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DXC doubles down with AWS to transform to cloud-centric, asset-light model

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DXC Technology has signed an expanded five-year partnership agreement with Amazon Web Services that it hopes will transform its cloud services business and revitalize its brand to become recognized as a modern cloud-based IT and services supplier. In addition to client transformation, the expanded relationship is an intentional strategy to transform DXC's sales and service delivery into a cloud-centric and asset-light model. DXC expects the deal to become a force multiplier to its business as it seeks to accelerate the migration and modernization of customers' legacy IT estates to AWS public cloud.

DXC has over 900 IT outsourcing customers, which the two will consult with as a result. Many of them are mainframe users, which are key initiatives for the expanded relationship. DXC expects nine out of 10 will be driven by cloud cost optimization. DXC is an AWS Premier Consulting Partner as part of a joint investment, with tens of millions of dollars committed to the program. As part of the partnership, DXC and AWS will build three elements — accelerated cloud migration and modernization, asset transformation (datacenter exits), and workforce transformation. An additional 15,000 DXC professionals will be trained on AWS (DXC already has over 5,000 certifications) beginning with an eightweek learning program followed by a long-term learning path. There will be an initial two-year focus on upskilling customers and DXC's own bench, and thereafter a focus on cost optimization. Cloud migration and modernization would happen organically if DXC and AWS were to do nothing different, but this deal should accelerate the opportunity.

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