

OUTSOURCING, STRATEGIC SOURCING, E-BUSINESS & BEYOND

Sourcing Interests Group

WHAT THE WORLD'S BEST COMPANIES ARE DOING



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COMMONWEALTH BANK OF AUSTRALIA
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DESJARDINS
DEUTSCHE BANK
DUKE ENERGY
ENTERGY
FEDERAL RESERVE
FIRST CITIZENS BANK
FLEETBOSTON
FMC TECHNOLOGIES
FREDDIE MAC
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GMAC RESIDENTIAL
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PHILIP MORRIS
PRINCIPAL FINANCIAL
PROGRESSIVE INSURANCE
PRUDENTIAL INSURANCE
QANTAS
RBC FINANCIAL
SCANA
SCOTIABANK
SOUTH AUSTRALIAN GOVERNMENT
SOUTHERN CALIFORNIA EDISON
SUNTRUST
TD BANK
THE FORD FOUNDATION
UBS PAINWEBBER
UNITED ILLUMINATING
VERIZON
WACHOVIA
WASHINGTON MUTUAL
WE ENERGIES
WELLS FARGO
WESFARMERS
XEROX
AND MANY OTHERS

Sourcing
2003

Business as Usual is Gone

Sourcing Interests Group's 23rd Semi-Annual Conference
Hyatt Regency, Huntington Beach, CA • May 6-9, 2003



CONFERENCE OVERVIEW

SIG's 23rd semi-annual conference is for today's business leader whose time is scarcer than ever, and who must create and manage change, both internally and externally. Sourcing 2003 will help delegates make decisions based on the interdependencies and interactions of quickly evolving business strategies and technology enablers for outsourcing, strategic sourcing/ procurement and E-Business. Delegates will come away with an increased mastery of focused areas of sourcing and innovative ideas and solutions for leveraging multiple components of the sourcing erector set. Delegates will expand their sources of information and relationship networks for continued benefits throughout the months ahead.



**JOHN P. MILES,
CHIEF
PROCUREMENT
OFFICER, AIG**

"While many organizations tend to lose their edge or have challenges in keeping abreast of the times, SIG has been able to maintain its leading position in an environment that is literally changing at Internet speed. SIG's leadership is quick to identify a business trend in its infancy and ride the process through the iterations that we have all grown accustomed to seeing. This is a unique quality and one of the reasons that I have been an active part of SIG for the past nine years."

Conference Schedule at a Glance

TUESDAY, MAY 6, 2003

| | | |
|-----------------|--------------------------|---|
| 2:00 - 3:45 pm | Pre-Conference Workshops | Strategic Sourcing – The First Two Years |
| 4:15 - 6:00 pm | Pre-Conference Workshops | Offshore Outsourcing |
| 8:00 - 10:00 pm | Welcoming Hospitality | Creating Strong Customer/Supplier Relationships |

WEDNESDAY, MAY 7, 2003

| | | |
|-----------------|--|---|
| 6:45 am | Registration Desk Opens | Interest Area Discussion Tables – Full Breakfast |
| 6:45 - 8:00 am | Keynote Presentation. The Pace of Change Won't Wait. <i>Rich Karlgaard, Publisher, Forbes Magazine</i> | Featured Presentation. Telling it Like it Really Is. A Noted Wall Street Analyst Tells All. <i>Stephen McClellan, CFA, formerly First VP, Merrill Lynch & Co.</i> |
| 8:30 - 9:30 am | Impacts of The Economy on Outsourcing | Change Management, Sourcing & The Survivor TV Show |
| 9:45 - 10:45 am | Luncheon | Evaluating and Certifying Outsourcing Providers |
| 11:00 - Noon | Organizing Sourcing for Success. | A Change Management Approach to IT Organizations |
| Noon - 1:15 pm | Outsourcing as a Transformation Enabler | Quick Tips in Planning for eSourcing Success |
| 1:30 - 2:30 pm | Assessing Your Outsourcing Relationship - Nike's Journey | Strategic Sourcing Innovation Roundtable |
| 2:45 - 3:45 pm | Conference Reception | On-Demand Computing-From Vision to Reality |
| 4:10 - 5:10 pm | Outstanding Outsourcing Relationships Awards Dinner | |
| 6:30 - 7:45 pm | | |
| 8:00 - 10:00 pm | | |

THURSDAY, MAY 8, 2003

| | | |
|------------------|---|--|
| 6:45 - 7:45 am | Interest Area Discussion Tables - Full Breakfast | Featured Presentation. Executive Persuasion - Getting the Decisions You Want |
| 8:05 - 9:05 am | Outsourcing to Support Changing Business Conditions | Getting Supply Chain Software Right |
| 9:15 - 10:15 am | New Outsourcing Financing Paradigms | Supply Chain Optimization for Contingent Labor |
| 10:40 - 11:40 am | Luncheon | Offshore: The Good, The Bad and The Ugly |
| 11:45 - 12:45 pm | Terminating an Outsourcing Relationship | Structuring Winning Offshore BPO Deals |
| 1:00 - 2:00 pm | Innovative and Flexible Deal Structures | Aligning HR Outsourcing with Company Transformation |
| 2:10 - 3:10 pm | Mock Outsourcing Negotiation | Pragmatic Learnings from a Six Year BPO Joint Venture |
| 3:35 - 4:35 pm | Why Outsourcing Deals Sometimes Fail | Establishing Realistic Outsourcing Benchmarks |
| 4:45 - 5:45 pm | Where Are We Going in Strategic Sourcing? | Do's and Don'ts of Comprehensive HR Outsourcing |
| 7:00 - 9:30 pm | Conference Offsite Dinner | Procurement Outsourcing - Lucent Case History |
| | | The Inner Workings of a Transformational Deal. |

FRIDAY, MAY 9, 2003

| | |
|------------------|--|
| 6:45 - 7:45 am | Full Breakfast. Open for discussions of delegates choice |
| 7:45 - 9:00 am | Taking it Home, Making it Happen – The Power of Collaboration. Roundtable. |
| 9:15 - 10:30 am | Concurrent Workshops |
| | Advanced Outsourcing |
| | Developing a World Class Strategic Sourcing Organization |
| 11:00 - 12:30 pm | Workshop – Executive Persuasion – Getting the Decisions You Want |
| 12:30 pm | Conference Adjournment |

Over 70 Distinguished Presenters, Including:

KEYNOTE



Rich Karlgaard,
Publisher,
Forbes
Magazine



Emiko Banfield,
Ph.D., VP
Shared Services,
Southern
California
Edison



David Campbell,
President and
CEO, Saint
Vincent Catholic
Medical Centers
of NY



Anita Phillips,
VP, Corporate
Financial
Services, The
Carlson
Companies



Ken Horner,
EVP and Chief
Resource
Officer,
IndyMac Bank



Greg Tranter,
CIO, Allmerica
Insurance



Dietmar Reiner,
CIO, Ontario
Power
Generation



Laura Ross,
SVP, Sourcing
& Procurement,
Wells Fargo
Services
Company



John Crowther,
Vice President
and CIO,
Diebold



Mike Spero,
President,
Amicus Bank,
President's
Choice
Financial



William Huber,
SVP, Strategic
Sourcing,
Wachovia



Steve McClellan,
CEA, formerly
First VP, Merrill
Lynch & Co.

FEATURED

THE BEST IN OUTSOURCING

All Delegates will be our guests for a special "Oscar-like" evening on May 7th featuring the Outsourcing Center 2003 Editor's Choice Awards Dinner, in association with Forbes Magazine, announcing the year's Outstanding Outsourcing Relationships.

INTEREST AREAS

The blending of the following interests within one conference recognizes the increased collaboration of and dependencies between these business areas to implement new, creative and high-value initiatives. Sourcing 2003 enables delegates to work with information from these interest areas in business context, thus significantly increasing practical application.

- Strategic Sourcing/Procurement
- IT Outsourcing
- Business Process Outsourcing
- Human Resources
- Finance
- Shared Services
- E-Commerce

WHO SHOULD ATTEND?

