HFS Research

HFS Top 10: Agile Software Development, 2020

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HFS TOP 10

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“The agile services market continues to wrestle with the conventions of traditional buyer and seller relationships. It’s clear now that successful engagements are based on a relationship that values equality of opinion and empowerment with a focus on delivering real business results.”

—Jamie Snowdon, Chief Data Officer

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What you'll read

TOP 10

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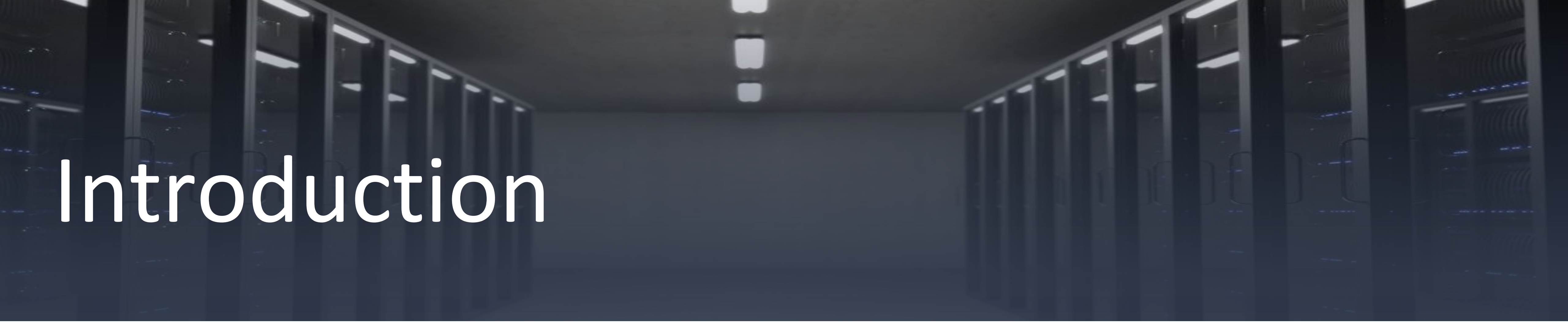
Introduction



- Agile software development has moved beyond its early phases, where initial results were compelling but hard-won. As the methodology, practices, and toolsets become more embedded in day-to-day business and IT, the practice must evolve to continue to deliver value. This is particularly evident in the service provider community, which must embrace agile practices and evolve them to make the most impact in their unique environments. This research examines how providers in the community are evolving their practices to support agile software development.
- Appetite for agile delivery capabilities is forcing the buy-side to reconsider how it approaches external services. Traditional approaches that rely on buyer-seller dynamics do not provide the flexibility and equality of voice that true agile delivery requires. As a result, both enterprises and providers are working to develop a culture that enables professionals from both sides to engage on an equal footing to ensure the outcome is the best for all parties. As this trend develops, we’re likely to see shifts in talent pools and commercial models as specific skillsets become more valuable and pricing develops to incentivize the right behaviors from both buyers and providers.
- This study seeks to understand how these and other trends are developing in the market and which providers are leading the charge in the competitive agile development services market.

Research methodology

The research is the result of data collected in Q1 and Q2 2020 through provider RFIs, structured briefings, client reference interviews, and from publicly available information sources. This information is supplemented by key findings from a large G2000 survey of enterprise leaders.

Agile software development services providers were assessed on the following three main dimensions:

33.3%

Voice of the customer

- Candid feedback from client references and over 600 G2000 responses to the IT services satisfaction survey.

33.3%

Ability to execute

- Methodology and approach
- Partnerships
- Breadth and scale
- Client results
- Pricing and commercial models

33.3%

Innovation capability

- Marketing and thought leadership
- IP and accelerators
- Tools and technology
- Vision for investments
- Talent development and strategy

TOP HFS 10

Providers covered in this report

accenture
Atos
Capgemini
Cognizant
DXC.technology
HCL
IBM
Infosys
LTI Let's Solve
Mindtree A Larsen & Toubro Group Company
Mphasis The Next Applied
NIIT technologies Engage With The Emerging
NTT DATA
TATA CONSULTANCY SERVICES
Tech Mahindra
virtusa
wipro
ZenSar

