

Connecting East and West



Edward V. Yang

SENIOR BUSINESS EXECUTIVE /
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HOW UNDERSTANDING CHINESE CULTURE IS KEY TO BUILDING RELATIONSHIPS



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Having served as senior corporate executive in top global technology companies for the past 40 years, Ed Yang has learned a lesson or two. Ed Yang's operational responsibilities have spanned the entire US and Asia-Pacific regions. His experience in building a billion plus dollar business unit with \$4Billion in signed contracts, from a \$100 Million Region, in nine years, is a significant success. A success filled with lessons and mistakes.

At a time when American corporations want to expand their business into China, it is vital for Americans to improve their understanding of the principles that are core to the way our friends and counterparts in China think and act. As a speaker, and through business planning and corporate seminars, Mr. Yang shares strategies, views, lessons and mistakes, all with an eye toward enhancing relationships through a better understanding of the culture of the East through the eyes of the West.

From Mr. Yang's humble beginnings, his great respect for education, and from the appreciation gained through his traditional Chinese, Myanmar and US schooling, couple that with his work experience in Asia Pacific Countries and the United States – and you find a wealth of unique and valuable knowledge – a commodity in today's world.

Mr. Yang's business acumen is only surpassed by his desire to teach and give back – giving birth to his first book:
“Confucius Says... There are no Fortune Cookies in China”.

Edward V Yang Biography

Born in China, brought up in Myanmar and educated in Taiwan and US, Mr. Yang earned his Bachelor of Science degree from the National Taiwan University

M.S. degree from University of Massachusetts

Presidential Key Executive MBA degree from Pepperdine University

Awarded the Distinguished Alumnus Award from Pepperdine University after 15 years of service.

Appointed as Adjunct Professor of the Business School of Management, Chinese University of Hong Kong.

“Travelling a thousand miles is like reading ten thousand books.”

Edward V. Yang spends most of his time presenting seminars and advising corporations in their cross boarder businesses between East and West. Mr. Yang has extensive management capabilities, a strong understanding of the client outsourcing value proposition, and comprehensive experience in global management of US and China-based businesses. He is also the author of the award-winning book, “There are no fortune cookies in China”.

Edward Yang currently serves as Vice Chairman of the Advisory Board of iSoftStone Inc. Prior to his current position, Mr. Yang was the Chairman and President of iSoftstone Inc. from 2008 to March 2014. iSoftStone is a global services company providing Information Technology Outsourcing, consulting and Business Process Outsourcing to clients in China, Japan, Korea, North America and Europe. iSoftStone is listed on the NYSE, ranks among the top three IT Services company in China and is head-quartered in Beijing.

Before joining iSoftStone, Mr. Yang was Chairman of the Cross Shore Acquisition Corporation, a public company listed under London AIM. He was the co-founder of the company and raised US \$112 Million to support the acquisition of a leading US-based provider of clinical outsourcing services, and successfully exited three years later. Prior to founding Cross Shore, Mr. Yang was Operating Partner at ING Baring Private Equity Partners Asia (BPEP Asia) that managed over US \$500 Million investments in the Communications and IT sectors.

From 1992 to 2000, Mr. Yang was Corporate Senior Vice President and President of Electronic Data Systems (EDS Corporation) based in Plano, TX, and was responsible for the entire Asia-Pacific region. During his 8+ years with EDS, Mr. Yang brought outsourcing to the Asia-Pacific region and led the Company’s regional expansion from \$100 million to more than \$1.2 billion, with more than \$4 billion in contracted revenue backlog. The fast expansion was achieved through sales, organic growth, acquisitions and joint-equity partnerships in 11 countries throughout the Asia Pacific region. Prior to joining EDS, Mr. Yang was Corporate Senior Vice President for Wang Laboratories, responsible for the Asia Pacific and Americas region. He was credited with bringing offshore R&D and Manufacturing to Asia, and established the Company’s first Mainland China Joint Venture partnership in Shanghai in 1980. He grew Wang’s Asia business from \$75 Million to \$500 Million and increased sales revenue through distributors in Thailand, the Philippines, Malaysia, South Korea, Japan and Indonesia and won major contracts in Australia and New Zealand.

Mr. Yang has served on the board of Novelis Inc., a NYSE \$8 Billion aluminum-rolled product company based in Atlanta, GA. He has also served on the Advisory Board of University of San Francisco McLaren School of Business and iCarnegie, a subsidiary of Carnegie Mellon University, as well as the International Advisory Board of the Government of South Australia and the American Chamber of Commerce, Hong Kong. He currently serves on the Board of Yunnan Project Hope. YPH is an IRS approved 501 C (3) Corporation. The program started in 1995 and has built over 35 elementary schools in the minority regions of Yunnan and Tibet in China. Mr. Yang also serves on the advisory board of Asian Americans Advancing Justice, Los Angeles, and numerous startup companies from US to China.

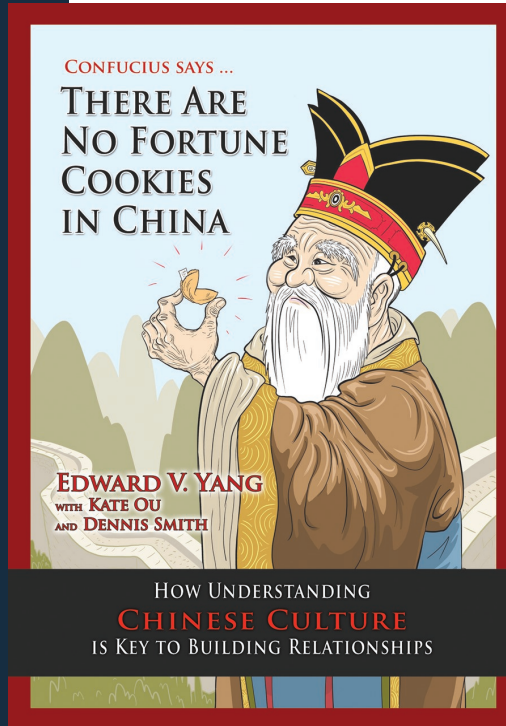
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Book Highlights (Business)

CONFUCIUS SAYS ... THERE ARE NO FORTUNE COOKIES IN CHINA

If companies in the United States are going to build successful, sustainable relationships with China, it is imperative that we take the time to understand the difference between Eastern and Western cultures and integrate that knowledge into our business practices. In the book, *Confucius says... There Are No Fortune Cookies in China*, author Edward Yang with Kate Ou and Dennis Smith walk readers through how Western business people can initiate and enhance better business relationships with their Chinese counterparts.



Starting on the right foot in beginning any relationship (professional or personal) requires learning about one another's cultural differences and similarities. All social relations are most successful when built on mutual awareness and respect. Lack of understanding of a person's beliefs and values, customs and communications can easily lead to discomfort and distrust. When a business person goes to China to build a relationship with a prospective business with which he or she wants to form an alliance and partnership, being fully familiar and focused on the Chinese culture will help ensure success. For example, while Western businesses negotiate contracts, verbally initially, and subsequently in writing, Chinese business people approach business dealings in a non-confrontational manner without written confirmation of either communications or contracts. The single most important reason for the deterioration or break-up of U.S. and Chinese business relationships is this disconnect due to differences in communication styles.

Confucius says... There Are No Fortune Cookies in China in an easy to read book, which gives the reader invaluable insight into China's past and the present. The historic origins of Chinese culture, the internal forces – belief systems and life teachings – are the guidelines and premises of their behavioral patterns. The activities and actions of Chinese people, in their everyday life, provide excellent examples of both their cultural disposition and communication style. Their approach to building business relationships is the key to helping U.S. businesses forge mutually respectful and profitable relationships.



Coldwell Banker Residential Brokerage
Newport Beach

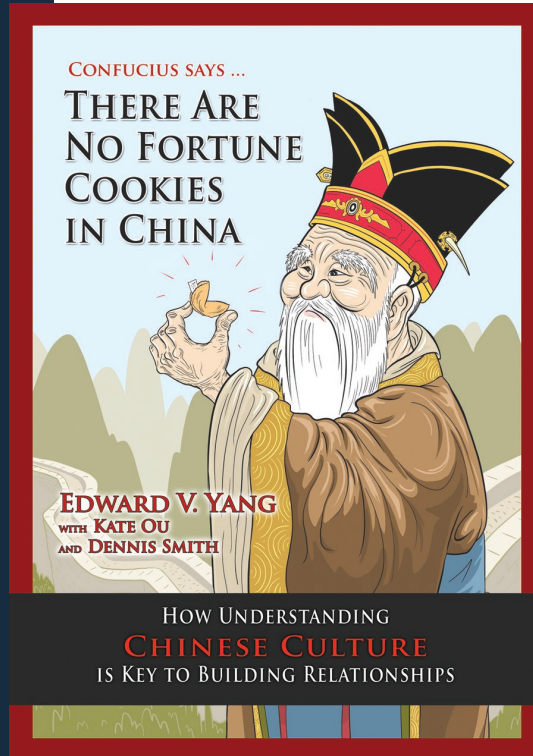
“The worth of other pursuits is small; learning through the study of books exceeds them all.”

Book Highlights (Students)

CONFUCIUS SAYS ... THERE ARE NO FORTUNE COOKIES IN CHINA

“If three of us walk together, one of them can be my teacher”

As students step out into the world to join companies and start their own businesses, they should be cognizant of the fact that they cannot be sustainably successful in the global economy without understanding the culture of the East and the West.



