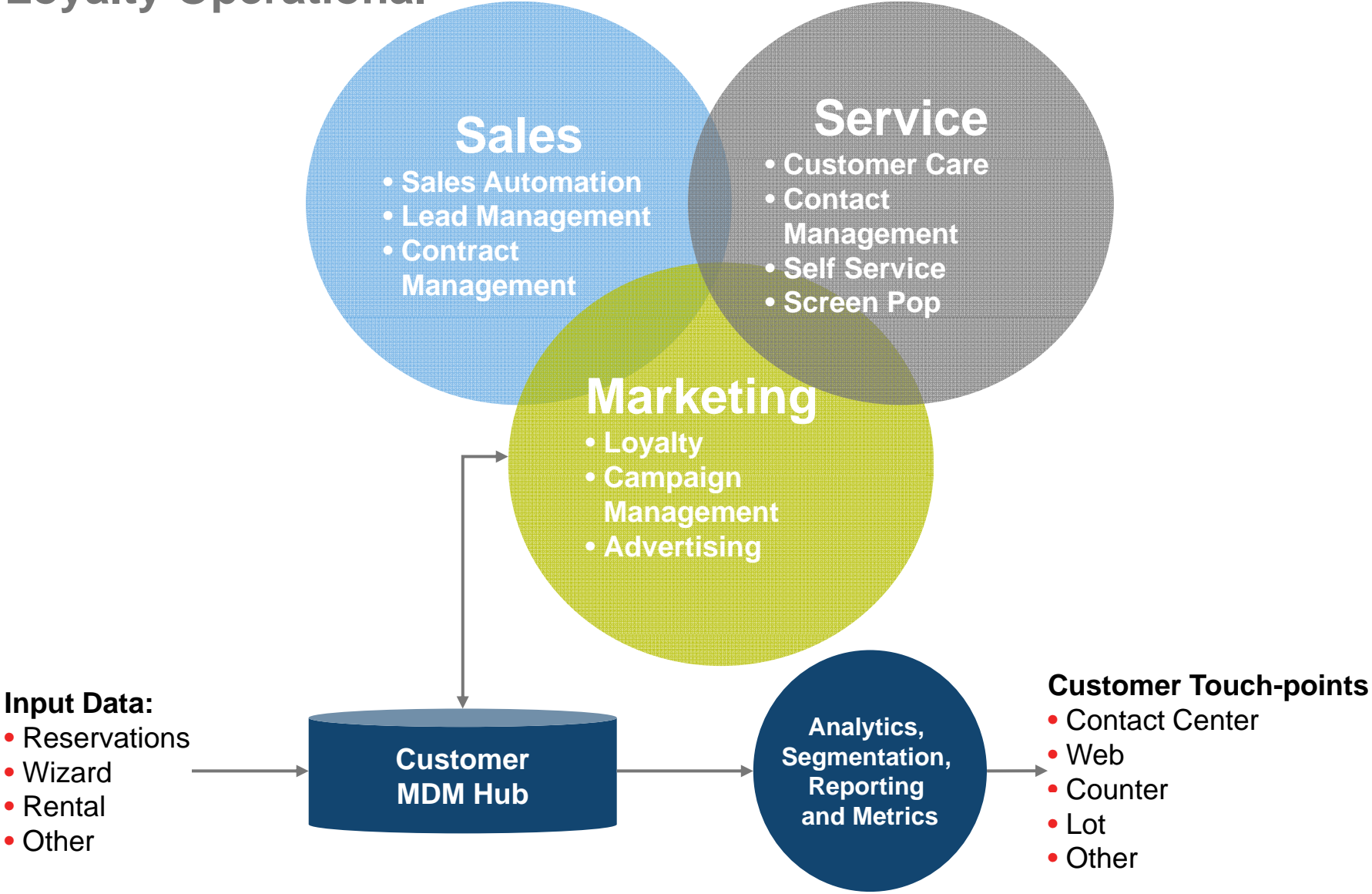
Loyalty is a Key Component of Marketing, Sales and Service



Where Are the Loyalty Opportunities With the Greatest Impact?



Recognition and Treatments Make Loyalty Operational



The Palpable Customer Service Disconnect

The Follow-Up Rental Survey:

How satisfied were you with your rental?

How likely are you to rent from Avis for your next car rental?

How likely is it that you would recommend Avis to a friend or colleague?