Summary of agile software developers in this report

TOP 10

Service providers (alphabetical order)	HFS point of view
Accenture	Clients benefit from global delivery and a well-provisioned talent pool
Atos	End-to-end enterprise agile transformation partner, focused on high-end enterprise engagements
Capgemini	An innovative agile provider with robust tools and accelerators and dense partnership ecosystem
Cognizant	Mature agile player with strong investments in talent and tools
DXC	Trusted partner with increased capability through Luxoft acquisition
HCL	Client-focused player offering services in the sweet-spot of value and service excellence
IBM	One of the leading players in this space with strong tools, frameworks, expertise, and ability to deliver at scale
Infosys	Agile delivery heavyweight with well-stocked talent pool
LTI	Hungry, customer-driven provider looking to up its game with higher-value services
Mindtree	Competitive commercial model blended with agile practices and consulting services makes Mindtree a strong player in this space
Mphasis	Growing agile services firm with an emphasis on flexibility
NIIT	End-to-end product management expertise across domains with strong frameworks
NTT DATA	Strong end-to-end development player with broad tools and methodologies
TCS	Global delivery capabilities supported by evolving technical expertise
Tech Mahindra	Customer-driven, flexible player that knows the agile playbook
Virtusa	Provider with strong investments in talent and one of the industry’s best frameworks
Wipro	Flexible partner with a track record of transforming client operations
Zensar	Increasingly trusted partner driving holistic agile story

HFS Top 10 agile development provider rankings

HFS TOP 10

Rank	Overall HFS Top 10 position	Execution						Innovation						Voice of the customer
		Methodology and approach	Partnerships	Scale and breadth	Client results	Commercial models and price	Overall execution	Marketing and thought leadership	IP and accelerators	Tools and technology	Vision for investments	Talent development and strategy	Overall innovation	
#1	Infosys	accenture	accenture	IBM	HCL	Mindtree	HCL	accenture	accenture	IBM	accenture	accenture	accenture	Infosys
#2	HCL	IBM	Capgemini	accenture	Infosys	HCL	Infosys	TATA CONSULTANCY SERVICES	IBM	accenture	Cognizant	HCL	IBM	Mindtree
#3	accenture	HCL	TATA CONSULTANCY SERVICES	Capgemini	Tech Mahindra	virtusa	TATA CONSULTANCY SERVICES	NTT DATA	Atos	Atos	HCL	Cognizant	HCL	Tech Mahindra
#4	IBM	NTT DATA	Infosys	TATA CONSULTANCY SERVICES	accenture	Cognizant	accenture	Infosys	HCL	HCL	IBM	Infosys	Infosys	Cognizant
#5	Cognizant	Cognizant	HCL	Infosys	TATA CONSULTANCY SERVICES	Infosys	IBM	HCL	Capgemini	Infosys	Infosys	IBM	Atos	wipro
#6	wipro	Mindtree	NTT DATA	wipro	IBM	LTI Let's Solve	wipro	Cognizant	Infosys	TATA CONSULTANCY SERVICES	Atos	Atos	Cognizant	virtusa
#7	TATA CONSULTANCY SERVICES	Infosys	IBM	Cognizant	wipro	Mphasis The Next Applied	Cognizant	wipro	NTT DATA	Cognizant	NTT DATA	TATA CONSULTANCY SERVICES	TATA CONSULTANCY SERVICES	IBM
#8	NTT DATA	Capgemini	Cognizant	HCL	virtusa	NIIT technologies	Capgemini	Capgemini	TATA CONSULTANCY SERVICES	wipro	TATA CONSULTANCY SERVICES	NTT DATA	Capgemini	HCL
#9	Tech Mahindra	TATA CONSULTANCY SERVICES	Atos	DXC.technology	NTT DATA	ZenSar	NTT DATA	IBM	Cognizant	DXC.technology	Capgemini	Capgemini	NTT DATA	TATA CONSULTANCY SERVICES
#10	Capgemini	Mphasis The Next Applied	DXC.technology	Atos	Mindtree	wipro	Tech Mahindra	Atos	wipro	Capgemini	wipro	wipro	wipro	NIIT technologies

