# Everest Group PEAK Matrix® for Next-generation Application Management Service Providers 2021

**Focus on Wipro**
March 2021

# Background of the research

Application management as a practice area has evolved over the years with changing technologies and enterprise priorities. As with other segments within application services, the focus of application management has been improving productivity and reducing costs while ensuring applications are up and running. Next-generation application management is the evolution of the traditional AMS. More mature models of service delivery, newer financial constructs, and evolved governance models apart from the use of more advanced technologies are some of the differentiating factors of next-generation AMS vis-à-vis traditional AMS. Enterprises are increasingly demanding next-generation AMS from their service providers in order to cut the run spend and divert it toward modernization and creation of new assets.

This report examines the dynamics of the global next-generation application management service provider landscape. We present an assessment of 24 service providers featured on the next-generation application management services PEAK Matrix®.

**This report includes the profiles of the following 24 leading next-generation AMS service providers featured on the next-generation application management services PEAK Matrix®:**

- **Leaders:** Accenture, Capgemini, Cognizant, HCL Technologies, IBM, Infosys, TCS, and Wipro
- **Major Contenders:** Aspire Systems, DXC Technology, LTI, Mphasis, Mindtree, NTT DATA, Softtek, Stefanini, Tech Mahindra, Unisys, UST Global, and Zensar
- **Aspirants:** Datamatics, GAVS, Jade Global, and Yash Technologies

**Scope of this report:**

**Geography**
Global

**Service providers**
24 leading next-generation application management service providers

**Services**
Next-generation application management service providers

# Next-generation application management services PEAK Matrix® characteristics

**Leaders:**

Accenture, Capgemini, Cognizant, HCL Technologies, IBM, Infosys, TCS, and Wipro

- Leaders have exhibited strong client orientation and have helped their clients in the management of complex business-critical applications using next-generation application management principles to achieve faster time-to-value, enhanced user experience, reduce the run spend, and drive innovation
- They have made significant investments in building IPs and partnerships to accelerate the application development process and deliver custom solutions to clients
- While Leaders are delivering enhanced business value, they can further fine-tune certain aspects of their application service delivery such as price and solution flexibility

**Major Contenders:**

Aspire Systems, DXC Technology, LTI, Mphasis, Mindtree, NTT DATA, Softtek, Stefanini, Tech Mahindra, Unisys, UST Global, and Zensar

- Major Contenders have exhibited a high degree of responsiveness to client requirements and have supported clients in building strategy and prospective business cases
- They have been able to develop sophisticated applications and are extensively leveraging partnership network to fill capability gaps
- Major Contenders need to develop proof points to demonstrate capabilities to lead large-scale transformation of complex and critical applications leveraging principles of next-generation application management

**Aspirants:**

Datamatics, GAVS, Jade Global, and Yash Technologies

- Aspirants are either focused on a region(s) or vertical(s), or currently have relatively smaller next-generation AMS practice
- While they are limited by scale to cater to the requirements of large global players, they have been collaborating with clients and other service providers to drive innovation and value through their niche capabilities
- Aspirants need to invest in developing IPs and partnerships to enhance their service offering

# Everest Group PEAK Matrix®
## Next-generation Application Management Services PEAK Matrix® Assessment 2021 | Wipro positioned as Leader