This conference is a "Must" for persons with the following responsibilities in the private sector and in government:

- Supply Chain/Strategic Sourcing Directors
- Sourcing Relationship Managers
- CIOs
- HR Executives
- Finance Executives
- E-Business Professionals
- Heads of Corporate Services
- Heads of Shared Services
- Corporate Planners
- Service Provider Heads of Planning, Marketing and Sales, eBusiness, and Account Managers
- Direct Reports to the Above Positions
- Industry Analysts
- VCs and Investment Bankers

IT INFORMATION TECHNOLOGY AND IT OUTSOURCING

- *Telling it Like it Really Is. A Noted Wall Street Analyst Tells All*
- *Impacts of the Economy on Outsourcing*
- *Best Practices for Evaluating and Certifying Outsource Providers*
- *A Change Management Approach to Tearing Down and Building Up IT Organizations*
- *Outsourcing as a Transformation Enabler*
- *Mastering Outsourcing Advisor Selection*
- *Assessing Your Outsourcing Relationship*
- *On-Demand Computing – From Vision to Reality*
- *Leveraging Outsourcing to Support Changing Business Conditions*
- *The New Outsourcing Financing Paradigms*
- *Terminating an Outsourcing Relationship*
- *Establishing Realistic Outsourcing Benchmarks*
- *Tackling the Difficult Issues – A Mock Negotiation*
- *The Impacts of Bankruptcy on Outsourcing*
- *Why Outsourcing Deals Sometimes Fail*
- *The Inner Workings of a Transformational Deal*
- *Latest Thinking on Conducting Outsourcing Projects*

\$ STRATEGIC SOURCING/ PROCUREMENT

- *Telling it Like it Really Is. A Noted Wall Street Analyst Tells All*
- *Change Management, Sourcing and The Survivor TV Show*
- *Organizing Sourcing For Success – Planning for and Managing Change*
- *Quick Tips in Planning for eSourcing Success*
- *Strategic Sourcing Innovation Roundtable*
- *Executive Persuasion – Getting the Decisions You Want*
- *The Services Sourcing Imperative*
- *Getting Supply Chain Software Right*
- *Supply Chain Optimization for Contingent Labor*
- *Stepping Up to the Supply Chain Stewardship Role*
- *Software Procurement – Opportunities, Pitfalls and Process*
- *Procurement – The Next Wave in BPO*
- *Where Are We Going in Strategic Sourcing in 2003 – 2004?*
- *The Ins and Outs of Building a World Class Sourcing Organization*
- *Strategic Sourcing – The First Two Years*
- *Creating Strong Joint Gain Customer/Supplier Working Relationships*

BPO BUSINESS PROCESS & OFFSHORE OUTSOURCING

- *Telling it Like it Really Is. A Noted Wall Street Analyst Tells All*
- *Impacts of the Economy on Outsourcing*
- *Best Practices for Evaluating and Certifying Outsource Providers*
- *Outsourcing as a Transformation Enabler*
- *Mastering Outsourcing Advisor Selection*
- *Assessing Your Outsourcing Relationship*
- *Offshore - The Good, The Bad and The Ugly*
- *Full Service HR BPO has Crossed the Chasm*
- *The New Outsourcing Financing Paradigms*
- *Structuring Win/Win Offshore BPO Deals*
- *Aligning HR Outsourcing with Company Transformation*
- *Terminating an Outsourcing Relationship*
- *Learning from a BPO Joint Venture – Six Years Experience*
- *Establishing Realistic Outsourcing Benchmarks*
- *The Do's and Don'ts of Comprehensive HR Outsourcing*
- *Prescription for a Corporate Turn-around Employing BPO*
- *Offshore Outsourcing Workshop*

C CHANGE MANAGEMENT AND BUSINESS TRANSFORMATION

- *The Pace of Change Won't Wait. Keynote by Rich Karlgaard, Publisher, Forbes Magazine*
- *Change Management, Sourcing and The Survivor TV Show*
- *Organizing Sourcing For Success – Planning for and Managing Change*
- *A Change Management Approach to Tearing Down and Building Up IT Organizations*
- *Outsourcing as a Transformation Enabler*
- *Leveraging Outsourcing to Support Changing Business Conditions*
- *Executive Persuasion – Getting the Decisions You Want*
- *Aligning HR Outsourcing with Company Transformation*
- *Prescription for a Corporate Turnaround – Harvard Pilgrim Health Care's BPO Cure*
- *The Inner Workings of a Transformational Deal*

ABOUT SIG

Sourcing Interests Group (SIG) members are primarily major companies that are applying progressive sourcing, or companies that are leading service providers. SIG is their organization for learning about new trends, techniques, services and products, as well as sharing their experiences. SIG initiates and enhances communications among members, and provides practical research information on timely and innovative sourcing issues, products and services. SIG focuses on helping companies improve bottom-line performance through progressive sourcing.

Over 140 Sourcing Interests Group member companies believe that SIG provides a strong value proposition with an excellent ROI – an opportunity to network with and learn from many leading companies.

Tuesday, May 6th – Pre-Conference Workshops

2:00 - 3:45 pm

STRATEGIC SOURCING/PROCUREMENT
THE FIRST TWO YEARS

- Determining where your company is now
- Developing and gaining approval for the sourcing program plan
- Selecting appropriate next initiatives, depending on current status
- Obtaining and holding top management sponsor and peer support
- Organizing, staffing and staff development
- Reaching the harder-to-achieve goals
- Practical use of metrics and best practices benchmarks
- Leveraging supplier innovation
- Harnessing the Internet in your program
- Investigating short-term profit enhancers
 - Accelerated sourcing projects through reverse auctions
 - Supplier development workshops
 - Managing demand
 - Value engineering
- Others



JOHN EVANS,
Partner,
Denali Consulting



DAVID CLARY,
SVP,
US Field Services,
ICG Commerce



RICHARD RAYSMAN,
Partner,
Brown Raysman



EDMOND CUNNINGHAM
Member,
Management
Group, PA
Consulting Group



PETER PIJAWKA
President,
Aligne

OUTSOURCING
LATEST THINKING ON INITIATION-CONTRACTING

- Identifying and pre-qualifying opportunities
- The outsourcing team
- Gaining and maintaining support from internal customers
- What to look for in advisors
- Validating your objectives
- Selecting appropriate bidders
- Effective outsourcing for mid-market companies and what larger companies can learn from mid-market projects
- Traditional process vs. use of an Exchange
- Obtaining the best proposals
- Communications – internal with bidders and the press
- Negotiating strategies
- Investigating short-term profit enhancers
 - Performance audit
 - Benchmarking
 - Renegotiating some aspects
 - Creative new deal financing
- Others

Welcoming Hospitality

8:00 - 10:00 pm



Hewlett-Packard is pleased to sponsor the Welcoming Hospitality on Tuesday evening for Sourcing 2003.

Delegates and spouses are invited to join with us to meet other delegates and their spouses while enjoying light refreshments. An excellent opportunity to begin three productive and stimulating days.



DENNIS MCGUIRE, CHIEF EXECUTIVE OFFICER, TPI

I speak at ten to twenty conferences around the world every year. I come to SIG to learn and have never been disappointed.”

4:15 - 6:00 pm

CREATING STRONG CUSTOMER/SUPPLIER
RELATIONSHIPS

In recent years, many organizations have been successful at rationalizing their supplier base and realizing significant savings from initial cost-cutting efforts. In most cases this has left customers working with a comparatively small number of suppliers that they consider “key” or “strategic” in nature. Once this designation is in place, both customers and suppliers hope to capture total cost savings, foster innovation, and increase productivity and efficiency by working together more closely and interdependently.

This workshop will discuss:

- The benefits of successful supplier relationship management
- A standard process for creating and sustaining robust joint gain relationships
- Common barriers to creating and sustaining collaborative customer/supplier relationships
- Best practices to employ in each stage of the supplier relationship lifecycle
- How to implement and institutionalize these best practices.



STU KLIMAN,
Founding
Partner and
Director, Vantage
Partners

OFFSHORE OUTSOURCING
OPPORTUNITIES AND RISKS

Offshore outsourcing, both for IT and for business processes (BPO) has proven itself to be a beneficial approach when properly employed. This workshop will discuss the essential contractual considerations for capturing these benefits and for managing the risks of offshore, as applied to both IT and BPO. While many of the principles and terms of contracting for domestic services are the same, there are a number of highly important differences.

