

Services Industry Trends

Presentation to

Cap Gemini Sogeti
University Château de Béhoust

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the 1990s, the number of people with diabetes has increased in all industrialized countries. In the Netherlands, the prevalence of diabetes is estimated to be 6.5% in 1995, which corresponds to 1.5 million people (1).

Diabetes is a chronic disease, and the long-term complications of diabetes are a major cause of morbidity and mortality. The most common complications are retinopathy, nephropathy, neuropathy, and cardiovascular disease. The prevalence of these complications increases with the duration of diabetes and the degree of glycaemic control (2).

The aim of this study was to determine the prevalence of diabetes in the Netherlands in 1995. The study was part of the National Health Survey (NHS) 1995, a large-scale, cross-sectional survey of the Dutch population. The NHS 1995 was conducted by the National Institute for Public Health and the Environment (RIVM) and the Dutch Ministry of Health, Welfare and Sport (VWS).

The NHS 1995 was a representative sample of the Dutch population, stratified by age, sex, and region. The survey included a physical examination, a blood sample, and a questionnaire. The prevalence of diabetes was determined by the presence of fasting plasma glucose (FPG) ≥ 126 mg/dL or the presence of HbA_{1c} $\geq 6.5\%$.

The prevalence of diabetes in the Netherlands in 1995 was 6.5%. The prevalence of diabetes was higher in men than in women (7.1% vs. 5.9%, respectively). The prevalence of diabetes was higher in older people than in younger people (8.1% vs. 4.1%, respectively). The prevalence of diabetes was higher in people with a family history of diabetes than in people without a family history of diabetes (8.1% vs. 5.1%, respectively).

The prevalence of diabetes in the Netherlands in 1995 was similar to the prevalence of diabetes in other industrialized countries. The prevalence of diabetes in the Netherlands in 1995 was 6.5%, which is similar to the prevalence of diabetes in the United States (7.0%), Sweden (6.5%), and Germany (6.5%) (3).

The prevalence of diabetes in the Netherlands in 1995 was higher than the prevalence of diabetes in developing countries. The prevalence of diabetes in the Netherlands in 1995 was 6.5%, which is higher than the prevalence of diabetes in India (4.5%), China (4.0%), and Brazil (3.5%) (4).

The prevalence of diabetes in the Netherlands in 1995 was higher than the prevalence of diabetes in the Netherlands in 1985. The prevalence of diabetes in the Netherlands in 1995 was 6.5%, which is higher than the prevalence of diabetes in the Netherlands in 1985 (5.5%) (5).

Services Industry Trends 1996—Primary Forces

- The Economy
- The Market Size
- The Influence of Large Vendors

AIFRE 5/12-1

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Notes



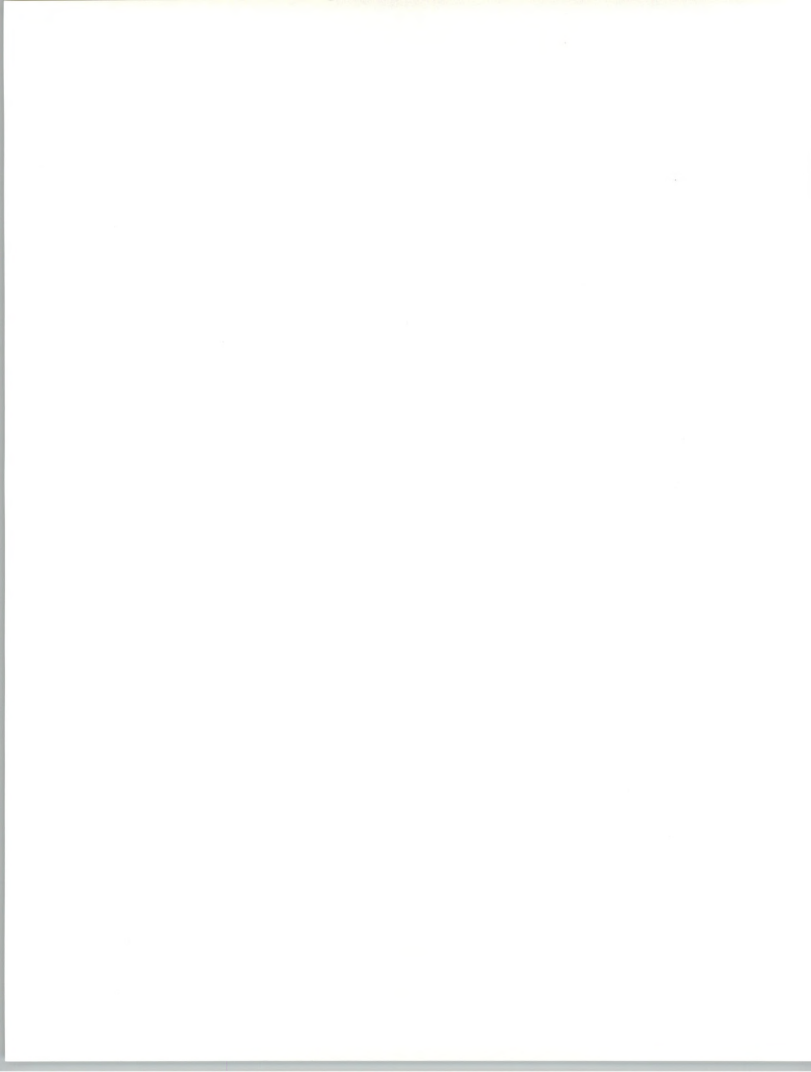
Services Industry Trends 1996—Primary Forces

- Downsizing
- The Changing Buyer
- Outsourcing
- The Standards Process

AIFRE 5/12-2

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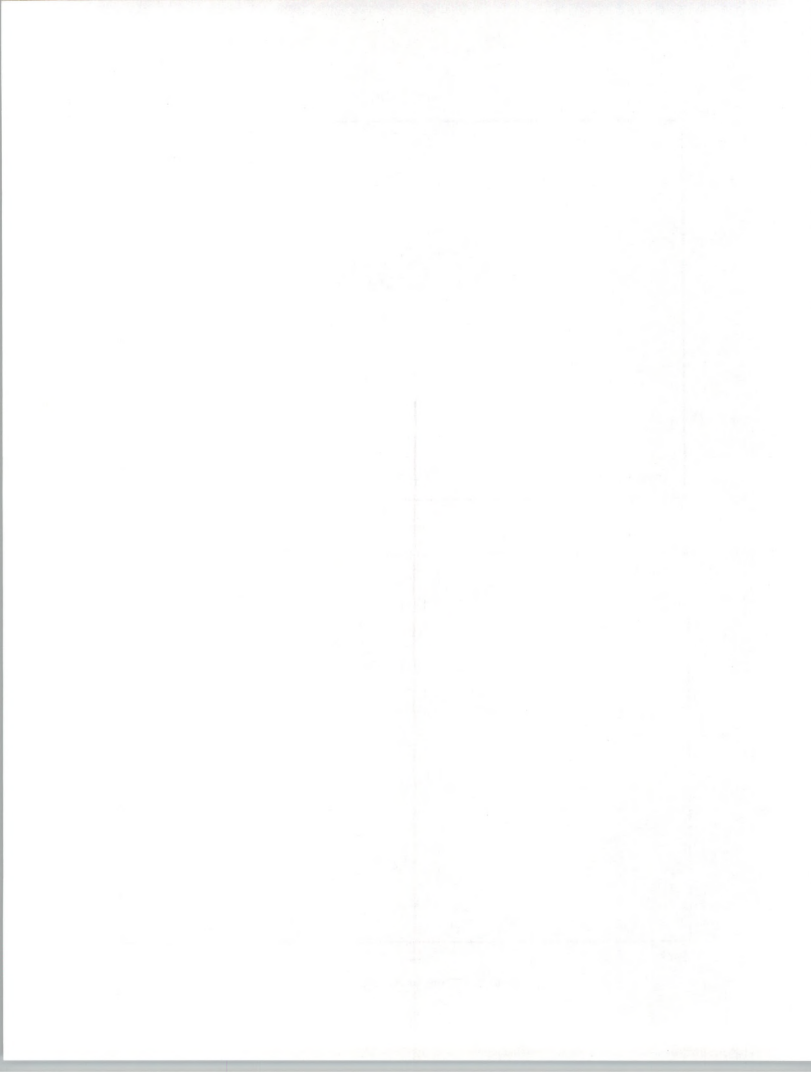


The Economy

AIFRE 5/12-3

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Weak Economy

- Lingering recession delays decisions
- Information systems under tight control
- Information systems budgets—5% to 10% increase
- Vendor investment is slowed

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AIFRE 5/12-4

Notes



IT User Expenditure Europe—Historical Growth

Category	1981 (\$B)	CAGR (Percent)	1991 (\$B)
Systems	25	9	60
Systems Software	1	28	12

AIFRE 5/12-5

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Notes

the 1990s, the number of people with a mental health problem has increased in the UK, and the number of people with a mental health problem who are in contact with mental health services has also increased (Mental Health Act 1983, 1990, 1994, 1997, 2003).

