

DISRUPTING IT- OUTSOURCING

ECOLAB DIGITAL CENTER

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Every year, Ecolab helps:

Conserve **188**
BILLION
gallons of water



Clean **40**
BILLION
hands



Generate **22%**
of the world's
power



Save **19 TRILLION**
BTUs of energy



Avoid **2.4 BILLION** pounds
of CO₂ emissions

Prevent more than
1 MILLION



foodborne
illnesses

Clean **1 BILLION+**



hotel
rooms

Produce **42%**



of the
global
processed
milk supply



Serve **45 BILLION**
meals

Digital technology is driving innovation in every sector of every industry we serve, and our customers are looking to us to lead.



INTEGRATED DELIVERY MODEL

Core capabilities that drive the best results/lowest total costs for customers.

**CHEMISTRY &
DISPENSING**

**ON-SITE
SERVICE**

**OUR CORE
CAPABILITIES**

**DATA-DRIVEN
INSIGHTS**

TRAINING

BRINGING THE RIGHT TALENT TO ECOLAB

Driving digital transformation with top talent

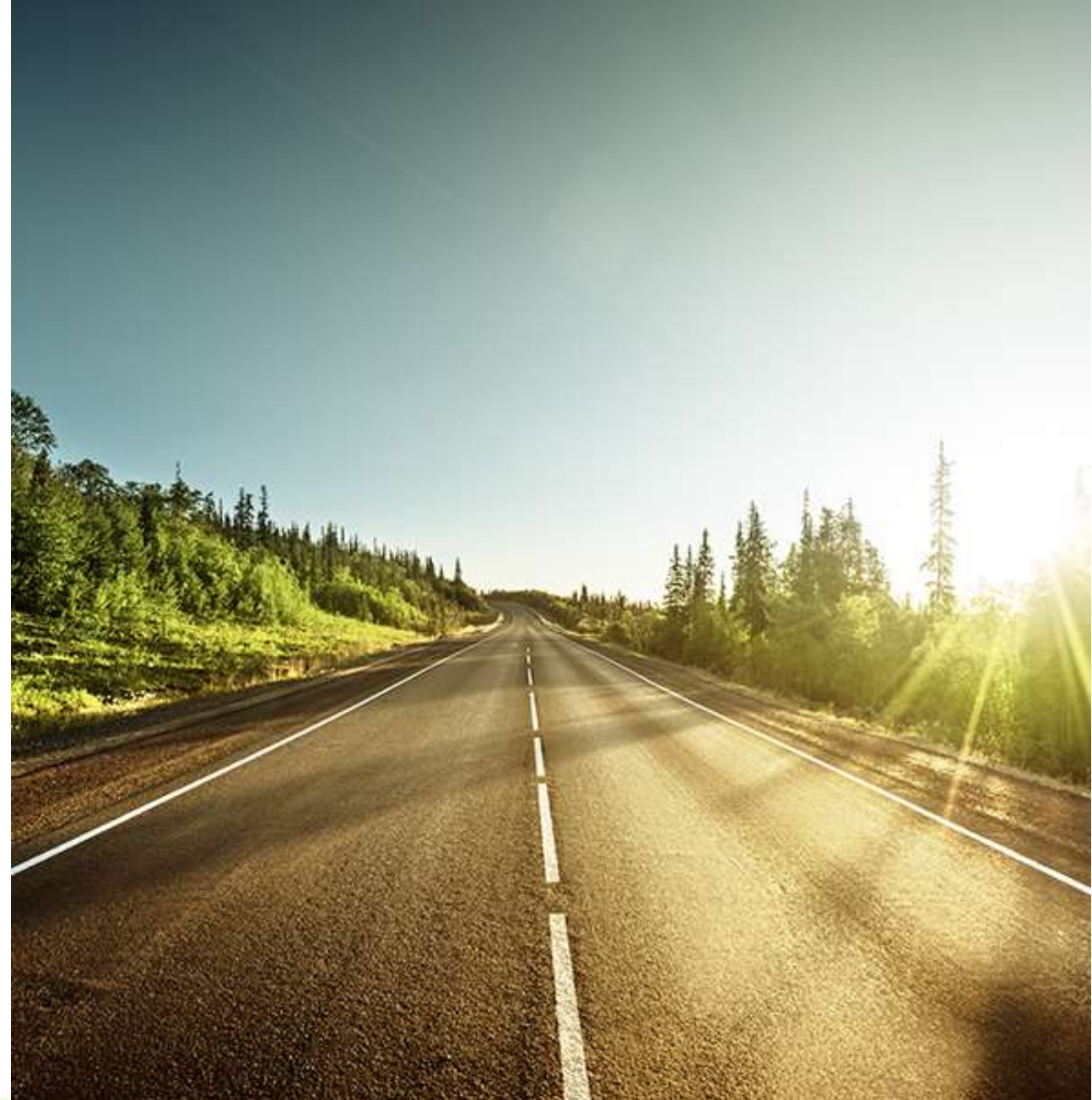
- High demand for Ecolab technical talent
- Shortage of technical talent in US and local economy
- Exorbitant On-Shore contract labor rates
- Loss of mindshare when using contractor resources
- Optimizing existing delivery model with complementary skills
- Cautious appetite for significant capital investment



BRINGING INNOVATIVE PROCUREMENT STRATEGIES TO LIFE

A roadmap....