This workshop will discuss:

- What the major contractual areas are, how they differ from domestic contracts and why they are important
- Contractual approaches to managing disaster risks and ensuring business continuity
- Special taxation and currency considerations
- Why resolving legal disputes is different for offshore and how to approach this issue
- How to approach data protection and privacy issues.



DAVID KLEIN,
Partner,
Shearman-Sterling



MARLIN MACKAY
SVP, Syntel

Wednesday, May 7th Day 1

REGISTRATION DESK OPENS

6:45 am

C BPO \$ IT INTEREST AREA DISCUSSION TABLES –

6:45 - 8:00 am

FULL BREAKFAST

Meet other conference delegates and set the foundation for effective networking and information exchange during the next three days. Select a Discussion Table based on your interests. Discuss experiences, initiatives, challenges and opportunities with counterparts from other companies and with industry advisors. Discussion Group Table topics will be:

IT
OutsourcingStrategic Sourcing/
ProcurementBusiness Process
OutsourcingChange
Management

CONFERENCE OPENING REMARKS

8:15 - 8:30 am

Welcoming of delegates. Overview of the conference objectives, program and format.

THE PACE OF CHANGE WON'T WAIT

8:30 - 9:30 am

Anyone who decides to be a safe incrementalist, thinking that the pace of change will slow, will be left in the dust by their competitors. The combination of capitalism and Moore's Law will continue to produce change at a disruptive rate. Yet, in many companies today, the pace of change is being led by the CFO, normally the most conservative of the corporate leadership positions. Will these companies survive?

Rich Karlgaard will draw from his experiences in the large-scale corporate world and as an accomplished entrepreneur to provide stimulating food for thought in launching Sourcing 2003. His accomplishments include co-founding two companies and Forbes ASAP. An instrument rated pilot who flies his own airplane, Rich is currently under contract to Crown Business to write a book that will examine the American economy from 4,000 feet. He is an acclaimed public speaker.

Delegates will benefit from understanding:

- Who will win economic recovery
- Why this time, the Internet WILL change everything
- Service revenue and profit strategies
- China and India
- Where the U.S. economy will boom.

TELLING IT LIKE IT REALLY IS —

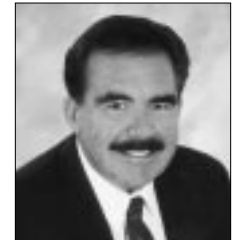
9:45 - 10:45 am

A NOTED WALL STREET ANALYST TELLS ALL

Traditionally, analysts are known for covering and assessing the news of the companies they follow – providing thoughtful insights and projections based on their and their company's investigations and analytics. During this past year, the analysts themselves were much of the news, when in a number of instances they were blindsided by misleading information and weak results from their sector companies, and controversies swirled about the conflicting roles of investment banker and independent researcher for many of the analysts' firms. Steve McClellan, who covered IT services companies from Wall Street for more than 30 years, will provide a candid look at what has been happening and his best forecasts for the years ahead.

Delegates will benefit from understanding:

- What happened and why did it happen
- How to improve the system going forward
- What does the next two years look like for IT services companies
- Observations about both the traditional and the newly emerging providers.



BARRY WIEGLER,
*Founder and
Managing Director,
Sourcing Interests Group*

KEYNOTE
PRESENTATION



RICH KARLGAARD,
*Publisher,
Forbes Magazine*

FEATURED
PRESENTATION



STEPHEN T. MCCLELLAN,
*CFA,
Formerly
First Vice President,
Merrill Lynch*

Day 1

Wednesday, May 7th, continued



CONCURRENT
SESSION

OR

DENNIS MCGUIRE,
CEO, TPI

11:00 - Noon

IMPACTS OF THE ECONOMY ON OUTSOURCING — RIDING THE OUTSOURCING WAVE

BPO IT

Outsourcing, like Wall Street, and the global economy, has gone through many twists and turns. Where some have said that outsourcing growth actually slowed during the past year, others predicted the death of Mega deals and, on Wall Street, IT service providers went from being "darlings" to "dogs". Before 2002 ended, another turn revealed continued strength as many prestigious companies signed major outsourcing agreements.

Delegates will benefit from understanding:

- How early buyers have evolved their outsourcing strategies
- Future predictions for ITO and BPO in the context of past trends
- Current and future outsourcing drivers
- What is really happening with Business Process Outsourcing
- The impact of off-shore and near-shore service providers on outsourcing.



CONCURRENT
SESSION

DALIP RAHEJA,
President & CEO,
the Mpower Group,
Formerly SVP, Bank One

11:00 - Noon

CHANGE MANAGEMENT, SOURCING AND THE SURVIVOR TV SHOW

C \$

It may surprise you to learn that the world of Sourcing (Strategic Sourcing and Outsourcing) is really quite similar to the popular reality TV show "Survivor". Dalip will illustrate how you can come out a winner in this unique version of the game by understanding that your key challenges are really fundamental change management issues - which can be successfully overcome with an effective change management strategy!

Delegates will benefit from:

- Understanding the fundamental change management issues that still derail sourcing efforts
- Recognizing and dealing with the predictable and inevitable
- Understanding how to integrate practical change management into your sourcing framework
- Lessons learned both as an internal practitioner and as an advisor to clients
- Understanding critical competencies for ensuring sustainability of your sourcing efforts.

Noon - 1:15 pm

CONFERENCE LUNCHEON

Opportunity to network with other delegates and enjoy an excellent lunch.

JANE SIEGEL,
Ph.D.,
Director of
Carnegie Mellon
University's IT
Services
Qualification
Center

CONCURRENT
SESSION

OR

1:30 - 2:30 pm

THE eSOURCING CAPABILITY MODEL (eSCM) – BEST PRACTICES TO USE FOR EVALUATING AND CERTIFYING OUTSOURCING PROVIDERS

BPO IT

Over the past several years, more and more corporations have been delegating computer-intensive activities to external service providers because they lack their own in-house capabilities or are looking to reduce costs or improve quality. But in a number of cases, they have not been satisfied with the results. The eSourcing Capability Model (eSCM) gives companies considering outsourcing a consistent basis for selecting an outsourcing service provider.

This session will answer the following questions:

- What is the eSourcing Capability Model?
- How does the model work?
- Why is it significant in the outsourcing space?
- What benefits does this model have for the outsourcing industry as a whole?

Wednesday, May 7th Day 1, continued

C \$

ORGANIZING SOURCING FOR SUCCESS — PLANNING FOR AND MANAGING CHANGE

1:30 - 2:30 pm

Under the best of conditions, it is a very large effort to plan and implement a successful strategic sourcing program for a major corporation. In the case of one of the most successful banks in the U.S., it is an even more daunting effort due to the company's historical culture of divisional autonomy, growth through large mergers, and already strong financial results. Laura will identify her bank's motivations for and anticipated results from its current emphasis on strategic sourcing, considerations in planning the organization, and the process employed.

Delegates will benefit from learning:

- How the Bank became committed to strategic sourcing and the involvement of top executives
- How a realistic plan was developed and its major components
- The ideas and thinking behind Sourcing's new organizational structure
- How buy-in is achieved from the business units
- What the Sourcing Team might do differently the next time.



LAURA ROSS,
*SVP, Head of
Corporate Sourcing
and Procurement,
Wells Fargo Services
Company*

CONCURRENT
SESSION

OR

C IT

DECONSTRUCTION AND RECONSTRUCTION — A CHANGE MANAGEMENT APPROACH FOR TEARING DOWN AND BUILDING UP IT ORGANIZATIONS THROUGH OUTSOURCING

1:30 - 2:30 pm

This session presents a case study on how change management principles can be used to analyze organizational effectiveness and identify functions appropriate for outsourcing. This session will go beyond determining what to outsource by describing the organizational changes necessary to assure proper management of the outsourcing relationship. The focus is on practical application of these principles with detailed specifics on why many organizations have been unsuccessful in managing outsource suppliers.

Delegates will benefit from understanding:

- Change management principles most applicable to outsourcing
- Decomposition of IT functions along the sourcing "value chain"
- Root cause evaluation of problems in managing outsourcing relationships
- The need for radical change in how companies organize to manage outsourcing relationships
- Specific recommendations on who should manage the relationship.