There is a growing awareness of the need to improve the lives of people with a mental health problem, and to reduce the stigma and discrimination that they experience. This has led to a number of initiatives, including the development of mental health services that are more user-centred and that are more focused on the needs of people with a mental health problem (Mental Health Act 1983, 1990, 1994, 1997, 2003).

One of the key initiatives in this area is the development of self-help materials. Self-help materials are materials that are designed to help people with a mental health problem to manage their condition and to improve their quality of life. Self-help materials can be developed in a number of different formats, including books, leaflets, brochures, and audio and video materials.

Self-help materials can be developed for a number of different purposes, including to provide information about a mental health problem, to provide advice on how to manage a mental health problem, and to provide support and encouragement to people with a mental health problem. Self-help materials can be developed for people with a range of different mental health problems, including depression, anxiety, and schizophrenia.

Self-help materials can be developed for people with a mental health problem who are in contact with mental health services, or for people with a mental health problem who are not in contact with mental health services. Self-help materials can be developed for people with a mental health problem who are living in the community, or for people with a mental health problem who are in hospital.

Self-help materials can be developed for people with a mental health problem who are of any age, gender, or ethnicity. Self-help materials can be developed for people with a mental health problem who are of any social class, or for people with a mental health problem who are of any religious or cultural background.

Self-help materials can be developed for people with a mental health problem who are of any level of literacy or numeracy. Self-help materials can be developed for people with a mental health problem who are of any level of education, or for people with a mental health problem who are of any level of employment.

Self-help materials can be developed for people with a mental health problem who are of any level of income, or for people with a mental health problem who are of any level of housing. Self-help materials can be developed for people with a mental health problem who are of any level of health, or for people with a mental health problem who are of any level of disability.

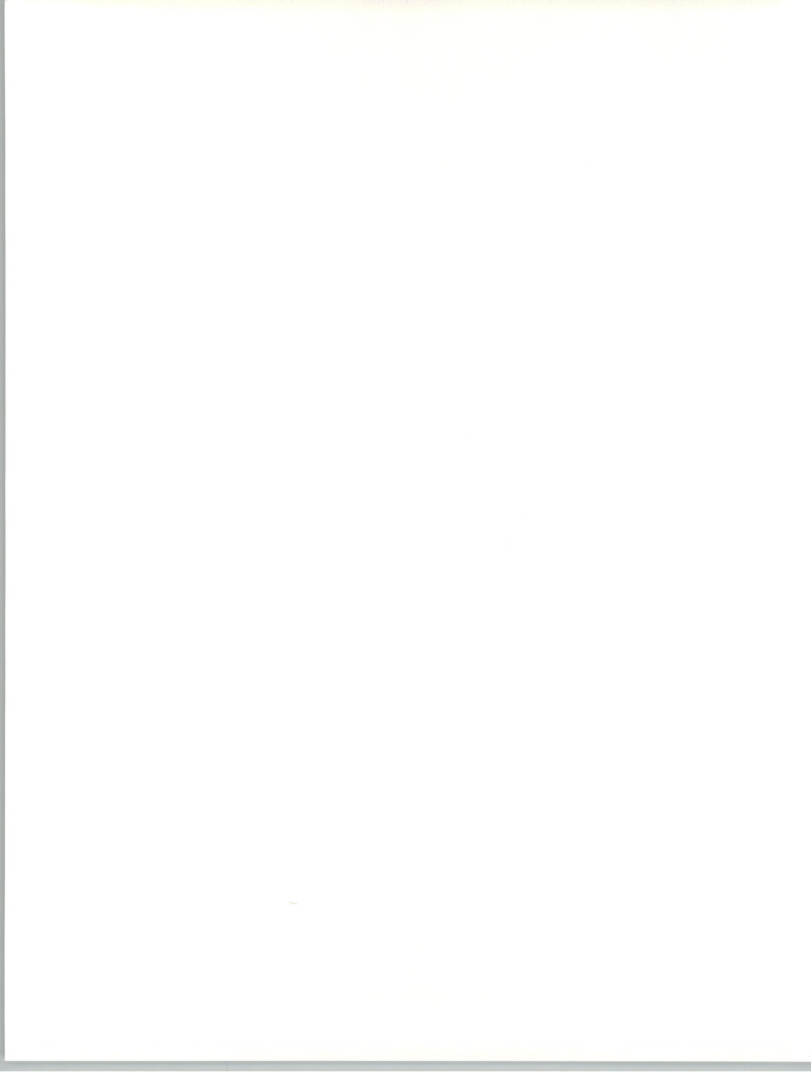
IT User Expenditure Europe—Historical Growth

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Equipment Maintenance	5	12	15
Services	9	20	58
Total	40	14	145

AIFRE 5/12-6

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Notes

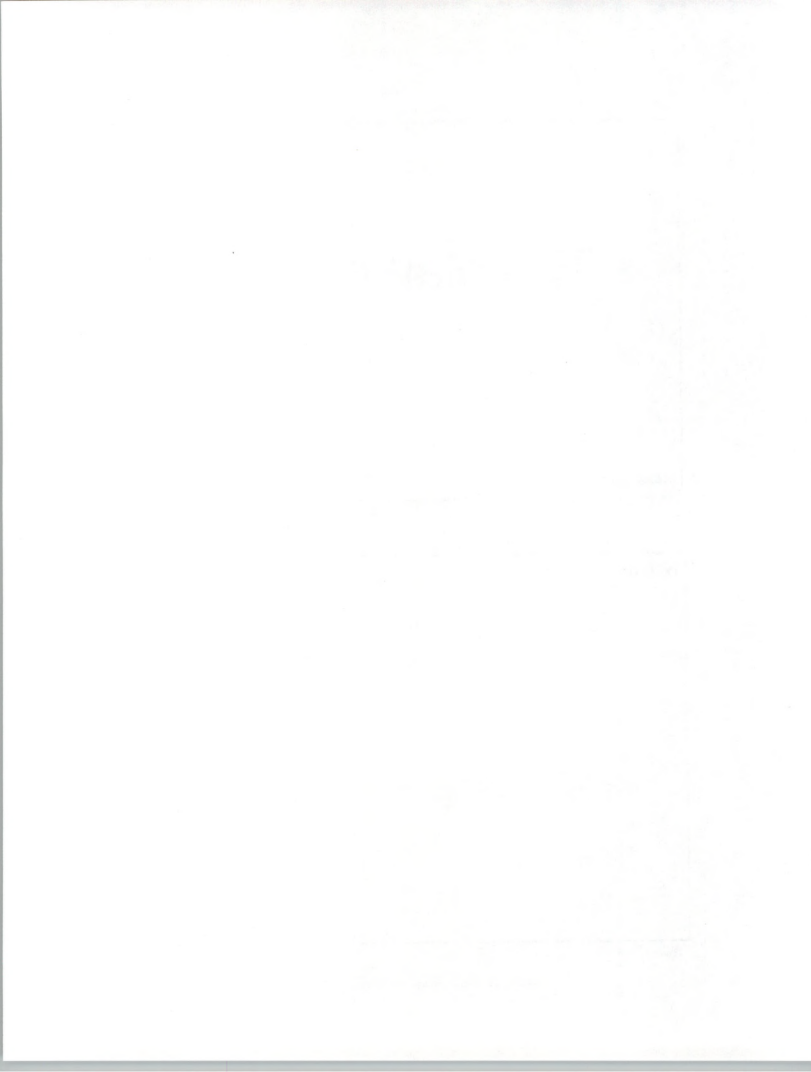


The Market Size

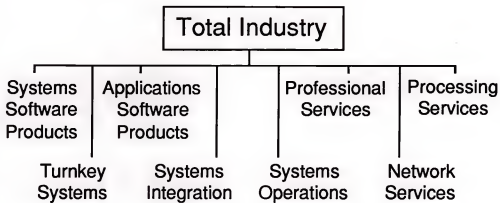
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Information Services Industry Structure



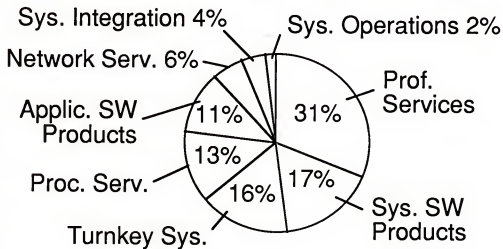
IS-2

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Delivery Mode Analysis



MEMAP-RF-9/30-9

1991 Total Market = \$77 B INPUT

Notes

the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 13.5 million, and the number of people aged 75 and over has increased from 4.5 million to 6.5 million (Office for National Statistics 2000).

There is a growing awareness of the need to address the needs of older people, and the need to ensure that the health care system is able to meet the needs of older people. The Department of Health (2000) has published a strategy for older people, which sets out the government's commitment to older people and the need to ensure that the health care system is able to meet the needs of older people.

The strategy for older people is based on the following principles: (1) to ensure that older people are able to live independently and actively; (2) to ensure that older people are able to access the health care services that they need; (3) to ensure that older people are able to participate in the decisions that affect their lives; and (4) to ensure that older people are able to live in a safe and secure environment.

