

## **Biography – Jacqueline Hourigan Allen**

Jacqueline H. Allen is GM Legal's Global Process Leader and Business Unit Counsel for GM's Information Systems and Services (IS&S) business unit. Leading a team of lawyers worldwide, she is responsible for the timely and consistent coordination and delivery of legal advice on IT and related services, and acts a member of the CIO's Leadership Team.

Ms. Allen joined General Motors in 1997 and has served as counsel to various business units, including GMAC and Buick Motor Division. She spent two years in a business position as GM's Director of Data Privacy. During this time, she testified before the House Subcommittee on Commerce, Trade & Consumer Protection on how businesses use customer information and the means employed to protect customers' privacy preferences. She has also held two overseas assignments, one at Holden in Australia and another at GM Europe's corporate headquarters in Zurich, Switzerland.

Ms. Allen obtained her law degree from the University of Detroit Mercy Law School, where she served as Editor-in-Chief of the Law Review. She received an undergraduate degree from Michigan State University's James Madison College.



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# **Developing and Managing the Global IT Services Agreement**

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**Why is this an important topic for lawyers?**

***Following some basic guidelines will minimize our involvement as the contract is administered.***





## *In the beginning . . .*



- Supplier Assessments
    - Historical performance, if applicable
    - Footprint
    - Financial condition
    - Relative size
    - Competencies
  - Relationship Structure
    - Governance
    - Single v. multi-supplier environment
    - Risk Allocation
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## *In the beginning . . .*



- Requirements, requirements, requirements
    - Business Intent
    - Deliverables
    - Scope
      - Geographic & service-specific
    - Service Levels
    - Pricing model
    - Change Management
    - Integration Management
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*“No man is an island . . .”*

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- Engage functional & subject matter experts EARLY
  - Do the proposed requirements . . .
    - Comply with the law and anticipate potential legal issues associated with a global agreement?
      - Data protection
      - Labor / Employment issues (e.g., Acquired Rights Directive, Works Council considerations, etc.)
    - Maximize tax efficiencies?
    - Comply with internal corporate standards and policies?
      - Procurement
      - Finance
      - Contract Management
      - Internal Controls
      - Risk Management



## *‘So you say you have agreement . . .’*

- Train, train and then train some more!
  - Standardize as much as possible
  - Regular communication is a must
    - At all levels!
  - Key Performance Indicators
    - Don’t stop at service levels
  - When things aren’t going right . . .
    - Communication is key
    - Avoid finger pointing
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## Risk Factors

- Loss of control, particularly from a strategic perspective
  - Transition risks
  - Operational risks
  - Financial risks
  - Legal risks
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## When things go bad . . .

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- Vertex Data Science Limited v Powergen (UK Case)
  - Upon receipt of termination for breach notice, Supplier sought an injunction to preclude termination and to force performance by the customer
  - Court ultimately concluded that contractual relationship was ‘inherently inappropriate for [the granting of an injunction]’.
  - Court commented that the type of close, ongoing collaboration at the operational level, which required goodwill, which was not likely given the circumstances.
  - Sears v. CSC matter
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## CCMI ACQ

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- CMMI ACQ – Capability Maturity Model Integration for Acquisition
  - Published by Carnegie Mellon Software Engineering Institute
  - Process model for standardization of acquiring
  - Under development, but will drive standardization in the industry and a set of best practices to consider when acquiring IT services
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# Business Process Services



- Focused on business processes rather than direct material related processes
    - Fully bundled service that includes process, people, and enabling technology
  - Generally, a function previously performed by customer, but can also mean:
    - Re-sourcing an existing outsourced process, or
    - Sourcing a completely new process as a new need arises
  - IT market maturity
    - ITO suppliers began offering BPS services
    - BPS began utilizing greater amounts of enabling technology
    - Supplier capabilities have expanded to satisfy global requirements
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# Business Process Services

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- BPS is an emerging trend in the marketplace
    - Suppliers are using enabling technology to drive cost improvement and other efficiencies in service delivery models.
    - **It is rare that a service that does not have some embedded technology elements**
    - The market is NOT divided into suppliers performing IT Services and other types of services
    - The need for business to become truly “Global” drives the trend and shifts focus from in-country or regional delivery models of the past
    - At the same time, increasing globalization has led to increasing variation in legal requirements, e.g. Data Protection Laws
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