



# Transformation @ Cisco

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The World is  
**CHANGING**



And it's  
**CHANGING FAST**

Market  
Transitions

Technology  
Transitions

Economic  
Transitions

**PACE OF CHANGE <sup>2</sup>**

# The Only Constant Is Change

## Technology Transitions



Cloud and XaaS



New Breed of Apps



Big Data and Analytics



Mobility and Video



Internet of Things

**Changing Role of IT to Enable Simultaneous Transitions  
Simple, Smart, Agile and Secure**

Growth and  
Productivity  
Opportunities

New Business  
Models

User Experience  
and  
Expectations

Globalization

Security and  
Regulatory  
Compliance

## Business Implications

**Cost**

**Speed**

**Growth**



Services Everything



Adaptive Enterprise



Learning Network

# Technology Challenges



Reducing  
Complexity



Unlocking  
Intelligence



Ensuring  
Security

# Cisco's Point of View on Transformation

## Defining Transformation

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A fundamental shift in thinking...from fixing what is wrong to unleashing what is possible

## Transformation Mission

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Identify opportunities across the company to fuel future growth, enhance our operating model, and create value and success for our employees, customers, partners and shareholders

# Our Transformational Journey Simplified. Empowered. Accountable.



“If your organization cannot adapt, evolve and respond to the expectations and desires of the people you’re serving – including your employees – you will fail in their estimation and find your company mired in mediocrity.”

–Professor Tony O’Driscoll  
Duke University Fuqua School of Business



# A Phased Approach to Bring Ideas to Execution



# Key Lessons Learned

1. Set scope broadly (all costs, no organization gets a hall pass)
2. Set targets, even if you don't know what is fully achievable
3. Get your best people on it
4. Pick a “take no prisoners” leader for your Transformation Program
5. Recognize that staffing your Transformation office & initiative teams will take months
6. Address decision making/organizational effectiveness equally with cost actions
7. Address culture (values x behaviors) to catalyze and embed changes

# The Journey Ahead

Cisco senior leadership fully committed to long-term transformation

Addressing all aspects of company operations

Continuing to launch prioritized and funded initiatives

Embedding changes into our culture

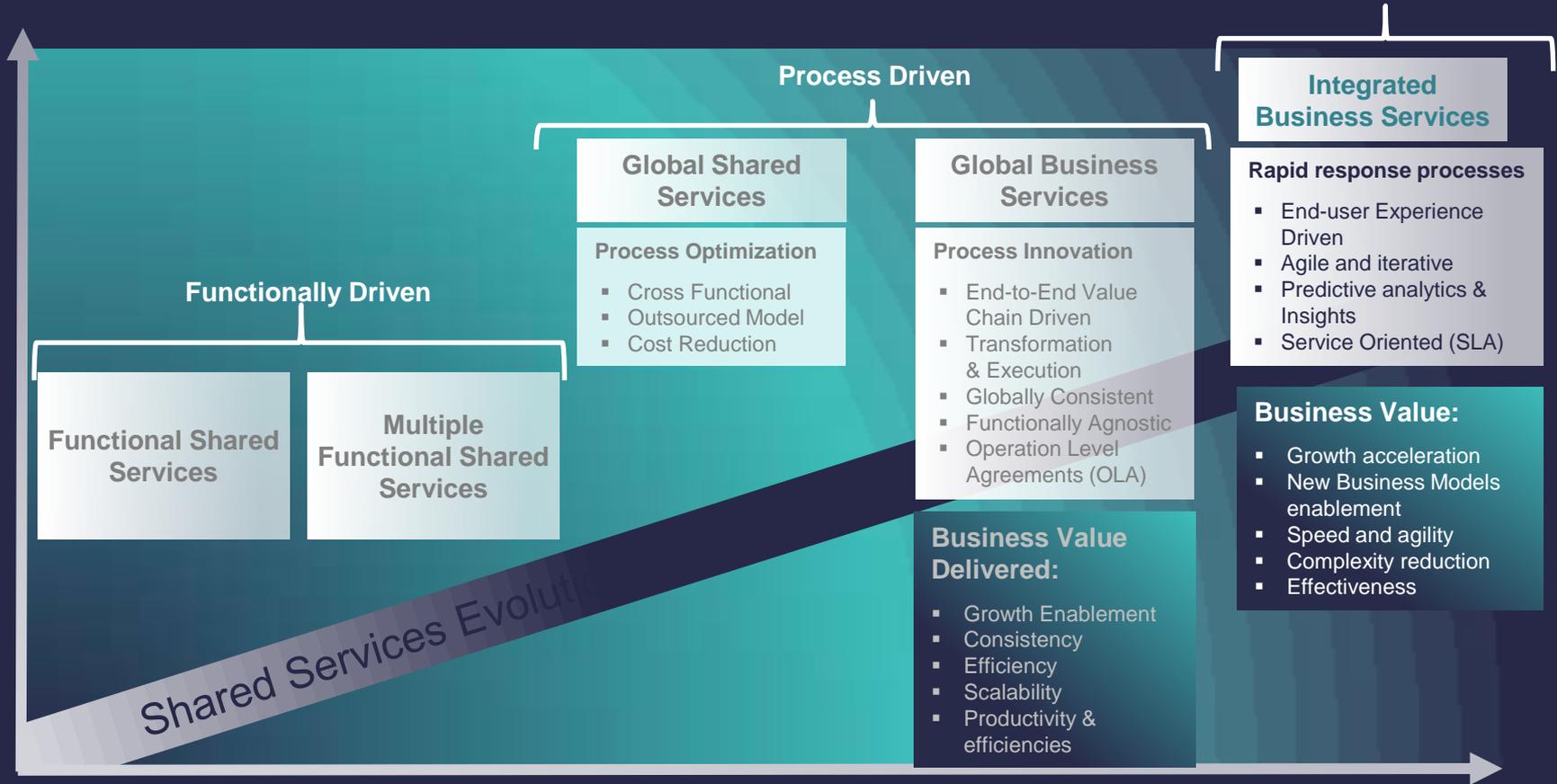
Customer engagement and mutual success a key priority