In the book, *Confucius says... There Are No Fortune Cookies in China*, author Edward Yang with Kate Ou and Dennis Smith walk students (whether they are business executives or MBA candidates) through how Western business people can initiate and enhance better professional and personal relationships with those of Chinese and other Asian cultures. In reverse, Asian students gain clarity of how to more effectively build professional and personal relationships with their Western counterparts.

Starting on the right foot in any relationship requires learning about one another's cultural differences. All social relations are most successful when built on mutual awareness and respect. Lack of understanding of a person's beliefs and values, customs and communications can easily lead to discomfort and distrust. Realizing that the Chinese culture is based on being respectful and non-confrontational can help Westerners understand that this should not be interpreted as a lack of strategic prowess or a sign of weakness. For example, while Western students are taught to meet people with a firm handshake and direct eye contact, this is the exact opposite of what Chinese students are taught. In the

Chinese culture both would be signs of disrespect. Further, recognizing that building social relations, no matter where one is visiting or living, requires behavior according to that culture. In general, people who understand the host culture, have opportunities to bridge their differences and communicate more effectively.

Confucius says... There Are No Fortune Cookies in China is an easy to read book, which gives the reader invaluable insight into China's past and the present. The historic origins of Chinese culture, the internal forces – belief systems and life teachings - are the guidelines and premises of their behavioral patterns. The activities and actions depicted of Chinese people in their professional and personal lives provide examples from which all can learn.



Chinese Students Scholar Association (CSSA) at MIT

Abstract (from There are no fortune cookies in China)

“Using a cup of water to put out a burning wagon full of wood is next to impossible.”



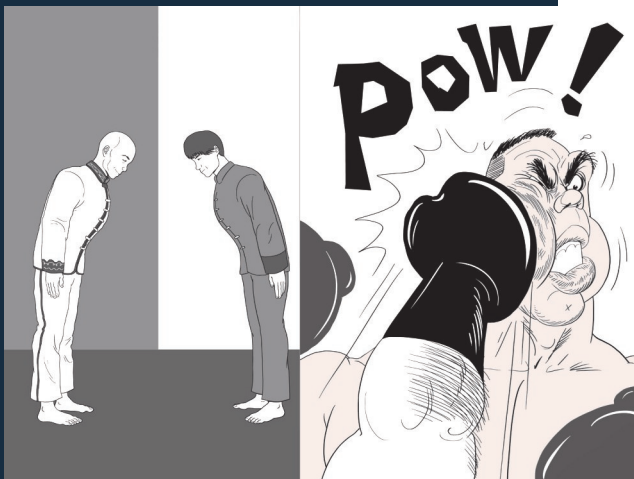
As a wise man once said, the world would be much better if we all took a bit of time to understand our counterparts in other parts of the world.

Even though instant communications and tremendous strides in transportation have made it easier for individuals to travel and to communicate, the great divide across global cultures continues.

Nowhere is this more evident than between the cultures of China in the East and the United States in the West. With China's elevation to global super power status, it has never been more important for Americans to improve their understanding of the principles that are core to the way our friends in China

think and act.

The book, *There are no fortune cookies in China*, together with the seminars help the audience learn why cultural differences are important and the common challenges that need to be understood prior to forming a relationship.



“ The way each opponent behaves and how they treat each other shows the distinctive culture differences between East and West”

Seminars / Business Planning



“ The Asia Conference”.... MIT Sloan School of Business

PRESENTATION TOPICS:

- ◆ Understanding Chinese Culture to improve business relations
- ◆ Leveraging the World's 2nd Largest Economy
- ◆ Why Cultural Differences are Important
- ◆ The Strategic Challenges of Global Entry and Growth
- ◆ Beyond Asia: Globalization of Asian Companies
- ◆ How to Expand Adaptability to Western Culture and Business

- ◆ Understand how a handshake can hurt you
- ◆ Avoid embarrassment at a Chinese banquet
- ◆ Train yourself to avoid cultural pitfalls
- ◆ Learn business strategy from Sun Tzu's Art of War
- ◆ Avoid drawbacks that could ruin your business
- ◆ Learn how to leverage your bi-cultural strengths
- ◆ Better appreciate your Asian relatives and friends
- ◆ Understand the culture of the world's 2nd largest economy
- ◆ Educate next generations to cultural sensitivity
- ◆ Enhance your relationships with clients in China
- ◆ Enrich a fun and efficacious trip to China
- ◆ Negotiate a win-win deal
- ◆ Enjoy a harmonious atmosphere in your meetings
- ◆ Find out what 4000 years of history has to offer

SEMINARS / BUSINESS PLANNING:

- ◆ Academia (MBA Programs)
- ◆ Corporate Training
- ◆ Chambers of Commerce
- ◆ Small Business Associations

....”great to meet you and thanks for arranging Mr. Yang’s presentation. It could be the most interesting and most informative couple hours I ever spent.”

TMM, an attendee at recent seminar

Reviews / Testimonials

“No one knows when you have been studying hard for ten years, but everyone will know overnight when you have achieved success.”

“From a childhood in the mountains of Yunnan, China, to flying the Pacific in corporate jets, Ed Yang has experienced different cultures at all levels. This book provides a unique insight into how to respect and understand cultural differences. There is no better teacher than Ed Yang.”

The Hon. Dean Brown AO, former premier of South Australia

“Ed Yang’s masterfully simplified words and illustrations reveal the values, customs and beliefs that are core to shaping the thoughts and actions of the Chinese. This is a must-read primer for anyone desiring to build genuine relationships in China.”

Jeff Heller, former vice chairman and president of EDS Corporation

“This book is simple to understand, easy to read, and is perfectly timed for those who are interested in learning the culture of the world’s two largest economies. Those who spend effort on gaining such knowledge will be greatly rewarded!”

Matthew Miao, chairman of Miltac-Synnex Corporation

“An insightful and culturally sensitive book, as is to be expected from three individuals with deep experience in both Asian and Western business society. But beyond the expected, a reader will find practical advice without ‘preaching’ about American insensitivity. This is for anyone doing business in China or receiving guests from China to communicate beyond language barriers. The lessons of this book can be absorbed on a flight from Los Angeles to Beijing, but the learning can continue for a career as the advice is applied and understood at continually deeper levels. A must-read for anyone doing business in this new age of East-West relations.”

Otis W. Baskin, PhD emeritus professor of management and former dean, George L. Graziadio School of Business and Management, Pepperdine University

“Ed’s book will take you through a highly illustrative and thoughtful culture show. As a Chinese professional living in the US, I find the book particularly helpful in realizing my ingrained cultural root and learning to leverage it in the Western society effectively, knowing the nuance between the two distinct cultures.”

Kailiang Wu, Amazon fulfillment analytics engineer, MIT alum

“When East meets the West, turning cultural differences into cultural synergy can enlighten and empower. Ed Yang’s book takes us on a historical journey by explaining cultural differences in a simple way, and with it, he gives the reader the keys to understanding the intersection of Asian and Western cultures.”

“As an international MBA student studying in the USA, I often experience cultural barriers in my daily life. This book has helped me to avoid a feeling of panic and, instead, to be more proactive, more outgoing, and more involved—providing me with a metaphorical hammer to break that crystal glass ceiling.”

Jianmin Wu, MBA student at Hult International Business School



Yangtze Global Corp
CONNECTING EAST AND WEST

Yunnan Project Hope

“Learning is like rowing upstream: if you don't forge ahead, you will be swept downstream.”



...building Elementary schools for the Minority Tribes in China





Signing ceremony at Wuxi, China of iCarnegie Institute



With Steve Ballmer at HYSTA CEO Conference, SF



iSoftStone IPO at NYSE – December 14, 2010

MANAGEMENT

Directors and Executive Officers

Our current directors and executive officers are as follows:

Name	Age	Position
Edward V. Yang	60	Chairman and Director
Dennis M. Smith	54	Chief Executive Officer, Director, President and Company Secretary
Stephen E. Stonefield	57	Director
Jon A. Burgman	65	Director

Edward V. Yang is our Chairman and has been a director of the Company since 17 February 2006. Since 2002, Mr. Yang has served as an Operating Partner of Baring Private Equity Partners Asia (“**BPEPA**”), and concurrently as Vice Chairman and Chief Executive Officer of Netstar Group. From 1992 to 2000, Mr. Yang was Corporate Senior Vice President and President for the Asia Pacific region for Electronic Data Systems, Inc. From 1978 to 1992, Mr. Yang served as Senior Vice President, Corporate Officer and General Manager for Asia Pacific & South America operations at Wang Laboratories Inc. In January 2005, Mr. Yang joined the board of Novellis Inc. (NYSE: NVL). Mr. Yang received a Bachelor of Science degree from National Taiwan University, a Master of Sciences degree from the University of Massachusetts (Lowell) and a Master of Business degree from Pepperdine University of California.

Dennis M. Smith is our Chief Executive Officer and has been a director of the Company since its formation. In 2000, Mr. Smith co-founded NetCel360, the predecessor to Vsource, Inc., and from 2000 to 2004, Mr. Smith served as Vice Chairman and Chief Financial Officer of that company. Following the sale of Vsource Asia Berhad, Mr. Smith served as Chairman and Chief Executive Officer of Vsource, Inc. until July 2005. He continues to serve as a non-executive director of Vsource Asia Berhad and as a consultant to and member of the board for Vsource, Inc. From 1985 to 2000, Mr. Smith served as general partner of ChinaVest (which he co-founded). Prior to founding ChinaVest, Mr. Smith was with First Chicago (now JPMorgan Chase) from 1974 to 1984. Mr. Smith has Bachelor of Arts and Master of Business Administration degrees from Loyola University of Chicago.

