Case Studies

- Providing an API Delivery Platform and Management for a Major Wireless Carrier
  The API Platform exposes a core set of APIs, offers unique developer monetization opportunities, and supports a robust development environment.

- Finance & Accounting Shared Service Center for Global Enterprise
  iSoftStone built and now operates an offshore F&A operation center which is fully dedicated to delivering F&A services for Siemens.

- Advancing Order Management Systems for Avon
  iSoftStone provided customized order management systems to Avon, a direct sales company spanning over 60 worldwide markets.

Industry Commentary

Gartner: Cloud Computing is a Hyped-Up Term
Gartner says behind the hype there are some transformational technologies though

Events

Look for us at these upcoming events.

- Winshuttle User Group Annual Conference
  October 15
  Atlanta, US

- IBM Software Information On Demand 2012
  October 21
  Las Vegas, US

- MIT- China Innovation & Entrepreneurship Forum
  November 16
  Boston, US

News

- iSoftStone and IBM Co-host the "Conference on Trends in the Big Data Era 2012"

- iSoftStone Featured as a 2012 Global Services 100 Provider
  September 12 – iSoftStone announced that it has been featured as a “2012 Global Services 100 Provider” in the Global Services 100, a study of the world’s leading outsourcing providers published by the Global Services magazine.

- iSoftStone Announces JV with Huawei
  September 4 – iSoftStone announced that it has entered into a partnership/ JV agreement with Huawei. The JV aims to build a leading IT services provider in the global T&C industry.
Industry Commentary

Gartner: Cloud Computing is a Hyped-Up Term

Gartner says behind the hype there are some transformational technologies though

By Brandon Butler, Network World, August 14, 2012

Cloud computing is a hyped-up term, a recent report from Gartner found. But behind the hype there are significant benefits to some technologies in the cloud industry and some of the terms being floated around in the cloud are bigger buzzwords than others.

"The cloud" is a broad term that encompasses many different technologies, similar to the way the Web or the Internet have many different aspects to it, Gartner says. And many of the individual aspects of the cloud computing industry each have their own degree of hype surrounding them. Gartner attempts to put this all in perspective by using its Hype Cycle formula to evaluate more than three dozen specific technologies within cloud computing.

The lifecycle of a technology is broken down into five stages: First there is a trigger for a technology, or a reason it is needed. This then leads to the technology being hyped to the point of a peak of inflated expectations. Following that, there is a trough of disillusionment in which reality about the benefits of a technology are understood. For technologies that are truly meaningful, they stick around for a slope of enlightenment and finally to a plateau of productivity.

The overall cloud computing industry is past its peak of inflated expectations, Gartner says, but other aspects of the cloud computing industry are at various points of the lifecycle.

Hyper-Hyped
Some of the biggest buzzwords in cloud computing today are technologies that are at the peak of inflated expectations, Gartner found.

**Big data:** Big data in the cloud, Gartner says, is an emerging technology near the peak of its inflated expectations. The research firm is high on the potential for big data though, describing it as transformational. The ever increasing number of digital devices is creating an exponential increase in the amount of data volumes. The benefits that could be derived from big data will rapidly accelerate the technology’s lifecycle through the trough of disillusionment and into mainstream adoption within two to five years. Some of these big data technologies represent a great leap forward in processing management, Gartner says. Through technologies such as MapReduce and Apache Hadoop, access to big data analytics tools are increasing in the market. Businesses that can leverage that data to their benefit will outperform their competitors, Gartner says.

**PaaS:** Cloud computing is broken down into three service models, according to the National Institute of Standards and Technology: infrastructure as a service (IaaS), software as a service (SaaS) and platform as a service (PaaS). Gartner says PaaS, by far, is the most hyped of these terms right now. Think of PaaS as middleware in the cloud, where customized applications can be built and hosted outside of an organization’s own data center. Some of the biggest names in on-premise middleware offerings are pushing toward the cloud, including IBM, Oracle, Red Hat and Microsoft. Gartner says that push will only continue. “As leading software vendors adjust their long-term strategies to reflect the emerging importance of cloud computing to their customer and prospect bases, they are investing to establish a leadership position in the middle layer of PaaS,” Gartner’s report notes.

But, it is still early days, and many of these companies still only have offerings in beta form, including Red Hat and Oracle. Microsoft Azure and VMware Cloud Foundry are two of the leading PaaS plays now, Gartner says. The term is hyped, though, because of the breadth of vendors looking to tap into the space, and the potential for the services that could be included in the PaaS layer, ranging from applications development to integration, business process management, database management and messaging. But in the early stages of the industry few vendors offer those spectrum of services.

**Disillusioned**

After a technology is introduced, its benefits are widely touted by vendors and early adopters. Then reality sets in, or what Gartner describes as the “trough of disillusionment.”