**Everest Group Next-generation Application Management Services PEAK Matrix® Assessment 2021**
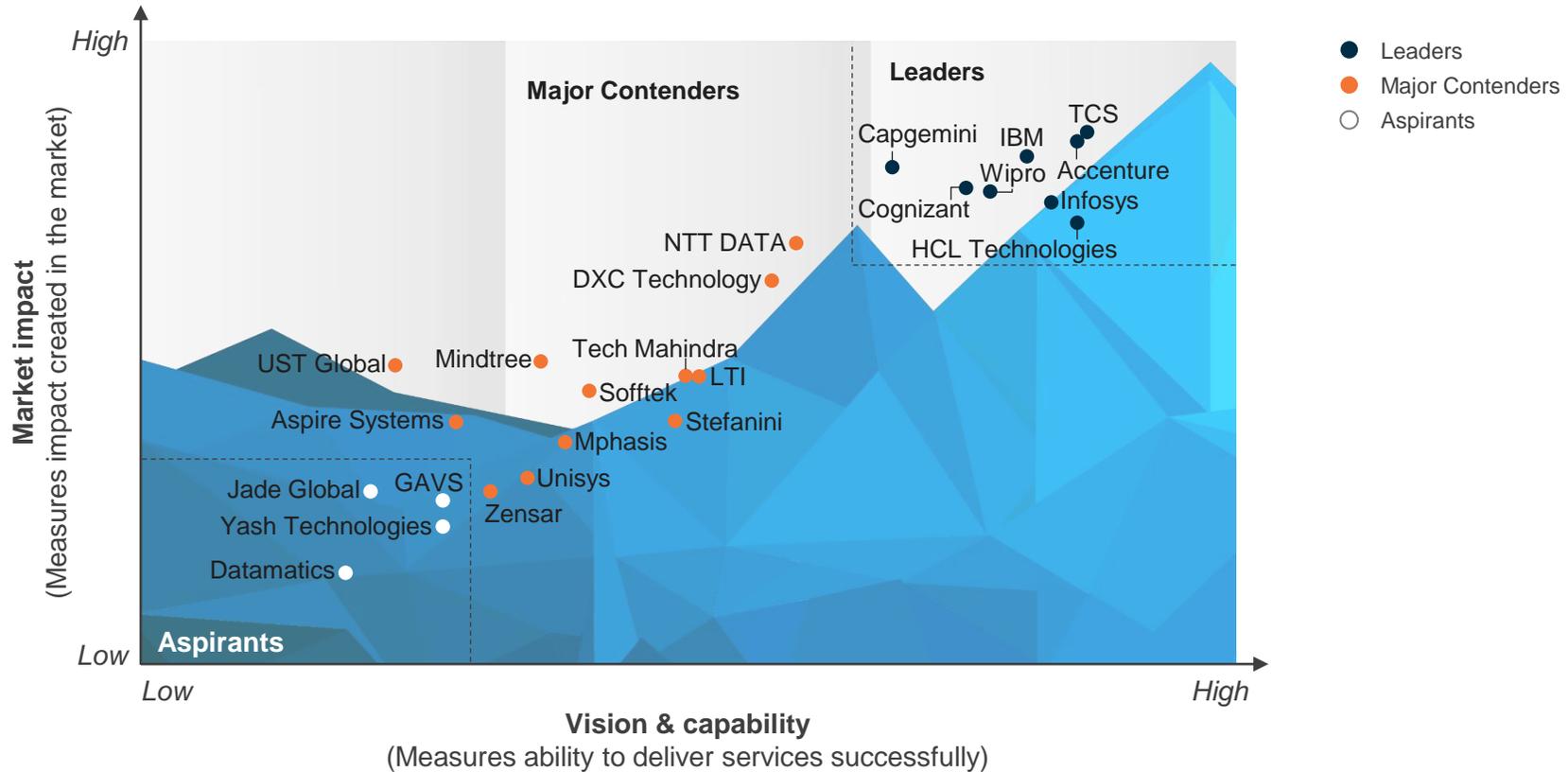
Note:      PEAK Matrix® specific to next-generation application management services
Source:    Inputs from market players, recruitment firms, and investment agencies