Stephen E. Stonefield has been an independent director of the Company since 17 February 2006. Mr. Stonefield has also served as Executive Chairman of Precise Asset Management Pte. Ltd. since 2004. In 2003, Mr. Stonefield retired after three decades of senior positions in investment banking, largely in Asia, most recently as Chairman, Pacific Region, of Credit Suisse First Boston (CSFB), and former Vice-Chairman and member of the Executive Board of CSFB. Prior to CSFB, Mr. Stonefield was a Managing Director at Smith Barney in New York, where he was head of Equity Capital Markets and Financing Services and a member of the Firm’s Steering Committee. Prior to that, he was a Managing Director at Morgan Stanley in Tokyo and New York. He began his career in finance at Continental Illinois Ltd. Mr. Stonefield has also served as a member of the Economic Review Committee for financial services in Singapore, the Securities Industry Council of Singapore, and as a member of the International Advisory Board Kuala Lumpur Stock Exchange in Malaysia. Mr. Stonefield graduated summa cum laude from Dartmouth College and has an M.A. from Harvard University.

Jon A. Burgman has been an independent director of the Company since 17 February 2006. Most recently, Mr. Burgman served, until 2004, as Principal of Glencoe Capital, LLC (an affiliate of Glencoe, “**Glencoe Capital**”), where he was responsible for portfolio management. He currently serves as a member of Glencoe’s investment committee and as a board member of several companies in which funds managed by Glencoe Capital have investments. Prior to joining Glencoe Capital he was an officer of Tatum CFO Partners, LLP from 2001 to 2002. From 1987 to 1995, Mr. Burgman was Chief Financial Officer and Treasurer of Culligan Water Technologies, Inc. and from 1986 to 1987, he was President of Transco Products, Inc. From 1980 to 1986, he was with AM International Corporation, serving both as Vice President of Field Operations and Vice President of Finance and Administration. Mr. Burgman’s early career included positions at Apeco Corporation (1976-1980), Boss Manufacturing Co. (1973-1976), and Price Waterhouse & Co. (1963-1973). He earned a B.B.A. in accounting from Loyola University, Chicago and an M.B.A. from the University of Chicago Graduate School of Business.

These individuals will play a key role in identifying and evaluating prospective acquisition candidates, selecting a Target Business, and structuring, negotiating and completing its acquisition. None of these

CORPORATE BOARD MEMBER

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boardmember.com

SPECIAL REPORT

A DIRECTOR'S GUIDE TO



- What smart boards are doing now
- How to build connections
- 10 people to know

WEST MEETS EAST IN HONG KONG

PLUS: A NEW WAY TO GET ANALYSTS' ATTENTION • IT'S TIME FOR A REALITY CHECK • FAIRER FAIRNESS OPINIONS

“Asians count for 5% of US population – they hold just 1.2% of Fortune 500 Board Seats.”

CHINA

PRESSING FLESH ON THE FACTORY FLOOR

By age 22, Edward Yang had been a political refugee not once but twice. Born in Sichuan in 1945, he first fled Communist China with his family just as the Cultural Revolution was beginning to wreak its havoc. They crossed the border into Burma but didn't stay long; Yang's father soon lost his factory under the military government's policy of nationalizing all Burmese businesses. The family sought refuge in Taiwan, and in 1967, with \$20 in his pocket, Yang became a transfer student at National Taiwan University, studying chemical engineering. He eventually ended up in the U.S., where he received master's degrees from both the University of Massachusetts at Lowell and Pepperdine University in Southern California.

For eight years Yang worked at the Asia Pacific business of Electronic Data Services, rising to corporate senior vice president. He now lives in Hong Kong, where he is CEO of NetStar Group, which manages a high-tech portfolio for ING Baring Private Equity and other investors. A year ago he was named to the board of Novelis, an Atlanta company that is the world leader in rolled aluminum products.

For all the trauma of his childhood, Yang, 60, puts great value on the cultural insights he gained over the years. He not only speaks five languages—Burmese, Cantonese, Mandarin, English, and a regional dialect, Yunnanese—but also understands the intellectual underpinnings of each tongue. As a result, he has a status few in the business world—or any field, for that matter—possess: that of a cultural chameleon. “I can pound the table as hard as anyone when I'm in America,” says Yang, who holds a U.S. passport. “But when I'm in Japan, I'll bow. And when I'm in Korea, I'll slow down my speech. That's how it's done.”

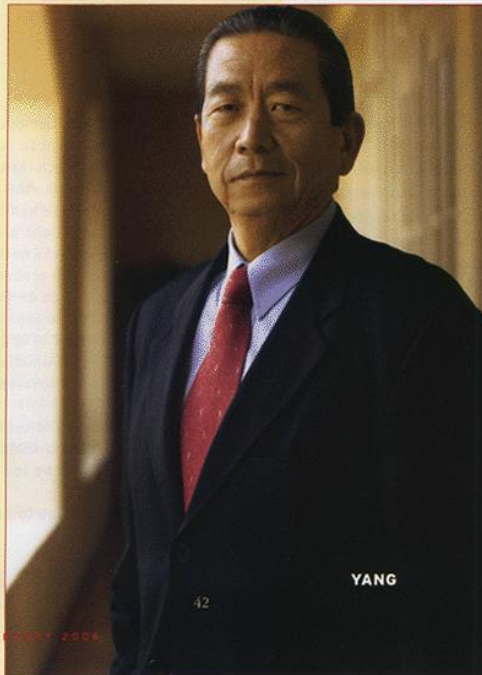
Clearly Yang knows how it's done, even in Oswego, New York. When he recently found himself on a director's tour of a Novelis factory there, the cultural chameleon transformed himself from Asian-tech-company boss into U.S.-factory-floor student. He shook some hands, had lunch with the group, donned protective glasses, and soaked up what he could from this small-city operation. “The guys there said, ‘Gosh, a board member took the time to put on the protective clothing and walk the factory!’ But I was just glad, at this stage of life, to be learning so many new things I didn't know.”

As Confucius said, and as Yang frequently repeats, “When there are more than two people in a group, one of them can be my teacher.” It's a good motto for any board member.

by Lisa Ferri

because of the potentially onerous travel demands, which could well consume a month of their time each year. More pointedly, they are not accustomed to having non-Chinese on their boards, so why should they go onto a foreign one? “Asians are fearful of serving on American boards,” says Joie Gregor, vice chairman and managing partner of the global board of directors practice at executive recruiter Heidrick & Struggles International. “They don't fully understand the ramifications of Sarbanes-Oxley. Intellectually they understand it, but emotionally they don't.” In addition, Chinese aren't always comfortable speaking out. Free speech is not yet a political reality in China, nor has it been a cultural virtue over the years. “Growing up in Asia, we are taught that the empty barrel makes the most noise, but that's not true when it comes to American business,” says attorney Wilson Chu. “Inside that boardroom, if you don't speak up they think you don't have anything to say.”

Companies that want the insights of executives intimately familiar with China can sidestep some of these issues by setting up advisory boards consisting of Asian executives who might meet three or four times a year to share information—without the responsibilities of directorship. Typically receiving modest stipends, the advisers meet with senior members of the company's management team to talk about a wide range of issues, from the Chinese economy and its effects on the business to



YANG

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CORPORATE BOARD MEMBER JANUARY/FEBRUARY 2004

“ If Asia is such an important market for our growth, what are we doing inside our boardroom about that ? “



Novelis

Built on Strength and Success

Novelis. The new leader in aluminum rolling and can recycling worldwide. Novelis, formed as an independent aluminum rolled products company in 2005, is built on Alcan corporate values, technologically sophisticated assets and disciplined management systems. Our vision is to shape the products of the future through a powerful combination of a customer-focused culture, and unrivaled manufacturing and technological capabilities. We relentlessly seek to create shareholder value in today's marketplace, through serving our customers in the automotive and transportation, food and beverage, industrial and construction, foil and printing markets.



Automotive and Transportation



Building and Construction



Can Packaging and Recycling



Flexible Packaging and Light Gauge Foil



Consumer and Industrial



Printing

Our Operating Philosophy

Novelis has developed a new business model, specifically designed for the rolled products business, in order to deliver superior solutions.

Key Elements are:

- Focus on the customer in all aspects of the business
- Use our considerable technical strengths to innovate and drive improvement
- Leverage our capability in metal supply management and maximize the use of recycled metal
- Build on our strong heritage and strengths in Environment, Health and Safety, Continuous Improvement and Value-Based Decision Making.

Leading the World in Aluminum Rolled Products ...

