

News

CGI's Future Lies in Big Data Management

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After 40 years of helping companies automate, CGI (GIB.A: TSX) now sees its future in big data management. The goal is to equip client organizations to improve their performance and lower their operating costs.

Invited to launch the Canadian Club of Montreal's season of lunchtime speakers, Michael Roach, CGI's President and Chief Executive Officer, outlined the company's strategy —a company he has headed for almost 10 years.

"Our clients operate in a global market and they have to deal with the digital transformation that consumers are increasingly demanding. According to our sources, 65% of our clients have not yet managed to reduce operating costs in order to invest in their digital overhaul. We're there to help them with their vision," he said to a room full of business people proud of this Quebec IT leader.

Mr. Roach cited various examples of exceptional service agreements.

For example, the City of Edinburgh, Scotland, has entrusted CGI with providing transformational ICT services to integrate a number of services with each other and the digital world. The renewable seven-year \$380 million (£186 million) contract will lead to the creation of 200 jobs and 60 apprenticeships.

Tool of growth

At the same time, Mr. Roach plans to make CGI a global leader in corporate digitization within the next few years. The company, whose sales have doubled every four years, is aiming for sales of \$20 billion within the next five to seven years.

CGI, founded in 1976, has experienced an average annual revenue of 19% since going public in 1986. In 2001, the Montreal company had 13,000 employees and sales of \$1.6 billion, and by 2010, 31,000 employees and sales of \$4.5 billion. It made a huge leap ahead in 2012, with the acquisition of Logica, the largest European IT firm, bringing the number of employees to 68,000 and sales to \$10.1 billion.

Acquisitions and personalized services

“Our formula for success is to keep our promises, and even make personal promises. We don’t aim to be the biggest company in the world. We aim to be the best,” he continued.

In the coming years, CGI aspires to reach its next financial goals through both organic growth and the acquisition of strategic niche competitors around the world.