# Wipro | Next-generation application management services (page 1 of 3)
## Overview

**Overview of services:**

Wipro's next-generation application management offerings are largely structured by a combination of federated and centralized functions. Its federated structure is driven by business units focusing on the delivery/execution and go-to-market while AMS CoE as central function supporting benchmarking, standardization, quality / customer satisfaction, estimation, continuous improvements, and specific cadre building. The business units include financial services, manufacturing, consumer goods, health, technology, energy & utilities, and communications. It also has technology groups for the ERP and enterprise applications towers such as SAP, Oracle, Salesforce, Microsoft, and others.
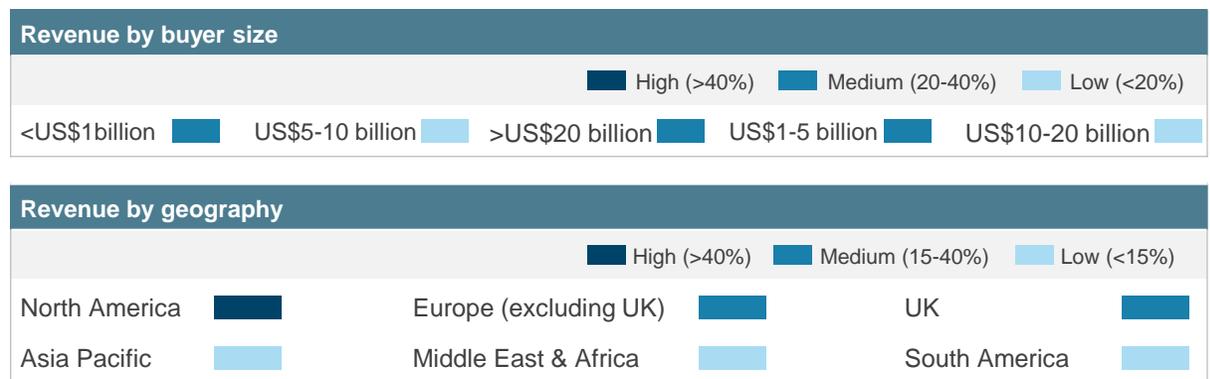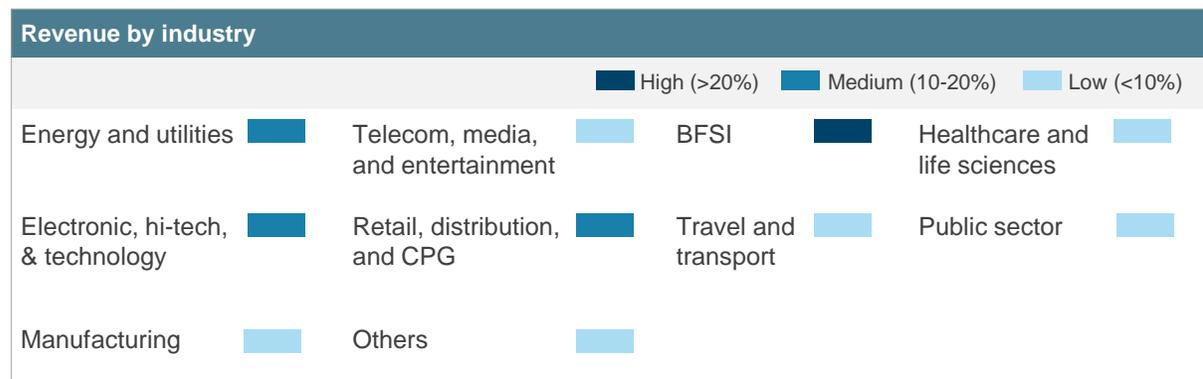
**Vision:**

Wipro's vision comprises enabling enterprise agility in the digital world, driven by the principles of business value creation, full stack metered application services, hyper automation, AIOps, and a 3-dimensional end-user experience. To drive this vision, Wipro uses XTOM, Agile, no-shore model, landscape transformation, new-age commercials, and AIOps. XTOM is Wipro's integrated approach to deliver AMS, application development, quality engineering, and cloud ops activities using an integrated team in a true product-based operating model.

| Strengths | Areas of improvement |
|---|---|
| • Wipro adopts innovative commercial constructs for next-generation AMS such as app-based and t-shirt-based pricing; it also engages in gainsharing and risk-reward models<br>• Wipro's value proposition for Agile and no-shore service delivery for next-generation AMS is gaining traction<br>• It has built SRE teams to drive business service alignment, drive automation, and bring down cost of failure for its next-generation AMS clients<br>• Wipro's HOLMES platform, that consists of a pre-built library of assets to enable hyperautomation, creates business value for clients around efficiency and time-to-market | • Wipro has a strong asset in Topcoder crowdsourcing platform; however, its adoption for next-generation AMS has not been meaningful, not allowing clients to take full advantage of the platform<br>• Clients expect it to focus on acquiring an end-to-end view and accountability for AMS engagements; they would also like to see more domain expertise from Wipro<br>• Wipro can drive higher adoption of strategic KPIs, beyond the tactical ones, for AMS clients and deliver greater value to clients<br>• It needs to further improve its talent management and client-centricity in AMS engagements; clients would like to see more innovative thinking and a problem-solving approach |