Please rate your Avis rental experience based on your satisfaction in each of the following:

	1	2	3	4	5
Reservations process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental car you received	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Avis facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ease of picking up your car	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ease of dropping off your car	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Helpfulness of staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The price you paid	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Was this rental for:

Business

Leisure

Other

In the last 12 months, how many rentals have you had?

How often do you choose Avis when you rent a car?
1 – 5 (Always, Sometimes, Rarely, Never, 1st time)

	1	2	3	4	5
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Persona descriptions — pick one

Speed freak

Car lover

Deal seeker

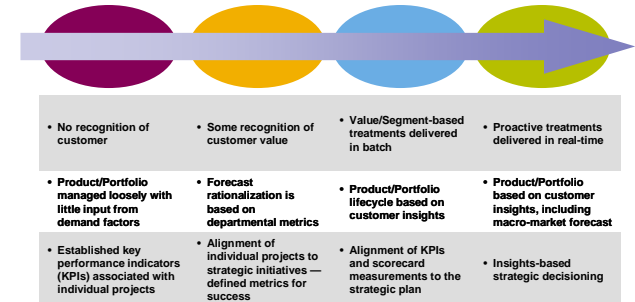
No hassles

Leggett and Platt Profile

Insights Operationalization



- L&P had revenues of \$3.49 billion in its latest fiscal year
- Founded 1883
- Business Model: B:B:B:C



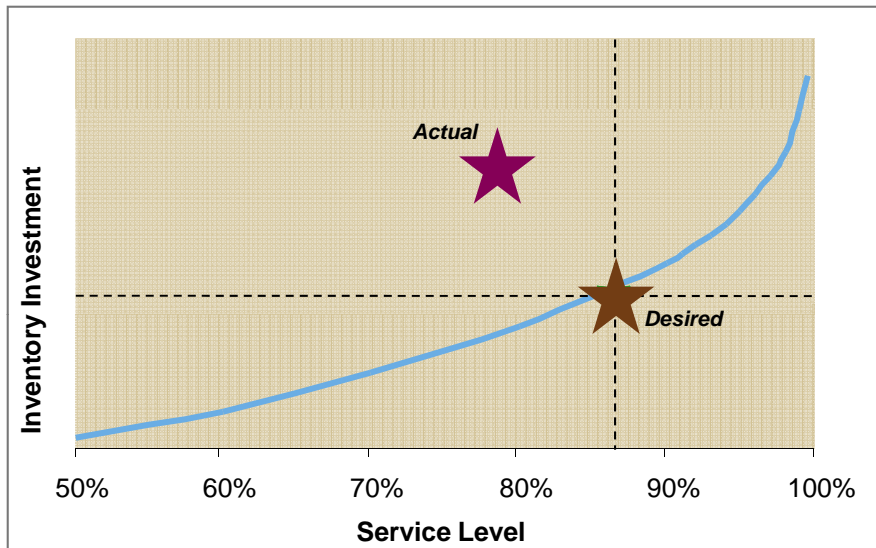


Leggett and Platt Challenges

- Challenges:
 - Execute on a business unit-driven strategy
 - Balance shared services in a highly decentralized management structure and company culture
 - Optimize profits in the downturn and position for growth in the upturn
- Phase I Objective: Conduct a Business Value Assessment:
 - Supply Chain
 - Finance
 - Enterprise Intelligence
 - Technology Strategy
- Phase II: Corporate Performance Management
 - Develop core set of KPIs starting with inventory
 - Measure and monitor
 - Manage up to TSR, EBIT and ROE goals

