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JULIE MYERS: Hello, I'm Julie Myers from Xerox Global Services. I'm please to say that I have been affiliated with the journey of Xerox Services since our inception. This Podcast is part of an ongoing series. Be sure to visit Xerox.com/thoughtleadership to download future Podcasts. I'm here today with John Kelly, President of Xerox Global Services, North America and an expert in document outsourcing. Hello John.

JOHN KELLY: Hi Julie.

JULIE MYERS: Today he'll be talking about his topic; Revolution, the New Role of Outsourcing. Tell us John, what new opportunities do you see emerging in business today?

JOHN KELLY: Well the thing we focus on Julie is just the veritable explosion of information and content in this wired world whether it be through new channels of communication, increased connectivity to the internet or Broadband, Mobile Broadband and the sheer amount of content would be business content, personal content, social content that people need to manage in order to be effective.

JULIE MYERS: What indications are there that this is actually happening, this information explosion?

JOHN KELLY: Well just look at the new companies and the new business models out there; the explosive growth of Google, the launch of Facebook and YouTube, the new kinds of businesses being developed offshore where you can seamlessly integrate offshore, onshore capabilities to deliver business value. Just the sheer expectations that customers have around what they expect you to know about them in order to do business with them.

JULIE MYERS: Is there a down side for business to all this information?

JOHN KELLY: Well like all good things taken to the extreme, there can be some down side. For example, the more intimate you get with customers, the more you know about them, you introduce risks of privacy and security. They want to know that you're taking care of their information about them. We talk about making workers more productive and giving them more information; absolutely but you also run the risk of giving them too much information, overload, waste, obsolescence, inaccurate information; all that has to be managed as well.

JULIE MYERS: What can you tell us about document outsourcing?

JOHN KELLY: Well from Xerox's perspective, we like to look at the world through the document; the document in the largest sense; digital and paper. Document outsourcing is a way you can partner with a company that has a lot of experience in content management, in document management across both the areas of opportunity and the areas and risk and by partnering with that company you can significantly improve your opportunities for rapid revenue growth, cost productivity, customer differentiation. It goes back to that explosion of data and content that I spoke about before; being able to harness the opportunities inherent in that explosion and while also managing the risk is the key thing and doing it with a partner who can bring the relevant technology, the innovative technology, the processes and the people who have deep expertise around that content and be able to deliver that to you as a partner versus doing it yourself. That's the opportunity for document outsourcing.

JULIE MYERS: So what kind of advantages can document outsourcing bring to businesses today?

JOHN KELLY: Well certainly first is always an efficiency advantage. It's like being able to provide workers with more accurate and timely information to help them get their jobs done more effectively and more quickly at lower cost so certainly efficiency and productivity is a huge benefit if managed well.

JULIE MYERS: Are there opportunities beyond cost control?

JOHN KELLY: Once you begin talking about customers, there are very big advantages around improving the customer experience and being able to drive revenue growth. By making your products and services more relevant and more personalized to your customers, you grow their desire to do business with you.

JULIE MYERS: So the potential for productivity improvements from document outsourcing sounds substantial. How about in the realm of customer experience? Are there opportunities there?

JOHN KELLY: We talked a little bit about improving the customer experience by providing more relevant and timely information about their relationship with you. A concrete way in which you can realize that value for example is with a large telecommunications company where we did a bill re-design; the monthly statement of that communications company around the services that a customer consumed from that company. By virtue of re-designing the information and providing better information, the calls to the call center went down twenty-four percent in the first month after the new bill was launched. I think from our own experience we all recognize that our expectations around what you as a provider to me as a customer should know about me. The growth

of Amazon and the growth of these online experiences where they can really personalize their experience to what your needs are; well that's now going into the print world, the more traditional channels of communication. So overall customers expect no matter how they do business with you, whether it's over the web, whether it's through a call center, or whether it's through a monthly statement they get from you, you understand them and you're putting that information together for them to serve their needs.

JULIE MYERS: So let me see if I have this right. You're saying that outsourcing your documents can enable cost cutting, produce revenue, and even be a competitive differentiator. It can actually transform business.

JOHN KELLY: Correct.

JULIE MYERS: Earlier you talked about the risk that the information explosion is introducing into the business environment. Can document outsourcing help there too?

JOHN KELLY: Absolutely Julie. The sheer volumes of information that are being generated, whether that be product information, business information, social information; is creating a challenge for companies to get their arms around it and direct it in the most effective ways to get the business done. We call it explosion of information at the edge; all the places where interactions with your people, interactions with your company produce relevant data. How can you see that data, how can you integrate it into your business process and how can you make it drive a business outcome that you're looking for? That challenge is getting bigger and bigger every day and again that's where a partner like Xerox can help you harness that.

JULIE MYERS: Do you have a vision for the future where all this comes together?

JOHN KELLY: Well like for all large organizations, we need to manage three key constituencies. Imagine a future where your customers really believe you understand them and their needs and requirements and that when they see communications coming from you, when they give you a call in call center or when they interact with your service personnel, you demonstrate an understanding and knowledge of their needs. Think about the second key constituency, your employees as they have to deal with more and more and different types of information, they actually have the information at their fingertips required to deliver a great customer experience or a great workplace experience. That's particularly true when you think about the new generation of workers coming online; the people who grew up on the internet. They have a higher expectation around how to be productive. You need to meet that expectation. And finally with shareholders, they have an expectation that you as a company are going to focus on what you do well. All these kinds of things we've been talking about in terms of how do you manage documents, how do you manage information, they cost money. They require capital. They require expense and investments. Wouldn't it be great if you can tell your shareholders we're partnered with a world class company to help us do that who can work the kind of magic behind the scenes so that we can focus on what we do well.

JULIE MYERS: So what qualities should a company look for in an outsourcing partner?

JOHN KELLY: Well first and foremost, I think innovation. Because this world is changing quickly, you need a company who's committed to keep finding new ways to do work; new ways to manage information. Xerox has a fifty year heritage in being a thought leader and innovator in this area. I think secondly you need someone who's global in scale. The information revolution we're talking about is happening all over the globe. Being able to access resources, customers and people wherever you need them is going to be vital and Xerox as a global corporation with operations in one hundred and sixty five countries across all continents, is the kind of partner you need. Finally you need someone who's really going to care about delivery; someone who is committed to ensuring twenty-four by seven, three sixty-five days a year the services that we're providing are meeting your needs and can produce the results you are looking for.

JULIE MYERS: John is there anything else you'd like our listeners to know about the new role of outsourcing?

JOHN KELLY: Well you know outsourcing started you know twenty years or so ago really primarily as a way to reduce costs and become more effective. While there are still many opportunities where outsourcing can play that role, I think the new generations of outsourcers focus as much on strategic value; being able to pick a space, pick an area where we have the expertise and they can partner with you to provide that expertise in a way that differentiates your business and your customer service. That combination of efficiency, innovation and strategic differentiation I think is a new paradigm for outsourcing.

JULIE MYERS: Thank you John. It's been a real pleasure. If you would like more information on document outsourcing and other important topics, join us at Xerox.com/thought leadership. I'm Julie Myers. On behalf of Xerox Global Services, thank you for listening.

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