Technology Value Optimisation
G-Cloud 15

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1 Service Overview

Capgemini's Technology Value Optimisation service can drive sustainable cost optimisation, enhance operational efficiency, and position IT as a key enabler of long-term success. By aligning technology capabilities with strategic goals, scrutinising costs and identifying waste, the approach can free up budget to support a transformation agenda, e.g. cloud, or to invest in growth. The service can also enable organisations to communicate the value of technology and establish financial accountability and control throughout the IT organisation.

Depending on the Buyer's specific circumstances, the objectives of a Technology Value engagement will vary but can typically include:

- Confirmation and collation of IT spend data to baseline current IT costs and create cost dashboards to present clear ownership and accountability of costs. Optimising IT spend and refresh the digital strategy to ensure alignment with business priorities and value delivery.
- Development of a Cost Optimisation strategy.
- Establishing stronger control and visibility over the technology estate to improve governance and reduce risk.
- Enabling technology to drive innovation, operational efficiency, and strategic value.
- Embedding technology into strategic decision making to produce actionable insights, enhance agility, unlock value, and support long-term success.
- Leveraging automation to streamline processes and reporting.

The actual service will be agreed with the Buyer to meet its specific needs, but typically Capgemini would work with relevant stakeholders to help clients:

- Review of technology spend and alignment with the overall company vision and strategy, and the technology roadmap. Strategic and non-strategic spend identified.
- Run cost clinics to derive cost optimisation opportunities based on assessment against cost framework. Design short, medium, and long-term initiatives.
- Diagnose key challenges and drivers of cost, helping to identify the root causes for critical issues.
- Agree and prioritise cost optimisation initiatives with associated benefits through workshops.
- Develop a roadmap that outlines remediation initiatives in a structured way.
- Develop a total cost of ownership model that communicates the value of technology and facilitates conversation between technology and business functions.

Prior to undertaking this service, Capgemini would agree the specific deliverables, their acceptance criteria and the governance model to be used throughout the implementation.

2 Business Need

Technology costs are under significant pressure - supply chain, inflation, competition for talent, new technologies, cloud, AI, cyber and even geo-political uncertainty all impact costs. This cost pressure co-exists within a challenging business environment, where everyone needs to do more with less, and the need for technology functions to be increasingly agile and innovative.

To respond to these challenges, IT organisations may need to re-evaluate their IT spend profile to re-align IT with strategic and transformational objectives.

Based on Capgemini's experience, traditional cost optimisation projects may sometimes harm the overall organisation, while also failing to reduce IT spend over the long run. Capgemini propose a targeted engagement to realise cost savings that are sustainable, and value driven. This approach will identify quick wins such as waste and duplication for immediate savings, while also evaluating medium and long-term levers to unlock sustainable strategic efficiencies.

This challenge of optimising technology costs is complicated as technology functions, finance and operations, and service teams don't have a common language to talk about technology costs. Resulting in a value perception gap where nobody really understands the value of IT.

Communicating value requires financial accountability throughout the IT organisation, and a shared understanding of the value of technology. Capgemini's approach aims to address this by helping CIOs answer these questions,

- Do you have full visibility and control over your IT costs, or is spend slipping through the cracks without ownership or accountability?
- Are you actively removing waste, duplication, and inefficiency in your IT operations or are these issues still draining resources unchecked?
- Is your IT investment driving measurable business value, is it delivering real impact?
- Are you able to communicate the value of your tech spend, or are stakeholders in the dark about what they're getting?
- Can you plan your IT spend with precision, or are your budgeting, forecasting, and reporting processes inconsistent?

3 Our Approach

Cost optimisation is required alongside ongoing service delivery and transformation obligations. At Capgemini we bring together an understanding of the value of technology and the importance of finance and spend targets. We will combine independent insight and analysis and leverage the leading technology capabilities across Capgemini to identify and deliver cost opportunities.

Using our proven, rapid cost lever assessment framework we undertake a data driven review with your teams to identify cost out opportunities for IT spend. Building the evidence base and internal support required to help ensure the success of the recommended actions.

