

Conversations

Talking with John Chambers, president and CEO of Cisco Systems

As the leader of one of the world's most dynamic companies, John Chambers knows the importance of market adaptation. The Cisco president and CEO discusses true productivity, the evolution of networking, and what it really means to be a leader in and out of the boardroom.

Synnovation: We've heard you talk about real-time productivity gains. Can you explain what this is and how the growth of network connectivity has enabled it?

What the network provides is the opportunity not only to improve productivity but to change and advance business processes for even greater productivity gains. When you use networked IT just for cost-cutting, such as implementing IP telephony for toll-bypass, it can have a negative impact on customer satisfaction.

If you focus on business processes to drive increased productivity, in effect you are really finding new and improved ways to service

your customers—resulting in even closer customer interaction—which has its own business benefits.

It has been said that the future of networking stands at a crossroads. Can you explain what this means to the industry, to enterprises, and to consumers?

In the near future, people won't think of the network as routers, switches, and cabling. The network will simply be underlying technology always available and easily accessible, providing us with secure communications and ready access to information. The effortless connec-

tivity enabled by this universal network will improve every aspect of how we work, live, play, and learn. It will enable businesses to improve processes, allow people to advance themselves through education and training, and give governments the ability to provide better services to citizens.

From a purely U.S. perspective, to realize this vision, we must make sure that we have the infrastructure in place to support it. We must, as a nation, insist on having the fastest and most robust broadband network in the world. We must also be realistic with ourselves that this is an area where we are falling further behind our global competitors. It is critical to our ability to advance in business, healthcare, and education. Our policymakers must also be forward thinking when it comes to fostering new technologies. Communications advances such as voice over Internet protocol enable new services, including the ability to be remotely connected to your office. By burdening these new technologies with regulations, we will stifle them and hinder America's ability to remain a technology leader.

What is your vision for the evolution of networking?

The ability to use any device from any location will make the network so reachable and so integrated with every aspect of life, that we will no longer need to think about which device we're using and what information it needs to access. If you want to make a telephone call, your PDA or PC will work just as well as your cell phone. Do you want to add voice or video to your e-mail message? No

problem. Need to access the Internet? You'll be able to do that as easily from an airplane as from your office. What about moving from your office to your car, and then onto a train during an important conference call? That will be easy; your PDA or phone will automatically connect you to the proper network as you travel, without dropping your call.

This is possible by integrating intelligence into the network, and Cisco is committed to this technological direction. An intelligent network automatically handles all the hard tasks usually associated with today's networks. As we all know, the networks of today are cumbersome—with many parts that need to be configured and set up, you have to learn how to use them and they are picky about which devices they'll talk to. The intelligent network automatically adapts to your device, your location, and your identity, and provides you with the services you want and the appropriate level of security you require. It manages the underlying technology requirements for us and lets us take advantage of the networks already in place.

How is the network enabling enterprise transformation?

The network is the backbone of an enterprise and the more intelligence that is put into the network infrastructure, the more pervasive and useful it will be to the enterprise. But what is most powerful about the network is its ability to drive significant process change within the enterprise. With an intelligent information network, the enterprise can optimize access to business applications so you can work more efficiently and respond faster to market transitions. You also work in real-time across different geographies, with remote workers and remote offices enjoying full access to enterprise applications. And through the virtualization of IT resources, the network enables companies to access only those resources they need and therefore save costs. You no longer need banks of servers for computing and storage—processor, and storage power is now in the rack waiting to be

used. The network will decide how to best use these resources in the most efficient way.

How is your involvement in the EDS Agility Alliance helping you further your vision?

As a member of the EDS Agility Alliance, we're working very closely with other industry leaders in our joint labs and customer engagements to develop innovative approaches to increasing productivity and profitability across customers' entire IT infrastructures and business operations. With tightly integrated world-class technologies and related business services, the EDS Agility Alliance enables Cisco to ensure our customers have the systems-level solutions they need to enable their enterprises to quickly and successfully respond to changing market conditions.

Fortune Magazine recently ranked Cisco as one of the top 10 admired companies and one of the top 100 companies to work for. What is it about Cisco and its people that has brought you this notoriety?

Our employees truly believe that Cisco is a company that is not only built to last, but built to lead. Cisco has a unique culture that is based on open communication, trust, and integrity. Our culture also firmly believes in giving back, because it's the right thing to do. Our employees have a strong track record of meaningful community involvement and contributions. By leveraging employee volunteerism, our expertise and equipment with related strategic cash support, Cisco is committed to being actively involved in communities around the globe. |s|



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