## Revenue by industry

High (>20%)   Medium (10-20%)   Low (<10%)

| Energy and utilities | Telecom, media, and entertainment | BFSI | Healthcare and life sciences |
|---|---|---|---|
| Electronic, hi-tech, & technology | Retail, distribution, and CPG | Travel and transport | Public sector |
| Manufacturing | Others | | |

## Revenue by buyer size

High (>40%)   Medium (20-40%)   Low (<20%)

<US$1billion   US$5-10 billion   >US$20 billion   US$1-5 billion   US$10-20 billion

## Revenue by geography

High (>40%)   Medium (15-40%)   Low (<15%)

| North America | Europe (excluding UK) | UK |
|---|---|---|
| Asia Pacific | Middle East & Africa | South America |

# Wipro | Next-generation application management services (page 2 of 3)
## Case studies and solutions

| Case study 1 | Transforming application management services |
|---|---|

**Client:** A large electronics major

**Business challenge**
The client had 127 diverse business models to be supported across 115 countries and 600+ applications across the world that were required to be managed efficiently. The client also needed business KPI-based measures to be enabled

**Solution**
Wipro managed a complex landscape of 50+ satellite systems, and Wipro HOLMES™ automation implemented end-user experience monitoring, business process monitoring, and alert management. The company deployed centralized SAP template build, rollout, data, and training factories

**Impact**
The client was able to achieve 30% ticket reduction, 40% cost optimization, and 35% MTTR improvement

| Case study 2 | Improving operations and processes using savings targets |
|---|---|

**Client:** A speciality chemical company

**Business challenge**
The client wanted process improvement by identifying saving targets and transformation and digitization. It needed to deploy a unified solution across units

**Solution**
Wipro leveraged HOLMES™ AHC automated monitoring, robot scripting, and RPA POCs for a matured and stable environment. It carried out landscape modernization through application rationalization and greenfield implementations of security intelligence, wherein Wipro deployed 42 unique technology skills and expertise in nine business functions for 72 critical applications

**Impact**
The customer achieved 50% run cost savings. It was able to implement 3P approach for automated monitoring and about 100+ value improvements

| Next-generation application management services proprietary solutions (representative list) | |
|---|---|
| **Proprietary solutions** | **Details** |
| BEE model for AIOps | Consists of a 12-step framework to proactively monitor business-centric processes, proactively predict end-user impact, and drive end-user experience through faster resolution |
| Digital Rig | Digital Rig is a platform built to accelerate DevOps adoption by simplifying, standardizing, and automating key engineering tasks for the enterprise through a self-service catalog |
| HOLMES | A proprietary AI platform that provides cognitive services for its consumers to build solutions utilizing capabilities in natural language, image processing, voice, and intelligent search |
| ServiceNXT™ | An integrated managed services offering designed to enhance IT operations resiliency, reduce operational costs, and drive closer business alignment |
| Wipro Integrated Transition Framework (ITF) | A framework interweaving people, processes, tools, and governance for seamless and effective transition and now focusing on remote transition to minimize impact of the pandemic |