Our cost framework guides strategic and cost-focused initiatives, leveraging key levers to uncover cost savings, drive strategic alignment and enable cost modelling.

3.1 Methodology

The actual service would be agreed with the Buyer to meet its specific needs, but the following sets out Capgemini's standard service approach.

Cost Clinics

Cost clinics facilitate conversations between Budget Owners, Finance, IT and the Business about cost challenges, the project portfolio, and levers impacting spend in a particular budget area. Through Cost Clinics technology costs can be gathered, reviewed, and cost optimisation opportunities identified. This approach avoids reactive cost measures and aligns technology spend to the business strategy.

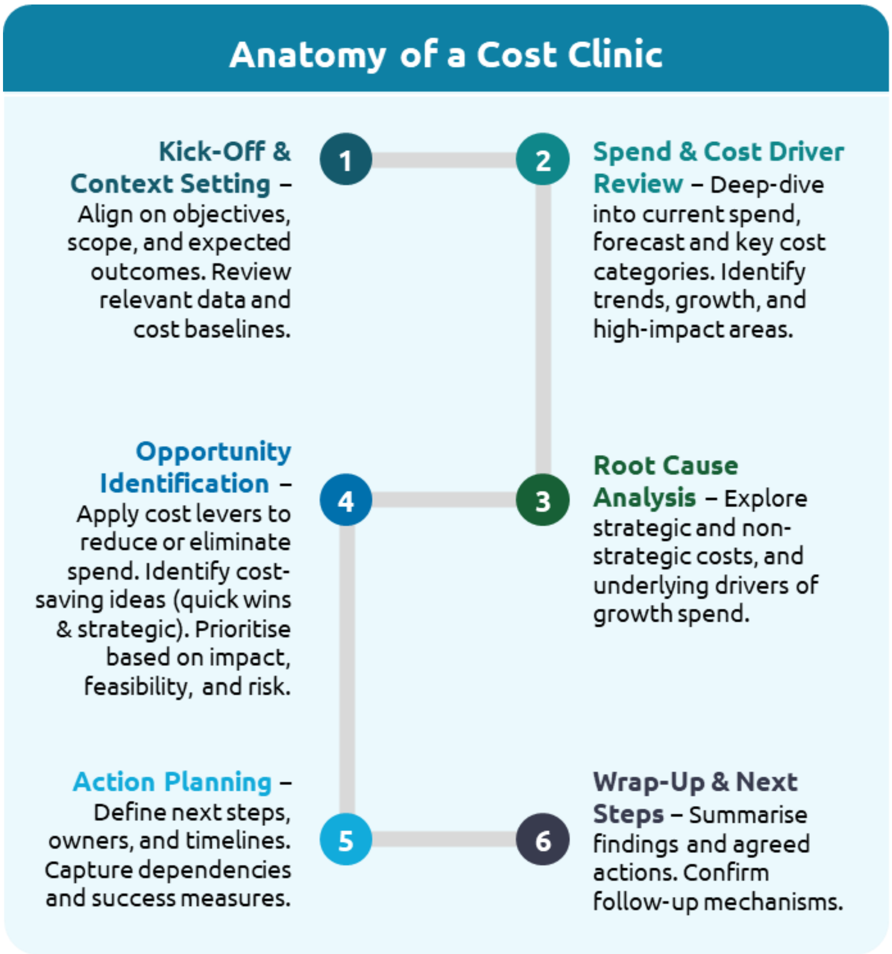
Technology costs are baselined and aligned to the technology roadmap and business strategy. Cost headwinds, immediate optimisation opportunities, and next steps to develop a cost optimisation strategy are identified.

The clinics are a starting point in the development of both a Cost Optimisation strategy and Cost Modelling.

Approach

An initial discovery exercise to consolidate and refresh cost data will be followed by a more detailed data gathering exercise, including budgets, forecasts and actual spend. Costs will be compiled into dashboards for review.

