

Outsourcing et  
Intégration de Systèmes :  
Perspectives Actualisées  
des Marchés

17 Juin 1993

**INPUT<sup>®</sup>**

**U.K.**—17 Hill Street, London W1X 7FB, U.K.

**France**—24, avenue du Recteur Poincaré, 75016 Paris, France

**Germany**—Sudetenstrasse 9, D-35428 Langgöns-Niederkleen, Germany

+44 71 493 9335

+33 1 46 47 65 65

+49 6447 7229



Researched by  
INPUT  
17 Hill Street  
London W18 7FB  
United Kingdom

Published by  
INPUT  
1280 Villa Street  
Mountain View, CA 94041-1194

**Systems Integration/Professional Services  
Programme—Europe**  
(SIP)

**Outsourcing Information Systems  
Programme—Europe**  
(OSP)

*Outsourcing et intégration de Systèmes :  
Perspectives Actualisées des Marchés*

Copyright © 1993 by INPUT. All rights reserved.  
Printed in the United States of America.  
No part of this publication may be reproduced or  
distributed in any form, or by any means, or stored in a  
database or retrieval system, without the prior written  
permission of the publisher.

The information provided in this report is proprietary to  
INPUT. The client agrees to hold as confidential all such  
information, and control access to the information to  
prevent unauthorised disclosure. The information shall be  
used only by the employees of and within the current  
corporate structure of the client, and will not be disclosed  
to any other organisation or person including parent,  
subsidiary, or affiliated organisation without prior written  
consent of INPUT.

INPUT exercises its best efforts in preparation of the  
information provided in this report and believes the  
information contained herein to be accurate. However,  
INPUT shall have no liability for any loss or expense that  
may result from incompleteness or inaccuracy of the  
information provided.



# Evolution of the Systems Integration Market

E-SI-150

INPUT

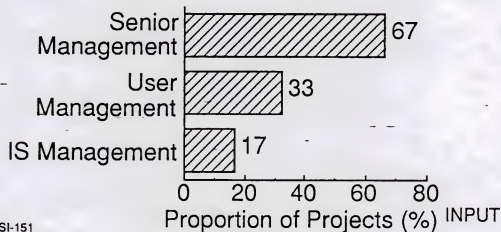
Notes

9/8/93



## Systems Integration

### Identifier of Major Projects France



E-SI-151

Notes





## Systems Integration

# Characteristics Required of Vendors

- Relevant skills/software
- Financial strength to absorb risk
- Prior experience of similar projects
- Responsiveness