- Become a strategic partner to the business "c-level" advisor
- Do the research – analyze the problem
- Be open to new solutions & find the right partner for success
- Deliver results



GLOBAL IN-HOUSE CENTER (GIC) MODEL VS. OUTSOURCED

■ Trend – global center for in-house Design/Dev talent

- 1/3 local talent for design, architecture, platform delivery, innovation
- 2/3 global talent in Center for development, config, analytics, overlap areas of design and innovation

■ Model

- Establish center 60-90 days from SOW approval
- Partner manages Ecolab Digital Center (Ecolab branded, Ecolab PP&D, etc.)
- Partner is responsible for start-up, facilities, infrastructure, and hiring
- Option to transfer ownership to Ecolab in year three or thereafter

■ Reason

- Viable threshold for wholly-owned center is ~ 300 FTEs
- Tough competition for the best resources

India GIC Talent Trend



20-30% Productivity Improvements

- Access to better quality talent (SMEs)
- Understanding of business context and access to organizational resources



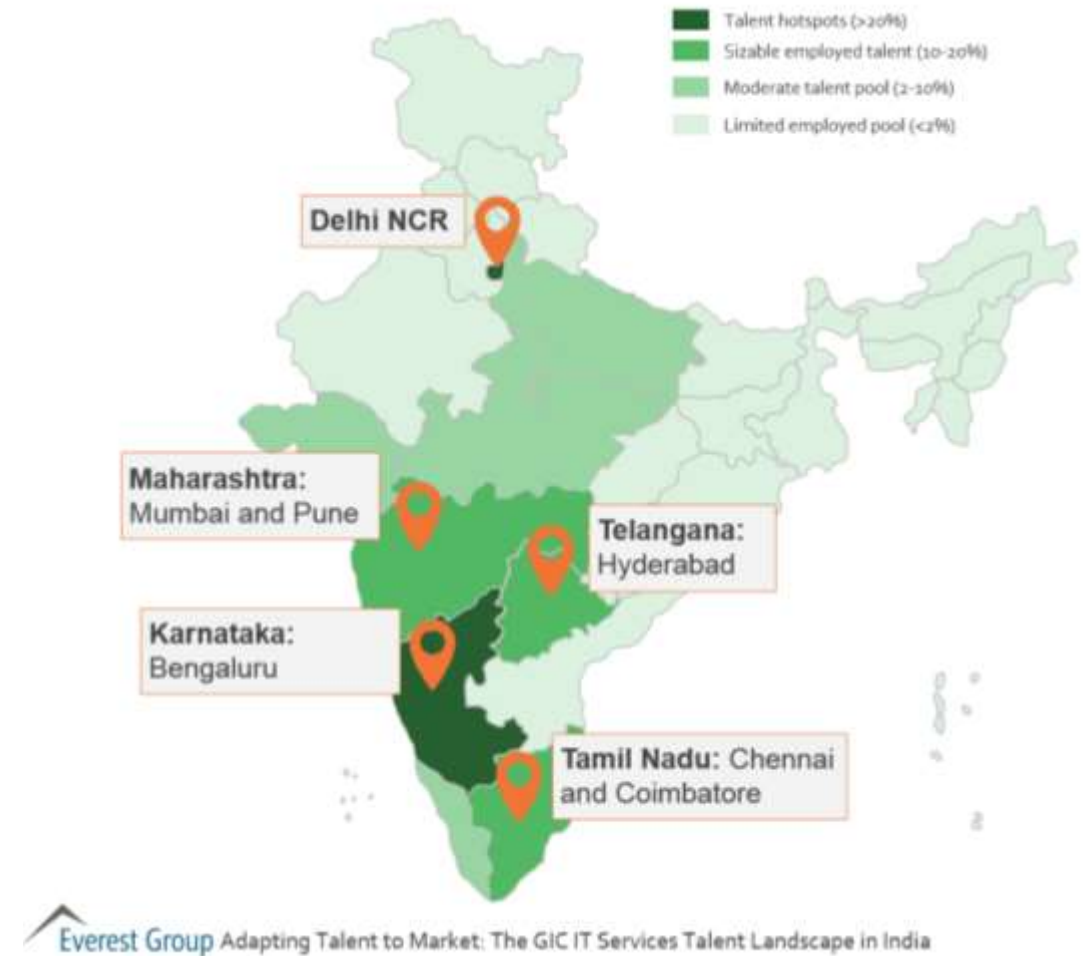
100% control

- Ability to create and retain complete control over differentiated IP
- Ability to respond with urgency over business requirement

MARKET ANALYSIS & LOCATION SELECTION - WHY INDIA?

