

THE CIO-ON-TAP ADVANTAGE

A unique approach to IT services in the GCC



CIO-ON-TAP

Over the past decade, the IT solutions landscape has grown significantly more sophisticated. We've seen the emergence of cloud computing, ubiquitous mobility, increased collaboration, unified communications and bring-your-own-device trends.

At the same time, IT departments have found themselves under increasing pressure to cut costs while using technology more strategically to meet the needs of the business.

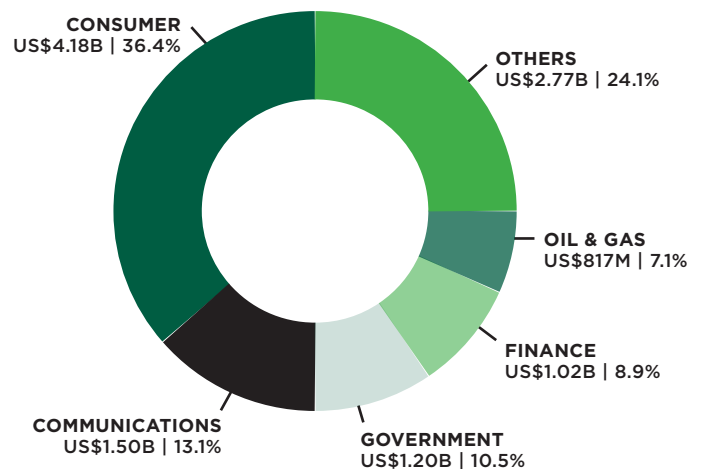
Outsourcing IT services used to be more of a cost-cutting exercise. But IT solutions have become more complex, shifting from low-cost commodities to value-added services. Outsourcing now involves a complex ecosystem of partnerships with specialized solution providers to deliver expertise — processes, tools and skills — in areas where the IT department is lacking. This can improve the overall quality of IT projects while reducing costs, but it requires strong central governance and logistics expertise to tie these disparate components together.

The CIO-on-tap model offers a unique value proposition in the GCC marketplace to organizations of all sizes, across vertical markets. This approach offers tailored, modular solutions that can be customized to fit a variety of customers' IT needs, budgets and business strategies, providing a complete end-to-end transformation for any IT-related project.

THE CHANGING DYNAMICS OF THE SAUDI MARKETPLACE

The GCC is poised to be among the fastest growing IT markets in the world. According to International Data Corp. (IDC), overall IT spending in Saudi Arabia is set to increase 10.7 per cent year-over-year in 2014 to US\$11.5 billion. And infrastructure projects are expected to lead to a 12 per cent growth in the Saudi market this year.

IT SPENDING IN SAUDI ARABIA TOP VERTICAL MARKETS FORECAST, 2014



Source: IDC, Saudi Arabia Vertical Markets 2013-2017 IT Spending Forecast

Indeed, analysts expect Saudi Arabia to move onto the “third platform” of IT, which includes mobile technology, cloud computing and social networks. By 2020, 90 per cent of Saudi IT investments are expected to be concentrated on third-platform technology and services, according to IDC.

BY 2020, 90% OF SAUDI IT INVESTMENTS ARE EXPECTED TO BE CONCENTRATED ON THIRD-PLATFORM TECHNOLOGY AND SERVICES



MOBILE TECHNOLOGY



CLOUD COMPUTING



SOCIAL NETWORKS

Saudi Arabia's government, in turn, has a vision to bring the Kingdom into the global digital economy, with a focus on smart cities, mobility and security. The Kingdom is seeing strong demand for mobile broadband technologies such as 4G LTE and LTE-Advanced, and many companies are considering the use of private, public and hybrid cloud infrastructure.

Indeed, Gartner predicts US\$4 billion will be spent on cloud services in the Middle East and North Africa from 2013 through 2017. Saudi companies are also looking to provide enhanced customer service, which will be enabled through third-platform technology and services.

THE CURRENT IT LANDSCAPE IN THE GCC

While there's huge potential for IT to transform both the private and public sector, there are also significant barriers to the success of an IT project. Today's increasingly complex IT environment has completely changed the dynamics of the IT department and how it relates to the rest of the business. IT has traditionally operated independently of business units — but it can no longer operate in a silo without any knowledge of the company's goals and strategies, such

as building customer loyalty or boosting sales.

Organizations of all sizes are struggling to meet their basic IT requirements, let alone use technology to further the goals of the business. IT staff often spend the bulk of their time "keeping the lights on," rather than focusing on value-added services that will help the business from a more strategic perspective.

Many small enterprises have graduated from using Excel spreadsheets to a bona fide need for sophisticated IT systems, yet operate with a small or even nonexistent IT department — and they likely don't have a CIO to oversee the bigger picture. And, according to IDC, the Saudi government's focus to diversify its economy will continue to push businesses, particularly SMEs, to acquire ICT solutions in general and mobility in particular.