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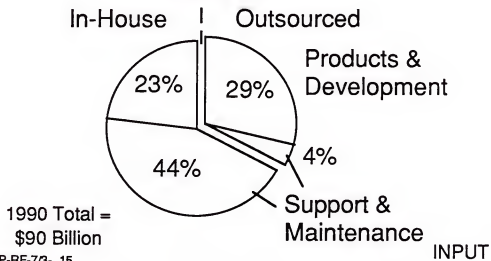
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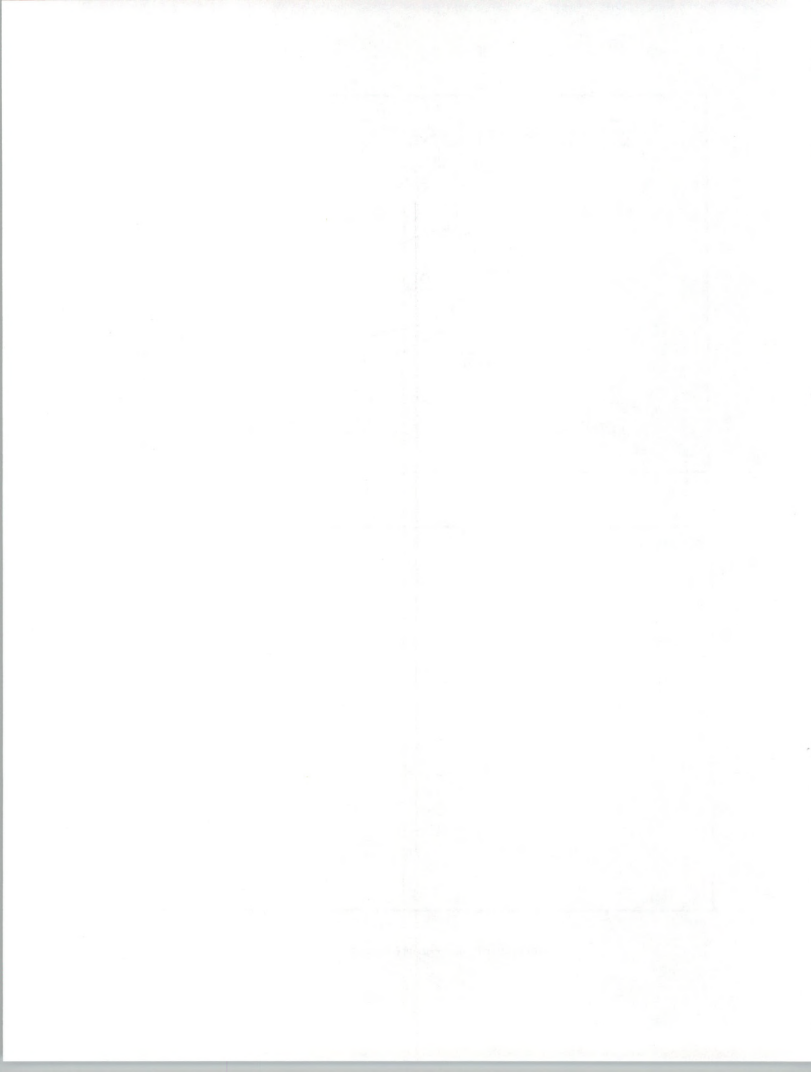
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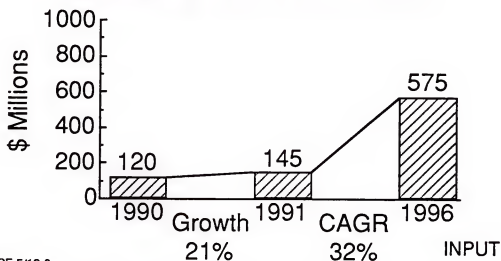
European User Software Budgets



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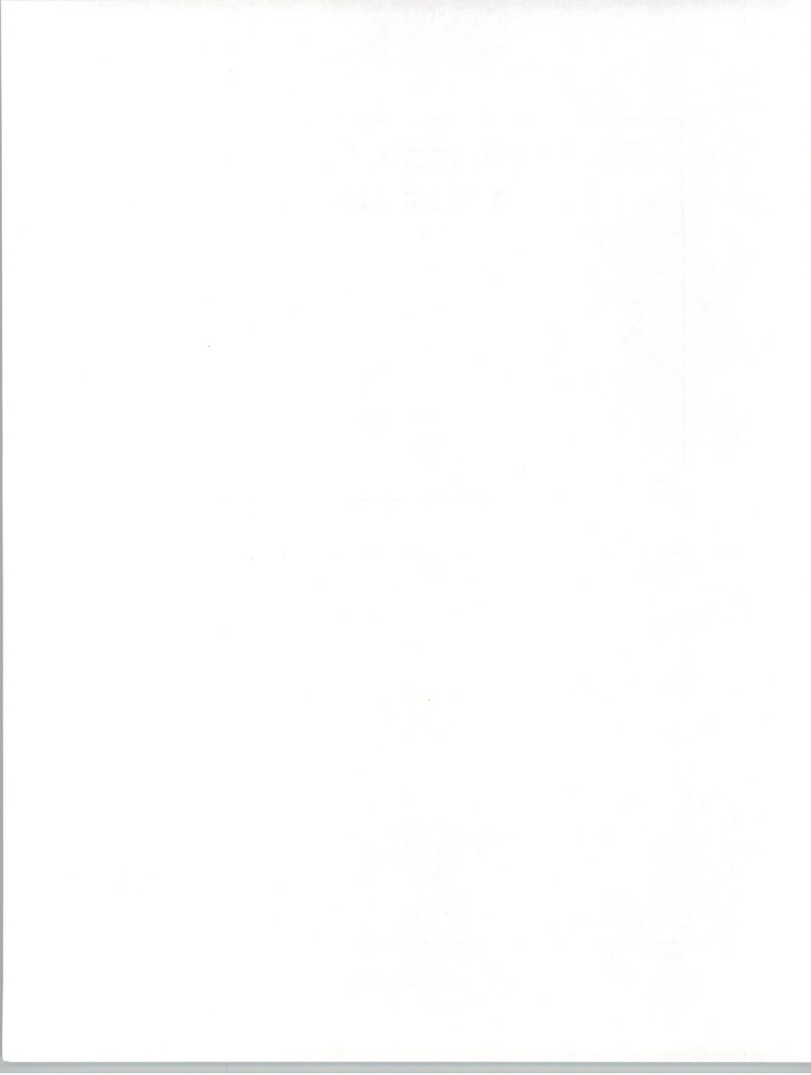


Eastern Europe, 1991-1996 Software and Services



AIFRE 5/12-8

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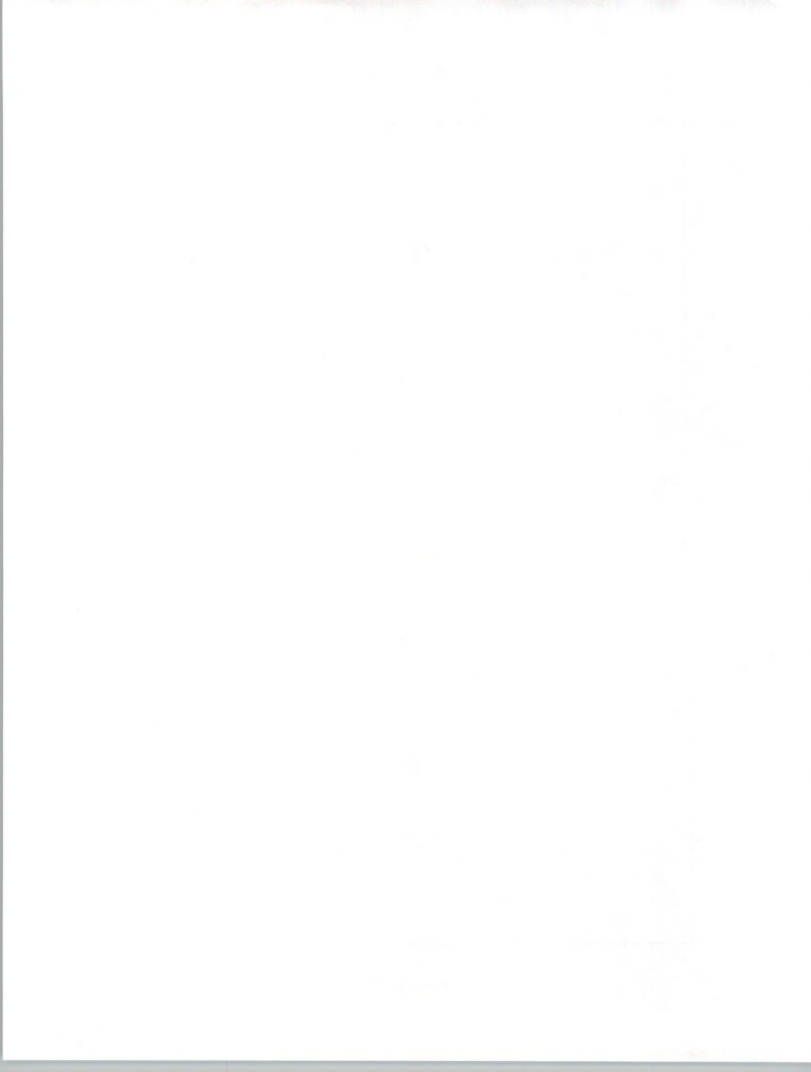


