

15.568 – Practical Information Technology Management – Spring 2005

Class 15: Tata Consultancy Services Thursday March 31, 2005

Visitor: Mr. Arup Gupta CEO TCS Americas

Read the assigned articles:

- Outsourcing IT: The Global Landscape in 2004 (HBS 9-304-104)
- Gibson, C.F. & Nolan, R.N. “Managing the Four Stages of EDP Growth” HBR, Jan-Feb 1974
- Hagel, J. III, & Brown, J.S., “Your Next IT Strategy”, HBR, Nov 2002, reprint R0109G

Visit the company website (www.tcs.com) to learn more about the services and products that TCS offers. In addition, go over the Press Releases for the last year (<http://www.tcs.com/investors/InvestorRelations/PressReleases.aspx>)

Attend the lunch presentation on IT Outsourcing by Mr. Gupta (if possible)

The presentation will take place on Thursday March 31 at 12:00PM. Food will be served so try to be there ahead of time. Please read the 2nd page for more info on the presentation and the speaker.

Prepare one slide for discussion and presentation:

Review all the articles assigned for this class and the ones we have covered so far in the course. Based on all the course readings prepare **one** slide that presents what you consider to be the three most important lessons learned so far. Each student will present their one slide explaining why the lessons are important to them and providing examples and/or references as to where these lessons came from.

In addition to the slide be ready to answer any questions that Mr. Gupta may raise during the class and make sure that you participate in the class discussion. Please note that the short paper assignment (for Module III) will be based on this class. The assignment will be a memo to Mr. Gupta that addresses the questions that will be raised during class and will be due on Thursday April 7th.

Outsourcing: A vendor s perspective

Most of the articles and research on outsourcing are based on the viewpoint of the outsourcing firm. The classic theme of build versus buy versus partner is prominent, again from the viewpoint of buyers. In this talk, the speaker will attempt to present outsourcing from a vendor s perspective.

You will not find this viewpoint to be radically different yet the talk will provide a different flavor on the outsourcing industry.

Among other topics, the talk will address the benefits and risks associated with outsourcing and also why it doesn't make business sense to do the same tasks in house. The value proposition from a vendors perspective is presented and also the trends as observed in the IT Outsourcing industry. While the business case for outsourcing would be established through economic and/or market gains, local sensitivities and concerns would also be addressed from the perspective of global vendors. Finally, the talk will end with some pointers from the presenter towards ensuring a successful outsourcing engagement.

About the Speaker

Mr. Arup Gupta, President - TCS America

A Master in Computer Science from the Indian Institute of Science, Mr. Gupta is a veteran with over 25 years experience in the company. He joined TCS in 1979 as a software programmer. Rising quickly through the ranks, he assumed the role of Head of TCS Delivery Center in Mumbai, turning it into one of the largest offshore delivery center in India. Mr. Gupta took over the reigns of TCS America in 1999. He has been responsible for the exponential growth in revenues and manpower, transforming TCS America into a billion dollar behemoth.

About Tata Consultancy Services

Tata Consultancy Services (TCS) is a leading global IT services provider and was the first billiondollar Indian IT services organization by annual revenues. Since its inception in 1968, TCS has pioneered many of the significant developments in the Indian IT services industry, including the offshore delivery model for IT services. It has successfully extended this proposition to provide global engineering services to nearly 100 customers around the world.

TCS is a global organization with offices in 32 countries and development centers in 10 countries. TCS offers a comprehensive range of IT services to its clients in diverse industries such as banking and financial services, insurance, manufacturing, telecommunications, retail and transportation. TCS' clients comprise of some of the world's largest and well-known organizations. TCS has developed extensive experience in providing end-to-end IT services, integrating multiple technologies and delivering solutions in multiple geographies for its global clients. It is the largest Indian IT services organization in terms of revenues as well as profits.

TCS is part of the Tata Group, which has a heritage of over 135 years as one of India's leading corporate groups. The Tata Group has interests in a diverse range of industries, and had combined sales of approximately Rs. 654 billion (US\$14.25 billion) in fiscal 2004.