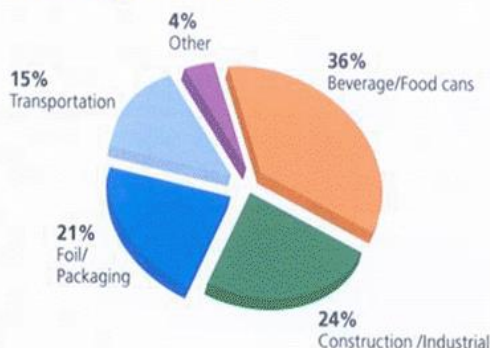
- Producing an estimated 20% of the world's total aluminum rolled products
- The only company capable of producing technically sophisticated, high-end rolled products on four continents
- With state-of-the-art rolling and continuous casting technologies
- Recycling over 30 billion empty aluminum beverage cans annually

Precision in a Dynamic Marketplace

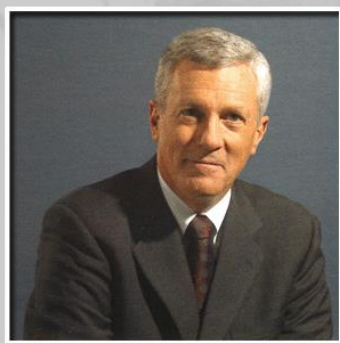
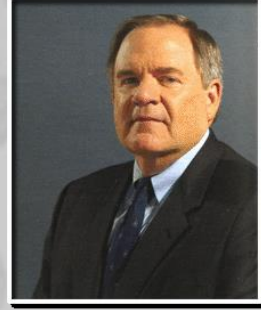
Novelis begins with long-standing customer relationships established during its years with Alcan. We will continue to strengthen customer loyalty by listening, anticipating, and delivering the highest levels of quality, technical support and customer service.

We are committed to improving speed-to-market through superior solutions and quality rolled products. Collaborating with customers and other business partners to find win-win solutions is an essential element of Novelis' value-based approach to business.

Revenues by End Market*



* Based on 2004 data



Forum discusses regenerating Asia/Pacific business

MORE THAN 200 top decision-makers from Asia/Pacific companies attended the Presidents' Forum in Singapore, jointly sponsored by EDS and its management consultancy, A.T. Kearney.

'Regenerating Business: Solutions for Creating and Sustaining Value' was the theme of the second annual gathering in February.

Fueled by the region's economic slowdown, the forum addressed the shift in corporate planning from aggressive growth strategies to focusing on core competencies to sustain and create value.

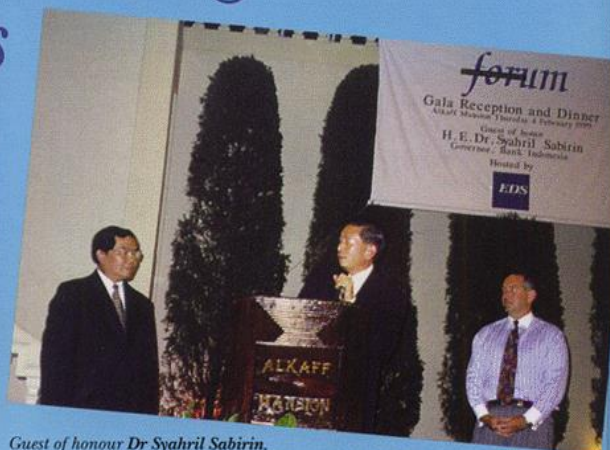
Speaker Ted Shaw, director of business development, Electronic

Business, EDS Asia/Pacific, outlined companies which have used technology solutions to regenerate business. He also discussed issues such as electronic business and its implications for business practices ahead.

Bob Kahan, regional director of operations, EDS (Asia/Pacific), led a workshop on outsourcing.

Ed Yang, corporate vice president and president, EDS Asia/Pacific, says there was considerable confidence among CEOs and other senior business representatives that the region will pull through the current economic crisis during the next few years, with some countries progressing faster than others.

"Companies need to



Guest of honour **Dr Syahril Sabirin**, governor of the Bank of Indonesia, centre, with **Ed Yang**, corporate vice president and president, EDS Asia/Pacific, left, and master of ceremonies, **Steve Morris**, at the forum's gala dinner.

prepare for that recovery now, by taking advantage of opportunities that arise as the economy strengthens – to wait will be too late," he says.

Other key messages included: that companies should focus on core competencies, outsourcing activities that are non-

strategic; and that the future definitely revolves around electronic business.

EDS was also the sponsor for the gala dinner at which the governor of the Bank of Indonesia, Dr Syahril Sabirin, spoke on 'Economic Reforms and Recovery for Indonesia'.

Recognising excellent performance

EDS' Asia/Pacific personnel were well represented at the company's annual Inner Circle awards this year.

EDS' policy is to reward excellent performance, and the awards recognise the company's highest achieving leaders and sales executives from around the globe.

Those attending a presentation dinner for the region's award-winning leaders in Hawaii in early March, are pictured, back row, from left: **Ed Yang**, corporate vice president and president, EDS Asia/Pacific; **Larry Ivins**, account operations director, Commonwealth Bank Account, EDS (Australia); **Steve Leonard**, country manager, EDS (Singapore); **Chris Webb**, general manager, ANZ Account, EDS (New Zealand); and **Dave Clark**, professional services manager, Southern Region, EDS (New Zealand).

Front row, from left: **Dan Allison**, relationship management director, Commonwealth Bank Account, EDS (Australia); **Lynette Elliott**, director of marketing, EDS (New Zealand); **Jerry Ha**,



president, EDS (Taiwan); **Loh Kah Hong**, account manager, EDS (Singapore); and **Pei-Hwa Liang**, vice president, Marketing Division, EDS (Taiwan). Absent from photo: **Dave Joseph**, general manager, New South Wales business operations, EDS (Australia).

E.solutions tackles burgeoning e-business market

Asia/Pacific clients are set to benefit from the formation of the largest electronic business grouping in the world.

THE RECENT GLOBAL organisation change to focus EDS' services on E.solutions, Information Solutions and Consulting, reflects the company's commitment to electronic business in its drive to become the premier provider of integrated service offerings in the digital economy.

Electronic business – the use of IT to exchange information and execute transactions electronically among enterprises and individuals – touches almost every area of business enterprise. Combined with sound business strategies and strong leadership, electronic business will cut



John McCain, president, E.solutions unit, EDS.

costs, improve customer service and extend reach into new market areas.

The worldwide electronic business market was about US\$200 billion last year – and growing more than 20 per cent annually.

E.solutions focuses on this growth by bringing

together 20,000 EDS employees into a global unit in which revenues are expected to exceed US\$2 billion this year.

The new unit recognises the need to align electronic business activities with a company's strategic direction, and maximise use of existing systems and technologies to save costs in blending the old with the new. It also creates a bridge between EDS' high value-added management consulting, provided by EDS subsidiary A.T. Kearney, and the company's core IT outsourcing services, says John McCain, president E.solutions unit, EDS.

The former head of the E.solutions unit's consulting practice, a 5000 member segment of E.solutions, John was promoted to president in July.

He says "the opportunities in the electronic business market are

limitless – for EDS and our clients.

"In the past year alone EDS' electronic business pipeline has grown by 500 per cent. I look forward to bringing together the spectrum of EDS' talent and capabilities in this area and packaging them into end-to-end solutions to help our clients successfully compete in the merging digital age."

Examples of EDS solutions in this area include supply chain management, digitalisation of records, electronic procurement solutions and interactive marketing services.

E.solutions combines six EDS units including enterprise customer management, CIO services, and electronic business. EDS has effectively opened up a one-stop shop for planning, designing, building and managing electronic business.

New EDS centre opens in Adelaide

EDS' new 10-storey centre in Adelaide was showcased during its official opening in March, attended by 300 dignitaries, clients and EDS personnel.

The building houses a new 550 square metre MarketSpace – only the second marketing centre of its type in the world, with the first at EDS' headquarters in Plano, Texas. The new EDS centre also houses about 500 employees, including many working on the South Australian Government Account and others part of the EDS Asia/Pacific Resource Centre.



INTRODUCTION

Now in the middle of 1999, I see this year as one of evolution. It is a year of global and regional change, and a year of renewed growth in Asia/Pacific.



Nothing highlights this more than the hallmark IT agreement announced in July with Telecom New Zealand.

I was working with the team to the final stage of the negotiation and was honoured when EDS was selected by Telecom New Zealand.

Already a leading supplier of information technology services to many major finance and government organisations, this NZ\$1.5 billion relationship clearly makes EDS (New Zealand) the country's largest IT company.

It is the partnership of the millennium for EDS in the region and epitomises the strengths EDS offers clients. Undertaking Telecom's IT outsourcing is the sort of business we have been in for more than 36 years, while the alliance announced between Telecom, EDS and Microsoft is real evidence of the convergence of industries widely discussed in recent years.

Combining the telecommunications, IT and software expertise of our three companies is very important strategically for EDS globally and I see this model becoming a centre of excellence that potentially enables far-reaching benefits for the Asia/Pacific region.

Apart from the Telecom alliance we are seeing considerable evolution around the region in technologies and business initiatives such as electronic commerce. Internet-based trading communities are evolving as a major force in the business world, and we explore that development in this issue of *The Integrator* along with exciting initiatives such as a business mentoring programme established in South Australia.

Serving our clients better is an ongoing challenge, and with this in mind we've included a reader survey in this issue.

We are keen to ensure *The Integrator* covers news and issues that are of interest to our clients, and I hope you can spend a few minutes filling out the fax back (or e-mail) form enclosed.

As the Year 2000 fast approaches it is perhaps fitting that 1999 is one of evolution for EDS and the region – offering a golden opportunity to write a new business chapter for our clients.

Let's work together to better prepare for the transition into the new millennium, which is just a few months away.

Edward V. Yang
*Corporate senior vice president and president,
Asia/Pacific*

Connected

Regional New Business



Westpac's Mortgage Processing Centre.

staffing levels, management strategies, organisational procedures, training and the information technology to complete the establishment of the centre and supporting branch technology.