Inventory Productivity Varied Wildly by Business Unit

Too Much of the Wrong Stuff

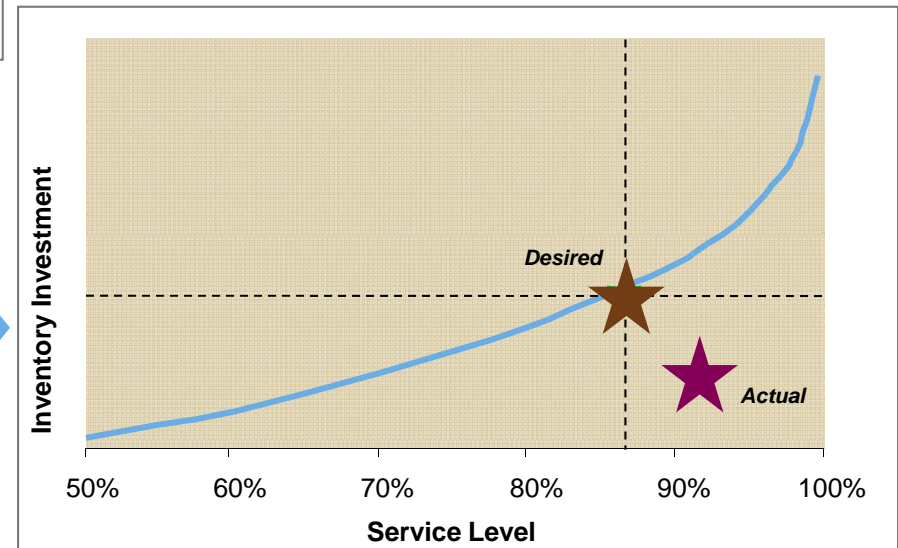


Too much inventory and/or under achieving in product availability

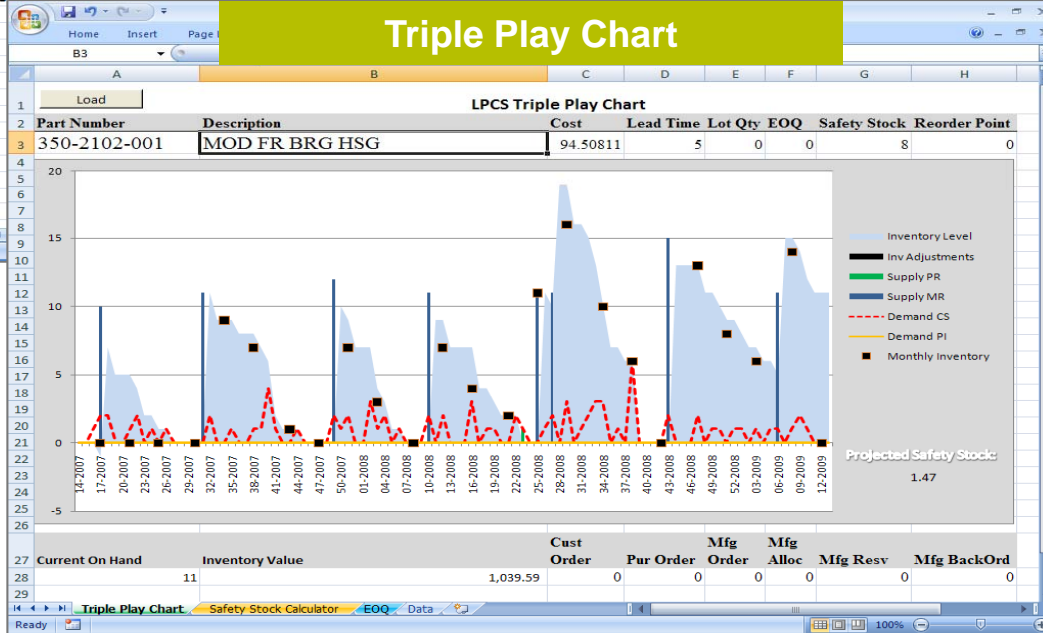
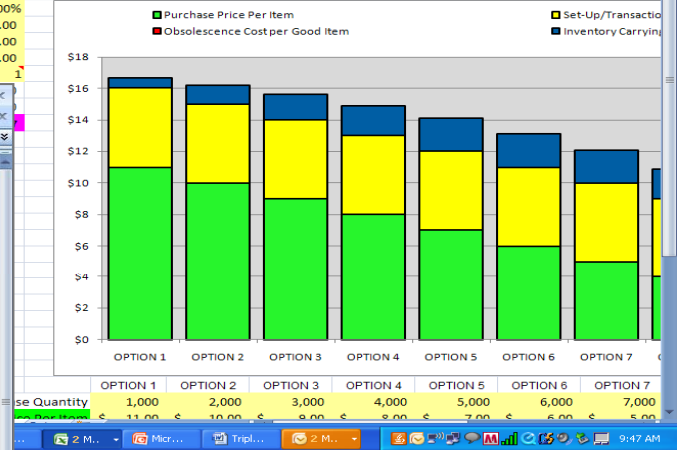
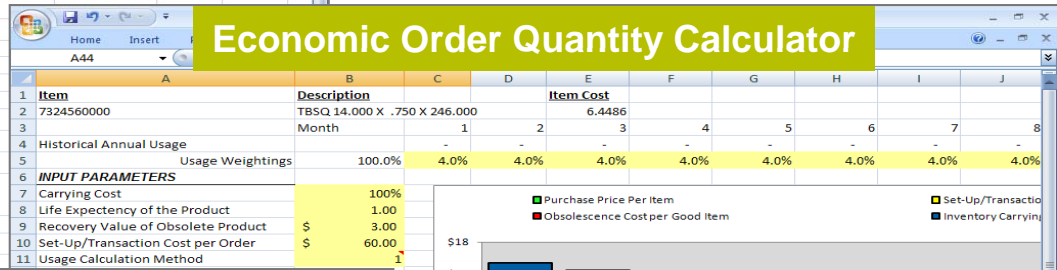
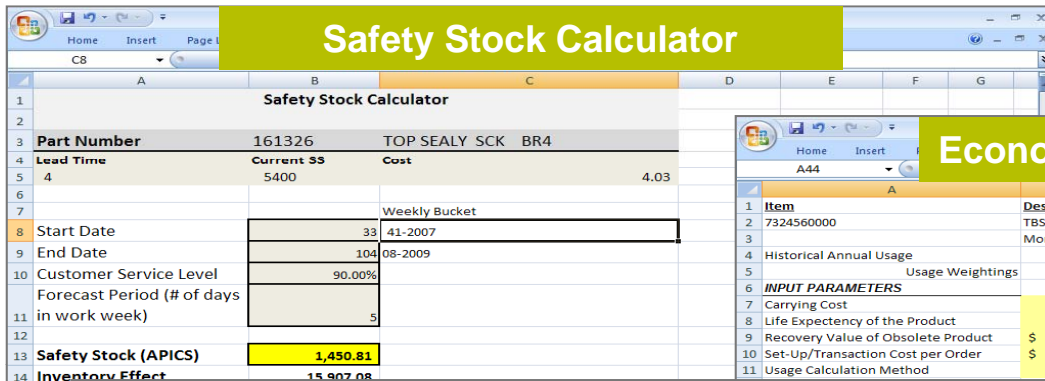
Usually sub-optimal order quantities or expedited supply/fulfillment)