The Influence of Large Vendors

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Increasing Influence of Large Vendors

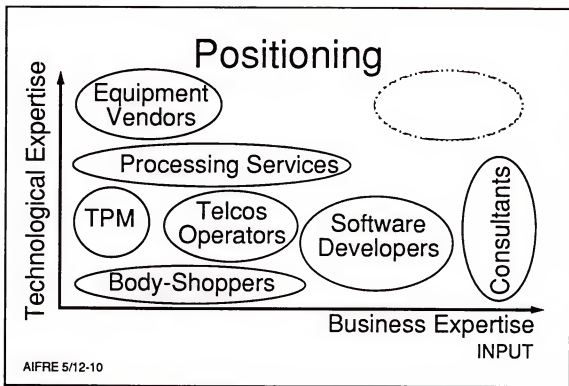
- Consolidation continues
- Market share creeping up
- Outsourcing favors larger vendors
- Slows technological change and adoption

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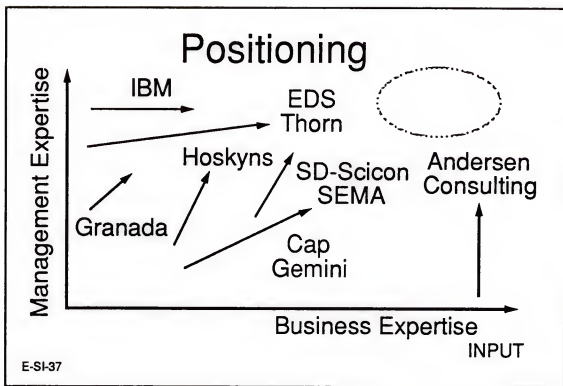
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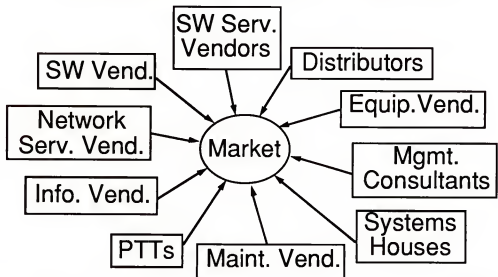




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Increasing Competition



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the 1990s, the number of people aged 65 and over in the United States is projected to increase from 20 million to 35 million, and the number of people aged 75 and over from 10 million to 15 million (U.S. Census Bureau 1996).

As the number of people aged 65 and over increases, the number of people aged 75 and over will increase at a faster rate. This is because the number of people aged 75 and over is a smaller percentage of the total population aged 65 and over than the number of people aged 65 and over is of the total population aged 65 and over. For example, if the total population aged 65 and over is 20 million, and the number of people aged 75 and over is 10 million, then the number of people aged 75 and over is 50% of the total population aged 65 and over.

As the number of people aged 75 and over increases, the number of people aged 85 and over will increase at a faster rate. This is because the number of people aged 85 and over is a smaller percentage of the total population aged 75 and over than the number of people aged 75 and over is of the total population aged 75 and over. For example, if the total population aged 75 and over is 10 million, and the number of people aged 85 and over is 5 million, then the number of people aged 85 and over is 50% of the total population aged 75 and over.

As the number of people aged 85 and over increases, the number of people aged 95 and over will increase at a faster rate. This is because the number of people aged 95 and over is a smaller percentage of the total population aged 85 and over than the number of people aged 85 and over is of the total population aged 85 and over. For example, if the total population aged 85 and over is 5 million, and the number of people aged 95 and over is 2.5 million, then the number of people aged 95 and over is 50% of the total population aged 85 and over.

As the number of people aged 95 and over increases, the number of people aged 100 and over will increase at a faster rate. This is because the number of people aged 100 and over is a smaller percentage of the total population aged 95 and over than the number of people aged 95 and over is of the total population aged 95 and over. For example, if the total population aged 95 and over is 2.5 million, and the number of people aged 100 and over is 1.25 million, then the number of people aged 100 and over is 50% of the total population aged 95 and over.

As the number of people aged 100 and over increases, the number of people aged 105 and over will increase at a faster rate. This is because the number of people aged 105 and over is a smaller percentage of the total population aged 100 and over than the number of people aged 100 and over is of the total population aged 100 and over. For example, if the total population aged 100 and over is 1.25 million, and the number of people aged 105 and over is 625,000, then the number of people aged 105 and over is 50% of the total population aged 100 and over.

As the number of people aged 105 and over increases, the number of people aged 110 and over will increase at a faster rate. This is because the number of people aged 110 and over is a smaller percentage of the total population aged 105 and over than the number of people aged 105 and over is of the total population aged 105 and over. For example, if the total population aged 105 and over is 625,000, and the number of people aged 110 and over is 312,500, then the number of people aged 110 and over is 50% of the total population aged 105 and over.

As the number of people aged 110 and over increases, the number of people aged 115 and over will increase at a faster rate. This is because the number of people aged 115 and over is a smaller percentage of the total population aged 110 and over than the number of people aged 110 and over is of the total population aged 110 and over. For example, if the total population aged 110 and over is 312,500, and the number of people aged 115 and over is 156,250, then the number of people aged 115 and over is 50% of the total population aged 110 and over.

Vendor Added Value

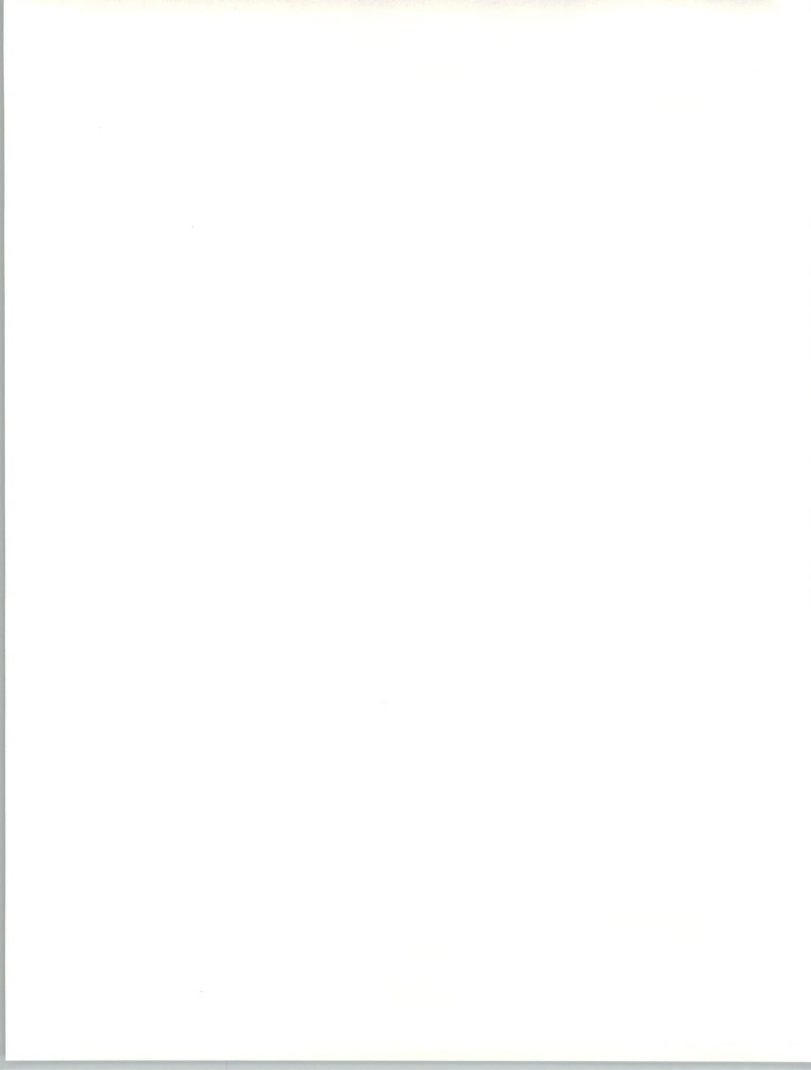
- Applications Management
- Systems Management
- Solution Engineering
- Systems Technology

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Notes

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Downsizing

AIFRE 5/12-11

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Notes



Downsizing What Is Its Meaning?