"During this time, EDS (Australia) accessed EDS' global resources, drawing together expertise from the US-based EDS real estate and mortgage industry group, EDS human performance services and A.T. Kearney," says Mike.

"This pool of skills was complemented by a working knowledge of the challenges facing the Australian banking industry, stemming in part from several projects previously undertaken for Westpac, including the centralisation of the bank's back office operations and the introduction of the GM credit card.

"It is partly due to the efforts of the EDS Westpac project team that Westpac will succeed in its own objective to lead the Australian banking sector through innovation and responsiveness to the changing consumer and regulatory environments."

EDS Enters Indonesia With Strategic Alliance

A joint venture company, established in March between EDS and the Danamon Group, is positioned to become the leading IT provider in the Indonesian financial services sector.

EDS THE ESTABLISHMENT of P.T. Danamon-EDS Technology Services (DETS) is further evidence of EDS' rapidly expanding Asia/Pacific business. The partnership gives EDS a foothold in the financial services sector in Indonesia. EDS is also setting up an office in Jakarta to offer information services expertise to other business sectors.

The agreement includes a five-year contract for P.T. Danamon-EDS Technology Services to provide IT services to Bank Danamon, the second-largest private commercial bank in Indonesia.

The joint venture company will be responsible for the bank's entire IT operations, including its data centre operations, applications development, communications network, and ATM and credit card processing. This will contribute significantly to achieving the bank's goal of becoming the leading retail bank in Indonesia.

Chairman of Danamon Group, Usman Admadjaja, says access to EDS' technological expertise and industry insight will allow the Danamon Group



From left: Mr Ed Yang, EDS Asia/Pacific president, Mr Usman Admadjaja, Danamon Group chairman and president director, Ms Nienie Admajaya.

to offer banking customers the latest service offerings.

EDS' corporate vice president and group executive in charge of Asia/Pacific business, Ed Yang, says the joint venture is an important strategic move for EDS and will give EDS Asia/Pacific the base to target financial institutions throughout the country.

"The transfer of EDS' high-level skills and technology into Indonesia will make a major contribution to the country's development of IT professional resources," says Ed.

Bank Danamon has 300 branches and is the only bank offering on-line ATM services in Indonesia's 27 provinces. It operates 153 ATMs and plans to install substantially more this year.

The Danamon Group is one of the largest financial services groups in Indonesia, providing a broad range of financial products to consumers, commercial enterprises and the corporate sector.

U.S. Week

04/2

美國周刊

2005



怎樣吃才健康

中興集團屬下公司 信譽卓著、品質保證、價廉物美、服務

CENTRAL
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Your One Stop IT Shop

並提供下列服務: Server, Desktop & Notebook

電腦配件

• 系統安裝

• Custom system built
• Installation of hardware, software



梁文瑜



香港 NetStar Group of Companies 總執行長楊文慶被納為參加美國 Novelis 公司董事。

有不凡成就的亞洲領導人才，未來可能是美國五百大企業董事會積極招攬的對象。

改變社會 由上而下

楊文慶剛好就是這類亞洲人被引進美國主流企業董事會的最佳典範。楊文慶目前在總部位於香港的 NetStar 公司擔任總執行長，之前擔任 EDS 公司亞太地區總裁，再早之前擔任王安電腦公司亞太地區與南美地區總經理。他說，這一生有半輩子在亞洲，半輩子在美國。

話說回來，企業董事會內的亞裔董事比例提高，對亞裔有什麼好處？在商言商，不管企業董事會內有沒有亞裔董事，商品賣給亞裔的價錢與品質不會有差別。甚且，亞裔在美國的民權，也似乎與企業董事會內亞裔董事比例多寡沒有直接的關係。

"要改變社會就要從最上頭改變起"，百人會「公司董事倡議」發起人朱威信說。

朱威信說，如果較多的亞裔被納入公

助於形成一個更加支持亞裔的大環境。此外，如果有更多華裔在美國企業董事會內，中美關係也將獲得改善。

與如上的宏偉願景相較，亞裔董事能帶來最直接的影響，是讓亞裔的經驗與需求第一手反應給企業最高層。

自去年底擔任 Blue Shield California 董事，同時也身為百人會董事會主席的李席輝，親身體驗在美國董事會內反映亞裔經驗的重要性。

經理人才尋聘公司 ChampionScott partners 總裁 (Managing Director) 蘇青。
(記者梁文瑜攝)



PEPPERDINE

Graziadio Business

A publication of Pepperdine University's George L. Graziadio School of Business and Management ♦ Vol. 1, No. 3 ♦ Summer 1997

On Saturday, May 3, The Graziadio School of Business and Management at Pepperdine University celebrated a milestone not yet reached by any other business school in the nation: the beginning of its 100th class of the Presidential/Key Executive MBA ("P/KE") program. To commemorate the occasion, a dinner and reception were held on the Malibu Campus, and more than 200 guests were in attendance.

Only a select percentage of Graziadio School alumni are graduates of this prestigious program, and many of them serve as executives at some of the most influential corporations in the world.

"The P/KE program attracts leaders and enhances their already impressive skills and acumen," said Otis Baskin, Dean of The Graziadio School. "As you look around you, you will certainly see many impressive people in the global business community. I congratulate you on your participation and foresight, and look forward to future success for P/KE alumni, students, and The Graziadio School."

Edward V. Yang, a P/KE



Edward V. Yang, a graduate of the 75th PIKE MBA class, served as Keynote Speaker of the PIKE 100 Celebration. His topic was "The Pacific Rim: Marketplace of the Future."

A Major Milestone

The Graziadio School Celebrates 100th Presidential/Key Executive MBA Class

The Graziadio School saw the need for an MBA degree tailored to the needs of top executives more than two decades ago with the creation of the P/KE program in 1970.

alumnus of the 75th class, served as Keynote Speaker for the event. Yang is President of the Asia/Pacific Division and Corporate Vice President of Electronic Data Systems, Inc. His topic of discussion was "The Pacific Rim: Marketplace of the Future."

The Graziadio School saw the need for an MBA degree tailored to the needs of top executives more than two decades ago with the creation of the P/KE program in 1970.

The P/KE program provides training in areas such as making strategic decisions, forecasting local and international trends, interpersonal and organizational communication, and developing plans to accomplish corporate goals. The curriculum is enhanced by visiting experts, intensive lectures and case studies, and exercises that focus on the application of business concepts to real world situations.

For more information on The Graziadio School's Presidential/Key Executive MBA program, please contact the Office of Executive Programs at (310) 568-5541.

Additional photos of the P/KE 100 Celebration are located on page two.

Breakfast with Kotkin

Joel Kotkin, Pepperdine professor and public policy expert, discussed the California economy at a recent Alumni Quarterly Breakfast that was held at the Hotel Sofitel in Los Angeles.

Page Three

Forbes Addresses Graduates

Malcolm "Steve" Forbes received an honorary degree and served as Keynote Speaker during the commencement ceremony in April. Here are a few excerpts from his insightful speech.

Page Three

Career Symposia

The Graziadio School's Career Symposia series offers alumni and students candid accounts by those who currently hold positions in which they are interested in gaining entry.

Page Five

Alumni News

Visit the Alumni Corner. Catch up on alumni news. Check out upcoming events. Meet Maurice Medland, an MBA alum who has penned a bestselling page-turner, *Point of Honor*.

Page Seven

The Dean's Message

A Time for Reflection and Growth

Summer is a time for rejuvenation, renewal, and reflection. The Graziadio School has enjoyed many new successes during the past year, many of which will benefit us for decades to come. Our programs have expanded, we have reached important milestones, and we have gained valuable insights through addresses by some of the most influential members of the business community.

The Fall of 1997 will see the expansion of our Master of International Business ("MIB") program with a new Spanish language track. Like our European-based programs in German and French, MIB Spanish students will spend the first semester of their second year studying at a partner university and the second half of the year in a required internship assignment where Spanish is the dominant language.

We are pleased that our partner in launching this exciting new venture will be the Instituto Tecnológico y de Estudios Superiores in Monterrey, Mexico. One of the finest universities in Latin America. "Monterrey Tech" will offer our students the opportunity to study in Spanish with excellent business faculty, as well as forge close

relationships with the strongest companies in Mexico.

In response to the necessity of keeping knowledge of business trends current, as well as offering opportunities for increased study and specialization in a particular area of business,

"I am always impressed by the breadth of experiences and areas in which Graziadio School alumni are making their mark."

Otis W. Baskin, Dean

The Graziadio School will offer courses for alumni and students who wish to gain an edge in our increasingly competitive marketplace. Courses will be taught by many of our most distinguished faculty, and I am confident that this new addition to our course offerings will be a great success.

Certainly, one of the most memo-

orable milestones reached during this year occurred in early May with the start of the 100th class of The Graziadio School's Presidential/Key Executive MBA program. To commemorate the occasion, The Graziadio School hosted a special celebration on the Malibu campus, which included an enlightening presentation by Edward Yang, an alumnus of the P/KE program and a senior executive at EDS Corporation. Earlier this year, Malcolm "Steve" Forbes served as the keynote speaker at The Graziadio School's April 1997 graduation ceremony.

Our distinguished faculty and accomplished alumni continue to contribute to the rising reputation of The Graziadio School. In the Spring 1997 issue of *Graziadio Business*, we highlighted the activities of members of the faculty. In this issue, we will focus on the achievements of alumni. I am always impressed by the breadth of experiences and areas in which Graziadio School alumni are making their mark.

The fall promises to bring more success to The Graziadio School. I look forward to sharing future achievements with you.