# Wipro | Next-generation application management services (page 3 of 3)
## Partnerships and investments

*NOT EXHAUSTIVE*

| Next-generation application management services investments (representative list) | |
|---|---|
| **Partnership** | **Details** |
| AppDynamics | Leverages for managing the performance and availability of applications across cloud computing environments as well as inside the datacenter |
| Dynatrace | Partnered to provide customers an application-centric and integrated monitoring solution to help them transform their application operations |
| Splunk | Partnered to enable searching, monitoring, and analyzing machine-generated big data via a web-style interface |
| **Acquisition** | **Details** |
| Moogsoft | Partnered and invested in a company with AIOps solutions that help avoid outages, automate service assurance, accelerate digital transformation initiatives, integrate solutions, and improve observability and noise reduction of incoming alerts by 90% |
| TopCoder | The acquisition has enabled Wipro with extended workforce, on-demand access to talent, faster speed of delivery, greater volume of work, and pay-per-consumption model for clients |
| Tricentis | Partnered and invested in a software testing company and thought leadership in the automated testing space, to strengthen Wipro's engineering and testing services capabilities by integrating Tricentis Tosca, a continuous testing platform, with Wipro AssureNXT, a managed services QA platform for Cloud ERP services |
| **Talent** | **Details** |
| Cloud training | Cloud certifications across major cloud service providers including AWS, Azure, GCP, Oracle, IBM, and SAP |
| High velocity skills | Developing integrated (AD+AMS) skills through digital academy to develop TT and X-shaped full-stack talent. Further involving POD-based skill sets for a more agile workforce and building SRE teams to enable the XTOM model |
| Process and software training | Process training includes ITIL foundation training, incident management training, and ITSM tools training; whereas, software training includes platform skills, analysis and design skills, and domain/technology skills |
| **Recent activity** | **Details** |
| Awards | Wipro HOLMES™ Anomaly Detection solution won the second prize in the category of 'Business Innovation' at 2019 ABSL Awards Gala |

Source:    Everest Group (2020)

# Appendix

# Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

**Everest Group PEAK Matrix**
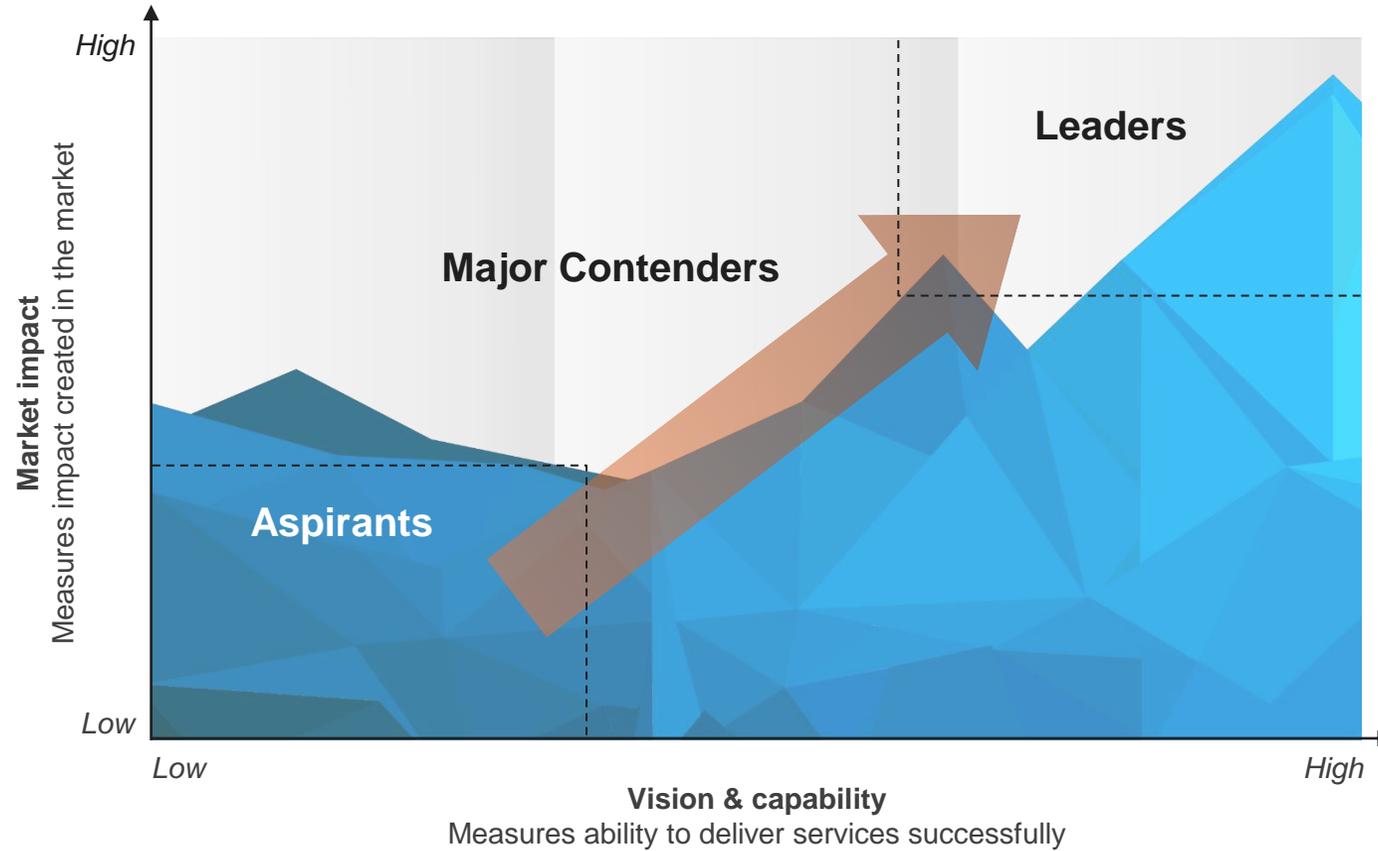
# Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