**Public cloud storage:** Not having to buy servers to store your data is one of the chief benefits cloud proponents have advocated. Instead of buying expensive equipment to store all your data on your own site, it can be sent up to the cloud where your provider will hold it and it can be accessed from anywhere, or so goes the Cinderella story of cloud storage.

But in the last year, the realities of the technology have begun to set in, Gartner says. High-profile service outages from some of the biggest names in the cloud industry, including Amazon Web Services and Salesforce.com, have soured some users’ appetites for storing mission-critical information in the cloud. Gartner says there are unpredictable usage costs, which turn others off to the technology. The firm recommends exploring public cloud storage options for non-mission critical applications,
such as file sharing, archiving and backup. "Gartner does not expect full-scale adoption to occur until cost, legal, security and infrastructure integration issues are sufficiently addressed to reduce the risk of entry by large enterprises," the report states.

**Past the Peak**

After a technology has been introduced, the market has become disillusioned by it, and then good technologies begin to rebound in popularity, or what Gartner calls a "slope of enlightenment," Gartner says. These are technologies that are market-proven and are entering beyond the hype phase and into the mainstream.

**SaaS:** Gartner predicts that for the first time, more than half of organizations are using some form of SaaS, which has moved the technology beyond the peak of hype and toward mainstream adoption. But the SaaS market is broad in and of itself, and Gartner notes that while it is proven in some markets, it "remains nascent in complex applications markets, such as ERP." The process of having an application be owned, delivered and managed by a provider, the report says, can create efficiencies for an organization, especially smaller businesses that do not have an IT shop to support application maintenance or the accompanying infrastructure. But, while SaaS may create a savings in the first two years of a deployment because it removes the need for capital expenses, the operational expenses can remain the same, diminishing the net impact of SaaS after a few years.

**Virtualization:** Virtualization is the process of abstracting an IT resource for its physical hardware, which can be done in a variety of areas, including in compute servers, storage and network. Virtualized servers, which create virtualized machines, are becoming ubiquitous in the market, Gartner says, with more than half of x86 servers being virtualized, a number that Gartner predicts will grow to three-quarters by 2015. Storage virtualization, meanwhile, is similarly advanced but not as widely adopted. Because of the level of adoption of virtualization technologies, Gartner says the technology is past its hype and being adopted in the mainstream.

**Coming soon**

There are a bevy of technologies that are emerging as the need for them increases. There is a technology trigger for these technologies, but there has not been a hype around the term ... yet.

**Community cloud:** There is public cloud, private cloud and hybrid cloud. And then there is the community cloud. The term is not new, but Gartner predicts that it will increase in popularity and use in the coming years. Community clouds are organized by a vendor for a group of like organizations. For example, the New York Stock Exchange has recently set up a cloud for financial service organizations involved with the NYSE, Gartner says. Community clouds allow the organizers to set up parameters that are tailored to the users of the service, allowing for potential economies of scale. There are some concerns, though. If there is a retail community cloud, for example, the service provider may have trouble meeting the demand from all of the retailers it serves during the peak holiday shopping season. And users should beware, Gartner warns: Vendors may attempt to position themselves as a community cloud without offering specialized services specifically for that industry, but charging a premium for
that service.

**Cloudbursting:** Imagine that when your on-premise IT architecture needed extra capacity, for the launch of a product or a sudden, unexpected spike in traffic to your website, that it would automatically add cloud-based resources to meet that peak demand. Such is the technology that cloudbursting could enable, and Gartner says it is coming soon. The two most common use cases are the one described above, or transitioning workloads to a cloud-based environment to free up on-premise capacity for mission critical services. Today, there are ways to enable this capability, but it is mostly done manually, Gartner says, and additional maturation of the technology is needed. It's in the early-enough stages that the term has not yet become over-hyped.

"Standards for the seamless exchange of workloads, security and SLA requirements between alternative providers have not yet matured. For this reason, automation of this process will initially be tied to a specific vendor’s implementation or will likely require migration/conversion, or, alternatively, the use of identical technologies in both locations," Gartner says.

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### Case Studies

**Providing an Application Programming Interface (API) Delivery Platform and Management for a Major Wireless Carrier**

The API Platform exposes a core set of APIs, offers unique developer monetization opportunities, and supports a robust development environment.

**Situation**

In response to a rapidly growing developer marketplace fueled by growth in mobile development and competitor ecosystems our client invested in the rapid development of a platform capable of exposing APIs at a large scale. The product needed to be capable of monetization, analytics, mashups, and high demand at product launch.