P/KE 100 Celebration -- Left to right: Edward V. Yang (P/KE, #75), Keynote Speaker; Dr. Otis W. Baskin, Dean; Reva Graziadio; Dr. Charles B. Rannels, Chancellor; Jacqueline Yang (MBA, '97), daughter of Edward Yang; and George L. Graziadio, Co-Founder of Imperial Bancorp.



P/KE 100 Celebration -- Left to right: David Poole, Director of Executive Programs; Dr. Mark Mallinger; Dr. Wayne Strom; Dr. Charles Fojtik; and Dr. André van Niekerk, Executive Director of Recruitment and Career Development.



STEVE FORBES

Steve Forbes, among the most visible and respected public figures in America following his campaign for the Republican Party's nomination for president last year, is president and chief executive officer of Forbes Inc. and editor-in-chief of *FORBES* magazine.

Also chairman of a company subsidiary, American Heritage, Mr. Forbes assumed his current position in 1990. Since that time, Forbes Inc. has expanded with the launch of the lifestyle supplement *FORBES FYI*; the technology supplement *FORBES ASAP*; a Japanese-language edition of *FORBES*; the new Digital Media Division; as well as the African-American history magazine *AMERICAN LEGACY* and the business history magazine *AUDACITY* in the company's American Heritage division.

Mr. Forbes writes editorials for each issue of *FORBES* under the heading of "Fact and Comment." A widely respected economic prognosticator, he has appeared on many national news programs and is the only writer to have won the highly prestigious Crystal Owl Award four times. The prize was formerly given by USC Corporation to the financial journalist whose economic forecasts for the coming year proved most accurate.

In 1985, President Ronald Reagan named Mr. Forbes chairman of the bipartisan Board for International Broadcasting (BIB). In this position, he oversaw the operation of Radio Free Europe and Radio Liberty. Broadcasting from behind the Iron Curtain, Radio Free Europe and Radio Liberty were praised by Poland's Lech Walesa as being critical to the struggle against communism. Mr. Forbes was re-appointed to his post by President Bush and served until 1993.

On Sept. 22, 1995, Mr. Forbes took a leave of absence from Forbes Inc. to campaign for the Republican nomination for president. He vigorously competed in the early primary contests and was victorious in Arizona and Delaware.

Mr. Forbes was born in Morristown, New Jersey, and graduated *cum laude* in 1966 from Brooks School in North Andover, Massachusetts. In 1970 he received a bachelor of arts in history from Princeton University.

President of the Board of Trustees of Brooks School, Mr. Forbes is also on the Board of Trustees of Princeton, as well as on the Board of the Foundation for Student Communication, The Ronald Reagan Presidential Foundation, the American Enterprise Institute, and the National Taxpayer Union.



EDWARD V. YANG

Edward V. Yang serves as Electronic Data Systems' (EDS) corporate senior vice president and president for Asia/Pacific, which includes Australia, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, Singapore, Taiwan, and Thailand. He oversees all operations within Asia/Pacific—widely considered EDS' fastest-growing region—and is responsible for business development, both in existing countries of operation and for expansion into potential markets, particularly in countries of the Association of Southeast Asian Nations (ASEAN).

Prior to his current appointment, Mr. Yang—who earned his Presidential Key Executive MBA from Pepperdine University in 1988—served as strategic business unit president for East Asia, having joined EDS in that capacity in March 1992. Previously, he worked for Wang Laboratories, holding several vital positions during his 14-year tenure, including senior vice president, corporate officer, and general manager of the company's South America and Asia/Pacific operations.

Additionally, Mr. Yang, who has extensive experience in dealing with corporations and government agencies in the Asia/Pacific countries, South America, and Mexico, worked for Digital Programming Services Inc., a turnkey software system house in Waltham, Mass.

Mr. Yang was born in China, grew up in Myanmar (formerly Burma), and attended two years of college at Rangoon Institute of Technology before moving to Taiwan. He holds a master of science degree from National Taiwan University and a master's degree from the University of Massachusetts at Lowell.

A recent member of Pepperdine's University Board, Mr. Yang has also served on the board of directors of the Los Angeles-Area Chamber of Commerce, on the executive committee of the Los Angeles Police Crime Prevention Advisory Council, and on the International Advisory Board of the McLaren School of Business at the University of San Francisco. He is a member of the American Chamber of Commerce as well as a member of the Economist's Regional Managers Club in Hong Kong.

Mr. Yang and his wife, Christine, live in Hong Kong. They have two daughters, Jacqueline and Kathleen, and a son, Jeffrey. Jacqueline is currently an MBA student at Pepperdine's Graziadio School. Kathleen and Jeffrey attend Southern Methodist University in Dallas, Texas.

Forbes Speaks at Spring Commencement

Malcolm "Steve" Forbes received an honorary degree and served as Keynote Speaker during The Graziadio School's Graduation Ceremony in April. Here is an excerpt from his insightful speech:

"No nation has the global influence that America does today. And whether people around the world admit it or not, they are looking to us as a guide and a model on how free people can respond and move forward in changing times and circumstances.

"The real source of wealth within a society is...the human mind, human imagination, innovation, as well as a willingness to work hard."

Malcolm "Steve" Forbes

hard. That is the true source of capital and this new era is going to underscore that as never before.

"Ideas matter and progress does not come without a price. We are on the verge of a glittering era. But your task will be to make sure that we preserve the essence of this new era while dealing with the inevitable problems of it.

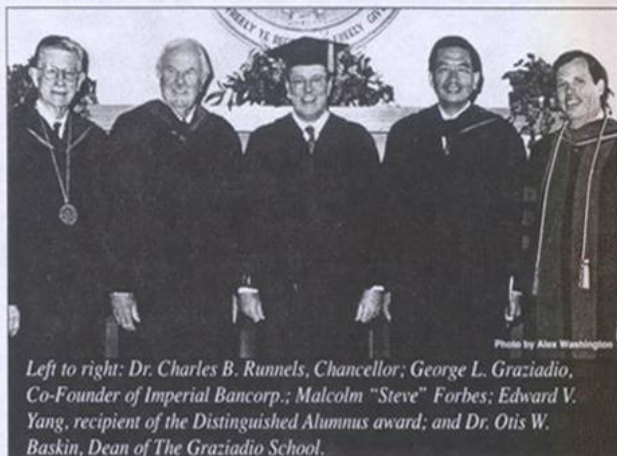
"Even if you haven't achieved wild success or been on the cover of Forbes magazine in a positive way by the age of 30, 40, or 50, remember this: It's not over till it's over. Things do change in ways that you can't anticipate and you have to be ready for it."

At the same time, we are entering an economic era that will and is fundamentally altering the way we live and the way we work.

"The real source of wealth within a society is what you represent here today. The human mind, human imagination, innovation, as well as a willingness to work



Malcolm "Steve" Forbes speaks to a captive audience during The Graziadio School's commencement in April 1997.



Left to right: Dr. Charles B. Runnels, Chancellor; George L. Graziadio, Co-Founder of Imperial Bancorp.; Malcolm "Steve" Forbes; Edward V. Yang, recipient of the Distinguished Alumnus award; and Dr. Otis W. Baskin, Dean of The Graziadio School.

Kotkin Captures California Economy at Quarterly Breakfast

Highlighting a variety of trends that will impact California business practices in the 21st century, Joel Kotkin held a captive audience of alumni during the Quarterly Breakfast in April. The posh Hotel Sofitel in West Los Angeles provided a cozy backdrop to Kotkin's comprehensive presentation, which included slides, commentary, and a lively question and answer session.

An internationally-recognized authority on global, economic, political, and social trends, Kotkin is a John M. Olin Fellow with Pepperdine University's Institute for Public Policy, a Senior Fellow with the Pacific Research Institute,

and an Adjunct Scholar at the Milken Institute.

Kotkin is a contributing editor to the opinion section of the *Los Angeles Times*, a columnist with *The Jewish Journal*, and a frequent contributor to *The Wall Street Journal*, *Washington Post*, and *Inc. Magazine*, where he served as West Coast Editor for five years. He is also the author of several books on public policy issues, the most recent of which is *Tribes: How Race, Religion and Identity Determine Success in the New Global Economy*.

Kotkin began his presentation to the 100 attendees of the Quarterly Breakfast with a historical overview of the California economy, including the major

industries and the periods of recession and growth.

According to Kotkin, the state's major industries include entertainment, multimedia, and high technology. He cites Los Angeles among the three cities with the largest concentration of high-tech employment, the other two being San Jose and Boston. He also projected a substantial increase of high-tech activity in Orange County in the years to come. "It'll be the new Silicon Valley," he said.

MARK YOUR CALENDAR — The next Quarterly Breakfast will be held in September. For more information, please call (310) 568-5679.

New appointments support global lines of business

EDS' senior leadership team in Asia/Pacific has been reshaped as part of the company's repositioning into global lines of business.

Senior regional personnel report to global leaders of the four lines of business: A. T. Kearney (management consulting), E.solutions, Business Process Management and Information Solutions (which incorporates EDS' traditional IT outsourcing services).

Information Solutions, which encompasses the largest proportion of EDS' work in Asia/Pacific, will be headed by Ed Yang, who has been appointed president, Asia/Pacific, Information Solutions. I.solutions presently comprises 71 per cent of EDS' revenue globally.