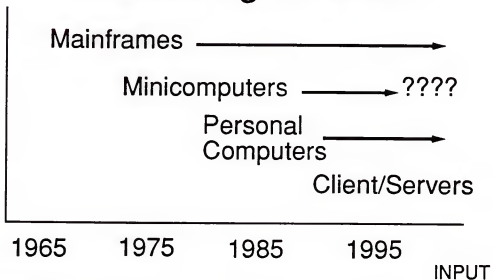
- Something new
- Something old
- Downsizing = Upsizing
- Downsizing = Smartsizing = Upsizing

AIFRE 5/12-12

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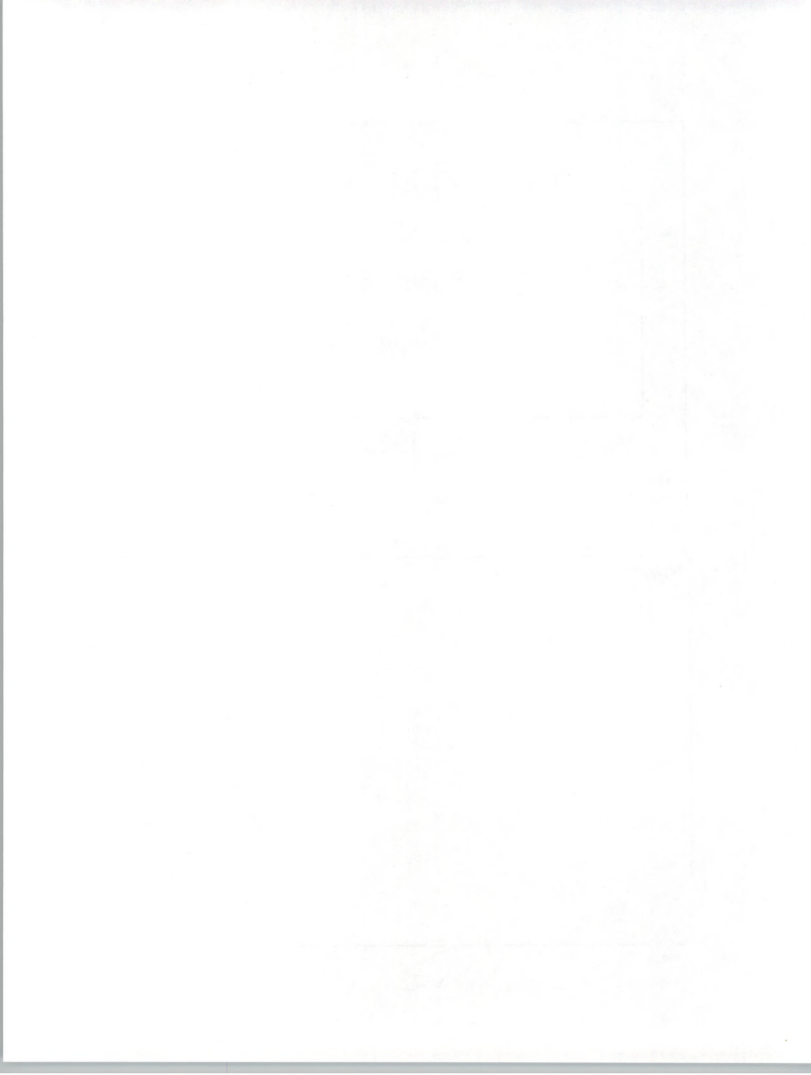
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Downsizing Timeline



AIFRE 5/12-13

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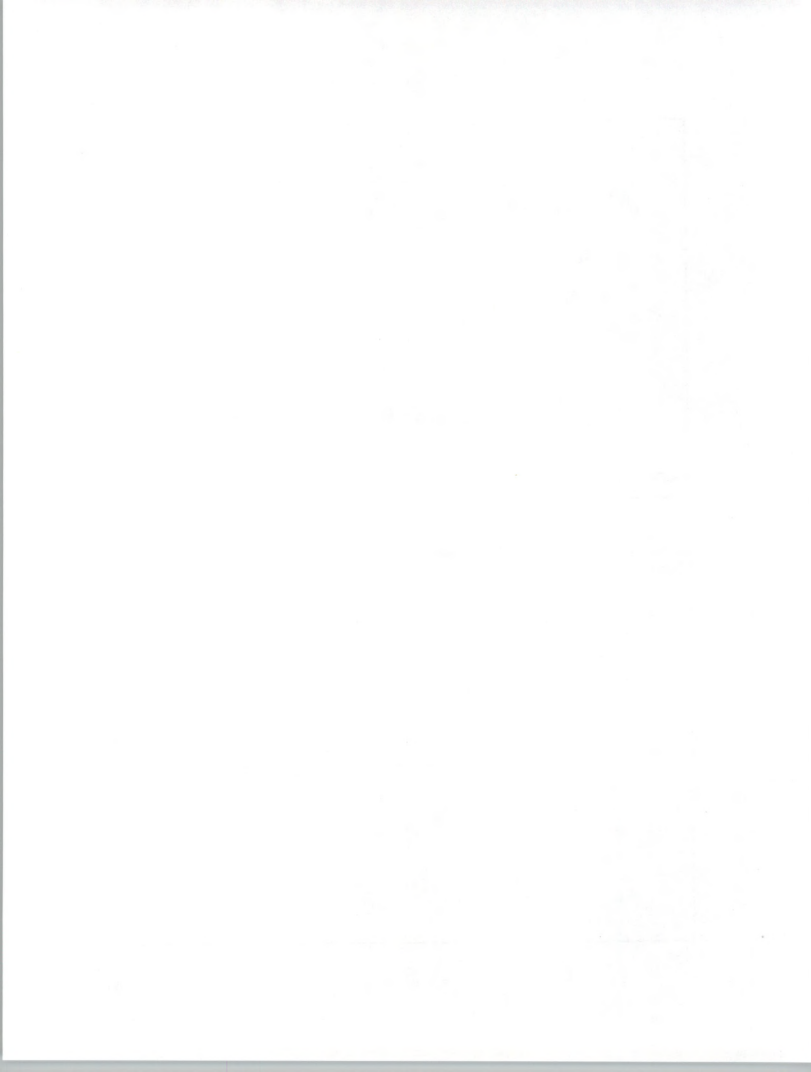
Downsizing What Are the Motivations?

- Lower costs
- Distribute data bases
- Improve productivity and return on investment
- Put the power in the hands of the users

AIFRE 5/12-14

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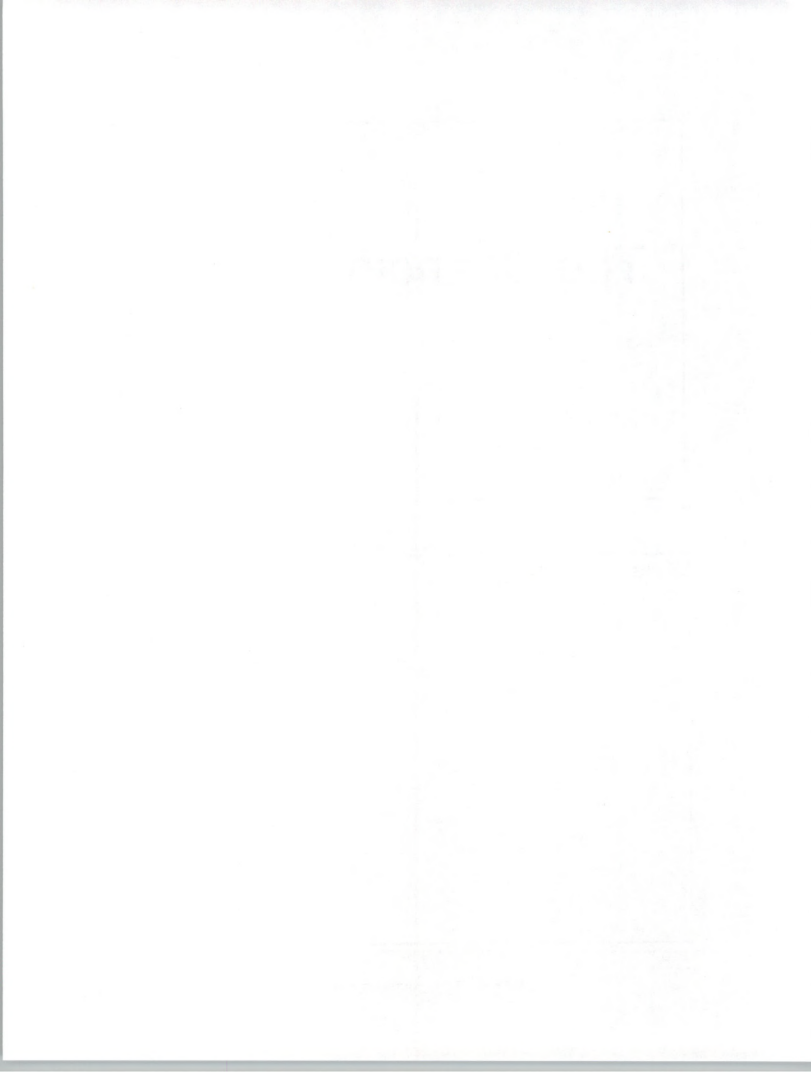


The Changing Buyer

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The Changing Buyer

- General manager becomes primary buyer
- IS becomes internal consultant
- Solutions versus technology

IS-64a

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Notes



The Changing Buyer

- Decisions become larger—
take longer
- The budget is
decentralized—multiple buyers

IS-64b

Notes



Revolutions or Evolutions?