Larger enterprises may have a CIO, but don't have all the skill sets or resources in their department to meet the increasingly complex requirements of multiple IT solutions. Indeed, even many publicly traded companies on the Saudi Stock Exchange (Tadawul) currently have immature IT infrastructure in place.



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There's typically a gap between the alignment of IT and business strategies; most deals are led by the IT department, without input from business units or line-of-business managers. If the IT department is deploying analytics, for example, without input from the end-users who will be using that data on a daily basis, the project may fail to live up to expectations or meet the overall goals of the business.

THE CHANGING NATURE OF OUTSOURCING DEALS

While, for most GCC companies, cutting costs is still a consideration for outsourcing deals, it's no longer

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the main consideration. Organizations large and small want technology to help them move their business goals forward. They're looking to streamline business processes, create efficiencies and differentiate their offerings for competitive advantage. But how do they get there?

Recent studies by Gartner, McKinsey and KPMG have shown the evolution of IT services to a more business-centric and less IT department-led experience. Most don't want to rip and replace their existing investments; instead, they want to build on what they already have and create an end-to-end IT strategy. They want to reduce costs, but they're also looking for partners to deliver value-added services that can increase their competitive advantage and bottom line.

While enterprises in the GCC recognize the need for best-of-breed technologies, there's also a need to customize solutions for the specific requirements of the region, particularly because many of these solutions are only available in the English language.

WHEN OUTSOURCING DOESN'T WORK

The GCC remains a highly fragmented market when it comes to IT, both from a consulting and execution standpoint. Many large-scale solution providers operate with a mentality that all solutions can be sourced in-house. But IT tools, systems and processes have become increasingly niche in the past two years. The adage that "a jack of all trades is a master of none" has become quite relevant here.

The inability of many solution providers to respond to this emerging landscape stems partly from inertia and partly from the business cost structure itself. Many solution providers have amassed huge overheads by attempting to focus on all services, and as a result deliver inadequate services relative to the top niche providers. They also tend toward inflexible delivery models, either completely offshoring the service or providing only on-site resources. Many are also advocates of a particular technology and vendor.

Governance is often a problem, since many of these solution providers simply liaise with the IT department and leave the business units out of the project management cycle. This results in an IT-led solution that does not account for the end-user's needs and acceptance. This can be frustrating and costly in terms of re-implementation and configuration. And many solution providers end up testing and gatekeeping the solution internally, which can lead to issues around quality assurance — since the developers are the same people

making sure the solution is properly functioning.

A NEW APPROACH: THE CIO-ON-TAP

This is where the CIO-on-tap approach has an opportunity to flourish, since it's built around these new market needs and fills in the gaps and weaknesses in the current competitive landscape.

The CIO-on-tap approach provides services that a CIO would typically provide, including strong governance, project management, logistics and quality assurance to ensure seamless delivery of IT projects. These services apply across all technologies and IT projects, so enterprises don't have to rip and replace their existing infrastructure. Rather, they can extend and expand their infrastructure and complement their current efforts and resources, without a requirement to develop niche expertise in-house.

THE CIO-ON-TAP APPROACH SHOULD INCLUDE:





Enterprises can tap into the latest technological trends — cloud, mobility and analytics — but they need not hire a full-time CIO or train their entire staff to do it.

If the IT department is operating in a silo, or consists of a small team with immature IT infrastructure, the CIO-on-tap approach can help boost their efforts in this area, establish strategy and then execute on that strategy — and bridge the needs of the business with IT.

Wareef's CIO-on-tap approach can also summon the skilled resources necessary for a project, which means bringing in the world's top experts in niche technology areas. Enterprises can tap into the latest technological trends — cloud, mobility and analytics — but they need not hire a full-time CIO or train their entire staff to do it.

THE CIO-ON-TAP APPROACH IN VERTICAL MARKETS

There is significant interest from businesses of all sizes, as well as government, to take advantage of recent technological developments, such as mobility and cloud computing. As well, each of the major verticals is undergoing change and expansion. This is where the CIO-on-tap approach makes sense.

- **BANKING:** Saudi Arabia's banking sector has great potential to play an increased role in the region. Thanks to growing Internet penetration and a booming mobile subscriber base, the sector is seeing an increase in the use of modern banking technologies. The presence of international banks is also helping to drive IT innovations.
- **INSURANCE:** The Saudi insurance market is still relatively new, but as the market starts to deliver some operational maturity, there is an expectation that firms will slowly look to expand beyond the region — and they need technology to help them get there.
- **CONSTRUCTION:** The Saudi construction market is slated to undergo a dramatic revitalization in the coming years. With a projected growth rate of 35 per cent, the sector is set to become the fastest growing in the Kingdom's economy by 2015.