Accelerating Growth & Innovation Through  
Integrated Business Services



# The Journey



Value Driven

**Integrated Business Services**

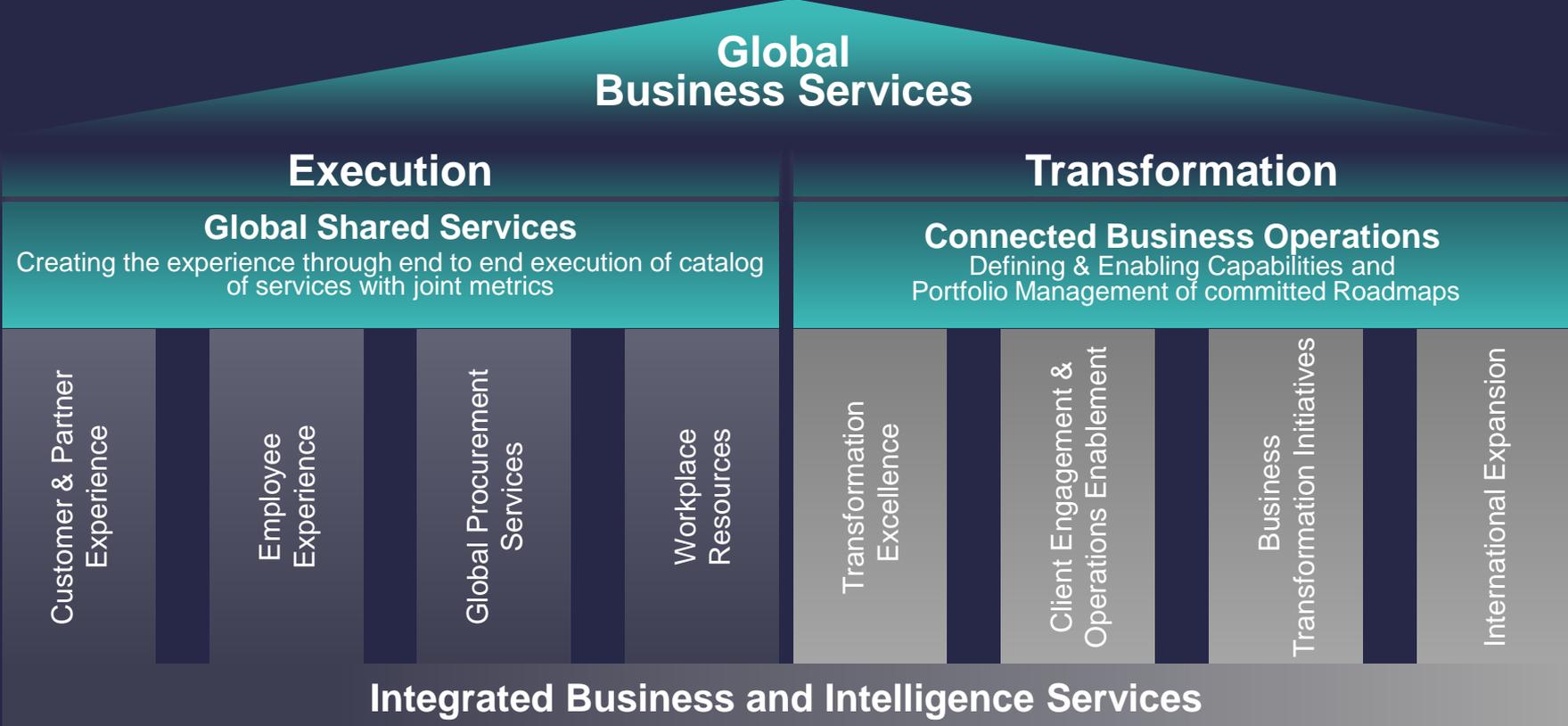
**Rapid response processes**

- End-user Experience Driven
- Agile and iterative
- Predictive analytics & Insights
- Service Oriented (SLA)

**Business Value:**

- Growth acceleration