Vice presidents for Information Solutions in Asia/Pacific, reporting to Ed Yang, are: Vinnie Madsen, delivery; Jim Duffey, region (south); and Steve Smith, Asia/Pacific sales. In addition Jerry Ha has been appointed client executive, Asia.

EDS' highest growth area, E.solutions, will be further developed under the guidance of Tony Henshaw, who has been appointed president, Asia/Pacific, of E.solutions.

EDS' ongoing commitment to providing world class quality service and delivery is the motivation behind the company

embracing a new business model.

The new and more agile organisation will allow EDS to respond even more quickly and effectively to meet client requirements.

In addition to the creation of four fully integrated, global businesses, EDS is establishing global industry experts who will provide a consistent, current repository of industry knowledge across all four lines of business.

Collaboration among the industry and line-of-business teams is aimed at dramatically improving EDS' solutions delivery to clients based on the full breadth of EDS' capabilities.

Each client will have a single EDS executive responsible for the overall relationship and services EDS provides that client worldwide.

"The client executive will be accountable for ensuring our clients receive the best possible service, globally and across all four lines of business, and is totally committed to client satisfaction," says Dick Brown, chairman and chief executive officer, EDS.

"Superior client satisfaction is at the heart of any great company's success and has always been a core value at EDS. The changes we're making mark a stronger and more consistent focus across our company on driving growth and improved performance for clients around the globe."

Ed Yang

president, Asia/Pacific, Information Solutions



Ed Yang will manage I.solutions for the Asia/Pacific region. I.solutions presently accounts for 71 per cent of EDS' revenue worldwide.

Ed joined EDS in 1992 as strategic business unit president for East Asia. He had previously served as senior vice president, corporate officer and general manager of the Wang Laboratories' South America and Asia/Pacific operations.

Before joining Wang, Ed worked for Digital Programming Services Inc, in Waltham, Massachusetts.

He is a member of the American Chamber of Commerce and a member of the Board of Regents of Pepperdine University and also serves on the advisory board of the McLaren School of Business at the University of San Francisco.

Ed received the Distinguished Alumnus Award in 1997 from Pepperdine University in Malibu, California, where he completed a Master of Business Administration degree. He earned a Bachelor of Science degree from the National Taiwan University and a Master of Science degree from the University of Massachusetts.

Vinnie Madsen

vice president, Asia/Pacific delivery, Information Solutions



Vinnie brings 20 years' experience to this position, which entails responsibility for all delivery functions and services provided to clients in the Asia/Pacific region.

He was previously director of technical infrastructure for Asia/Pacific.

Vinnie began his career with EDS in 1979 in the operations development programme at the Dallas Regional Center.

He then moved to Des Moines, Iowa, as remote site manager and planned the Iowa Blue Cross Shield conversion and migration to the Dallas centre.

From 1983 to 1992 Vinnie headed a variety of operational organisations at the Dallas Information Processing Centers. Vinnie also had a period managing the United States northern region during these years with responsibility for the northern states of America and Canada.

From 1992 to 1994 he was responsible for all international technical infrastructure operations outside the United States.

企業・組織の活性化、躍進をサポートするEDS

次世代の事業環境づくりのヒントを創出

● EDS: Electronic Data Systems

「アウトソーシング」という言葉が定着して久しいが、日本ではリストラと並んで単に事業の撤退や大員の削減というステレオタイプな意味に終始してしまいがちだ。アメリカ・テキサス州に本拠を置くエレクトロニック・データ・システムズ（以下、EDS）はGM（ゼネラル・モーターズ）をはじめ南オーストラリア州政府などの情報処理業務を手がけて広く衆目を集めた。卓越したコンサルティングスキルと最新のコンピューターテクノロジーを徹底活用して大規模組織の「革命」に挑むEDSの動向を探ってみよう。

CEOレベルから ラインの末端まで 多岐にわたる業務をサポート

アウトソーシングといってもそのプロセスや全体の概要を理解するのは難しい。手がける範囲が規模の大きな組織のすみずみにまでわたるからである。あえて同社の備えるポートフォリオをまとめると――1) マネジメント・コンサルティング 2) E ソリューション 3) ビジネス・プロセス・マネジメント 4) インフォメーション・ソリューションズを標榜している。よくいわれることだが、大企業・組織の効率化とさらなる成長のためには、その指針となる経営戦略と将来的なビジョンの立案が求められる。米国式に言えばCEOならびにトップの決断と実行力がそのすべてを決する。95年にEDSの傘下に入った世界第2位のコンサルティング会社A.T.カーニー・リーダーシップをとり、経営戦略、IT（情報技術）戦略及び運用といったCEOレベルの課題に対して意思決定のサポートを行い、顧客業

務を支援している。さらに従来のEコマース（電子商取引）やインターネットビジネスといった最新のIT市場のトレンドを網羅したEソリューションにおいては、Eビジネス参入を希望する顧客に対し、テクノロジーのコンサルティングとサービスを行う。具体的には、インターネット関連サービス、EDI、2000年問題に関する業務などに対してコンサルティング、ソリューションの提案から導入及び運用サポートに至る業務だ。顧客業務の一部にアウトソーシングを活用することで、より顧客の業務を改善し更に向上させる。これが、ビジネス・プロセス・マネジメントの領域である。コールセンターの管理、データベースマーケティングサービス、ドキュメント処理サービスなどがある。そしてインフォメーション・ソリューションズは、EDSが最も得意とする分野として知られている。世界最大規模のアウトソースプロバイダーとして、基幹システム或いは最新のインターネットテクノロジー、ネットワーク構築、アプリケーション開発などに精通した人材を投入し、顧客事業の戦略に沿ったシステムの提供及び

運用にあっている。

1962年に創業されたEDSはいま、世界45ヶ国13万人におよぶスタッフを擁する一大企業として君臨している。37年間にわたって手がけてきた分野は枚挙にいとまないが、製造業、航空業、ヘルスケア、金融・保険、食品、小売業、旅行・輸送、エネルギー、通信と文字どおりあらゆる産業をカバーしている。政府関連団体ともビジネスを持ち、95年には南オーストラリア州政府の全144機関にわたる情報技術サービスを手がける契約を結んだことで大きな話題を呼んだ。こうした行革レベルのサービスを英国内国歳入庁・Inland Revenueにも提供しているという。顧客リストにはシェブロン社、GM社、オーストラリア・コモンウェルス銀行、ベルサウス社などの名もある。98年の売上は169億ドルに上り、97年と98年に新たに契約を結んだ総額は280億ドルに達するという好業績を誇っている。

巨人IBMをはじめ、同様のアウトソーシングを請け負う企業は数多いが近年の受注実績や業績をみるかぎり、EDSの優位性と確

日本/アジア太平洋地域での当社のITサービスにまつわる業務内容をご紹介する機会が持てたことを大変うれしく思います。96年11月の日経ビジネス誌において、EDSが1995年に南オーストラリア州政府のアウトソーシング業務契約を獲得したことが特集記事で取り上げられました。EDSと南オーストラリア州政府とのパートナーシップは、引き続き当地域における私どものショーケースとなっており、民間セクターが政府の経済開発を支援したり、技術革新を通して公共サービスを向上することが可能であることを証明しています。EDSはさらに、今年7月にもテレコム・ニュージーランドと15億NZドルのアウトソーシング契約を交えています。これはニュージーランド国内のテレコムサービス全般を委託されて行うものです。テレコム・ニュージーランド、EDS、マイクロソフトのパートナーシップは、次のミレニアムのトレンドとなる技術の集積が進んでいることの証となるものです。

また、スルガ銀行との提携もEDSが戦略的グローバル金融技術を地域市場へと適合させた一例です。スルガ銀行とEDSは協力してカスタマー・リレーションシップ・マネジメント（CRM）システムを開発し、今後は共同で他の日本の金融機関へも横展開を図っていく予定です。こうした製品やサービスに対する需要は、今後さらに増加していき、日本の金融市場および規制緩和の動きのある日本市場へ参入してくる海外の多国籍企業の両方へ、競争力の基盤を築いていくでしょう。

EDSは今後も、日本のクライアントの皆様ビジネスニーズに対応出来るプロフェッショナルな業務の担い手であり続けます。



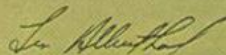
エド・ヤン Ed Yang
本地上級副社長
兼アジア太平洋地域社長

Openline




A message from EDS Chairman and CEO Les Alberthal

"1997 was a mixture of accomplishments and disappointments for EDS. On one hand, we signed a record amount of new business, more than \$16 billion, which included two of our largest megadeals, BellSouth and Commonwealth Bank of Australia. Our business grew at double-digit rates in Europe and Asia Pacific. And, we also began seeing measurable results from our companywide business transformation. On the other hand, we experienced a variety of issues that affected our performance. But we're aware of our challenges, and we have the determination and the resolve to meet them. In fact, we've already made a lot of progress. Rebuilding and sustaining our credibility will be at the heart of many of our activities as we move forward in the coming year. I'm confident that EDS will continue to earn the trust of our employees, investors and clients."



Les Alberthal
Chairman of the Board and CEO

Future opportunities for EDS in Asia Pacific

To better acquaint stockholders with EDS leadership around the world, we're pleased to present this interview with Ed Yang, corporate senior vice president and president, EDS Asia Pacific.

What do recent economic developments in the Asia Pacific region mean for EDS?

When times are tough, as they certainly are for many regional economies like Thailand, Korea and Indonesia, we see a strong opportunity for EDS. Companies will seek ways to reengineer their business systems and methodologies. They'll want to improve productivity, cut costs and provide better customer service. To do that, they'll need expert business consulting and outsourcing services.