### Market adoption
Number of clients, revenue base, YOY growth, and deal value/volume

### Portfolio mix
Diversity of client/revenue base across geographies and type of engagements

### Value delivered
Value delivered to the client based on customer feedback and transformational impact

**Market impact**

Leaders

Major Contenders

Aspirants

**Vision & capability**
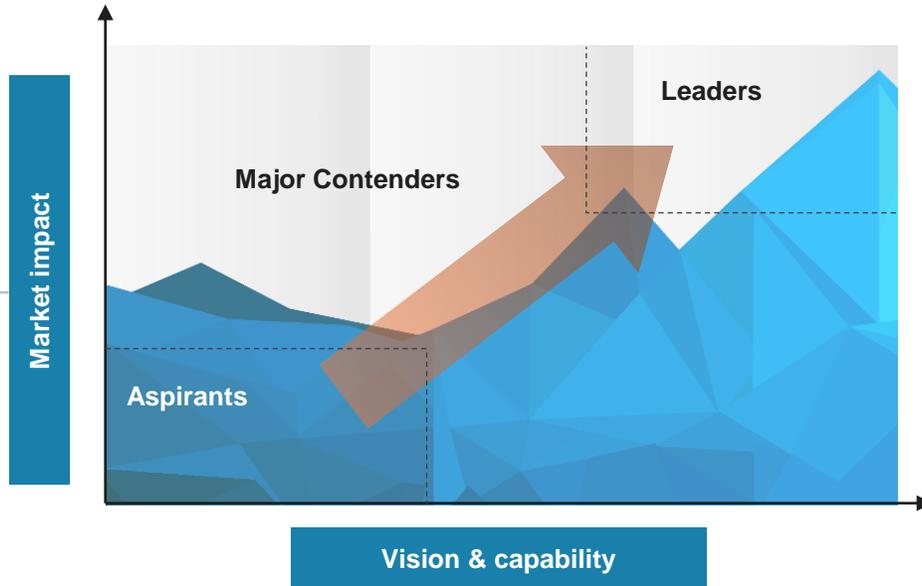
Measures ability to deliver services successfully. This is captured through four subdimensions

### Vision and strategy
Vision for the client and itself; future roadmap and strategy

### Scope of services offered
Depth and breadth of services portfolio across service subsegments/processes

### Innovation and investments
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

### Delivery footprint
Delivery footprint and global sourcing mix

# FAQs

**Does the PEAK Matrix® assessment incorporate any subjective criteria?**
Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

**Is being a "Major Contender" or "Aspirant" on the PEAK Matrix, an unfavorable outcome?**
No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

**What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the "PEAK Matrix position"?**
A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a "Leader", "Major Contender," or "Aspirant" title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

**What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?**
- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own "profile" that is published by Everest Group as part of the "compendium of PEAK Matrix providers" profiles

**What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or "Star Performer" status ?**
- Providers/vendors can use their PEAK Matrix positioning or "Star Performer" rating in multiple ways including:
  – Issue a press release declaring their positioning. See citation policies
  – Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  – Quotes from Everest Group analysts could be disseminated to the media
  – Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

**Does the PEAK Matrix evaluation criteria change over a period of time?**
PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises

# Everest Group®

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