- New Business Models enablement
- Speed and agility
- Complexity reduction
- Effectiveness

# GBS: Integrated Services as an Innovative Model



Speed, Scale and Sustainability through Process Innovation

# GBS Services: Foundational

## PERFORM. ACCELERATE. TRANSFORM

### CUSTOMER ORIENTED

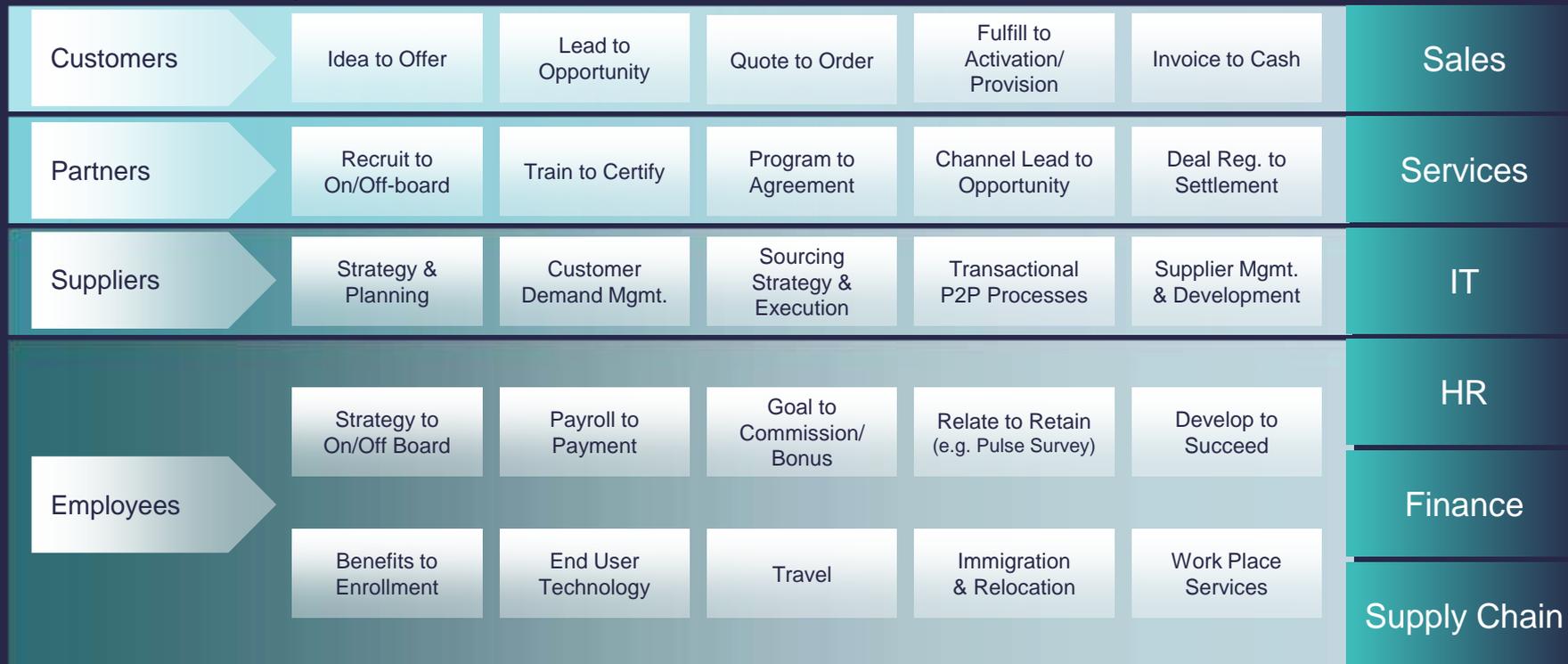
*Experience Driven; Functionally Agnostic.*