- Re-engineering
 - Organization: All or parts
 - IS Organization

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IS-95

Notes



Re-engineering the Organization

- Slow
- Not driven by IS
- Must have outside agency
- Must include IT

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Notes



Re-engineering IS

- Used to be a separate function
- Now being integrated into organization
- Will it disappear?

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Notes



Outsourcing

OU-43

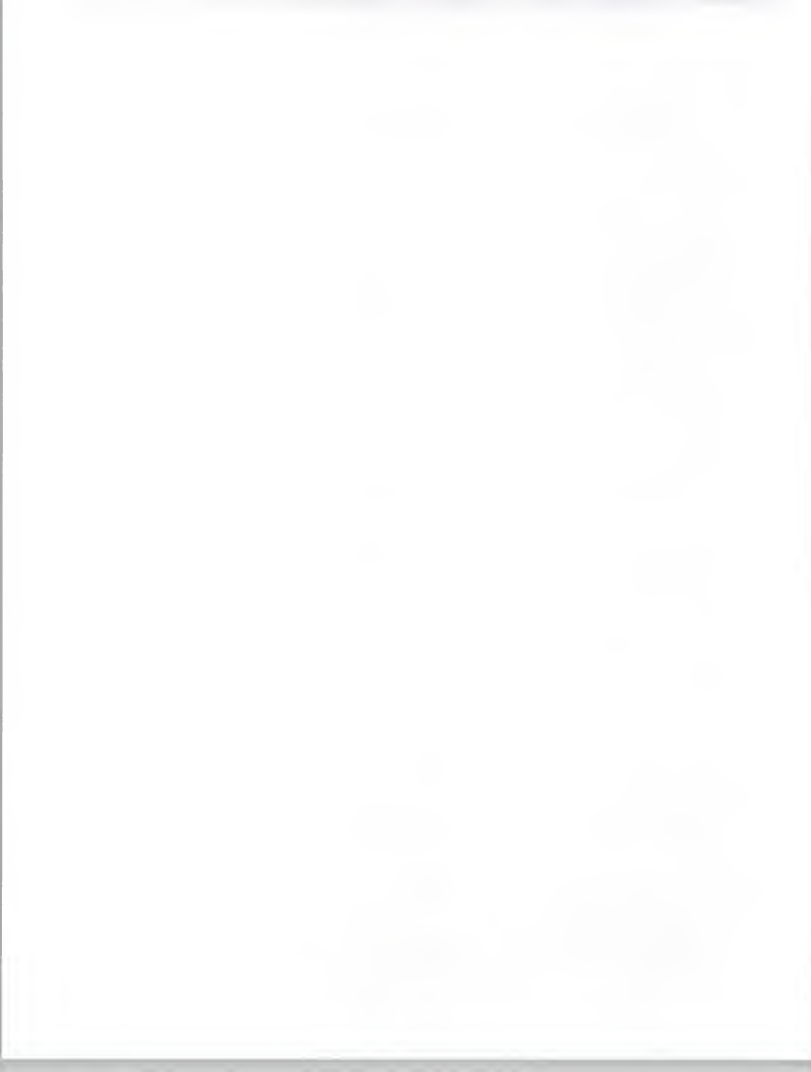
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Outsourcing is the
contracting of information
systems processes to
external vendors.

OU-6a

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Notes

the 1990s, the number of people in the world who are illiterate has increased from 1.1 billion to 1.2 billion.

It is not surprising that the illiterate population has increased in the last decade. The reason is that the population of the world is increasing at a rapid rate. The population of the world is expected to reach 6 billion by the year 2000.

The illiterate population is increasing because the population of the world is increasing. The population of the world is expected to reach 6 billion by the year 2000.

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“Outsourcing” vs. Buying Services

- Greater commitment on part of buyer
- “Partnership”
- Responsibility/risk for vendors

OU-11

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Notes



Product and Service Trends

Transition Management *Applications Maintenance* *Applications Management*

Sys. Integ. Sys. Oper.

Applications
Software

Turnkey
Systems

Processing
Services

Systems
Software

Professional
Services

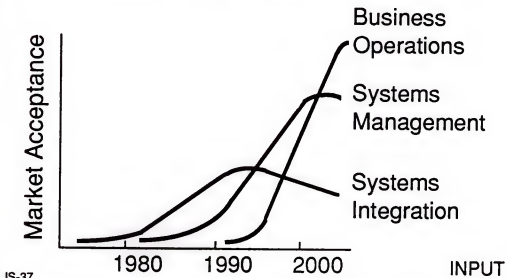
Network
Services

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Outsourcing Market Waves



IS-37

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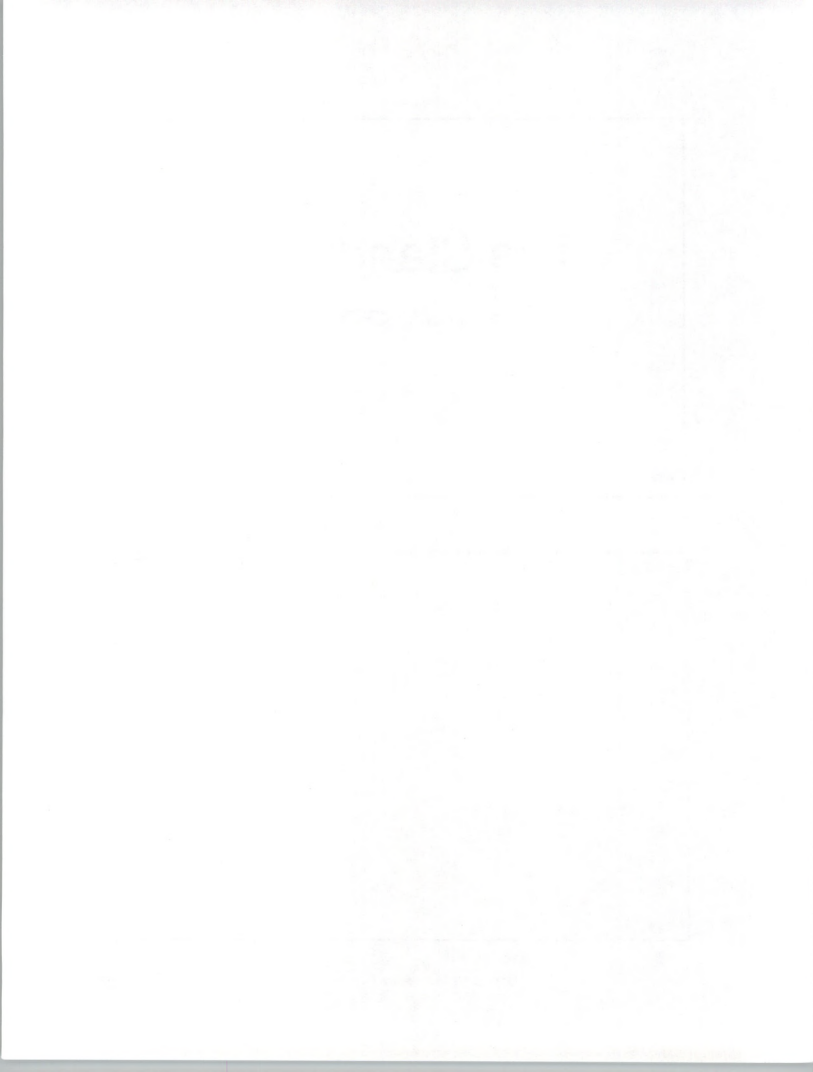


The Standards Process

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The Systems Industry— Past

Operating environments protected
core systems prices

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IS- 92

Notes



The Systems Industry— Now Open Systems

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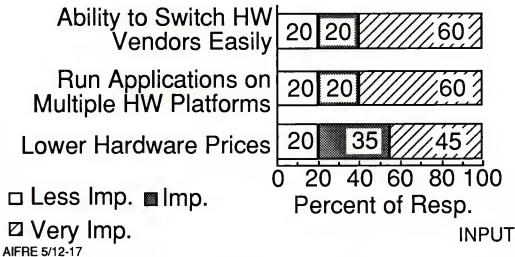
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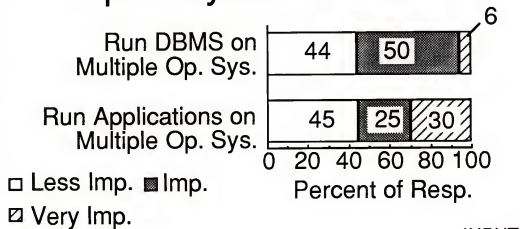
Importance of Open System Benefits