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Notable performances in HFS Top 10 agile development services

TOP 10

HFS Podium Winners Top three providers overall across execution, innovation, and voice of the customer criteria		
#1 Infosys	#2 HCL	#3 accenture

Execution powerhouses Top three providers on execution criteria			Innovation champions Top three providers on innovation criteria			Outstanding voice of the customer Top three providers on voice of the customer criteria		
#1 HCL	#2 Infosys	#3 TATA	#1 accenture	#2 IBM	#3 HCL	#1 Infosys	#2 Mindtree	#3 Tech Mahindra

Other notable top three performances

- Virtusa for positive voice of the customer results alongside effective commercial models
- Tech Mahindra for delivering high-value client results with a correspondingly high voice of the customer rating
- Cognizant for its compelling vision for investments and its talent and development strategy

Notes: The service providers assessed in this report include (in alphabetical order): Accenture, Atos, Capgemini, Cognizant, DXC, HCL, IBM, Infosys, LTI, Mindtree, Mphasis, NIIT, NTT DATA, TCS, Tech Mahindra, Virtusa, Wipro, Zensar

Executive summary

- **Successful agile relies on mutual investment and engagement:** As a practice and approach, agile has evolved over the last decade to become the mainstay of application development. As stakeholders mature this approach, it's becoming increasingly important for both providers and enterprises to be equally invested in a project's success. This investment moves beyond fiscal concerns to the day-to-day conduct of professionals from both teams, such as provider-side developers pushing back on client managers if the approach is not the right way forward. This development is an uncomfortable shift for some providers. Historically, the focus on pleasing customers has been sacrosanct, forcing a significant cultural shift for those wanting to adopt and exploit true agile practices. On the other hand, enterprise leaders expect this new culture to be embedded in engagements described as "agile." Providers who are successful at pivoting to this new demand typically score well in areas such as the voice of the customer and client results in this research.
- **Approach flexibility is an inconsistent differentiation point:** The shift in culture extends beyond teams and into contracts. Clients look for providers that are flexible in multiple ways. At its simplest, they expect providers to be able to flex resources if necessary. However, as a construct of agile engagements, flexibility has moved away from being the traditional differentiator for many firms, particularly smaller and mid-tier IT service providers where this level of flexibility has become uniform and generally accepted by the market. The major IT services firms, however, can still use flexibility as a differentiator as larger sprawling operations and complex management structures make degrees of agility challenging.

Research summary highlights

TOP 10

Highlight #1: Investment in people

Clients are pushing for providers to support training and development initiatives not only in their own teams but also within client delivery teams. As a result, we have seen some firms consistently innovate and market themselves for their capacity to bring resources and experience to training initiatives to ensure all teams have a consistent approach to agile delivery.

Highlight #2: Flexibility of approach

The provider community is quick to advise of its approach flexibility when it comes to agile engagements. However, clients advise that definitions vary considerably, particularly when it comes to the detail buried in complex commercial models. Providers must bring greater flexibility to engagements—at scale—as enterprise executives advise this is becoming an important part of shortlisting.

Highlight #3: Staff augmentation with closer scrutiny

Clients advise that they want the right people, in the right place, at the right time—an approach particularly vital for fast-moving agile engagements. However, they also advise they are placing greater scrutiny on the quality of talent to ensure consistency of skills and approaches across teams. Arguably, agile approaches make it much harder to have weaker members of a team and easier for clients to scrutinize and push back on.

Highlight #4: Emphasis on partnerships

Enterprise clients tell us that they now expect providers to be more proactive when it comes to overall investment in engagements, from absolute price to flexing additional resources. Many tell us that some engagements have been closed because providers weren't proactive enough and they had to continue pushing to get the best deal possible.