**Solution**

Although a partner had been found to develop the actual product there were numerous internal dependencies which needed to be managed to successfully launch the product. Our client chose iSoftstone to initiate a new PMO which was capable of managing an Agile development lifecycle.

Additionally, our client utilized iSoftStone’s extensive telecommunications experience to provide skilled Architects, Project Managers, Business Analysts, Developers, and Testers to support internal “hardening” projects necessary to support an estimated 10 billion transactions per month from the platform and its south bound enablers.
**Benefits**

iSoftStone successfully developed tools and practices based on industry knowledge which allowed the program to work at maximum pace while maintaining quality deliverables. The management of the program spread across 10 organizations, multiple budgets, and in cooperation with dozens of vendors. The program was tasked with completing the first release of the product prior to the 2011 Developer Summit in Las Vegas. The product was successfully delivered on time and within .01% of planned budget (12M expense).

iSoftStone has been selected as the primary vendor for continued Program management, Architecture consultation, and overall Platform testing in 2012.

**F&A Shared Service Center for Global Enterprise**

*In order to provide Siemens, a global enterprise, with more efficient finance and accounting support, iSoftStone built and now operates an offshore F&A operation center which is fully dedicated to delivering F&A services for Siemens. iSoftStone has become a major financial service provider to Siemens in Asia.*

**Situation**

Based in Munich, Germany, Siemens AG is the largest Europe-based electronics and electrical engineering company. As an integrated technology company, Siemens' main business divisions are focused on Industry, Energy, Healthcare, and Infrastructure & Cities. Siemens has operations in nearly 200 countries worldwide, including significant activities in China and the surrounding Asia-Pacific region.

The Siemens team defined the following objectives.

- Identify a partner to assist in creating a regional shared services center in China to consolidate F&A operations in low cost countries and other low cost locations.
- Deliver increased productivity and cost savings.
- Leverage IT expertise to improve and optimize business processes.

**Solution**

The project covered the shared services requirements in Accounts Payables, Accounts Receivables, and General Ledger and taxation services.

- Lift and Drop and Phased out Approach (3 Months with 50 FTEs onsite).
AR, AP and FA transitioned in 8 weeks and stabilized in 8 weeks.

GL transitioned in 13 weeks and stabilized in 8 weeks.

Rapid ramp up through innovative training using video and WebEx sessions.

Associates with average cumulative experience of three years deployed to expedite transition of complex and analytical activities.

Benefits

The Siemens Global Financial Shared Service Center provides service to more than 45 branches or subsidiaries in China and Asia pacific.

- FTE cost saving is 50%, which is approximately US$100K per month.
- GL transition is able to plan out four weeks ahead of schedule.
- With automated platform, achieve 100% improvement in productivity to generate balance sheet by the closing date.
- Invoices in doubt reduced by 88%.
- 85% reduction of invoices more than 30 days overdue.
- With optimized sales order processing capability, the cycle time has been reduced from 13 working days to 5 working days, and resulted in reduction of 62% of FTEs involved.

Advancing Order Management Systems for Avon

iSoftStone provided customized order management systems to Avon, a direct sales company spanning over 60 worldwide markets.

Situation

Avon is a leading global provider of cosmetics, personal care and related products, marketing to women in more than 100 countries. With $10 billion in annual revenue, Avon is the world’s largest direct seller. Avon needed to equip its ever-expanding global sales team with a feature-rich order management system meeting industry standards. This system would replace its existing legacy systems, some of which date back to the 1980s.

Solution

iSoftStone put together an experienced team, made up of its best analysts, architects, and consultants in the Enterprise Resource Planning (ERP) consulting field, to build a complete set of order management systems to meet Avon’s business requirements including a call center core solution.
The iSoftStone team performed system maintenance and upgrades and worked closely with Avon’s Center of Excellent (CoE) and users for the system design and implementation. Avon has business representatives in more than 60 countries, therefore the team had to centralize the solution design for all markets with a feature set including Contact, Order, Workflow, Payment, and Reports. These features were developed using ERP systems (X++ technology, similar to C++). The team then localized and customized each implementation to meet the specific requirements of each market.

**Benefits**

The order management system created by iSoftStone allows Avon to deliver improved service for their sales representatives and customers placing orders. Avon uses the system to make and track orders and invoices from retail stores. In addition, the web-based system provides order and invoice tracking for requests that come in from the Avon Call Center. The system allows Avon to manage order operations smoothly because the system meets the requirements of different markets and interfaces with other Avon core systems for data exchange.

The system currently has gone live in multiple markets within Europe and has led to the growth of business in new markets such as Poland and Turkey (Avon is already witnessing 20,000 orders per day).

iSoftStone continues to help Avon develop and upgrade the order management system to enhance efficiencies for Avon. The project is still in process with the goal of completing implementation across more than 50 countries.