DOUGLAS S. PARKER,
*Consulting Principal,
ShawPittman*

CONCURRENT
SESSION

C BPO IT

OUTSOURCING AS A TRANSFORMATION ENABLER

2:45 – 3:45 pm

Saint Vincent Catholic Medical Centers (SVMC) is one of New York's most comprehensive health care systems, serving over 500,000 people annually through its eight hospitals and an array of other services. The challenge was to transform SVMC as a business, while making sure that it remained 100% operational and profitable. The presenters will describe how outsourcing became a significant enabler of a highly successful transformation.

Delegates will benefit from understanding:

- How to gain added value from your new or existing outsourcing relationship
- How to capitalize on your outsourcing provider's capabilities when dealing with industry challenges and business transformation
- Best practices on a collaborative relationship and getting beyond the tactical vendor-buyer interactions
- Lessons learned in transformational outsourcing.



LUIS TAVERAS,
Ph.D., VP, CSC



**DAVID
CAMPBELL,**
*President and
CEO,
Saint Vincent
Catholic Medical
Centers of NY*

CONCURRENT
SESSION

OR

Day 1

Wednesday, May 7th, continued

KATHY THRASHER,
VP Purchasing,
Providian Financial

CONCURRENT
SESSION

OR

2:45 – 3:45 pm QUICK TIPS IN PLANNING FOR eSOURCING SUCCESS

\$

Most Global 2000 companies are considering embracing eSourcing as a strategic cost savings initiative. In this session, Providian Financial will share their experiences and lessons learned in creating a successful eSourcing program.

Delegates will benefit from understanding:

- Why Providian Financial chose to embark on an eSourcing program and the intended benefits
- How to establish program priorities and define a realistic program plan
- How to manage major organizational considerations and successful techniques for driving change
- What obstacles to expect and how to overcome them
- Providian Financial's major achievements to date and plans for their eSourcing future



CONCURRENT
SESSION

LISA MAIO ROSS,
Principal,
Ross Research

2:45 – 3:45 pm MASTERING THE ART AND DUE DILIGENCE OF OUTSOURCING ADVISOR SELECTION

\$ BPO IT

There's no disputing that external outsourcing advisors help sourcing buyers save money and time, get better contractual terms, mitigate risk and instill disciplined processes into the transaction. The challenge is finding the right outsourcing advisor. Lisa will discuss highlights from her firm's recently published report, "Outsourcing Consultants and Legal Firms: Who's Who, What's What, and How do You Choose?" to help delegates cut through the morass of available data.

Delegates will benefit from understanding:

- Trends affecting the global outsourcing market that impacts buyers' needs for sourcing advisory services
- How to choose the sourcing advisor that's right for your project
- Advice on working well with a sourcing advisor
- The range of expertise areas and services provided by the advisory firms.



CONCURRENT
SESSION

BERT LIVERANCE,
Director,
Global IT Operations,
Nike

OR

4:10 – 5:10 pm ASSESSING YOUR OUTSOURCING RELATIONSHIP — NIKE'S JOURNEY

BPO IT

A good outsourcing relationship takes work. As the relationship matures, periodically it makes sense to take the time to evaluate the performance and objectives of your partnership. Check the alignment and all the vital connections. For no matter how good the relationship is, there is always room for improvement. Timely identification of these opportunities helps to ensure a strong ongoing relationship. This session will discuss how Nike is conducting a comprehensive process to evaluate its IT Outsourcing relationship with Lockheed Martin, and how the results will impact Nike's business performance.

Delegates will benefit from understanding:

- A process to evaluate and benchmark your outsourcing relationship to drive performance improvement.
- How to determine and measure the qualitative and quantitative characteristics of the relationship.
- The benefits of engaging a third party to provide objective assistance in the evaluation
- How improving the relationship will help drive bottom line results.



SARAH PFAFF,
SVP, Freemarkets



DAWN TIURA,
Partner,
Denali
Consulting

CONCURRENT
SESSION

4:10 – 5:10 pm STRATEGIC SOURCING INNOVATION AND CREATIVITY ROUNDTABLE

C \$

Proven processes, proven technologies and proven people are all extremely important to the success of a strategic sourcing organization. But—an organization's most noteworthy and breakthrough results often have a strong creative and innovative component. This session will draw from the panelists' and all delegates' experiences to provide ideas that are not in the typical corporate sourcing game plan.

Delegates will benefit from understanding:

- How companies have built creativity and innovation into their strategic sourcing programs
- Sources of ideas
- Creative sourcing-related ideas that have worked for other companies.



MARC OSOWSKY,
VP, Frictionless
Commerce

OR

Wednesday, May 7th Day 1, continued

IT ON DEMAND COMPUTING — FROM VISION TO REALITY 4:10 – 5:10 pm

Today's volatile economic climate requires organizations to respond to the most pressing business challenges while constantly evolving their IT resource strategies. Facing new imperatives to deliver value for every dollar invested, CIOs and IT organizations are looking for "on demand" solutions that can minimize business risk, manage uncertainty, enhance agility, and control costs while reducing the complexity of their IT environment. This session will discuss some of the promises of an "on demand" utility model and hear from three IT executives about how it works within their enterprises.

Delegates will benefit from understanding:

- Current trends and criteria for "on demand" solutions outsourcing
- What the promises are... what's real and what's not
- Key business and financial drivers to consider
- Summary of experiences and lessons learned
- Benefits of taking an "on demand" utility approach.



DAVID DONEY,
Director, IS
Customer Services,
Blue Cross Blue
Shield of Michigan



BOB FARRELL,
VP, Americas
Managed
Services,
Hewlett-Packard
Company



GRANT WESCOTT,
SVP, Enterprise
Technology Services,
Canadian Imperial
Bank of Commerce

CONCURRENT
SESSION

SAM VALANJU,
CIO,
Johnson
Controls, Inc.

Conference Reception

6:30 - 7:45 pm

Begin an enjoyable evening in the Hyatt's courtyard, overlooking the beach and the Pacific Ocean. Renew friendships and exchange ideas with other delegates and spouses. Sponsored by Deloitte Consulting.

**Deloitte
Consulting**

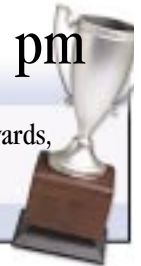
Soon to become Braxton.

Outsourcing Awards Dinner

Outstanding Outsourcing Relationships Awards

8:00 - 10:00 pm

All delegates will be our guests for a special "Oscar-like" evening featuring the Outsourcing Center 2003 Editor's Choice Awards, in conjunction with Forbes Magazine, announcing the year's Outstanding Outsourcing Relationships.



Thursday, May 8th Day 2

REGISTRATION DESK OPENS

6:45 am

C BPO \$ IT HOSTED BREAKFAST

6:45 - 7:45 am

SPECIAL INTEREST DISCUSSION TABLES

Choose from one of ten discussion group topics for focused discussions and to meet other delegates with similar interests, or select a general interest table.

IT
Outsourcing

Strategic Sourcing/
Procurement

Business Process
Outsourcing

Change
Management

LINDA TUCK
CHAPMAN,
VP STRATEGIC
SOURCING,
SCOTIABANK



"This is the only organization
that enables sourcing
professionals to reach out to
one another."

Day 2

Thursday, May 8th continued



ROBERT MILLER,
Chairman,
Miller-Williams



GARY WILLIAMS,
CEO,
Miller-Williams

8:05 - 9:05 am

EXECUTIVE PERSUASION —

GETTING THE DECISIONS YOU WANT

Your proposal was brilliant, your logic unassailable, your argument impassioned. So why didn't your CEO, peer business unit head (or your prospect) buy your proposal? Chances are you took a one-size-fits-all approach to persuasion. But, different executives use different styles when making a decision. This session will draw from Miller-Williams' extensive research into executive decision making. Research that involved almost 1,700 interviews, and was described in the Harvard Business Review's May 2002 issue.

Delegates will benefit from understanding:

- The problem: over half of proposals to executives fail not because of the proposal, but because of the APPROACH taken by the presenter
- The five decision making styles
- Examples of high profile executives who illustrate each style
- How to determine an executive decision maker's style.