Sub-Optimal Replenishment

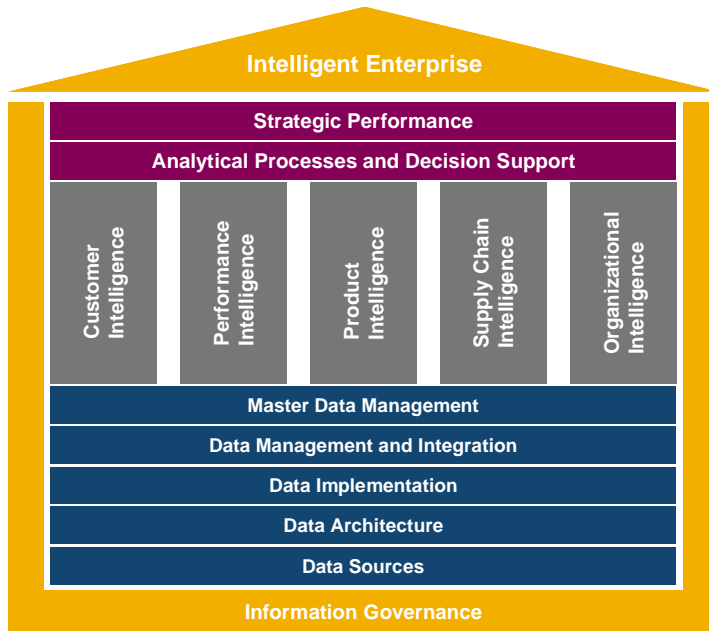


Deployed Inventory and Replenishment Decision-Support Tools



3 year Net Income (NPV) of \$20 MM

Build the Intelligent Enterprise



“If a company has poor quality data for decision making, it should postpone plans for analytical competition and fix the data first”

Tom Davenport, Competing on Analytics

“Opportunity is missed by most people because it is dressed in overalls and looks like work.”

Thomas Edison

“Mastered customer data is worth more than speed for touchpoint automation.”

Chris Moloney

“Don’t be afraid to take a big step. You can’t cross a chasm in two small jumps.”



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