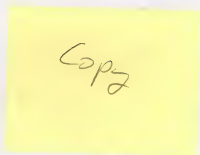


Information Services Industry Trends

MS-2

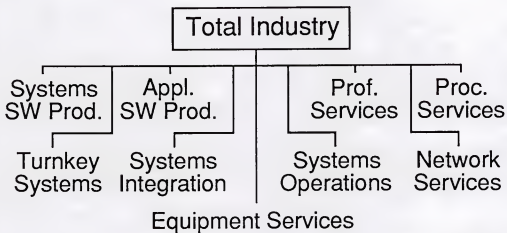
INPUT

Notes





Information Services Industry Structure



IS-2

INPUT

Notes



Information Services Market

- Major Trends
 - Slow rebound from U.S. recession, 1991-1992
 - Information services growth rate—12% to 15% per year

IS-3a

INPUT

Notes



Information Services Market

- Major Trends
 - Growing acceptance of standards, open systems
 - Systems complexity fuels need for vendor expertise

IS-4a

INPUT

Notes



Information Services Market

- Major trends
 - Shift to client/server gaining momentum
 - Outsourcing acceptance increasing

IS-4c

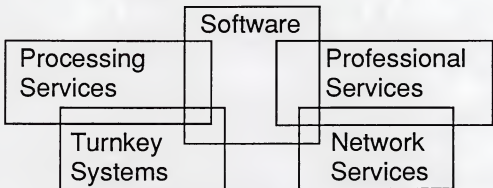
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Notes



IS Market Structure—1980s

INPUT's View



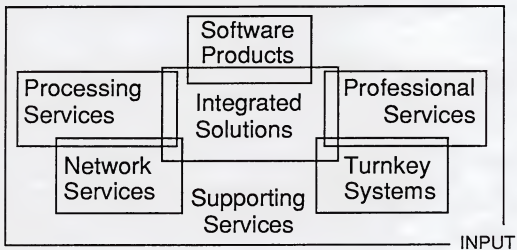
IS-10

INPUT

Notes



Information Services Market Structure—1990s
Emphasis on Supporting Services



IS-11

Notes



Market Forecasts

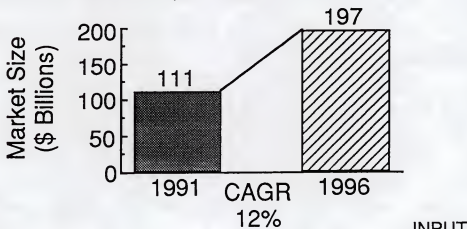
MF- 1

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Notes



U.S. Information Services Market, 1991-1996

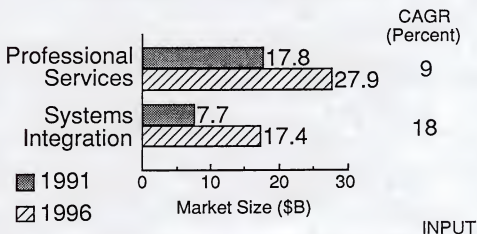


MF-3

Notes



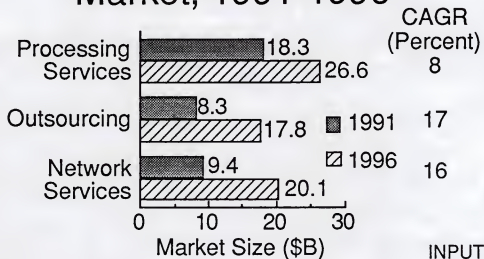
U.S. Information Services Market, 1991-1996