Validated through independent location study by third party

- Single largest offshore concentration of available and scalable digital talent
- Lower operating costs
- Relative abundance and high maturity of digital skill sets
- Relatively favorable business and operating environment
- High competitive intensity with multiple global players
- Many of our partners have significant presences – Accenture, Deloitte, Tata, Microsoft, IBM, InfoSys, Cognizant



LOCATION – BANGALORE

- **Silicon Valley of India:**
 - Highest concentration digital talent (Analytics, AI, Azure, Salesforce, Dynamics)
 - Has **start-up culture**
 - Ability to partner with start-ups to **accelerate innovation**
- **Cost effective**
 - Little to no operating cost premium compared to other Indian locations
 - Special Economic Zone (SEZ)
- **Scale**
 - Annual average **scalability** more than 350 FTEs; +100 compared to second best location



Bhartiya City - Center of Information Technology
Ability to grow **Amenities** – café, housing
Use **Ecolab brand** **Assessible** to new airport
Safe for people, assets and IP **Growing Ecosystem**

COMPANIES WITH GICS IN INDIA



PARTNERING TO CREATE



- Expands talent pool in **Silicon Valley of India** for Analytics, AI, Azure, Salesforce, Dynamics
- Accelerates **global digital innovation** and proof of concepts

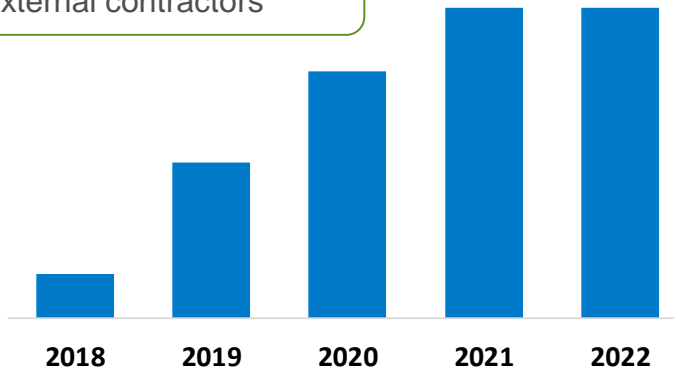


FINANCIALS: GIC PROJECTED SAVINGS, FY 2018 – 2022

REPLACEMENT OF EXISTING EXTERNAL CONTRACTORS

Offshore FTE as of Year-End

Replacements of current external contractors



P&L Cost Savings \$M

Includes operating expense plus depreciation of capitalized project expense



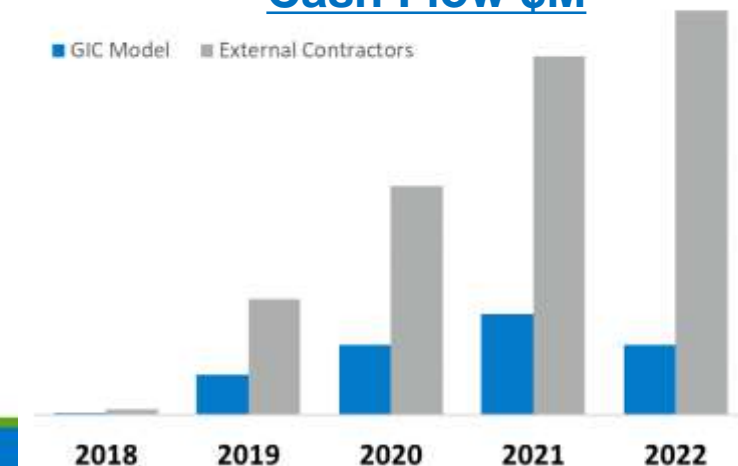
Projected \$XXM cumulative P&L cost savings realized, 2018-2022

\$ Hourly Rates

	GIC Proposal	Current External Contractors
Manager	36%	xxx.xx
QA Lead	37%	xx.xx
Software Tester	36%	xx.xx
Software Developer	31%	xxx.xx
Tech Lead	43%	xx.xx
Architect	41%	xxx.xx

Cash Flow \$M

GIC Model External Contractors



BUILDING YOUR GLOBAL INSOURCING CENTER (GIC)



ELIMINATE RISK - REDUCE COST - GAIN CONTROL



- Tackle digital, innovation & growth goals
- Highly qualified talent
 - Recruited to fit – Your dedicated team
 - Expert US guidance
 - Talent engrained in your mission, vision, culture, business objectives
- Stretch existing budget
 - Savings average 40%
 - Scales beautifully from 5-500
 - No upfront cost or transfer fee, regardless of size
 - Risk is on us – productivity, quality, capital



LET'S TALK ...YOUR NEXT STEPS

- Booth 110
- SMC2.com/Gartner
 - Webinar
 - Case Studies
 - Presentation
- Schedule a 1-1
- No-cost Strategic Assessment Model