### BUSINESS SERVICES – Contribution to Lifecycle

*Agile, Simplified, Scalable, Sustainable, Global*

### FUNCTIONAL PARTNERS

*Strategic Focus; Strong Partnership with GBS*

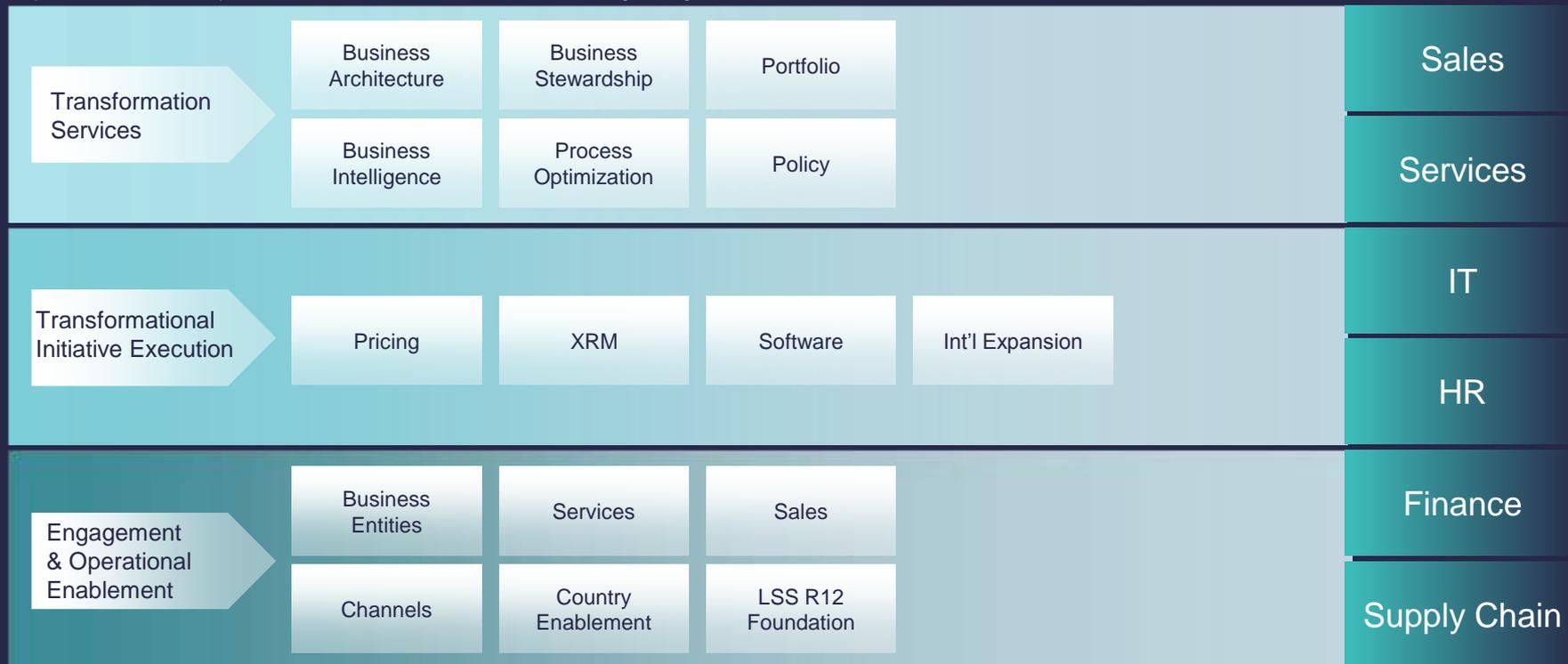


# GBS Services: Transformational PERFORM. ACCELERATE. TRANSFORM

**TRANSFORMATION DRIVEN**  
*Simplified. Structured. Repeatable. Scalable.*

**BUSINESS SERVICES\***  
*Agile, Aligned, Cross Functional*