Notes



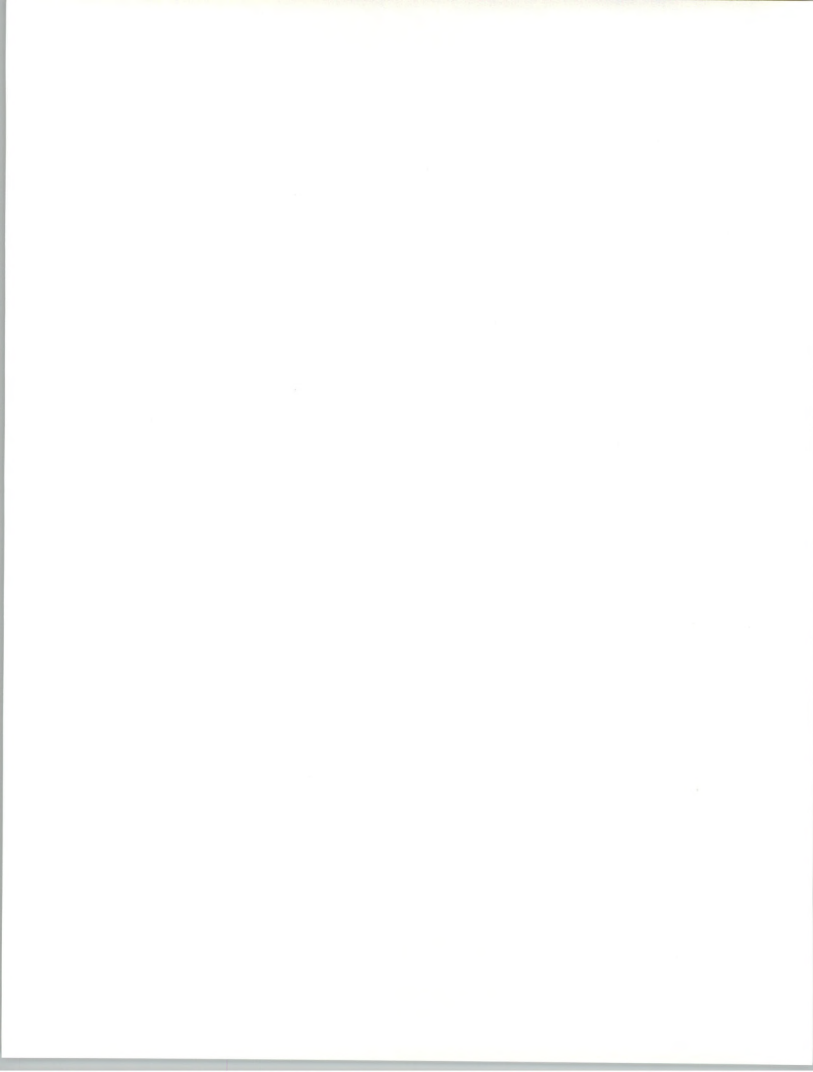
Importance of Open System Benefits



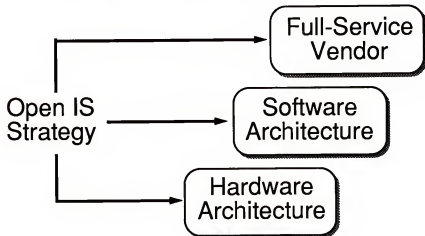
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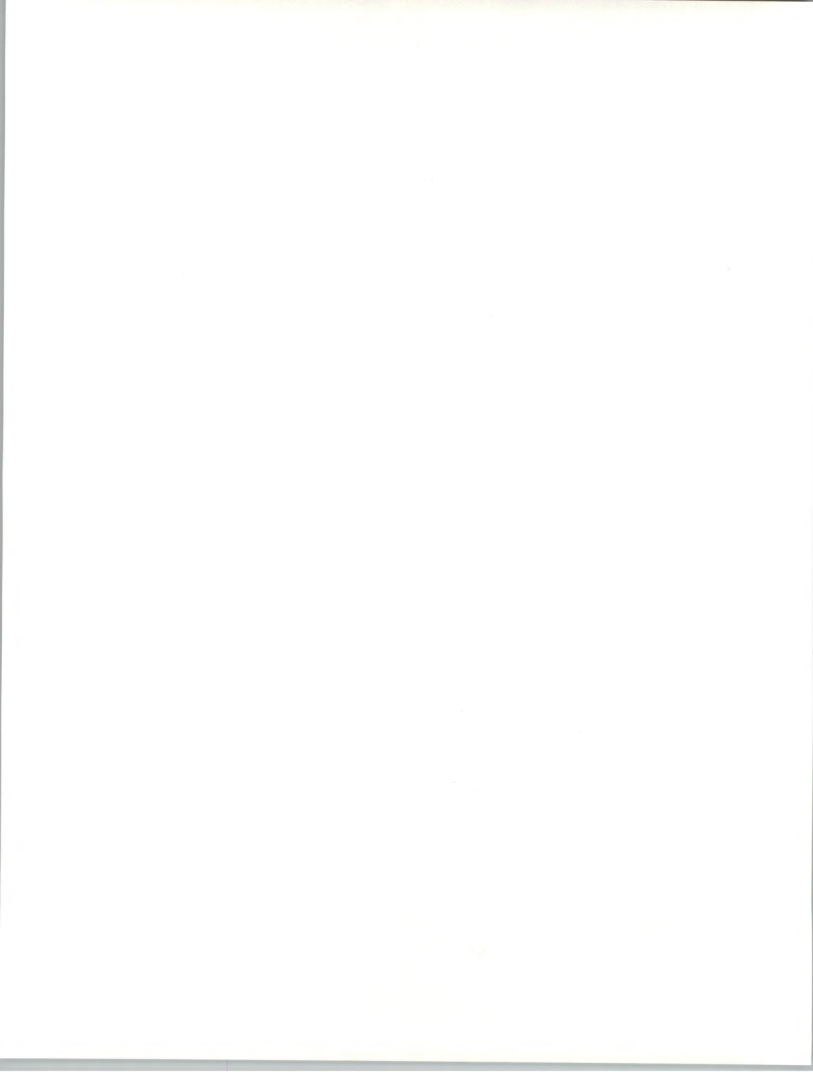
Vendor Selection Trends



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Services Industry Trends 1996—Primary Forces

- The Economy
- The Market Size
- The Influence of Large Vendors

AIFRE & MEMAP
Fails!
Some pulled for
DEOSP prstn.
6/12

AIFRE 5/12-1



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AIFRE 5/12-2



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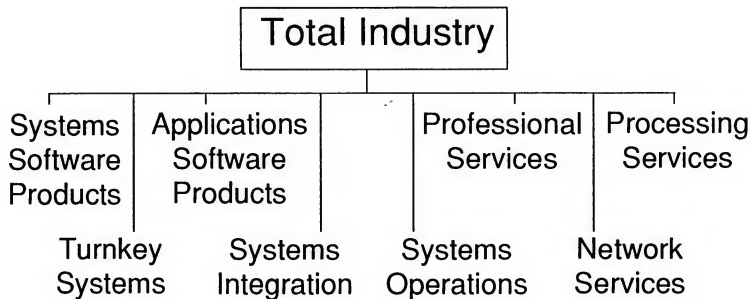
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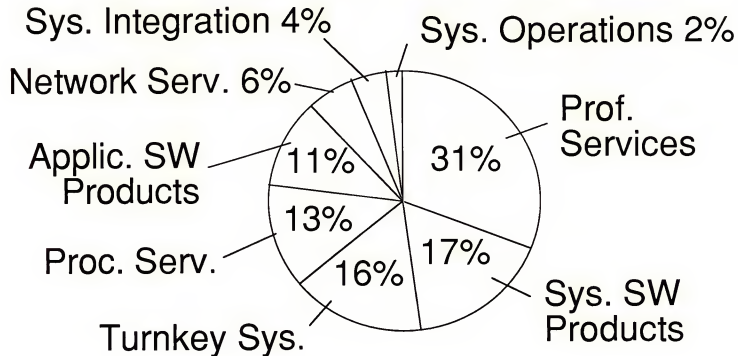
Information Services Industry Structure



IS-2



Delivery Mode Analysis



1991 Total Market = \$77 B

MEMAP-RF-9/30-9



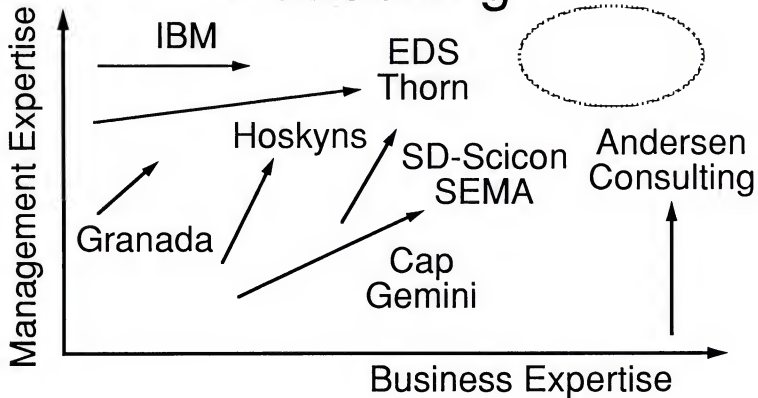
Increasing Influence of Large Vendors

- Consolidation continues
- Market share creeping up
- Outsourcing favors larger vendors
- Slows technological change and adoption

IS-62



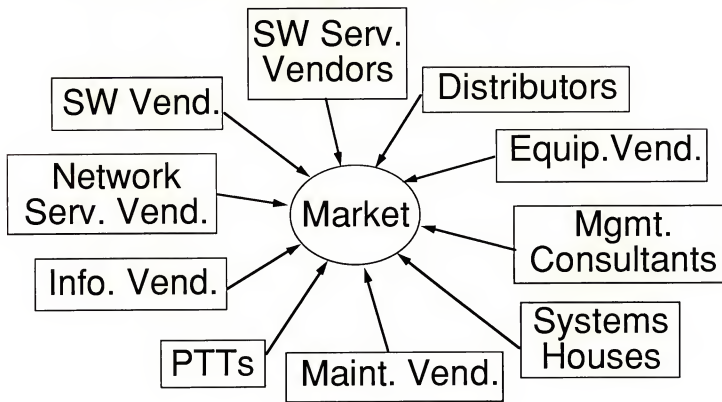
Positioning



E-SI-37



Increasing Competition



MEMAP-RF-9/4-16



Vendor Added Value



- Applications Management
- Systems Management
- Solution Engineering
- Systems Technology



MEMAP-RF-9/4- 4



Downsizing What Is Its Meaning?