How does your management consulting company A.T. Kearney fit into this picture?

First of all, A.T. Kearney is one of the best things that happened to EDS, particularly in this region. They have inroads into chief executive officers who, in turn, appreciate A.T. Kearney's global strategic consulting expertise. Second, A.T. Kearney's client list includes the very top corporations and organizations. Therefore, we have been able to jointly serve clients such as Commonwealth Bank in Australia, China Trust Bank in Taiwan and General Motors (GM) in the Asia Pacific region.

When Thailand devalued its currency in July, neighboring countries began experiencing economic problems. Is this "domino" effect a concern for EDS?

In the sense that it affects those countries we formed joint ventures in, yes, it's a concern. The current economic crisis in Asia is much worse than it was in July 1997. But we look at it this way: in the Chinese written language, the character for "crisis" is actually made up of two characters, one indicating

"danger," the other signifying "opportunity." What this means is that during a crisis, if we can minimize our danger, we can usually create and find opportunities. For instance, just this past January we were able to transform our joint venture in Thailand into a wholly owned EDS-Thailand subsidiary – a great achievement for us. Joint ventures in the emerging countries are, in some cases, a transitional entry strategy for us. Establishing EDS subsidiaries in new countries allows us to win more business with multinational corporations throughout the Asia Pacific region.

What about Hong Kong and China?

EDS has been enjoying tremendous growth in Hong Kong during the last four years. Our strategy has been to build good references in Hong Kong, which we can then leverage into new business in China. With Hong Kong now part of China, many Chinese businesses are investing in Hong Kong. The "one country, two systems" concept has created a more integrated business community for the two geographic entities. For a company such as EDS, China is definitely a long-term investment, as is the whole of Asia Pacific. And, we believe the rewards will be well worth the effort. ☺



Ed Yang, corporate senior vice president and president, EDS Asia Pacific

EDS (Taiwan) Gains ISO9001 Certification

name was officially developed. This win-win business model is now attracting more attention among other financial institutions in Taiwan, says Jerry Ha, country manager, EDS (Taiwan).

EDS (Taiwan) has set an industry standard in Taiwan by gaining ISO9001 certification.

THE CERTIFICATE, awarded by a Taiwan government assessor in January, reflects EDS' worldwide focus on providing quality and customer satisfaction.

"EDS (Taiwan) is committed to giving quality service to all clients. ISO9001 is process rather than product driven within a quality management framework. Quality

measures are applied throughout every step and activity of the entire operation. With the framework now in place, EDS (Taiwan) will see an overall improvement and upgrade of productivity, competitiveness and customer satisfaction," says Jerry Ha, country manager, EDS (Taiwan).

EDS (Taiwan) initiated the certification process in August 1993 by establishing an ISO9001 committee. It took 15 months to complete the process.

During the first six months, staff were educated about the certificate, and a set of quality control documents was constructed to ensure the quality standard is achieved at every stage of EDS' planning and execution processes.

EDS (Taiwan) received ISO9001 certification at a ceremony attended by over 100 guests, including Dr James Yang, the vice-minister of economic affairs. Representing the assessors were Mr P. Hsu, the director general of the Bureau of Commodity and Inspection and Ret. General Yun Kuo, the president of the Institute for Information Services.

The ISO9001 certification covers the EDS (Taiwan) Government Operations and Data Centre groups.



Left to right: Ed Yang, EDS Asia/Pacific vice president and group executive, Jerry Ha, country manager, EDS (Taiwan), Dr. James Yang, vice minister, Ministry of Economic Affairs, Ret. General Yun Kuo, president, Institute of Information Services, and Nelson Chang, EDS (Taiwan) (CMS) vice

OUTSOURCING: LIKE MARRIAGE, IS HARD WORK

Is outsourcing another management fad, or is this another step forward in economic evolution, a manifestation of the specialisation and division of labour first pointed out by Adam Smith?

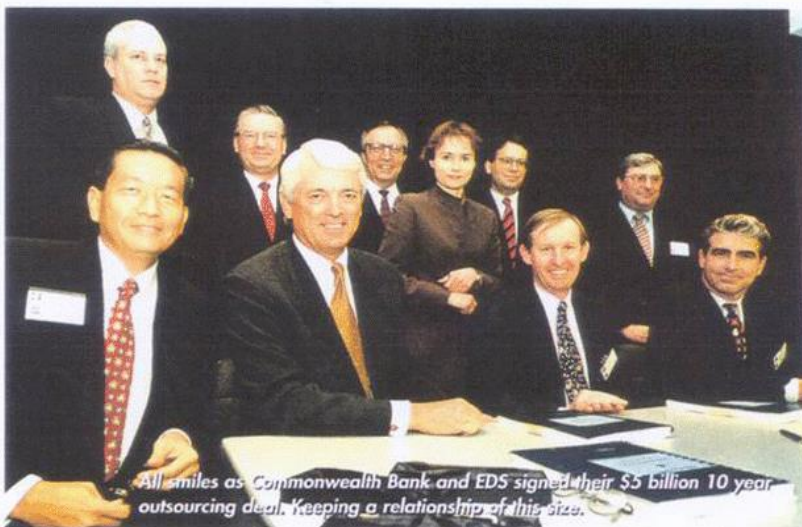
By Jacqueline Zhang.

Looks like the stick to your knitting concept has reached banks in the region. Since we reported on the deal between Standard Chartered Bank and Sema Group in 1996 for the latter to acquire and manage IT departments for the bank (Asian Banker Journal issue 1), several other banks have wised up to the theme. The stakes are also getting higher.

Colonial State Bank outsourced its IT division to Alltel Information Systems in 1997 for \$276 million. The largest deal at the moment is worth A\$5 billion between Commonwealth Bank of Australia (CBA) and Electronic Data Systems (EDS) in September 1997. An Asian Banker Journal survey revealed 16 deals currently in operation between financial institutions and service providers in this region.

Theoretically, outsourcing a specific area of operation is meant to free up an organisation from having to invest in increasingly complex and expensive information systems, and still avail it world class capabilities, usually at a lower cost. For example, CBA says that it saved 12 percent of its technology budget since outsourcing its operations to EDS and expects its annual savings to rise by 30 percent by 2001.

But the allure of cost savings is just the beginning. Organisations resort to outsourcing also to make up for their lack in skills and capabilities to harvest the



benefits of technology. Both CBA and Standard Chartered Bank outsourced to push performance levels beyond the best they could achieve. As Russell Scrimshaw, the Head of Technology, Operations and Property of CBA, explained, "it is a very very difficult task to achieve best practices within the confines of Australia and within the bank."

Organisations outsource when further heavy financial outlay would achieve only incremental improvements in their IT capability. The question of the level of IT spend before a bank would consider outsourcing drew a blank. "There is no magic number," responded Chai Cheng Sheng, Senior Manager of Business Development at SCB-Sema (the joint venture company set up in Malaysia for Sema Group to manage Standard Chartered Bank's infrastructure.) There is no one threshold of spending on IT as a percentage of revenue.

The text book justification for outsourcing also includes the prospects for banks to focus on their core competencies. It was a point that was not lost on Amirsham Aziz, the otherwise conservative Managing Director

of Malayan Banking in Malaysia. "In the years to come, banks in the country would increasingly focus their efforts and energy on effectively managing their core competencies, which basically would represent the provision of their products and services in line with the global trend towards leaner and more flexible organisational set-ups," he said in an article in the country's banking industry Journal.

Venky Krishnakumar, Vice President and Regional Director of Operations and Technology at Citibank, reinforced this line of thought when he explained Citibank's motivation for outsourcing its application development to a French company called Cap Gemini last year.

"We want our technology team to focus on business development and related technology innovation rather than management and supervision of a team of programmers" he said. Cap Gemini has a staff strength of around 120 servicing Citibank's corporate banking application development capability alone.

Increasingly, outsourcing has become a strategic tool as business

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Robu



Welcome to
the first issue of
The Integrator,
EDS' magazine
for customers
throughout the
Asia/Pacific region.

IT IS AN EXCITING TIME for business right around the Asia/Pacific rim. The region's countries have enjoyed robust growth and are leading the world in creating increased opportunity. The economic outlook for the region is positive and it is poised to lead the global economy into the next century.

In light of all this activity, we thought it was time we introduced a regular customer magazine.

The Integrator is a quarterly publication designed to keep our Asia/Pacific customers informed about new business wins, products and services, and to introduce you to key EDS people throughout the region.

In addition, we aim to provide interesting and timely articles on a range of industry issues, from new global technologies to industry trends. We have named it *The Integrator* because we believe that our role is integrating technology and business needs to our customers' benefit.

EDS entered the Asia/Pacific region in force three years ago with three strategic sites targeted – greater China/South Korea, ASEAN and Australia/New Zealand. Over the last two years EDS has experienced major growth throughout the region and has

“The region's countries have enjoyed robust growth and are leading the world in creating increased opportunity.”



Meeting with Prime Minister Mahatier of Malaysia



Meeting with Prince Edward in New Zealand



Meeting with Minister of Technology
K.T. Lee of Taiwan





Meeting with Deng Xiaoping and Dr. An Wang



Visiting with Deng Xiaoping and Dr. & Mrs. Wang



Ed Yang with Les Alberthal (EDS Chairman & CEO), Jeff Heller (EDS COO), Dean Brown (Premier of South Australia) at Sponsorship of Adelaide Grand Prix 1995