Capgemini would facilitate workshops with the product and engineering leads, technology architects, finance and sourcing teams to review costs and forecasts and derive cost optimisation opportunities based on assessment against our cost framework and optimisation levers.



Cost Modelling

Developing a cost model creates transparent, actionable cost visibility that enables data-driven technology investment decisions aligned to business outcomes. Ultimately a cost model can enable cost optimisation through waste identification, improve budget accuracy and establish accountability for technology spend across business units.

Aligning finance cost pools and general ledger outputs to technology towers and tech towers to business products and services we can create an alignment between finance, technology and the business. Technology spend can be aligned to business value.

It acts as the engine for which ITFM processes leverage for planning/budgeting, consumption, resource costs, and business view.

Approach

- **Define Taxonomy**: Establish cost categories using a cost framework (e.g. TBM framework), define the allocation methodology for costs against technology towers, and business service mapping to technology
- **Data Collection & Validation**: Implement automated data pipelines with quality checks and reconciliation processes
- **Model Construction**: Build allocation algorithms, rate models, and chargeback mechanisms with business logic
- **Stakeholder Validation**: Conduct business reviews, accuracy testing, and process refinement with key users
- **Continuous Enhancement**: Implement feedback loops, data quality monitoring, and model optimisation cycles

3.2 Outputs

The set of outputs will be agreed in each case depending on the services purchased. Typically, they would be as listed in the following table.

Outputs	Description
Cost Dashboard	▪ High-level as-is IT cost baseline.
Opportunity Log	▪ Insights into IT spend and identification of cost optimisation levers ▪ Quantified cost optimisation initiatives ▪ Quick win, medium term and long-term cost optimisation initiatives identified
Cost Optimisation Strategy	▪ A clearly defined and validated roadmap for the transformation of the technology function ▪ Outline “case for change” for each shortlisted opportunity. ▪ Long-term IT cost management strategies
Cost Model	▪ Baseline cost model aligning technology cost to business services ▪ Total Cost of Ownership for services and capabilities
ITFM Service	▪ Define the Cost Management Operating Model with clear roles and responsibilities ▪ Implement Governance Framework for decision-making, accountability and execution ▪ Update the technology strategy and organisational design to reflect cost management requirements. Identify any capability gaps.
Project Review Report	▪ Report of the effects of the project and reflection on whether the outline benefits case was met and what the implications for further projects are.

3.3 Benefits

Capgemini’s Technology Value support can help Buyer to re-align its IT transformation roadmap or free up budget that can be dedicated to transformational and strategic initiatives. Through the building of a cost model, it can facilitate better communication on the value of technology and create commercial accountability in the technology function.

Depending on the Buyer’s specific circumstances, the benefits resulting from the plan may help Buyer to:

- Gain greater alignment and improved perception of value of technology with the business.
- Start to reduce IT costs to help fund the IT transformation journey.
- Improve the reliability, efficiency and responsiveness of IT services.
- Rationalise Application and Technology landscape, introducing an effective approach to transform to the desired future landscape and gain cloud benefits.
- Increase funding and approach to innovate more effectively.
- Develop sustainable cost management practices.

Capgemini has typically identified optimisation potentials of ~30% of Capgemini clients' run costs and with Capgemini support, clients would realise ~10% reduction in the first year. Throughout, Capgemini would have a focus on sustainable reduction in costs across the overall organisation, not just the IT department.

4 Buyer Responsibilities

Please refer to the Supplier Terms listed with this service on the Platform. These may contain additional Buyer obligations/costs the Buyer is subject to that are not identified anywhere else in the Supplier's Application or on the Platform.

5 Service Management

Not applicable.

6 Protection of Data

This service is based on a security classification of 'Official', however should you have a requirement for a different security classification that you would like us to consider, please contact us to discuss.

7 On-boarding and Off-boarding

Prior to the execution of the Order, the Supplier and the Buyer will agree the scope of the

exit plan for the Services and a timescale for delivering an exit plan to ensure continuity of service.

