Future IT: Enabled by Innovation Powered by Culture

Guillermo Diaz, Jr.
SVP and CIO

ITM-1002
670 WiFi hotspots at a maximum distance of 100 meters from point to point

1.6 million citizens potential users

1,100 lampposts transitioned to LED - 30% percent energy savings

19,500 smart meters

2014 European Capital of Innovation Prize

500 kilometers of fiber optic cable

Sources
- Cisco Customer Case Study- “Connected City Improves Quality of Life, Stimulates Economy”
- How Smart City Barcelona Brought the Internet of Things to Life – Harvard University – February 2016
By the end of 2019, digital transformation spending is expected to reach $1.7 trillion worldwide, a 42% increase from 2017.

Source: IDC FutureScape: Worldwide IT Industry 2018 Predictions
What if?
Best People & Teams

Continuous Innovation

Future IT

Agile and Dynamic

Outcomes

WHO

WHAT

WHY
Future IT

- Best People & Teams
- Agile and Dynamic
- Continuous Innovation
- Outcomes
What I Continuously Ask Myself

- Are you attracting and recruiting the right talent?
- Are you managing the talent transition?
- Are you organizing your people for Future IT?
- Are you changing / transforming your own skills?
- Are you building and rewarding dynamic teams?
- Are you building trust?
- Are you focused on diversity?
- Are you hiring from everywhere?

ARE YOU BUILDING “FUTURE IT” NOW?
Mind the Gap

Have an IT talent gap in supporting transformation

94%

Mind the Gap

It’s Both Technical and Business

Where are IT’s biggest gaps?

Business acumen, problem solving and critical thinking

84%

Technical and technology skills

66%

Source: Cisco IT Talent Transformation Study, 2017
Base Size = 392
Q14. Thinking about the skills and expertise you need to support your business transformation initiatives, where are your biggest gaps?
As You Accelerate and Transform…

Digital business transformation process

Early in transformation process

Ahead of the curve

New Skills Are Required

Most important technology skills:

- Cloud: 78%
- Automation: 72%
- Security: 68%
- IoT: 63%
- DevOps: 63%
- Big Data: 62%
- UI / UX: 60%

Source: Cisco IT Talent Transformation Study, 2017
Base Size = 392
Future IT

Best People & Teams

Agile and Dynamic

Continuous Innovation

Outcomes
Dynamic Teams
Agile: Continuous Delivery Outcomes

Build the Right Thing (Business)

**Speed**
Start with MVP Incremental Small Value Standardized Tool-Chain 1-4 Week Sprints
97% Increase in Delivered Capabilities

**Security**
Security SME in Every Project Code Vulnerability Scans
60% Reduction in Vulnerabilities

Build it Right (IT)

**Quality**
Test Cases Built with Acceptance Criteria Tied to Business Value
92% Increase in Quality

Cisco Accelerated Continuous Delivery from 23% to 73% of Projects in 18 Months
# Cisco at a Glance

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Routers</td>
<td>6,243</td>
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<tr>
<td>LAN Switches</td>
<td>8,415</td>
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<tr>
<td>UCS Servers</td>
<td>10,690</td>
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<tr>
<td>Billion DNS requests per day</td>
<td>7.6</td>
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<td>Employees</td>
<td>72,357</td>
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<tr>
<td>Connected Stakeholders</td>
<td>133,361</td>
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<tr>
<td>Countries</td>
<td>94</td>
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<tr>
<td>Offices</td>
<td>434</td>
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<tr>
<td>Services</td>
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<td>Virtual Machines</td>
<td>76,136</td>
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<td>Connected User Devices</td>
<td>192,770</td>
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<tr>
<td>Overall Usable Storage</td>
<td>87 PB</td>
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<td>Data Center Capacity</td>
<td>28.1 MW</td>
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<tr>
<td>Internet Threats Blocked Per Day (WSA w/AMP)</td>
<td>6.4M</td>
</tr>
</tbody>
</table>

Data as of January 2018
Future IT
THE NETWORK. INTUITIVE.

INTERNET OF THINGS
CLOUD NATIVE
INTELLIGENCE/DATA
SEAMLESS COLLABORATION
ADVANCED SECURITY
APIs EVERYWHERE
SELF-DRIVING OPERATIONS
BLOCKCHAIN
AI & MACHINE LEARNING
Self-Driving Operations
Self-Driving Operations

End to end visibility

Context-Aware: Intent-based
Self-Defending
Self-Provisioning
Self-Driving and Healing Operations

Intuitive network
Future IT

Best People & Teams

Agile and Dynamic

Continuous Innovation

Outcomes

WHY
Digital Principles

Simplification
Simplified Ordering & Provisioning

Automation
Programmable & Self-Service Architecture

SERVICE
Security
Network As A Sensor/ Enforcer

Analytics
Real-time & Playback Of Insights
Application Dependency & Performance

Continuous Innovation
Software-Defined Architecture
Assurance
Digital Principles

Simplification
- Simplified Ordering & Provisioning

Automation
- Programmable & Self-Service Architecture

Security
- Network As A Sensor/Enforcer

Analytics
- Real-time & Playback Of Insights
  Application Dependency & Performance

Continuous Innovation
- Software Defined Architecture Assurance

Innovation
- Context-Aware
- Self-Defining
- Self-Defending
- Self-Healing & Provisioning
- Self-Informing

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Digital Principles – In Action

- Simplification
- Automation
- Security
- Analytics
- Continuous Innovation

Reduced App and Data Center footprint by 35% in key data centers
Reduced 2000 ACL’s to 10 Policy Groups
10X improvement in MTTD/MTTR

Enabled by:
- TETRATION
- APPDYNAMICS
- APPLICATION CENTRIC INFRASTRUCTURE
- ECOSYSTEM PARTNERS

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Future IT

Best People & Teams

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Outcomes
Future **NOW** s Just Around the Corner...
Thank you

You’re