MF-4a

Notes

U.S. Information Services Market, 1991-1996

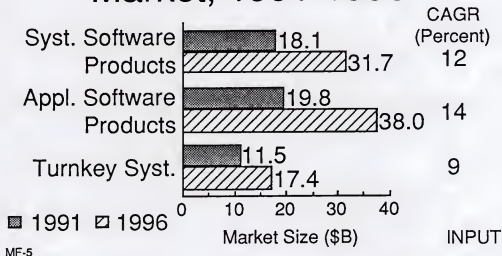


MF-4b

Notes



U.S. Information Services Market, 1991-1996



Notes



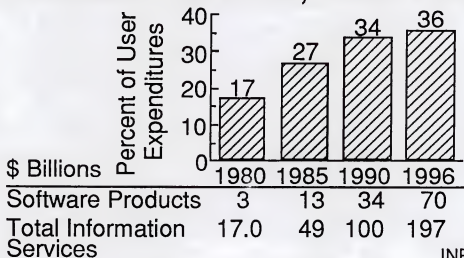
Software Products

INPUT
MPRE-407

Notes



Software Products Portion of Information Services, 1980-1996

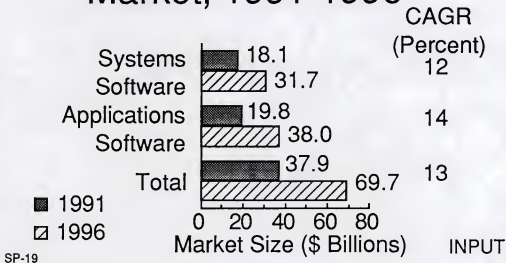


SP-18

Notes



U.S. Software Products Market, 1991-1996



Notes



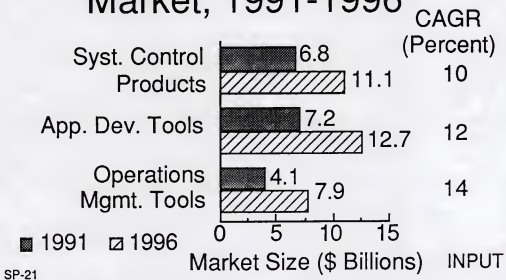
Systems Software Products

SP-157

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Notes

Systems Software Products Market, 1991-1996



Notes



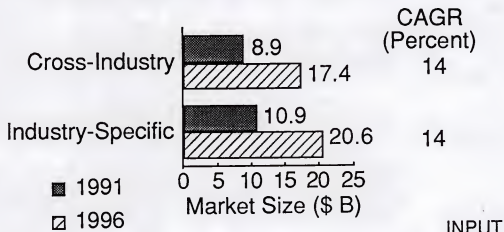
Applications Software Products

SP-116

Notes



U.S. Applications Software Products Market, 1991-1996

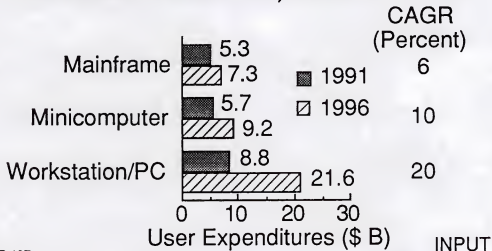


SP-121

Notes



Applications Software Products Market, 1991-1996



SP-127

Notes



Applications Software Products

Driving Forces

- New technologies
- New products
- Customer emphasis on productivity improvements
- Pent-up demand for new products

SP-117

Notes

Applications Software Products

Growth Inhibitors

- Maturity of traditional products
- Slowdown in hardware sales
- New products still being developed
- Customer confusion

SP-118

Notes



Applications Software Products

Shifting Technology Foundation

- Standards
- Downsizing and client/server
- Networking and integration
- Distributed data

SP-119a

Notes

Applications Software Products

Shifting Technology Foundation

- Graphical user interface
- Imaging
- Engineered/re-engineering software

SP-119b

Notes



Applications Software Products

User Survey

- 24% budget increase for 1992
- Mainframe-based spending declining; workstation/PC-based spending increasing
- More cross-industry spending

SP-165a

INPUT

Notes



Professional Services

PF-1

INPUT

Notes

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the success of any business and for the protection of the interests of all parties involved. The document outlines the various methods and systems that can be used to ensure the accuracy and reliability of financial records.