**FUNCTIONAL PARTNERS**  
*Strategic Focus; Strong Partnership with GBS*



Note: E2E processes are examples, not a complete list.

# GBS – Perform While We Transform

## Today's Transformation is Tomorrow's Foundation

### Transforming the Business

- Enable New Capabilities
- Agility
- Business Architecture Driven

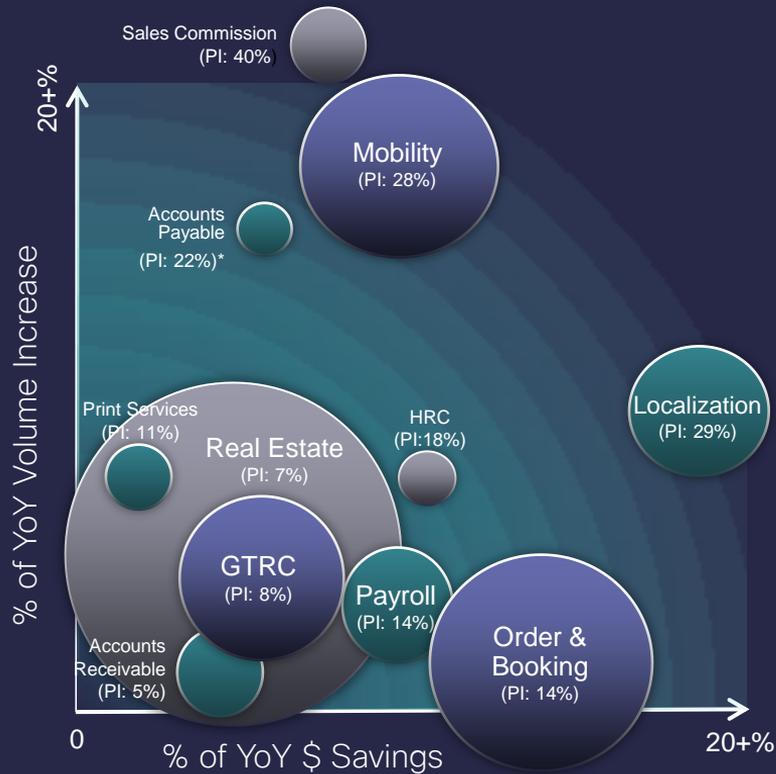


### Running the Business

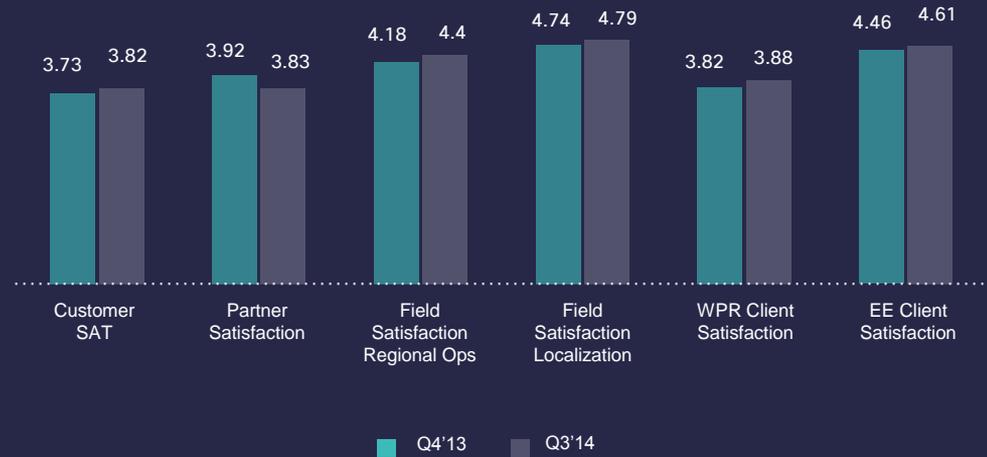
- Continuous Improvement
- Scale
- Process Innovation Driven