FEATURED
PRESENTATION



GREG TRANTER,
CIO, Allmerica
Insurance



TIM BARRY,
VP, Keane

9:15 - 10:15 am

LEVERAGING OUTSOURCING TO SUPPORT

C IT

CHANGING BUSINESS CONDITIONS

This session will stimulate delegates' thinking about different ways in which to leverage outsourcing as a business change enabler. Greg will describe the business and IT implications of the many changes during the past few years within the financial services industry. He will discuss the challenges his organization faced in providing effective and timely support while containing costs, and how in several instances, outsourcing was the best solution.

The presenters will also discuss the different outsourcing value propositions, delivery models and strategies that were employed to support Allmerica's goals.

Delegates will benefit from:

- Understanding the business drivers that could influence sourcing decisions
- Leveraging sourcing to manage the IT environment
- Determining whether to "buy vs. build" the people resources
- Understanding how to achieve variability in your IT cost structure.

CONCURRENT
SESSION

OR



GLENN RAMSDELL,
Principal,
McKinsey & Company

CONCURRENT
SESSION

OR

9:15 - 10:15 am

GETTING SUPPLY CHAIN SOFTWARE RIGHT

\$

Over the past decade, companies have invested heavily in wiring their supply chains with software designed to manage information flows among their internal operations, suppliers and customers. The software and its developers have attracted attention due to the promise of significant benefits, such as forecasting demand more accurately and improving customer service levels. But the results have been mixed. Some have transformed their business, while others have run into trouble, sometimes publicly acknowledging they have misspent millions of dollars. Glenn will present major findings from his firm's experience and research, including a number of lessons learned by McKinsey's clients.

Delegates will benefit from understanding:

- Where supply chain software is best applied, and where it is of little use
- Why companies' levels of success with the software differs widely
- Common mistakes companies make in deploying the software and suggested strategies for improvement
- Considerations in managing user expectations to increase success

Thursday, May 8th Day 2, continued

BPO IT

OFFSHORE: THE GOOD, THE BAD, AND THE UGLY

9:15 - 10:15 am

Cost pressures will demand that companies move business processing operations, call center, and IT offshore. Firms will see productivity gains beyond labor savings if they put the right management oversight, service level agreements, and project management in place. A survey of 145 Fortune 1,000 class businesses shows that one third of respondents that use offshore providers grade the offshore providers' performance above their US services counterparts. However, management concerns, internal resistance, and fear about losing control hold back most accounts.

To fully establish a successful offshore effort either from scratch or as an evolution of smaller pilots,

companies need to adopt best practices across the five main elements of the offshore life cycle, which will be discussed during this session:

- Clear governance structure provides adult supervision
- Due diligence assesses internal and external readiness
- Negotiations lay rational contract foundation
- Transition addresses knowledge transfer and infrastructure setup
- Project management processes clearly define roles and milestones.

CONCURRENT
SESSION

JOHN McCARTHY,
Group Director,
Forrester Research

OR

BPO

FULL SERVICE HR BPO HAS CROSSED THE CHASM

9:15 - 10:15 am

Full Service HR BPO has crossed the chasm from early adopters and is heading for the mainstream market buyers. This is the hypothesis for a large-scale research project by Everest Group. This session will describe the findings from most of the known full service deals (presently 20-25). Included will be the buyers' perspectives on why they did the deals and an analysis of likely scenarios for the direction of the market.

Delegates will benefit from understanding:

- The anticipated benefits from full service HR BPO
- The types of suppliers, grouped into categories based on their services and strategies
- Experiences of and lessons learned by early adopters
- Examples of some unfulfilled expectations
- Keys to success.

CONCURRENT
SESSION

MICHEL JANSSEN,
President,
Supplier Solutions,
Everest Group

BPO IT

THE NEW OUTSOURCING FINANCING PARADIGMS — WHAT'S IN THEM FOR THE CUSTOMER?

10:40 - 11:40 am

Customers continue to work with their vendors to develop new financial paradigms to serve as the basis for increasingly complex outsourcing transactions. As new approaches are developed and implemented, greater emphasis is being placed on the ongoing need for capital expenditures, transparent and flexible pricing and ways for both customers and vendors to contain financial risk. This presentation will explore several new financing paradigms with a focus on the issues most important to the customer.

Delegates will benefit from understanding:

- The ongoing capital expenditures of the outsourcing business
- Issues pertaining to leveling the vendor playing field
- Advantages of Customer-Sourced Financing solutions
- Containing Financial Risk.

CONCURRENT
SESSION

JOHN HALVEY,
Partner,
Milbank



BARBARA THOMAS,
Director,
Deutsche Bank

OR

\$

SUPPLY CHAIN OPTIMIZATION FOR CONTINGENT LABOR

10:40 - 11:40 am

Cost pressures have created a renewed focus on the use and management of contingent labor. Many companies do not recognize the total costs of ineffective procurement and management of their contingent workforce. This is a case study applying Strategic Sourcing best practices with system technology to improve process efficiency, provide performance metrics for better decision making, drive improved quality and lower costs.

Delegates will benefit from understanding:

- How to define and implement a Vendor

Management strategy for contingent labor based on Sourcing Best Practices

- The use of technology to source, track, manage and measure your contingent labor that results in lower costs and improved ROI
- Tactics to use with the Supplier to improve compliance and create a collaborative relationship by sharing knowledge and responsibility
- Why you may want to use a total cost approach to define your ROI.

CONCURRENT
SESSION

ANITA PHILLIPS,
VP, Corporate
Financial Services,
Carlson Companies

OR

Day 2

Thursday, May 8th, continued



**STEVE
UNTERBERGER,**
*EVP,
Business Model
Operations,
Exult*



**ATUL
VASHISTHA,**
CEO, neoIT

CONCURRENT
SESSION

OR

**HAVEN
COCKERHAM,**
*SVP, Human
Resources,
R.R. Donnelley*



**MORRIS
APPLEWHITE,**
*VP, Convergys
Employee Care*

CONCURRENT
SESSION

10:40 - 11:40 am STRUCTURING WINNING OFFSHORE BPO DEALS

BPO

This session will provide attendees with insights, pragmatic viewpoints, practical tips and real-world examples on how to best structure win-win offshore BPO deals. A section will be devoted to the requisite BPO deal structure differences in India, Russia, China and the Philippines. Included in the presentations will be discussion of the Offshore Sourcing Lifecycle.

Delegates will benefit from understanding:

- The differences between domestic and offshore BPO deal structures
- What works and what doesn't—maximizing the value received from an offshore sourcing strategy
- Sole source versus multi-vendor considerations
- Details that need to be managed and their subsequent impact on your organization
- Geography-Specific BPO Deal Structure.

10:40 - 11:40 am ALIGNING HR OUTSOURCING WITH COMPANY TRANSFORMATION

C BPO

Transforming a 130+ year old global organization to better address market, product, financial, operational and human capital issues is an enterprise-wide challenge. It can be visualized in two levels: the business level and the human level. On the human level, R.R. Donnelley began creating a "purpose driven" HR function designed to add strategic value and to provide consultative value to better manage change.

This led to the company's "shared services" HR concept and its implementation.

Delegates will benefit from understanding:

- The drivers in R.R. Donnelly HR Outsourcing
- The scope of the outsourcing and how it was defined
- Key metrics that are employed
- Results to-date.

11:45 - 12:45 pm CONFERENCE LUNCHEON

Opportunity to network with other delegates and enjoy an excellent lunch.



KEN HORNER,
*EVP and
Chief Resource
Officer,
IndyMac Bank*



**MATTHEW
MACCOY,**
*Partner,
Arnold & Porter*

CONCURRENT
SESSION

OR

1:00 - 2:00 pm TERMINATING AN OUTSOURCING RELATIONSHIP

BPO IT

No matter how well intentioned and planned, some outsourcing relationships will require termination earlier than originally anticipated. Terminations occur for many reasons, including poor performance by the supplier, a change in strategic direction by the customer, and acquisitions involving the customer or the supplier. Whatever the cause, early terminations raise business issues that are of critical importance to outsourcing customers – issues that are frequently not addressed appropriately in outsourcing agreements.