E-SI-152

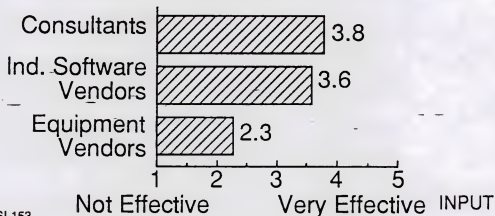
INPUT

Notes



## Systems Integration

### Ability to Manage Large Projects User Perspective, France



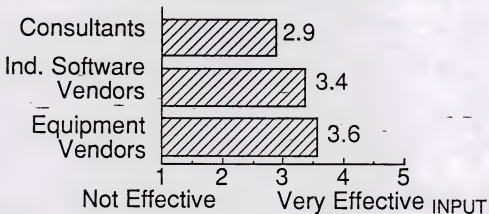
E-SI-153

Notes



## Systems Integration

# Ability to Manage Projects User Perspective, U.K.



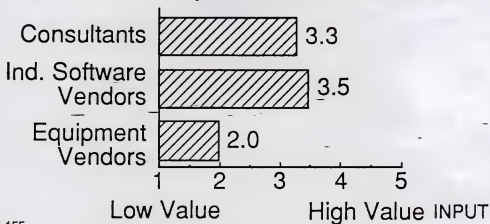
E-SI-154

Notes



## Systems Integration

# Value for Money—Projects User Perspective, France



E-SI-155

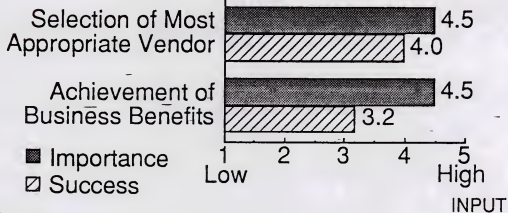
Notes





## Systems Integration

# Achievement of Project Objectives



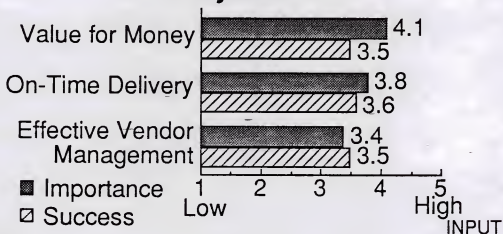
E-SI-156

Notes



## Systems Integration

# Achievement of Project Objectives



E-SI-157

Notes



## Systems Integration

# Purchasing Process: Workflow

Stage	Key Influences
Decision to investigate workflow — —	Senior executives Department heads O&M/business strategy

E-SI-158

INPUT

Notes



## Systems Integration

# Purchasing Process: Workflow

Stage	Key Influences
Vendor identification/ information collection	IS department External consultants
Trial go/no go decision	Departmental heads Operational management

E-SI-159

INPUT

Notes





## Systems Integration

# Market Segmentation, 1992 Europe

	Share of Total Market (%)	Value (\$B)
Networking/Infrastructure Development	27	1.10
Appl./Business Solutions	73	2.97
Total	100	4.07

E-SI-160

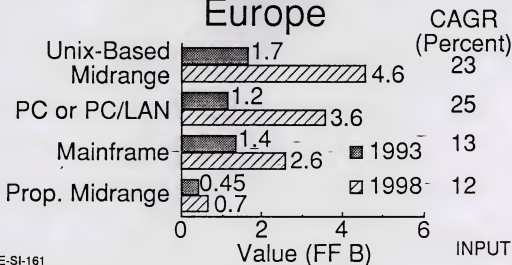
INPUT

Notes



# Systems Integration

## Projects by Equipment Type Europe



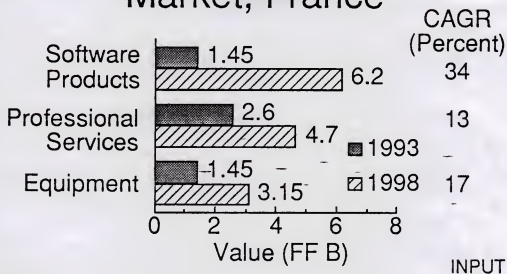
E-SI-161

### Notes



# Systems Integration

## Market, France



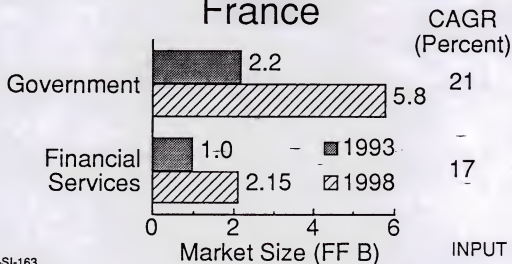
E-SI-162

### Notes



# Systems Integration

## Industry Sector Forecast France



E-SI-163

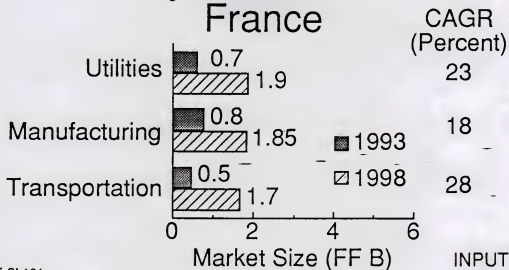
Notes





# Systems Integration

## Industry Sector Forecast France



E-SI-164

### Notes



## Systems Integration

# Leading Vendors, France

Company	1992 Est. Rev. (FF B)
Cap Gemini Sogeti	1.00
IBM	0.75
Sema Group	0.35
Andersen Consulting	0.35
EDS-GFI	0.25