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Provider profiles

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Infosys

Agile delivery heavyweight with well-stocked talent pool

TOP 10

Dimension	Rank
HFS Top 10 position	**# 1**
Ability to execute	
Methodology and approach	# 7
Partnership	# 4
Breadth and scale	# 5
Client results	# 2
Pricing and commercial models	# 5
Innovation capability	
Marketing and thought leadership	# 4
IP and accelerators	# 6
Tools and technology	# 5
Vision for investments	# 5
Talent development and strategy	# 4
Voice of the customer	**# 1**

Strengths

- **Well-stocked talent pool:** Infosys has one of the largest talent pools in the agile software development market. Clients attest to the firm's ability to bring a strong bench to engagements. In particular, clients highlight the firm's technical expertise and ability, and that it often brings innovative and highly technical solutions to engagements.
- **Talent development:** According to clients, Infosys has a strong track record of investing in its talent, including sweeping, organization-wide training initiatives and ongoing development efforts underpinned by the firm's Wingspan platform.
- **Evolved toolsets:** Infosys has pulled its experience and exposure to the agile services delivery space into a powerful set of accelerators, including evolved testing automation.
- **Localization program:** Infosys is investing heavily in localization, emphasizing building delivery capabilities onshore and nearshore for clients in the US and Europe. These investments are a boon to clients looking to build closer relationships with their provider and align more closely with agile practices, which can be challenging to manage across distance and time zones.

Opportunities

- **Continue evolving business focus:** Like many of its competitors, Infosys has been forging beyond its technical heritage to focus on specific business challenges and evolve its narrative beyond IT audiences. Infosys has come along way since we last examined its application development and management capabilities in 2018, but it must continue to evolve approaches to focus more on real business challenges and bring its technical expertise and capabilities to provide solutions.

Acquisitions and partnerships

Key partnerships:

- Global Strategic Partner: AWS, RedHat, Pivotal, VMware, Dynatrace, MS, Docker, Perfecto Mobile, NetApp, HP, CISCO, Google, Neotys Lab, ServiceNow, Elastic, BMC software, Checkmark, Synopsys, Splunk, NewRelic, Hashicorp, MicroFocus, CA, IBM
- Gold Partner: Safe
- Platinum Partner: Scrum@Scale
- Others: Kubernetes, Chef, Mesosphere, Junit, Selenium, Atlassian, Tricentis

Acquisitions: 2020: Simplus; 2018: Wongdoody, Fluido; 2017: Brilliant Basics

Solution portfolio

- **Infosys DevOps Platform (IDP):** Enterprise-class, integrated, open-source platform that helps organizations accelerate their agile and DevOps transformation journey.
- **Infosys Distributed Agile**: Integrated agile and DevOps solutions and accelerators geared for all types of work relevant to an IT organization, with a playbook to quickly set up a distributed operating model, contextualized to a client's specific needs.
- **Infosys PANDIT:** AI-based testing platform that helps clients improve agility and predictability while optimizing efforts in testing by integrating AI.
- **Infosys Artificial Intelligence-Led DevOps Testing Solution:** Designed to continuously monitor test runs and get actionable insights for testing in a DevOps scenario.

Operations and key clients

Agile Professionals: ~68,000; Agile enabled: 150,000

Delivery center locations:

- India: 75% of delivery
- Europe: 5%
- USA: 14%
- Rest of the world: 6%

Key clients include:

Leading telecom company in Australia, telecom giant in the US, the Australian government, a Fortune 100 multinational bank, a leading investment bank in the US, a Fortune 500 leading European bank, a leading Investment firm in Singapore, a 150-year-old financial services fortune 100 company, one of the leading diversified healthcare companies in the US, largest writer of US commercial property and casualty insurance, a global insurance provider, largest American healthcare company, a Fortune 500 oil and gas company, many more in retail and logistics, manufacturing, and oil and gas

Client-focused player offering services in the sweet-spot of value and service excellence

HCL — HFS TOP 10

Dimension	Rank
HFS Top 10 position	**# 2**
Ability to execute	
Methodology and approach	# 3
Partnership	# 5
Breadth and scale	# 8
Client results	# 1
Pricing and commercial models	# 2
Innovation capability	
Marketing and thought leadership	# 5
IP and accelerators	# 4
Tools and technology	# 4
Vision for investments	# 3
Talent development and strategy	# 2
Voice of the customer	**# 8**

