Solve your business challenges and capitalize on new opportunities with innovative solutions

How Dell enables transformation to achieve desired outcomes is part of our story and growth strategy. We continue to build new solutions and expand our portfolio with acquisitions that address the challenges our customers are facing.

In today's challenging environment, our customers are looking for solutions that drive costs out of their businesses, increase productivity, and enable growth. As Dell acquires new capabilities to help you confront the 2.0s, we increase our ability to help customers consolidate, virtualize, and take advantage of new technologies. For example, our enhanced legacy applications migration and modernization capabilities enable social, mobile and cloud solutioning.

Although this list is only a small sample of Dell's recent acquisitions, what is important to note is that we are strategically growing our portfolio with the goal of having the right mix of new technologies and capabilities that enable, facilitate and accelerate business solutions to address our customer's business challenges.

Finding the right partner: Why Dell?

Dell thinks the right innovation partner is one that has implemented a methodology for both its customers and within its own environment to achieve desired business outcomes. We are that partner.

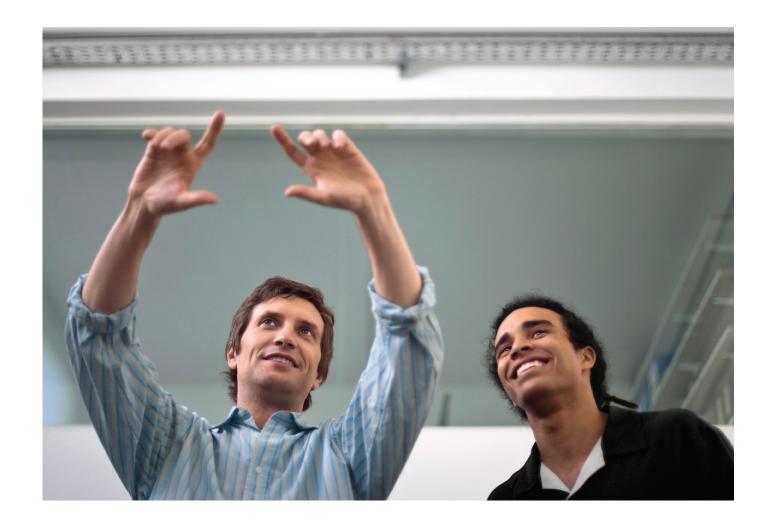
What Dell has been able to provide our customers across all industries and geographies and for our own organization is real business value that establishes a framework to sustain innovation. If you can continue to evolve faster than the speed of change, you'll maintain your competitive advantage and continue to grow.

- AppAssure provides next generation backup and recovery that is built for complex virtualized, physical and cloud environments.
- Clerity provides application modernization and legacy system rehosting solutions and software.
- **Compellent** delivers storage solutions that automate the movement and management of data throughout its life cycle.
- **Force10** delivers high-performance data center networking.
- MAKE Technologies provides application modernization software and services.
- Perot Systems includes consulting capabilities, full service IT outsourcing, application development, and business process outsourcing.

- SecureWorks delivers managed security services that protect thousands of organizations, from small and medium businesses to the Global 500.
- SonicWALL provides network security, content security, web and email security, secure remote access, and business continuity solutions.
- Wyse Technologies delivers industryleading thin client solutions with advanced management, desktop virtualization and cloud software.
- Quest Software provides solutions for management of databases, applications, Windows, virtualization, identity management, and business intelligence.



Solve your business challenges with innovative solutions





Innovation: Business challenges and technology-based solutions

Maintaining competitive advantage and growing the business are two of the biggest challenges executives must manage. But the speed of change in today's business environment is affecting the ability to meet these objectives. The rapid pace is exciting with possibility and opportunity, but is also increasing the demand for new, innovative approaches, where technology is immersed with the business to solve challenges and capitalize on new opportunities.

New business models are emerging and the global environment we operate in is becoming increasingly complex. The ability to find and unlock new potential will differentiate the enterprise. But these opportunities are often hidden and can only be taken advantage of through innovation. To remain competitive and continue to grow, leaders must transform their business into an organization where innovation is continual, embedded in the culture, and systemic. Dell has developed a comprehensive architecture for systemic innovation to do just that.

Innovation: Getting ahead of the 2.0s

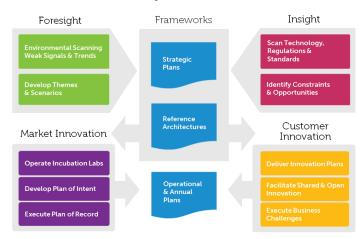
Change is occurring at an ever increasing pace in seemingly every aspect of business. Thanks to the Internet, mobility, consumerization, and social media, new ideas can emerge, take

What is a 2.0?

A set of trends that challenges existing institutions, ideas and concepts and requires us to look for new approaches. Examples are:

- Enterprise 2.0: Altering the way corporations organize
- Management 2.0: New, globally disruptive, and transformative models, systems, and approaches to the way we manage
- Information Technology 2.0: The recognition that technology is no longer a separate entity from the business but is the business

Illustration 1: Dell's Architecture for Systemic Innovation



hold, and go viral in continually shorter timeframes. The response is a re-thinking of how we do everything and is the catalyst for the emergence of the 2.0s; new, globally disruptive, and transformative models, systems, and approaches to the way we manage (Management 2.0), organize (Enterprise 2.0), and buy and sell (Capitalism 2.0). These changing behaviors have an aggregate effect on the economic environment (Economics 2.0) and are underpinned by the emergence, implementation, and application of technology (Information Technology or IT 2.0), and the resulting challenge for the CIO and IT leaders is daunting.

