

# COSTS

## CUT COSTS, INCREASE FLEXIBILITY – AND STAY COMPETITIVE

CIOs are expected to cut costs and at the same time ensure that the IT remains flexible. They have to keep their existing, classic IT system landscape running and even modernize it with a focus on stability and predictability.

In addition to running the classic IT, however, they also have to ensure that their companies remain successful and competitive in their markets. Gain and retain customers, analyze their behavior. This implies a need for new technologies, new services and rapidly available IT capacities. These are all challenges that CIOs have to face to make a visible value contribution to their companies' success – and all of this with high agility. Good arguments for IT outsourcing.

## IT OUTSOURCING WITH T-SYSTEMS

### IT “on demand“ – transforms fixed costs into variable costs

Procuring IT services on demand, quickly and flexibly, from an IT outsourcing provider helps to cut costs, among other factors, by turning fixed costs into variable costs or even eliminating them altogether. An outsourcer with a very high level of standardization, that runs large IT landscapes can also produce at lower costs, thanks to economies of scale.

### Automation – cuts costs, minimizes outages

The higher the degree of automation in IT operations, the lower are both the direct costs and the losses caused by outages – which can affect the entire company and even its customers. Intelligent automation through IT outsourcing has a proven positive impact on the reliability, stability and quality of IT services and also increases process speed.

### Quality – reduces long-term costs

When considering whether to use IT outsourcing or to re-tender services that are already received from an IT outsourcing partner, the IT-decision-maker should not focus only on costs. According to a current study by ISG, for example, companies are increasingly emphasizing IT quality when selecting a service provider. And quality in IT outsourcing and consulting pays off in the end, in regards to the increasing digitization of processes and even entire business models.

### Real-life customer experiences

This example of IT outsourcing shows how the right partner can help businesses achieve cost savings and flexibility: [Shell](#) migrated its communications platform for 135,000 employees to the T-Systems hybrid cloud.