E-SI-165

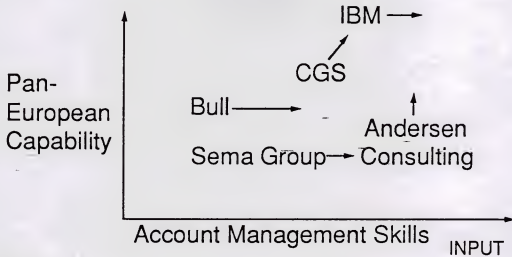
INPUT

Notes



## Systems Integration, Europe

### Vendor Positioning (1)



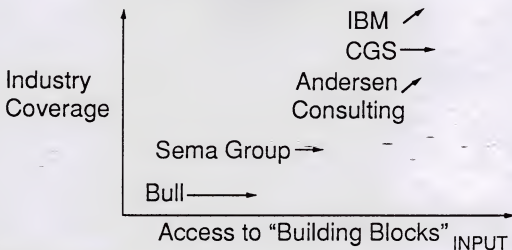
E-SI-94

Notes



Systems Integration, Europe

## Vendor Positioning (2)



E-SI-95

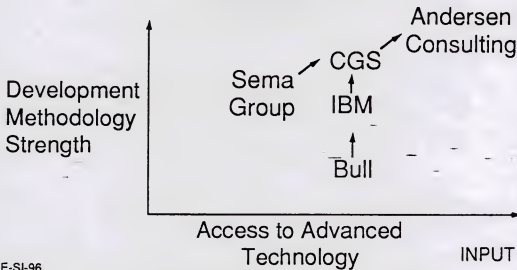
Notes





Systems Integration, Europe

## Vendor Positioning (3)



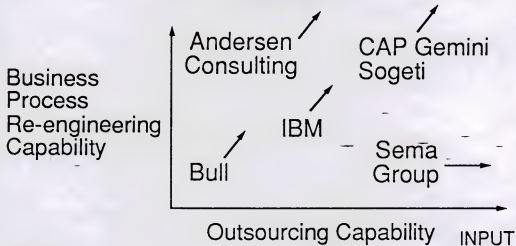
E-SI-96

Notes



## Systems Integration

### Vendor Positioning (4)



E-SI-166

Notes



# Outsourcing Growth Opportunities

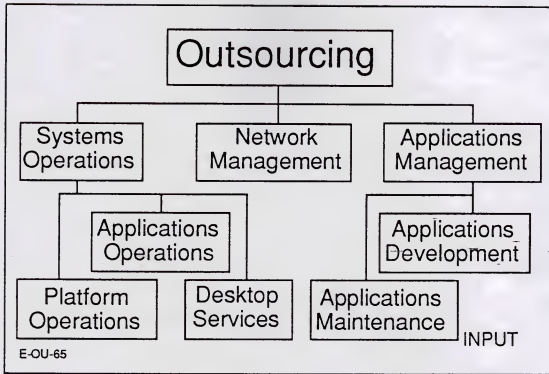
E-OU-83

INPUT

Notes

6/8/93





Notes





Software and Services, Europe

## Key User Demands

- Value for money
- Cost reduction
- Effectiveness

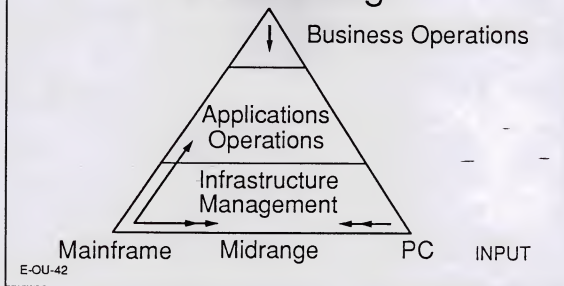
INPUT

E-OU-58

Notes



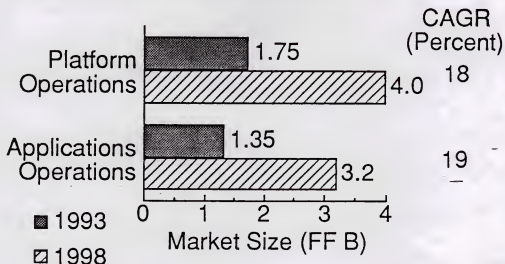
# Evolution of European Outsourcing



Notes



# Outsourcing Market, France



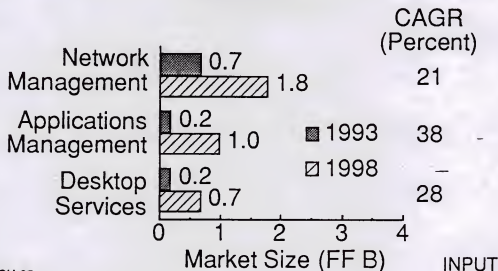
E-OU-84

INPUT

Notes



# Outsourcing Market, France



E-OU-85

Notes





## Major Outsourcing Contracts, 1992-1993

Client	Vendor	Contract Value (\$M)	Number of Years
East Midlands Electricity	Perot Systems	600	12
Europcar	Perot Systems	400	10

E-OU-86

INPUT

Notes



## Major Outsourcing Contracts, 1992-1993

Client	Vendor	Contract Value (\$M)	Number of Years
BHS	CSC	200	11
Kooperativa Forbundet	EDS	≈1,000	10-

E-OU-87

INPUT

Notes