- Something new
- Something old
- Downsizing = Upsizing
- Downsizing = Smartsizing = Upsizing

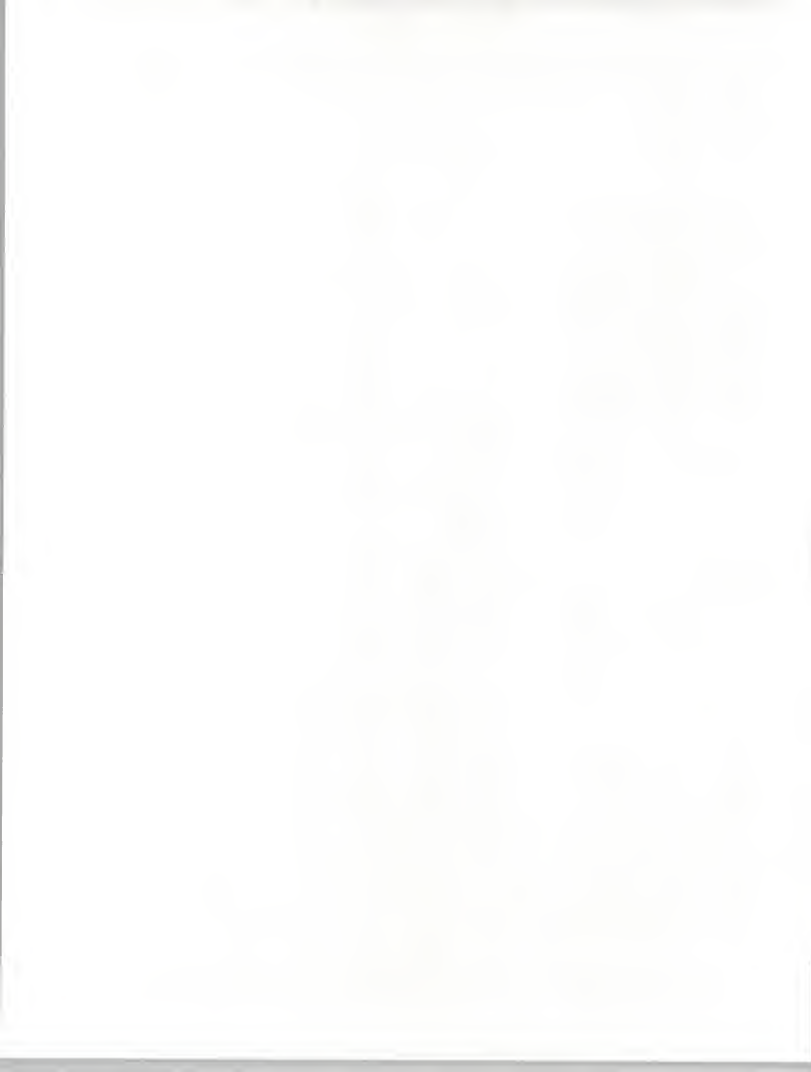
AIFRE 5/12-12



The Changing Buyer

- General manager becomes primary buyer
- IS becomes internal consultant
- Solutions versus technology

IS-64a



The Changing Buyer

- Decisions become larger—
take longer
- The budget is
decentralized—multiple buyers

IS-64b



Revolutions or Evolutions?

- Re-engineering
 - Organization: All or parts
 - IS Organization

IS-95



Re-engineering the Organization

- Slow
- Not driven by IS
- Must have outside agency
- Must include IT

MACFC-PAC -13



Re-engineering IS

- Used to be a separate function
- Now being integrated into organization
- Will it disappear?

IS- 96



Outsourcing

OU-43



Outsourcing is the
contracting of information
systems processes to
external vendors.

OU-6a



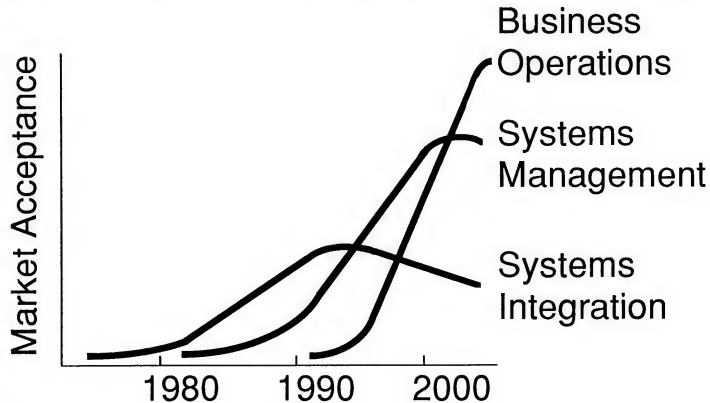
“Outsourcing” vs. Buying Services

- Greater commitment on part of buyer
- “Partnership”
- Responsibility/risk for vendors

OU-11



Outsourcing Market Waves



IS-37



The Systems Industry— Past

Operating environments protected
core systems prices

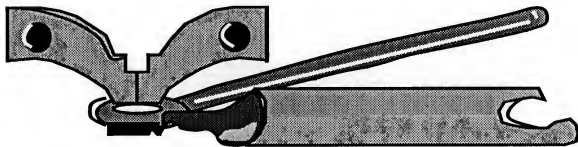
IS-92



The Systems Industry— Now

Open Systems

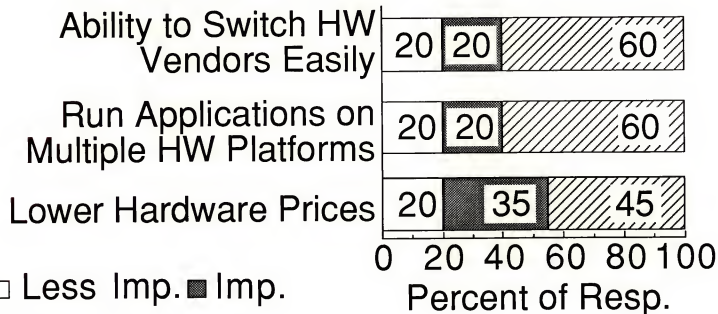
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IS-93



Importance of Open System Benefits

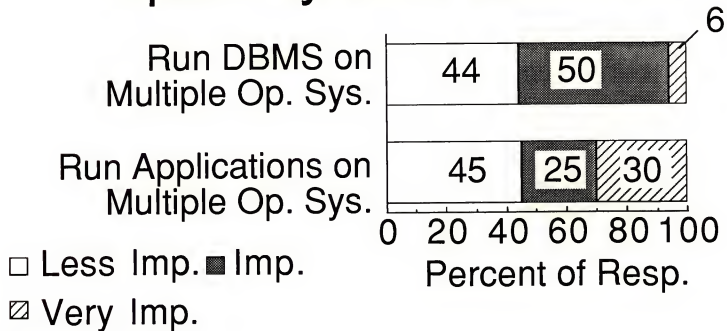


AIFRE 5/12-17

INPUT



Importance of Open System Benefits

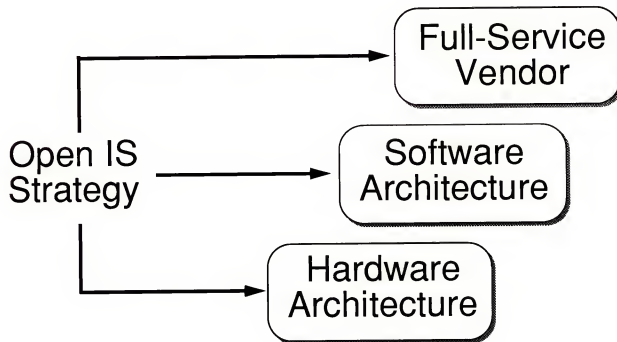


AIFRE 5/12-18

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Vendor Selection Trends



MEMAP-RF-9/4-11

