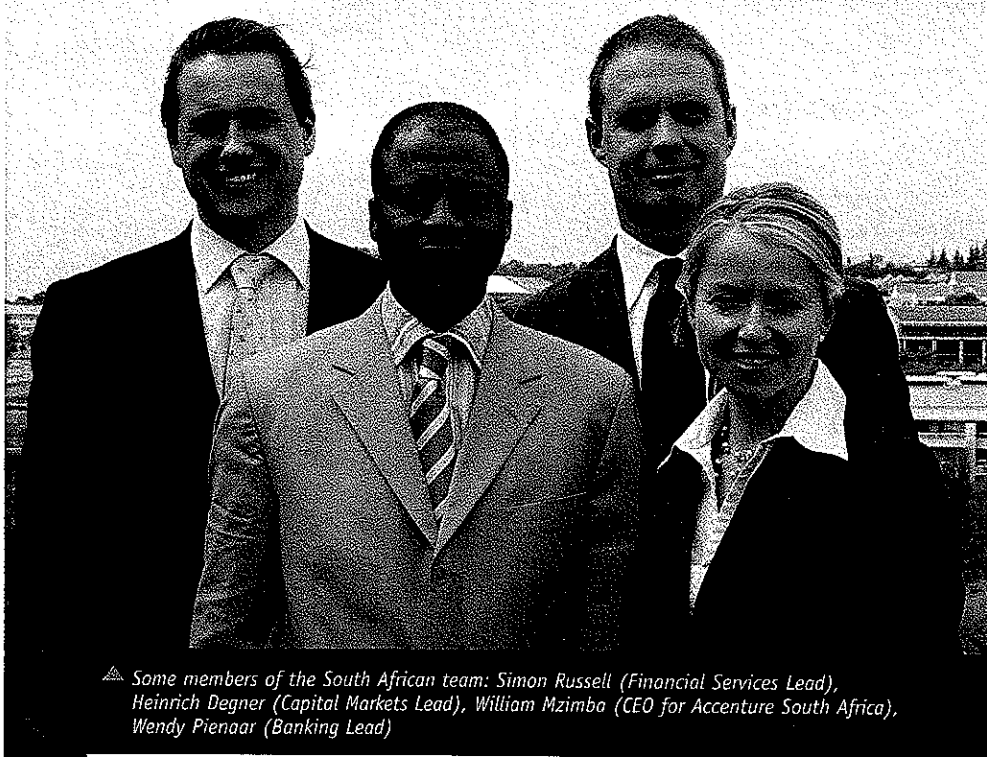


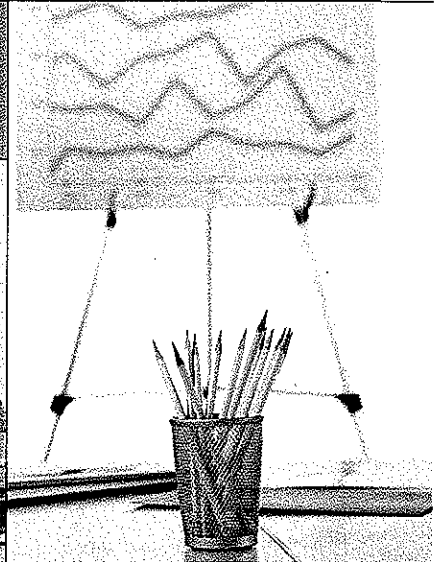
HOW ACCENTURE DELIVERS HIGH PERFORMANCE



As a brand, the name Accenture is widely recognised. But what is perhaps not as widely understood is the exact nature of the company's operations and structure, both in South Africa and internationally.



▲ Some members of the South African team: Simon Russell (Financial Services Lead), Heinrich Degner (Capital Markets Lead), William Mzimba (CEO for Accenture South Africa), Wendy Pienaar (Banking Lead)



industries," says Russell. However, despite its global pedigree, he points out that the company is locally registered, employs predominantly South African nationals, and has Black Economic Empowerment (BEE) credentials which exceed the requirements of the Information and Communications Technology (ICT) Charter. Accenture was recently named the winner of the Africa ICT Achievers Award and received the title of the Most Transformed Company in Africa.

MEASURES OF SUCCESS

Simply put, Accenture is a global management consulting, technology services and outsourcing company. Its organisational measure of success can also be simply stated: It aims to achieve high performance for its clients. In this country, that translates to a company which is able to provide an extensive range of services backed by a massive internationally integrated team. It is a company which has the ability to fluidly marshal enormous resources to deliver on even the most demanding of projects; and, as a socially conscious and responsible corporate citizen, Accenture invests in both the letter and the spirit of the country's empowerment imperatives.

According to Simon Russell, Accenture managing executive Financial

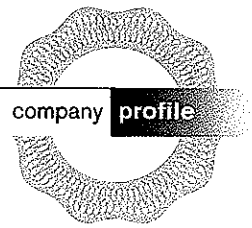
Services, a component of the company's value creation lies in its corporate structure. "Unlike other professional services companies, we are structured as a globally integrated organisation and not a franchise. Simply put, that allows us to call on our resources from around the world to meet customer requirements," he explains. The extent of these resources is nothing short of staggering. Accenture has more than 152,000 people in 49 countries.