Application Operations, Europe

## Reasons for Adoption

Factor	Degree of Imp.
Making IS relate to business needs	High
Making IS more manageable	High
Easier planning of IS costs	High
Need to reduce IS costs	High

INPUT

E-AD-17

Notes



## Systems Operations, Europe

### Contract Length by Contract Type

Contract Type	Avg. Contract Length (Years)
Platform Operations	3.5
- Transition Outsourcing	2.5
- Other Platform Operations	4.5
Applications Operations	5

E-OU-88

INPUT

Notes





# User Propensity to Outsource

High

Transition Outsourcing



Application Maint. Mgmt.



Network Mgmt. Desktop Servs.



Platform Operations



Application Operations

INPUT

Low

E-OU-66

Notes



Outsourcing, Europe

## Principal Reasons for Platform Operations

Factor	Degree of Imp.
Easier planning of IS costs	High
Complexity of technology	High
Difficulty in recruiting staff	Medium
Change in technology used	Medium

E-OU-32

INPUT

Notes



# Outsourcing Product Lines Hoskyns

- Midrange
- Mainframe
- Application management
- Desktop services

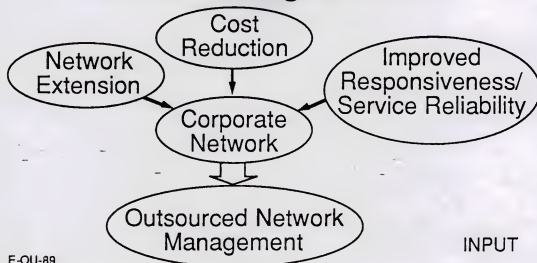
E-OU-40

INPUT

Notes



# Network Management Outsourcing Drivers

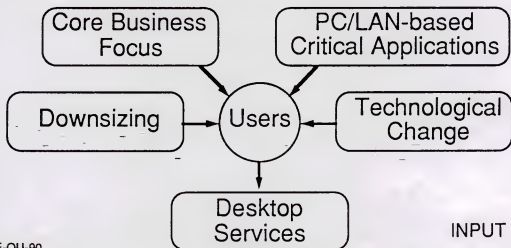


Notes





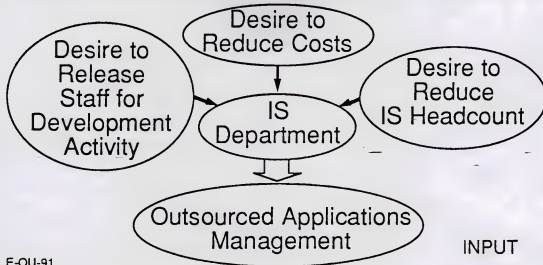
## Driving Forces Desktop Services, Europe



Notes



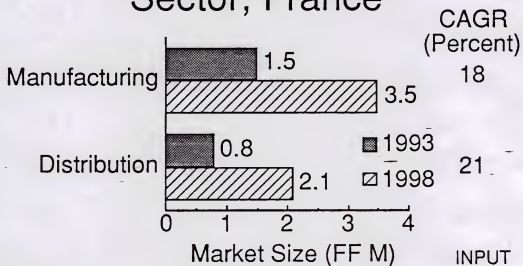
## Driving Forces Applications Management, Europe