Delegates will benefit from understanding how the customer can:

- Ensure appropriate knowledge transfer and supplier resource availability during the transition period
- Protect itself against service level declines once the supplier has been notified of the termination
- Protect their data in a contentious termination
- Ensure that the supplier's contractual commitments can be met if the supplier is in a state of financial distress.

Thursday, May 8th Day 2, continued

\$ THE SERVICES SOURCING IMPERATIVE — 1:00 - 2:00 pm TODAY'S REALITY AND SOLUTIONS

A leading sourcing and procurement research body, CAPS, will present its most recent research around services procurement. This research includes many new insights into the ways that services are bought, sometimes as a pure service but often as a contract that combines goods and services. This will be followed by a senior manager from FedEx who will translate the CAPS findings into a strategic and tactical game plan of how to create best practices for procuring services and combined contract-based spend.

In this session attendees will learn:

- Latest CAPS research on the scale and scope of services based spend
- First ever research into the size and scope of hybrid spending (that which combines goods and services)
- Overview of FedEx's procurement strategy for services
- FedEx learnings: Best practices in implementing a services procurement platform
- Overview of what to look for in a services procurement and management solution and how this differs from good procurement.



FABIO ROSATI
CEO, Elance

STEVEN WADE
*Director of
Research, CAPS*

CONCURRENT
SESSION



ZONDRA BROWN,
*Manager,
E-Commerce
and
Performance
Technologies,
FedEx*

OR

C BPO IT PRESCRIPTION FOR A CORPORATE TURNAROUND — 1:00 - 2:00 pm HARVARD PILGRIM HEALTH CARE'S BPO CURE

Harvard Pilgrim Health Care, one of the nation's premier not-for-profit health-maintenance organizations, provides health services to over 730,000 members in the greater New England area. Faced with steep and increasing losses in the late 1990's, Harvard Pilgrim Health Care brought in a new management team to reverse the decline. As one critical element of the turnaround, the company negotiated and implemented a \$700 million technology and business process outsourcing contract in a 90 day timeframe.

Delegates will benefit from understanding:

- The risks and pitfalls associated with turnaround outsourcing
- Insight on the practical steps needed to execute a sole-source outsourcing contract
- Considerations in establishing the scope of your deal
- The drivers necessary to close a major deal in 90 days
- The biggest obstacles to successfully completing the deal and how they were overcome.



LOUIS GUTIERREZ,
*Formerly SVP
and CTO,
Harvard Pilgrim
Health Care*

CONCURRENT
SESSION



DENNIS R. CONLEY,
*Managing
Consultant,
Transition
Partners*

OR

BPO A BPO JOINT VENTURE — 1:00 - 2:00 pm PRAGMATIC LEARNINGS FROM A SIX YEAR RELATIONSHIP

CIBC, through its Amicus Bank subsidiary, is the provider of financial services to President's Choice Financial Services (PCF), a Canadian direct bank. INTRIA Items Inc, a joint venture between Fiserv Inc and CIBC, completes the BPO infrastructure. As with any successful BPO, success demanded a high level of client satisfaction to protect PCF's brand value, and rigorous cost containment to deliver the low-cost operating model required by a no-fee bank offer.

Learn critical success factors including:

- The power of SLA metrics
- The essential role of pro-active continuous improvement
- The leverage of superior BPO financial reporting
- The quantum value of line employee engagement
- Key relationship management lessons.



BOB BOUEY,
*COO, INTRIA
Items Inc.*

CONCURRENT
SESSION



MIKE SPERO,
*President,
Amicus Bank,
President's
Choice
Financial
(PCF)*

Day 2

Thursday, May 8th, continued



DAN SULLIVAN,
VP,
*Cap Gemini
Ernst & Young*



**DIETMAR
REINER,**
CIO, Ontario
Power Generation

CONCURRENT
SESSION

OR



EMIKO BANFIELD,
Ph.D.,
VP Shared Services,
*Southern California
Edison*

CONCURRENT
SESSION

OR



JIM HALLING,
SVP,
Spherion

CONCURRENT
SESSION

OR

2:10 - 3:10 pm **INNOVATIVE AND FLEXIBLE DEAL STRUCTURES IN OUTSOURCING**

C BPO IT

This session will discuss an innovative joint venture that has become an example of a highly successful, adaptive outsourcing strategic partnership. This story demonstrates how flexible outsourcing can be a key ingredient in helping large enterprises transform themselves fast, efficiently and successfully into more competitive and agile businesses.

Delegates will benefit from understanding:

- Transformational outsourcing through joint ventures
- Limitations of traditional outsourcing
- Achieving a balance between risk and reward
- Impact of major business changes on the contract.

2:10 - 3:10 pm **STEPPING UP TO THE SUPPLY CHAIN STEWARDSHIP ROLE — MAINTAINING THE INTEGRITY OF YOUR COMPANY'S SUPPLY CHAIN PROCESSES AND BUSINESS PRACTICES**

\$

In the past couple of years, several influences have converged in business that change the role and responsibilities of the supply chain organization. Increased complexity and transparency in business processes created by these changes bring significant leadership demands for managing effectively.

This session will consider the following questions:

- Who has responsibility for the integrity of your company's supply chain processes and business practices
- How has the supply chain organization role evolved over the past ten years
- How does a supply chain organization fulfill the stewardship role
- What are the organizational implications of greater transparency in supply chain business processes
- What are the leadership challenges?

2:10 - 3:10 pm **ESTABLISHING REALISTIC OUTSOURCING BENCHMARKS — BEFORE YOU OUTSOURCE**

BPO IT

There are several surefire ways to sabotage a brilliant outsourcing strategy, including setting immeasurable objectives, promoting unrealistic expectations and measuring results in a vacuum. Outsourcing is all about performance, but results can only be measured effectively by establishing a realistic benchmark. This session will demonstrate tools and techniques you can use to measure your organizational EQ, setting the stage for continuous process improvement using a fast, comprehensive diagnostic to gather key intelligence about current practices and future needs.

Delegates will benefit from understanding:

- How to use what you have to define what you need
- How to use where you've been to determine where you're going
- How to transition from embedded practices to best practices.

Thursday, May 8th Day 2, continued

BPO

THE DO'S AND DON'TS OF COMPREHENSIVE HR OUTSOURCING

2:10 - 3:10 pm

The presenters will review the successes, challenges and lessons learned during the transformation of BASF's HR functions. They will discuss the specifics of the process and measurable results in terms of reduced costs and improved services to BASF:

Delegates will benefit from understanding:

- Why outsourcing made sense for BASF, and how to know if it does for you
- Where is the best place to start the HR outsourcing process
- How much and how soon were costs reduced
- What were the keys to improving "service" for employees
- What were the five "dos and don'ts" learned.



WILLIAM JAY
HURST,
*Manager,
HRIS, BASF*



JAKE KUEHN,
*Relationship
Manager,
Mellon HR
Solutions*

CONCURRENT
SESSION

BPO IT

TACKLING THE DIFFICULT ISSUES — A MOCK OUTSOURCING NEGOTIATION

3:35 - 4:35 pm

Every sourcing deal has its own list of difficult contract issues, but some issues regularly show up on that list. In this session, you'll see experienced outsourcing lawyers negotiate those challenging issues. A moderator will set the context for the negotiation by describing the issues.

Delegates will benefit from understanding:

- The common difficult contract issues
- Supplier and customer perspectives on these issues
- Alternatives and creative mechanisms for resolving these issues.



DAN MASUR

*Partners,
Mayer, Brown,
Rowe & Maw*

CONCURRENT
SESSION



PAUL ROY



BRAD
PETERSON

OR

\$

SOFTWARE PROCUREMENT — OPPORTUNITIES, PITFALLS AND PROCESS

3:35 - 4:35 pm

Few organizations subscribe to today's best practices in the sourcing of high technology goods and services, especially software. This oversight will cost the company money and result in less than ideal contract terms. Through a proven process by which you can control the flow of information, a formal software sourcing strategy can guarantee more value, a faster return of investment, and less risk to your organization. Randy will describe the current key trends and process in software strategic sourcing.