One of the key points discussed is the need for regular audits and reconciliations. This helps to identify any discrepancies or errors in the records as soon as possible, allowing them to be corrected before they become a problem. The document also highlights the importance of having a clear and consistent accounting system in place, which makes it easier to track and analyze financial data.

In addition, the document stresses the importance of transparency and communication. All parties involved in the business should be kept informed of the financial situation and any changes that may affect their interests. This helps to build trust and ensures that everyone is working towards the same goals.

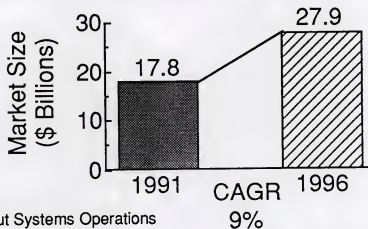
The second part of the document provides a detailed overview of the various financial statements that are typically prepared for a business. These include the balance sheet, the income statement, and the cash flow statement. Each of these statements provides a different perspective on the financial health of the business, and together they provide a comprehensive picture of its performance.

The balance sheet shows the assets and liabilities of the business at a specific point in time, while the income statement shows the revenues and expenses over a period of time. The cash flow statement shows the inflows and outflows of cash, which is a key indicator of the business's liquidity and ability to meet its obligations.

The document also discusses the importance of understanding the underlying data that goes into these statements. It provides tips on how to analyze the data and identify trends and patterns that can help inform business decisions. For example, a consistent decline in cash flow may indicate a problem with the business's operations or a need to adjust its pricing strategy.

Finally, the document concludes by emphasizing the importance of seeking professional advice when needed. Accounting and finance can be complex areas, and it may be difficult to navigate them on your own. Consulting with a qualified professional can help you understand the implications of your financial decisions and ensure that you are following the best practices in the industry.

U.S. Professional Services Market,* 1991-1996

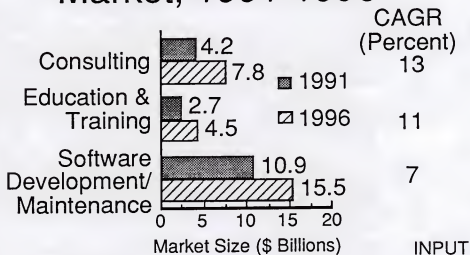


PF-11

Notes



U.S. Professional Services Market, 1991-1996

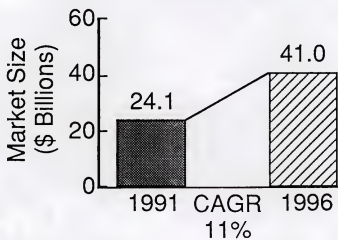


PF-12

Notes



U.S. Professional Services All Market Sectors

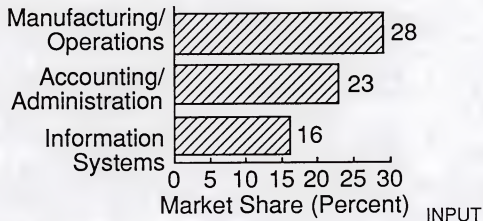


PF-66

Notes



Professional Services Expenditures by Area

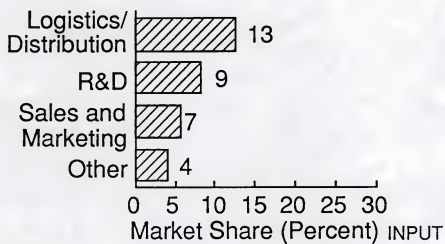


PF-14

Notes



Professional Services Expenditures by Application Area



PF-15

Notes



New Professional Services

- Application maintenance
- Application management
- Re-engineering management

PF-24

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Notes



Opportunities and Recommendations

- Specialize
- Develop alliances within other delivery modes
- Enhance education and training offerings
- Follow standards and regulatory processes
- Monitor new technologies

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PF-19

Notes



Downsizing Revolution

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ID- 59

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Downsizing

- Enabled by technology
- Driven by organization factors
 - Positive, ownership
 - Negative, failures

MACFC-PAC-3

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Notes



IS Environment

"Old" Traditional	"New" Downsized
Mainframe	Client/server
Shared	Dedicated
Remote	Local
IS operated	User operated

ID-96

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Notes

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Documenting the Downsizing Trend

CIO survey results show

- 80% have identified target applications suites
- 40% have projects or pilots underway

...A significant opportunity exists!