- **PETROCHEMICALS:** Saudi Arabia's petrochemicals sector is currently the country's fastest growing and most significant industrial sector, second only to crude oil production — and it's set to become even more important as producers diversify and add value to their product slate, according to BMI's Saudi Arabia Petrochemicals Report for Q2 2014.

- **TELECOM:** The Saudi government regards ICT industry development as a national priority and, as a result, is cutting red tape and streamlining

business procedures. Mobile broadband has become a feasible proposition following substantial investments in 3G and LTE, according to telecom research firm BuddeComm.

- **DIGITAL GOVERNMENT:** The Saudi government has made ICT development a focus by investing in e-government services and smart cities. Now in its second phase, its e-governance project will focus on regulations, legislation and security through to 2016. And these forward-looking plans will maintain Saudi Arabia as the GCC's largest IT market, according to the Business Monitor International.



THE SAUDI CONSTRUCTION MARKET GROWTH

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WAREEF'S VALUE PROPOSITION

Wareef provides CIO-on-tap services through a flexible deployment of internal and external resources, with strong central governance in partnership with the client to manage the IT transformation and ensure the quality of the finished product or process. Solution-neutrality is key — offering impartial consultations on a client's IT needs and prescribing the best options to meet those needs.

Wareef has cultivated an extensive network of global partners to help clients customize solutions that best fit their needs, budget and business strategy. These long-established relationships with global IT solution providers and CIO consultants provide access to a wealth of skilled resources for any outsourcing needs. Wareef's logistics, governance and quality assurance services, however, are developed in-house, and this suite of services takes a holistic approach to ensure the quality of the IT solution across its implementation lifecycle.

- **ADVISORY SERVICES:** Wareef provides consulting and advisory services, including system evaluation, business case development, IT strategy blueprints, IT cost rationalization, and solution architecture and design, along with full project management services. The ultimate goal is to deliver a project's requirements on time, within budget and with high-

quality results. Wareef also helps in aligning the IT strategy to the business and bridging the gap between siloed operations.

- **EXECUTION SERVICES:** Wareef also helps clients through the execution of IT strategy, from vendor selection and management, to outsourcing and offshoring, quality assurance and testing. Wareef's strong logistics and governance capabilities can help to manage an IT project from end-to-end.
- **A MODULAR APPROACH:** Wareef's CIO-on-tap offering takes a modular approach, allowing clients to add IT modules when it suits their needs. These modules can be combined in different ways to deliver the greatest value to the client. This approach, however, is most effective as part of an end-to-end IT strategy designed to be greater than the sum of its parts.

With today's increasingly complex, sophisticated IT landscape, the CIO-on-tap approach can help businesses — from SMEs to larger enterprises — use technology to transform their business, rather than merely "keeping the lights on." A unique approach that combines in-house expertise in governance, logistics and quality assurance with the world's top talent in niche areas of technology provides an IT solution that is truly best-of-breed and tailored for each individual client.

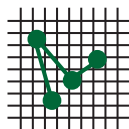
WAREEF'S ADVISORY SERVICES INCLUDE:



SYSTEM EVALUATION



BUSINESS CASE DEVELOPMENT



IT STRATEGY BLUEPRINTS



COST RATIONALIZATION

WAREEF'S EXECUTION SERVICES INCLUDE:



IT STRATEGY EXECUTION



VENDOR SELECTION/ MANAGEMENT



OUTSOURCING/ OFFSHORING



QUALITY ASSURANCE/ TESTING



ABOUT WAREEF

Headquartered in Riyadh, Saudi Arabia, Wareef is an IT solution provider that has offered customized, business-led solutions to the GCC market since 1998. We specialize in end-to-end solutions with a modular approach, including expertise in vendor management, quality assurance, project management, logistics and local, Arabic content.

We tailor customized solutions for clients through our advisory and execution services. Wareef's services, two verticals:

CIO-ON TAP ADVISORY: Wareef provides consulting and advisory services, including system evaluation, business case development, IT strategy blueprints, IT cost rationalization, and solution architecture and design. The ultimate aim is to model business processes that add value and drive business goals forward. Wareef also helps in aligning the IT strategy to the business and bridging the gap between siloed operations.

CIO-ON TAP EXECUTION: The CIO-on-tap approach provides services that a CIO would typically provide, including strong governance, project management, logistics and quality assurance to ensure seamless delivery of IT projects.

These services apply across all technologies and IT projects, so enterprises don't have to rip and replace their existing infrastructure.

FOR MORE INFORMATION

To learn more about the CIO-on-tap services available at Wareef, please contact us at info@wareef.com.sa or (+966) 11 478 6969, or visit Wareef's website: wareef.com.sa.