Delegates will benefit from understanding:

- How to reduce the total cost you pay for software
- How to mitigate your exposure to risk and potential liability
- Important contract provisions
- How to increase budget accuracy
- How to build consistency and efficiency into your process.



CONCURRENT
SESSION

RANDY ROTH,
*Principal,
Corporate Contracts,
LLC*

CURTISS
MONTGOMERY,
DIRECTOR,
OUTSOURCING,
CTG



"SIG, and its excellent mix of members and participants, really defines the sourcing/outsourcing business in the US and Canada."



SIG MEMBERS RESEARCH LIBRARY

Members – have you visited your research library lately? Many new outsourcing and strategic sourcing reports and white papers are added each month. Recent additions include SIG's original reports on Procurement Outsourcing and BPO, with Offshore Outsourcing to be added soon. www.SourcingInterests.Org

Day 2

Thursday, May 8th, continued



**ALISON
YOUNGMAN,**
*Sr. Partner,
Stikeman
Elliott*



**JOHN (KIT)
WEITNAUER,**
*Partner,
Alston & Bird*

CONCURRENT
SESSION

OR

3:35 - 4:35 pm

IF YOUR SERVICE PROVIDER FILES BANKRUPTCY — WILL YOU BE SUCKED INTO THE PROCESS, TOO?

BPO IT

Bankruptcies of large companies are more and more common these days--what happens to you if it happens to your Service Provider? This session reviews the leverage the Service Provider suddenly gains when bankruptcy begins, and tells you what to do beforehand to protect yourself. Find out why you may have been lulled into a false sense of security from boilerplate bankruptcy default clauses. From both U.S. and Canadian perspectives, learn how much protection you have for your IT, and how to avoid mistakes in negotiations that can undercut those protections.

Delegates will benefit from understanding:

- How bankruptcy courts treat Outsourcing Contracts
- Why you can't just terminate the contract if the Service Provider files bankruptcy
- The power the Service Provider has to "reject" the contract, unless you renegotiate
- The protections given to your IT rights, and the limits of that protection
- How to obtain "early warning" of a possible bankruptcy.



JOE CARSON,
*VP, Global
Supplier
Management,
Lucent
Technologies*



BOB GRANT,
*CEO,
Alliente*

CONCURRENT
SESSION

3:35 - 4:35 pm

PROCUREMENT — THE NEXT WAVE IN BPO — A LUCENT CASE STUDY

BPO \$

This presentation will address the proven value that BPO delivers and the next significant wave in BPO – procurement outsourcing. Included will be discussion of the value proposition of BPO, why procurement outsourcing is a rapid growth area, the bottom line savings that can be achieved and why technology alone does not maximize the full benefits of outsourcing. A case study of Lucent's actual experiences with BPO of procurement services will be described, including discussing the challenges leading to the BPO decision, the scope of what was done and the results.

Delegates will benefit from understanding:

- Reasons for BPO's substantial growth over the past two years
- Why procurement is an excellent candidate for BPO
- Which companies are the best and the worst candidates for Procurement BPO
- How to determine what should be "in scope" and what should be retained internally
- The experiences of one major company as a customer of Procurement BPO.



**LYNN
BLODGETT,**
*BPO Group
President, ACS*



ROSS DOCKSEY,
*Partner,
Sonnenschein,
Nath & Rosenthal*

4:45 - 5:45 pm

WHY OUTSOURCING DEALS SOMETIMES FAIL — LEARNING FROM HISTORY

BPO IT

Philosopher George Santayana is best known to historians for the quote: "Those who do not study history are condemned to repeat it." Though less well known, while discoursing on the subject of history, Santayana also observed that "history is always written wrong, and so always needs to be rewritten." In this session, leading service providers will engage in a candid discussion, based on practical experience, of why outsourcings sometimes fail. Whether you agree with Santayana or believe, as Henry Ford did, that "history is more or less bunk", this session will provide a unique look at the challenges of outsourcing from the perspective of the service provider.

Delegates will benefit from understanding:

- Why it is often difficult to get from a letter of intent to a definitive agreement, and what the parties can do to simplify the process
- The implications on contract structure and service delivery of outsourcing arrangements that are structured using procurement and alliance models
- What both parties must do to avoid an expectations gap between the customer's requirement and the provider's solution
- The fundamentals of a governance system that does not mistake motion for progress
- Business and economic myths that result in unrealizable expectations.



**BARRY
GLEICHENHAAS,**
*Partner,
Accenture*



**KEVIN
CAMPBELL,**
COO, Exult

CONCURRENT
SESSION

OR



**JOHN
CIECIMIRSKI,**
*Partner, IBM
Global Leader
BTO*



**BERNIE
REYNOLDS,**
*President, HR
Outsourcing
Group, Aon
Consulting*



Thursday, May 8th Day 2, continued

\$ WHERE ARE WE, WHERE ARE WE GOING IN 2003 AND 2004, AND WHAT DO WE NEED TO GET THERE IN STRATEGIC SOURCING? 4:45 - 5:45 pm

Rather than zeroing in on a specific process or product, this session will look at the major issues and the present industry dynamics in strategic sourcing. Many of the great expectations of a few years ago were not realized. Numerous corporations wasted significant time and money, and numerous executives ended up moving out, or surviving with a lot of egg on their faces. Yet, for many of these companies and for many others, substantial improvements were actually made. How does this impact corporate funding and executive risk taking in the foreseeable future? Our panelists will call upon their global perspectives, as well as inputs from all delegates, to provide forecasts of the most significant happenings and the state of the industry by the end of 2004. Glenn Ramsdell will also draw upon his company's observations from major engagements with leading corporations.

Delegates will benefit from understanding:

- How to benefit from the experiences of the recent past
- The sourcing game plans of several leading companies
- What the target might look like eighteen months out.

CONCURRENT
SESSION

OR



DIETMAR
KIRCHNER,
VP Strategic
Sourcing,
Luftbansa
German Airlines



GLENN
RAMSDELL,
Principal,
McKinsey &
Company



JOHN MILES,
CPO, American
International
Group



WILLIAM HUBER,
SVP, Strategic
Sourcing,
Wachovia

BPO C IT THE INNER WORKINGS OF A TRANSFORMATIONAL DEAL 4:45 - 5:45 pm

Diebold Inc., a leading global provider of automated teller machines, voting machines and card-based transaction systems, wanted to dramatically change its business. It embarked on a major acquisition strategy to expand its business scope, but wanted to have consistent operations worldwide. Because it had concerns regarding the integration of these newly acquired businesses, it contracted with an external service provider to introduce common global processes, reengineer many of its existing processes, implement a global ERP system, and outsource the ongoing management of its operation. In order to preserve its forecasted financial performance, no significant impact to its balance sheet was a requirement of this contract.

Delegates will benefit from understanding:

- Factors to consider in making this type of outsourcing decision
- Trade-offs in developing a solution (cost vs. services)
- Special considerations for global implementations
- Essential elements of good governance.



JOHN
CROWTHER,
Vice President
and CIO,
Diebold



DAVID
DORTENZO,
Principal
Deloitte
Consulting

CONCURRENT
SESSION

Conference Dinner

7:00 - 9:30 pm



An enjoyable venue will be the location of SIG's always popular off-site dinner. Excellent food and mixing with other delegates and their spouses will ensure a wonderful time. Ariba and Syntel are pleased to again sponsor this special evening.

Day 3

Friday, May 9th

6:45 - 7:45 am **FULL BREAKFAST**



BARRY WIEGLER,
Founder and Managing Director, Sourcing Interests Group



HARRY GLASSPIEGEL,
CEO, Glasspiegel Ventures

GENERAL
SESSION

7:45 - 9:00 am **TAKING IT HOME — MAKING IT HAPPEN —
THE POWER OF COLLABORATION**

This session will arm you with final ideas and perspectives to take home, share with colleagues and implement, based on open discussion (and probable debate) among all delegates. Gain further insights about the conference's topics and raise new topics. A unique opportunity to explore the issues and ask questions of the world's foremost assembly of sourcing experience.

Delegates will benefit from:

- Additional perspectives about the issues and questions pertinent to all of the conference's sessions
- Lessons learned from the sourcing experiences of SIG's member representatives
- In-depth insights about the issues, based on the delegates lively discussion
- Members' opinions on how outsourcing and strategic sourcing will progress and change over the next year.



