

## Technological influences - Logica

Businesses do not operate in isolation. They are constantly faced with internal and external factors that impact on the dynamics of their operations. Monitoring the external environment is vital to identify changes that could affect the business operations. Being able to address and adapt to these changes ensures the longer term survival of the business. Logica is an innovative IT services organisation that brings people, business and technologies together. Logica's services aim to add value for clients through, for



example, improving efficiency and productivity or reducing waste. Logica monitors its external environment using PEST analysis. This is a structured business tool that looks at the political, economic, social and technological influences affecting a business. By auditing and monitoring these influences, Logica can be proactive in ensuring it remains competitive by adapting its own business and by generating innovative and unique solutions for its clients.

The speed of technological advances means that existing electronic equipment, IT processes and systems will quickly become dated. To remain competitive a business must ensure that its processes and systems support innovation and creativity for itself and its customers. Logica has embraced recent advances in technology to offer its clients the most advanced and sustainable services possible. An example of this is the use of 'cloud' technology. Cloud technology allows companies to access and buy into data storage or software 'on demand' through the internet. It enables companies to access a shared infrastructure. This eliminates the need for firms to buy software for every staff member or support a server to store company data and pay for staff to maintain it. This in turn reduces waste in terms of both time and money and can help a business to become more competitive by unlocking capital. This capital can then be invested in other areas. Logica has also worked with the UK police force to develop the Police National Database. This is the most secure national police system developed to date and only authorised and vetted users will have access to the system. It will make a big difference to policing in the UK as all police forces will now have easy access to key information from forces around the country. The system will make a real difference in protecting people in society.

Technology can also help businesses to meet the issues of sustainability. Sustainability is now a high priority and businesses are keen to reduce waste and be more energy-efficient. Using more efficient IT systems can help reduce waste, recycle more or cut carbon emissions. For example Logica has created innovative software for Ford which monitors vehicle emissions. If drivers behave in an environmentally efficient way, they may benefit from fuel discounts. Systems like this help businesses save money through reduced fuel consumption whilst also reducing emissions. Logica's technology supports its clients in many ways but to do this it needs to be able to offer a dynamic and innovative working environment for its highly skilled employees from diverse backgrounds. Logica's people are key to the technologies that it provides, as employees need to have both the IT skills and an innovative mindset. As an example, graduates within the business may be involved in any part of the organisation, from business consultancy, systems design and development and implementation, to testing the support of new technologies, training or applications management.

## Questions

1. What does PEST stand for?

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2. Describe what is meant by the 'external business environment'.

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3. Explain why Logica needs “a dynamic and innovative working environment for its highly skilled employees”.

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4. Analyse how technological advancements can improve sustainability.

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## Task

Create a mind-map of the learning from the session on technological external factors.

## What have you learned?

Ready, steady, GO...write as many things as you can about technological external factors in 60 seconds.