The real impact of the 2.0s is not in how they are individually assessed, but how they interrelate and combine to transform the business landscape. Management 2.0 and Enterprise 2.0, for example, are altering the way corporations organize, operate and improve business performance. Efficiency can no longer be achieved simply through supply and demand improvements, but requires innovation to uncover new solutions with faster delivery and higher quality. Capitalism 2.0 and Economics 2.0 are changing how companies create value and in turn, how they are valued.

IT 2.0 is the recognition that technology is no longer a separate entity from the business, and is embedded in, and in many ways, is the business. Business needs are being redefined by increased demand for mobile access, sophisticated data management and analytics, and the ability to combat persistent global security threats. New utility models are being utilized to manage these demands by moving technology and applications to cloud environments in order to achieve business impact. IT 2.0 is redefining relationships with customers, partners, and even competitors.

Business leaders cannot ignore the 2.0s, but need to embrace them and find new approaches to these complex trends. Because technology is so embedded in today's business models, IT innovation must be part of the answer. It is the CIO who is expected to lead the transformation and help achieve the desired business outcomes and get ahead of the 2.0s.

CIO: The business change agent

The emergence of the 2.0s is profoundly changing the CIO role. It's no longer just about delivering technology, it is about business. The position requires a much broader view of the organization with the ability to understand business challenges and opportunities, find new approaches to capitalize on emerging trends, and deliver solutions with minimal disruption. They must be a Visionary, a Business Leader and a Pragmatist -

The CIO is becoming more involved in the business because technology plays such a critical role in how organizations operate. As a business leader who understands technology in the 2.0 world, the CIO is positioned to be the catalyst for innovation.

To do so, they must understand the desired business outcomes to become a change agent for the business. They must be able to properly characterize business challenges that can be solved by technology based solutions and work in new, highly collaborative ways with customers, partners, and even competitors to deliver new value to the market and their stakeholders.

Innovation defined

So what is Innovation, really? Dell defines innovation as the process that takes new ideas and implements them in a way that creates value by solving unmet needs. Innovation is often confused with invention, but they are not the same concept. Invention is the process of taking capital and turning it into knowledge whereas innovation is the opposite; taking knowledge and turning it back into capital.

Innovation must also include three traits: feasible, viable, and valuable. Feasibility requires the idea must be doable. Viability requires the idea to be sustainable. And of course, innovation must provide value back to the organization or its customers that is both meaningful and measureable. All these traits will lead to transformation through innovating technology and business.

Finally, Innovation is facilitated through collaboration and is most effective when the entire ecosystem is engaged. This includes input from internal personnel, business partners and suppliers, and the customer. Through collaboration, we can more easily find the answers to challenges, develop superior solutions, capitalize on opportunities, and stay ahead of the 2.0s.

Your Customer Innovation Plan: Transformation in action

Dell recognizes every company has its own strategic initiatives and challenges. Within Dell's Architecture for Systemic Innovation is the Customer Innovation Plan which puts in place processes and governance to address these unique needs. The Plan is designed as a flexible guide that documents a collaborative, systematic approach to innovation between you and Dell

Your specific Customer Innovation Plan will document the high level processes, resources, and key participants of a joint Customer-Dell team used to identify viable innovation opportunities that address the current and future business needs. The Plan will be updated and maintained as your needs and organization changes over time.

A focal point of the Customer Innovation Plan is Innovation Summits, where foresight and insight briefings are provided and collaborative discussions are held on ways to solve your business challenges.

Illustration 2: Dell's Customer Innovation Plan

business opportun & derive solutions

- **Early Collaboration**

Customer Innovation Plan

- The Plan consists of:
- Foresight/Insight
 - Business Challenge
 - Innovation Summits Joint Governance

What is the Dell definition of innovation?

The process that takes new ideas and implements them in a way that creates value by solving unmet needs. Key attributes include:

- Feasible: Can it be done?
- Viable: Is it sustainable?
- Valuable: Does it provide real business value?

Dell's innovation approach: Foresight, insight, and collaboration

Dell's approach to innovation is successful due to three important elements: our foresight in understanding the macro trends that will impact your business, our insight into your industry dynamics, and how we collaborate with our customers. Foresight is an important part of our Architecture for Systemic Innovation and a significant thought leadership differentiator for Dell. Our discovery, knowledge and understanding of emerging indicators and macro trends across the social, technological, environmental, economic, and political landscape enable us to see likely characteristics of the environment that your business will encounter in the short term and long term.

At Dell, collaboration involves ongoing dialogue with our customers and merges their strengths and knowledge with ours. Our approach starts with listening to the insight you have into your industry and organization and compares/contrasts it with our knowledge and experience. This activity coupled with our foresight work provides a rich environment for collaboratively discussing and identifying the business challenges you not only have today but the ones that you are likely to face in the near future. Identifying these immediate and future business challenges and your desired outcomes allows us to work together to determine innovative solutions to address your challenges.