ANNE KOHLER,
EVP and COO, The Mpower Group

CONCURRENT
WORKSHOP

OR



DAVID BUCKLAND,
VP, Digital Fuel



BILL PETERS,
Partner, O'Melveny and Myers

CONCURRENT
WORKSHOP



VAUGHN HOVEY,
Partner, Alliance Management Partners

WORKSHOP



ROBERT MILLER,
Chairman, Miller-Williams



GARY WILLIAMS,
CEO, Miller-Williams

9:15 – 10:30 am **DEVELOPING WORLD-CLASS CAPABILITY IN YOUR
STRATEGIC SOURCING ORGANIZATION** \$

As strategic sourcing organizations move from being transaction-based to being a strategic business partner, the most significant issue they face is the internal skills and competencies required to make that dramatic shift. No longer purchase order processors, world-class strategic sourcing organizations recognize the need to reduce their dependency on external consultants and develop a higher level of sustainable internal capabilities. This workshop will focus on building internal capability through a knowledge acquisition program, which includes not only process skills but also change management and consultive skills.

This workshop will include the following topics, as well as others:

- The skills/competencies needed to fulfill the emerging role of a strategic sourcing organization
- The skill gap that exists in most sourcing organizations
- The content of a knowledge acquisition program to close the gap
- Practical approaches to implementing the program.

9:15 – 10:30 am **ADVANCED OUTSOURCING WORKSHOP —
DEAL IMPLEMENTATION AND RELATIONSHIP MANAGEMENT** BPO IT

While the pre-conference outsourcing workshop focused on the outsourcing phases through contract completion, this workshop is for the purpose of gaining a better understanding of how to manage advanced outsourcing issues. It will draw from the leaders' significant experiences advising clients in a number of outsourcing relationships in a variety of industries.

This workshop will include the following topics, as well as others:

- Successfully transitioning
- Dealing with the changing of key personnel
- Gaining added value from your relationship
- What to do if your service provider goes out of business
- Dispute resolution and escalation approaches.

11:00 – 12:30 pm **EXECUTIVE PERSUASION —
GETTING THE DECISIONS YOU WANT**

During Thursday's Featured Session, Bob Miller and Gary Williams described the five executive decision making styles. This workshop will assist participants in determining for themselves the decision makers' styles and will provide guidance for defining decision presentation strategies and for developing the presentations. The workshop leaders will interact to discuss specific decision maker challenges faced by workshop participants.

This workshop will include the following topics, as well as others:

- How to identify the style of decision making
- Techniques for testing the validity of your style analysis
- Hot buttons to include when presenting to each of the five styles
- How to effectively present to a committee comprised of multiple decision making styles.

12:30 pm **CONFERENCE ADJOURNMENT**

Sourcing Interests Group's Services

Semi Annual Conferences.

SIG conferences feature the most current topics and companies in the news, leading corporate executives and top sourcing advisors.



Regional Meetings.

SIG holds relatively small regional meetings hosted by member companies in locations throughout North America and Australia. Primary objectives of the meetings are education and to enhance relationships and mutual assistance among member companies.

Broadcast E-mail Questions To All Members. Promptly draw upon the collective experience of all members. This service broadcasts your questions to SIG members, and quickly forwards their responses to you.



Research Reports. SIG provides members with original and third-party Research Reports based upon subjects selected by members.



Member Hotline. Members employ the hotline to network on a timely basis with others who have experience in a specific area.



Inside Sourcing Newsletter. *Inside Sourcing* contains articles on: Best Practices, Industry Directions, Member Profiles, Upcoming Events and news of special note.



Sourcing Job Bank. Members may submit Sourcing-related job openings for posting on SIG's Website Job Bank. The postings can be viewed by all site visitors.



Services

Sourcing Interests Group's services help companies leave "Business as Usual" in the past. These services establish and facilitate communications and information sharing between over 1,000 representatives from more than 140 member companies. Services include practical research and reference information about timely sourcing issues. SIG's services assist companies in capitalizing on progressive sourcing practices to improve bottom-line performance.

To find out more about how SIG membership can benefit your company, send an email to: MembershipInformation@SourcingInterests.Org or phone SIG at (818) 884-6080.

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- Perfect Commerce
- Pfizer
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- PricewaterhouseCoopers
- Principal Financial
- ProBusiness
- Progressive Insurance
- Prudential Insurance
- Qantas
- RBC Financial
- RMH Teleservices
- SAIC
- Scana
- Scotiabank
- Seurat
- ShawPitman
- Shearman & Sterling
- So. Australian Government
- So. California Edison
- Sonnenschein Nath & Rosenthal
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- Staples
- Stikeman Elliott
- Sun Trust
- Syntel
- TD Bank
- The Ford Foundation
- The Kreller Consulting Group
- The Mpower Group
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- Transition Partners
- UBS PaineWebber
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- United Illuminating
- Vantage Partners
- Verizon
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- Wells Fargo
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- Wipro
- WNS North America
- Xerox



**SOURCING LEADERSHIP 2003 • OUTSOURCING – STRATEGIC SOURCING – E-BUSINESS
HYATT REGENCY, HUNTINGTON BEACH, CA • MAY 6-9, 2003**

Please register the following for the Group's 23rd Semi Annual Conference. (Use copies of this form for additional delegates.)

Company: _____ Name: _____
 Name for Badge: _____ Title: _____
 Street Address: _____ E-mail Address: _____
 City: _____ State: _____ Zip: _____
 Telephone: _____ Fax: _____
 Spouse's name for badge if accompanying delegate: _____

Will participate in Spouses' Breakfast, 9:00 - 10:00 am, Wednesday. No fee.



SIG has reserved a block of rooms with a special rate of \$189 (single or double occupancy) for the Conference nights at the Hyatt for reservations made prior to April 8, 2003, as long as space remains within our block. Register Early!! (Reservations must be made through SIG.) The Hyatt has a 72 hour cancellation policy and reservations must be guaranteed with a major credit card when made. Receipt of your registration will be confirmed to you by email within one week.

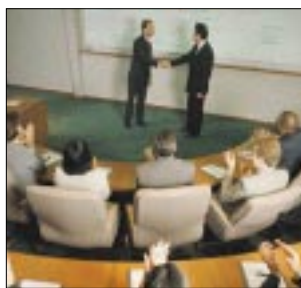
Credit Card Type: _____ Expiration: _____

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Please reserve the following hotel room nights:

Nights of: 5/6 _____, 5/7 _____, 5/8 _____

Other nights requested (list) _____



CONFERENCE WORKSHOPS (no extra fee)

Tuesday, May 6, 2003 • 2:00 pm

- Outsourcing Initiation Through Contracting
- Strategic Sourcing - First Two Years

Tuesday, May 6, 2003 • 4:15 pm

- Offshore Outsourcing
- Creating Strong Customer/Supplier Relationships

Friday, May 9, 2003 • 9:15 am

- Developing Your Sourcing Organization
- Advanced Outsourcing Workshop

Friday, May 9, 2003 • 11:00 am

- Executive Persuasion. Getting The Decisions You Want

PLEASE FAX THIS FORM TO:
SOURCING INTERESTS GROUP
FAX: (818) 884-4875

30 HACKAMORE LANE, SUITE 12
BELL CANYON, CA 91307
TEL: (818) 884-6080

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CONFERENCE FEE: Includes all sessions, workshops, Conference Proceedings Notebook, the Conference Reception, and Conference meals, including the Conference Dinners. (Spouses are welcome at the Reception and Dinners at no additional charge.) We will charge your credit card for the Conference fee, unless a check is enclosed.

- No fee for designated representatives of member companies or speakers.
- \$1,195 for each additional delegate from a member

company, an accredited industry analyst, or a government representative.

- \$1,495 for a user delegate from a first time non member company. Bring one or more colleagues from your company at \$1,295 each.
- \$1,895 for a financial analyst or a delegate representing a VC or similar organization.

Cancellation prior to April 8th receives a full refund. Afterwards, conference fee is applied to Fall '03 Conference.

Group Membership is required for a technology service provider, attorney, consultant or similar company to participate in any SIG event.