Notes



## Outsourcing by Industry Sector, France

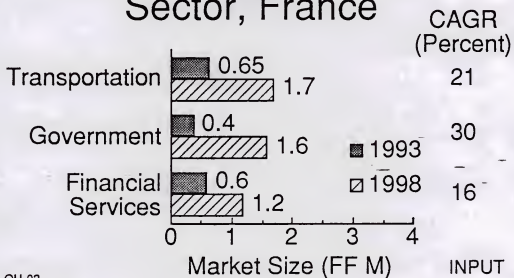


E-OU-92

Notes



## Outsourcing by Industry Sector, France



E-OU-93

Notes





Systems Operations, Europe

Breakdown by Client  
Turnover, 1992

Turnover of Client Organization	Proportion of Contracts (%)
>\$200 M	70 - - - -
\$40 - \$200 M	25
<\$40 M	5

E-OU-94

INPUT

Notes



## Leading Outsourcing Vendors France, 1992

Company	Est. Rev. (FF M)
EDS-GFI	750
GSI	350
Télésystèmes	280
IBM/Axone	240
CISI	200

E-OU-95

INPUT

Notes



## ABOUT INPUT

---

Since 1974, information technology (IT) users and vendors throughout the world have relied on INPUT for data, objective analysis, and insightful opinions to support their plans, market assessments and technology directions particularly in computer software and services. Clients make informed decisions more quickly and save on the cost of internal research by using INPUT's services.

Call us today to learn how your company can use INPUT's knowledge and experience to grow and profit in the revolutionary IT world of the 1990s.

## ANNUAL SUBSCRIPTION PROGRAMS

---

### EUROPEAN AND NORTH AMERICAN MARKET ANALYSIS

*Analysis of Information Services, Software and Systems Maintenance Markets  
5-year Forecasts, Competitive and Trend Analysis*

- 15 Vertical Markets
- 9 Categories of Software and Services
- 7 Cross-Industry Markets
- The Worldwide Market (30 countries)

#### — EUROPEAN —

- Outsourcing
- Systems Integration
- Customer Services

#### — U.S. —

- Outsourcing
- Client/Server
- Systems Integration
- IT Vendor Analysis
- EDI / Electronic Commerce
- U.S. Federal Government IT Procurements

## CUSTOM CONSULTING

---

Many vendors leverage INPUT's proprietary data and industry knowledge by contracting for custom consulting projects to address questions about their specific market strategies, new product/service ideas, customer satisfaction levels, competitive positions and merger/acquisition options.

INPUT advises users on a variety of IT planning and implementation issues. Clients retain INPUT to assess the effectiveness of outsourcing their IT operations, assist in the vendor selection process and in contract negotiation/implementation. INPUT has also evaluated users' plans for systems and applications downsizing.

## INPUT WORLDWIDE

---

**London**—17 Hill Street  
London W1X 7FB, England  
Tel. +71 493-9335 Fax +71 629-0179

**Paris**—24, avenue du Recteur Poincaré  
75016 Paris, France  
Tel. +1 46 47 65 65 Fax +1 46 47 69 50

**Frankfurt**—Sudetenstrasse 9  
D-35428 Langgöns-Niederkleen, Germany  
Tel. +6447-7229 Fax +6447-7327

**San Francisco**—1280 Villa Street  
Mountain View, CA 94041-1194  
Tel. (415) 961-3300 Fax (415) 961-3966

**New York**—400 Frank W. Burr Blvd.  
Teaneck, NJ 07666  
Tel. (201) 801-0050 Fax (201) 801-0441

**Washington, D.C.**—1953 Gallows Rd., Ste. 560  
Vienna, VA 22182  
Tel. (703) 847-6870 Fax (703) 847-6872

**Tokyo**—Saida Building, 4-6, Kanda Sakuma-cho  
Chiyoda-ku, Tokyo 101, Japan  
Tel. +3 3864-0531 Fax +3 3864-4114