ID-102

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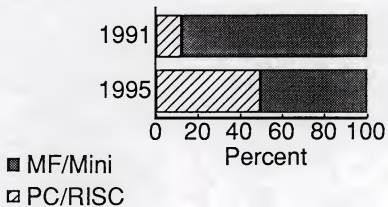
Notes

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Platform Trends

Production Applications



ID-103

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Notes



IS Model for the '90s

Platform	M/F	Mini	Micro/WS
User	← Cent. IS		← Dept. IS → ← Pwr User/User →
Envmt.	← Client/Server →		
Appl. SW Prod.	← Enterprise-Critical →		← Dept.-Critical → ← Prodtvty →

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ID-126

Notes

102992



Impact of Downsizing on Software Product Vendors

- What's changing?...Everything!
- Who's affected?...Everyone!

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Application SW Product Vendors

<u>Attributes</u>	<u>Old</u>	<u>New</u>
Features	Fixed	Constantly adding
Updates	Infrequent	Frequent
Sales	Field	Direct/indirect
Cost of sales	Labor bias	Advertising bias
Price	\$10,000+	\$100+
Customers	100s	100,000s

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ID-130

Notes

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Key Opportunities for Vendors

- “Desktop services”—support and transition mgt.
- Distributed integrated platform offerings (*integrated workstation/ LAN/OS environments*)

ID-114a

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Notes

10/16/92



Key Opportunities for Vendors

- Transition management services
- Applications software products/
development (*distributed
environments*)

ID-114b

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Notes



Key Moves for Industry Participants

Class	Opportunity
SI and PS	<ul style="list-style-type: none">• SI for downsized environments• Methodology for apps. downsizing• Templates for distributed apps.

ID-115

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Notes



Key Moves for Industry Participants

Class	Opportunity
Software products	<ul style="list-style-type: none">• Distributed integrated platforms (DIP)
Turnkey systems	<ul style="list-style-type: none">• Desktop services• Apps. development— distributed

ID-117

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Competition

CO-40

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Andersen Consulting Services Evolution

Management Consulting

Professional Services

Software Products

Systems Integration

Systems Management

Systems Operations

CO-4

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Notes



Digital Equipment

Equipment

Software Products

Professional Services

Systems Integration

Enterprise Services

Network Services

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CO-11

Notes

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EDS

Systems Operations

Systems Integration

Processing Services

Network Mgmt.

Business Operations

CO-14a

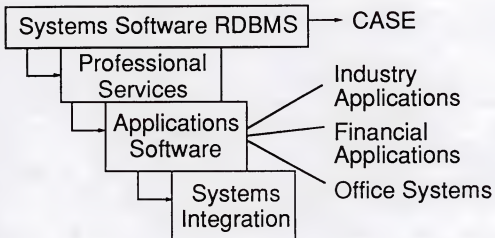
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Oracle



CO-24

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Notes



IBM Performance

What used to work
doesn't work now

CO-49

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IBM—The Positive Points

- A revenue leader in every market
- Immense resources
 - Human
 - Financial
- Worldwide geographic coverage
- Reputation for quality

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CO-33

Notes



IBM—Market Perceptions

- Inertia—tradition/size
- Product vs. services orientation
- False starts in solution selling
- Organizational positioning
- Lack of vertical focus—business solutions
- Aversion to risk

CO-32

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Notes



IBM—Recommendations

- Organize for rapid response
- Position as a solution provider
- Refine the art of the deal
- Target the market
 - Cross-industry
 - Vertical

CO-34

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Notes