Enabling Growth, Productivity and Satisfaction

# Improving Experience While Enabling Growth and Productivity



## Customer, Partner, Employee Satisfaction



PI: Productivity Index = YoY Volume Increase + YoY \$ Savings

# Connecting Strategy to Execution

Vision & Strategy

## MARKET PRESSURES & TRANSITIONS

COMPANY DIRECTIVES

COMPANY GOALS

FISCAL PLANNING

CAPABILITY ROADMAPS

Execution

GLOBAL BUSINESS SERVICES

TRANSFORMATION (CTB)

Standard, Scalable, Enterprise wide CRM

Pricing and value capture

Partner Enabled Installed Base Upgrade

Scale Software Subscription

Business capability for emerging countries

Large Scale Service ERP Upgrades

Related & Ongoing

- Ideation
- Rapid Response

EXECUTION (RTB)

Idea to Offering

Issue to Resolution

Hire to Retire

Quote to Cash

Record to Report

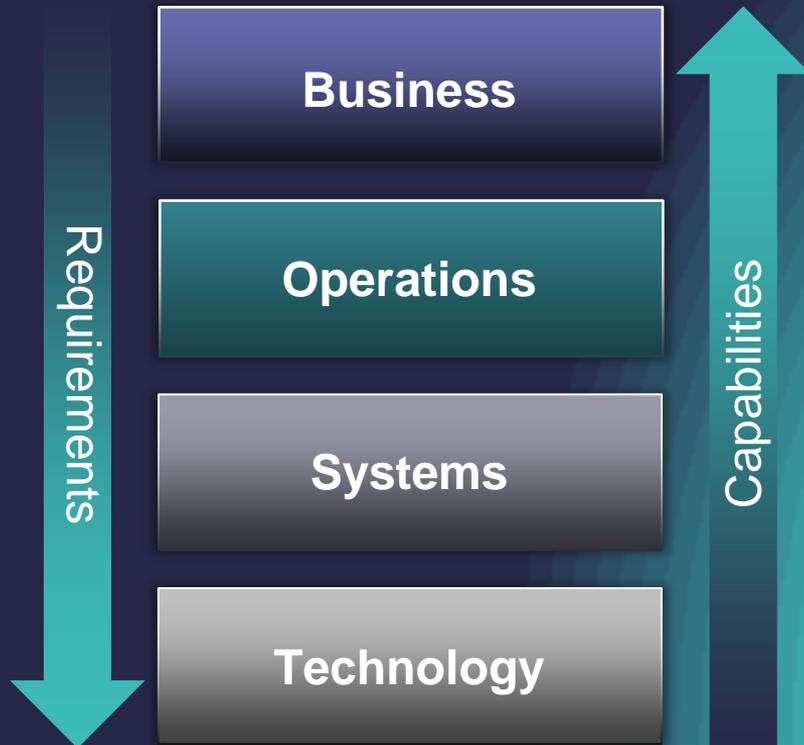
Workforce Strategy

EXTERNAL BENCHMARKS

GOVERNANCE

# Cisco's Architecture Framework: BOST

Aligns Operations, Systems and Technology with Business Strategy



## Key Questions

- What business are we enabling?
- What capabilities are needed to support that business?
- What applications & tools will we need?
- What technology will we use to enable the applications & tools?

# Keys to Transformation

## Make Our Values Come to Life

### Process

- **Analytics** and benchmarking
- Process **rigor and accountability**
- **Balance** ideation with relentless execution
- Performance **transparency**
- Learn from your **mistakes and successes**

### Behaviors

- Commit **publicly and privately**
- Don't tolerate **opt-out behavior**
- **Balance** short-term performance with long-term focus
- Embed the **change**, don't just install
- Look after your **colleagues**
- **Perseverance** in spite of challenges

Communicate, model, and teach values

Thank you.