Capgemini shall undertake on-boarding and off-boarding activities agreed within the Order Form and an exit plan in line with the Call-Off Contract terms which will be charged for in accordance with the Pricing section for this service.

8 Skills and Knowledge Transfer

Capgemini recognises that skills and knowledge transfer is a critical element in the provision of G-Cloud services to public sector clients. Where possible and applicable, this forms part of the delivery plan for the service agreed at the start of the engagement. Our consultants and engineers are experienced in providing skills and knowledge transfer for major private and public sector clients.

Where appropriate, we may use a standard approach, tailored to topic, skills-gap and individual, to ensure consistency and effectiveness. The approach, Capgemini's Assess-Plan-Implement framework, has been used repeatedly by our teams to structure the work involved in transferring skills and creating new teams capable of driving and sustaining change long after the end of the formal programme. The framework can be applied throughout a project to understand knowledge transfer objectives, plan training delivery methods and materials, and deliver and evaluate success.

9 Vendor Accreditations/Awards

Capgemini has received a number of awards and accreditations that directly relate to engagements involving Cloud services. The following are some of Capgemini's most recent achievements:

For the 13th year in a row, Capgemini has been recognised as one of the World's Most Ethical Companies® by the Ethisphere® Institute. This is an acknowledgement of our ethical culture that makes us an employer of choice and responsible player in the eyes of our clients, shareholders, and the wider community.

ISO 9001 Quality Management for Management Consultancy and IT Implementation and services to the Public Sector

ISO 27001:2013 - Provision (Delivery) of IT services including business applications development, maintenance and Data, Digital and Cloud technologies.

NelsonHall has identified Capgemini as a Leader in its 2022 NEAT Vendor Evaluation for Learning Services due to its ability to meet future client requirements as well as its capability to deliver immediate learning benefits to them.

Capgemini is the first amongst consultancy and technology firms to be recognised six times in a row for its thought leadership reports.

2023 Ecovadis Platinum Rating: We maintained a platinum rating, recognising us as a responsible and sustainable business in the top 1% of companies assessed.

Better Society Awards: Our collaboration with Code Your Future to offer digital skills training won a Better Society Award in 2022. The awards celebrate efforts by commercial organisations to create a better society.

Inclusive Top 50 UK Employers List: We achieved second place in the Inclusive Top 50 UK Employers List 2022/23 – a list that assesses companies for best practice on diversity, equality and inclusion

UK Best Workplaces for Women: We were listed as a Best Workplace for Women by Great Place to Work®. This listing is based on responses from our team to an anonymous survey about their employee experience.

UK Best Workplaces for Wellbeing: We are listed by Great Place to Work® as a Best Workplace for Wellbeing

Great Place to Work: We were certified as a Great Place to Work® in 2023, reflecting our employees' experience of working at Capgemini in the UK.

10 Sub-contractors

Capgemini UK may use the following subcontractors to deliver this service:

- Capgemini Technology Services India Limited.

11 Business Continuity and Disaster Recovery

No disaster recovery plan is provided as part of these Services.

12 Pricing

This service is priced in accordance with the SFIA Rate Card attached. Capgemini can also provide offshore resources at reduced rates where appropriate. Projects can be priced either on a Time & Materials or Fixed Price basis.

All prices are in GBP and exclude VAT

13 Ordering and Invoicing

Please refer to the Supplier Terms for this service.

We would be pleased to arrange a call or meeting to discuss your requirements of our service in more detail.

14 Termination Term

Please refer to the Supplier Terms for this service.

15 Further Information

For more information about this or any of our G-Cloud services, please contact our Public Sector Team.

Phone: 0370 904 4858

Email: publicsector.opps.uk@capgemini.com including the following information:

1. The name of this service.
2. The name of your organisation.
3. Your name and contact details.
4. A brief description of your business situation.
5. Your preferred timescales for starting the work.

About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, generative AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2024 global revenues of €22.1 billion.

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