With its core focus areas of management consulting, technology services and outsourcing, clients in the South African market can access the same level of service to which companies around the world are accustomed; "Our clients include government departments and businesses across the entire spectrum of

BUSINESS DIVISIONS

In terms of its structure, Accenture is broken into five operating groups: Communications and High Tech (C&HT), Financial Services, Government, Products and Resources. Russell says the industry focus enables the company's executives and employees to gain intimate insights into industry evolution, business issues and the applicable technologies for each vertical market sector. "This enables us to deliver innovative solutions which are tailored to specific needs," he says.

However, while customisation certainly adds value, in some instances – notably for transversal business processes such as billing or HR management – Accenture offers standardised capabilities to multiple



⊖ FINANCIAL SERVICES MOVE TO OUTSOURCING IT

As IT outsourcing among financial services providers continues to deliver results, it is likely to be expanded, an Accenture-funded survey has shown. Quality is coming to overshadow price as Financial Services institutions evaluate their IT offshoring practices in striving for high performance.

The outsourcing of IT applications and infrastructure services has grown enormously over the past decade as companies seek to reduce capital and operating costs and tap new sources of skills as they strive for high performance.

Accenture's worldwide survey of financial services executives has shown that their industry too-banks, insurers and capital markets firms-is turning to IT outsourcing.

The survey findings can be divided into two parts: the outsourcing issues that affect operations and internal management, and the trends that are discernable from respondents' replies.

Operations and internal management

Quality is becoming more important than price in financial services firms' evaluations of their IT offshoring practices. While most respondents said their outsourcing arrangements met or exceeded expectations in cost savings, quality, supplier flexibility and transparency, 28% said they would select a higher quality vendor-even if more expensive-should they get the chance.

A lack of internal expertise to manage outsourced functions was given as the

chief difficulty in establishing and managing those functions. Companies new to IT outsourcing need to understand that adequate internal resources-particularly management time-need to be dedicated to managing these functions.

Negotiating better service level agreements (SLAs) is the key to more effective outsourcing contracts. These need to be better defined, and have more effective governance structures. Thirty one percent of respondents said SLAs should include a significant bonus or penalty mechanism.

Trends and direction

The outsourcing of core applications and systems is set to grow. Financial services firms most actively outsource secondary systems such as human resources and marketing applications, but they also indicated a greater level of comfort in entrusting core systems to the outsourcing process: 35% of respondents said they will increase the outsourcing of strategic/primary applications.

Outsourcing strategies are evolving toward a multi-vendor approach. There will be a steady shift to "multi-sourcing" as firms not only outsource more activities, but use offshore providers more frequently to complement their domestic outsourcing arrangements.

China is emerging as an important outsourcing destination, though India remains the top overseas destination for 57 percent of the respondents.

clients. The resulting benefit is best practice and lower cost.

GROWTH PLATFORMS

Russell explains that Accenture has focused on Management Consulting, Systems Integration & Technology and Outsourcing as the company's three growth platforms. "Through these platforms, we provide a full spectrum of services and solutions that address business opportunities and challenges that are common across all industries," he says.

- **Management Consulting:** In terms of management consulting, Russell says Accenture works with clients to identify and capitalise on priority business opportunities, while providing

solutions to any challenges. "We have developed a comprehensive approach to consulting that moves clients forward at every level of their business, from high-level strategic planning, to improved customer service, to day-to-day operations," he notes.


- **Technology:** Technology underpins every decision that organisations make, from the markets they enter, to the systems they deploy, to the skills they require of their people. "In delivering business solutions to our clients, the capabilities of Accenture Technology Labs, the Accenture Global Delivery Network and the deep technical skills of our people are brought to bear," Russell says.

- **Outsourcing:** Accenture's outsourcing organisation is a strategic tool for change, helping organisations manage people, processes and technology to deliver and sustain value. Pointing out that outsourcing involves long-term partnerships to manage critical but non-core processes, Russell says Accenture combines outsourcing with elements of its consulting business. The resulting 'transformational outsourcing' allows clients to streamline business processes to achieve rapid, sustainable performance improvement.

MEASURING THE HIGH PERFORMANCE BUSINESS

With these services and solutions at its disposal, Russell explains that attaining and maintaining high performance is measured in terms of Accenture's High Performance Business (HPB) strategic research initiative. "A multimillion-dollar global research programme, HPB spans 36 industries and six business functions. The research conclusions are comprehensive, forward-looking, insightful, accurate and relevant - particularly to businesses and governments grappling with the challenges of operating in the rapidly shifting global economy," he says.

Accenture views high-performance businesses as those that effectively balance today's needs and tomorrow's opportunities, Russell continues. "These businesses consistently outperform their peers in revenue growth, profit and total return to shareholders. They do so over a sustained time frame, across business cycles, industry disruptions and changes in leadership."

"Our HPB strategic initiative builds on our expertise in consulting, technology and outsourcing to help clients perform at the highest levels so they can create sustainable value for their customers and shareholders," Russell concludes. 

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