Strengths

- **Flexible and responsive:** A deep customer care culture means teams from account managers to delivery staff are very responsive and flexible. This is an important differentiator for a Tier 1 development provider, but it must be paired with the pragmatic developments made by HCL at the coal-face of delivery.
- **Talent**: Strong feedback on the ability of HCL's staff to drive change and deliver, plus praise for the speed at which it can provide additional support or specialist skills where it is appropriate. Internal rigor is driven in part by its engineering, design focus, and competency-based model
- **100% agile adoption for development work**: HCL claims that its custom application development work is agile, with its maintenance, support, and enterprise application work transitioning to agile.
- **Pricing and commercial terms**: Strong feedback from customers about the competitiveness of HCL's pricing and the range of its pricing options. Additionally, customers cited HCL's investments in their engagements.
- **Investments:** Strong levels of investments, not just in customer-specific needs but also in IP and solutions to further strengthen agile ambitions. This includes framework and transformation tools plus the automation and AI platforms included in its DRYiCE portfolio.

Opportunities

- **Reactive:** Clients express how responsive HCL is, but they mention that HCL is reactive and needs encouragement to move things forward. Although this feedback is not universal, it persists, particularly in long-term engagements.
- **Broader perception issues**: HCL is breaking away from its main competitors as a purely price-focused player with its investments, acquisitions, and strong IP development.
- **Winning new business through commercial models:** Customers are very keen to leverage flexible pricing models for agile, as current models ironically aren't agile enough to support the model.
- **Perception challenges:** Like many of it's peers, HCL suffers from a gap between perception and reality. While clients understand the high-value work they engage HCL for, some non-clients still perceive them to be a pure staff augmentation player. This could be improved with more articulation of its successful outcome-driven agile engagements.

Acquisitions and partnerships

Key partnerships:

- **Strategic Partners:** IBM, RedHat, GCP, AWS, Microsoft, SAFe
- **Others**: Atlassian, Ansible, SaltStack, Logstash, Artifactory, Git, Maven, Sonar Source, Automic, Apptio, Jenkins
- **DevOps Partners**: CHEF, Puppet, Splunk, Docker

Acquisitions: 2019: Strong Bridge Envision, HCL Software (Select IBM Products Includes Agile); 2018: Broadcom Inc., Actian; 2017: DataWave

Investments in Silicon Valley ecosystem for future of technologies through Morado Ventures, Storm Ventures, Sumeru Equity Partners, and Andreessen Horowitz (a16z) ventures

Solution portfolio

- **DRYiCE:** Automation and AI foundation for digital enterprises. DRYiCE is focused on building industry-leading products for transforming and simplifying IT and business operations.
- **FENIX2.0:** An industry-aligned execution framework for digital transformation at scale.
- **ADvantage Suite of offerings for 360˚ Digital Transformation with 50+ solutions**
  1. **ADvantage ALM:** Provides enhanced planning, control, and feedback of activities in all stages of agile delivery lifecycle.
  2. **ADvantage Code:** An implementation framework enhancing productivity through automation and infra-as-a-code in development and testing.
- **Broadcom Inc. (CA Technologies):** Preferred services partner for Broadcom products and infrastructure solutions. The majority of Broadcom's professional services personnel with expertise in agile, cybersecurity, and DevOps has transitioned to HCL.

Operations and key clients

Agile Professionals: 50,000+

Delivery center locations in 44 countries:

- APAC: India, ANZ, and the Philippines
- Europe
- UK and Ireland
- Latin America
- North America

Key clients include:

Leading mobile services provider, worldwide leader in networking solutions, leader in print and digital solutions, leading chain of convenience stores and gas stations, leading German bank, leading information services provider in the UK, leading financial services company in the Netherlands, leading financial services provider in Australia, national governing body of sport in Australia, Singapore-based financial services company

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Clients benefit from global delivery and a well-provisioned talent pool

accenture

HFS TOP 10

Dimension	Rank
HFS Top 10 position	**# 3**
Ability to execute	
Methodology and approach	# 1
Partnership	# 1
Breadth and scale	# 2
Client results	# 4
Pricing and commercial models	# 16
Innovation capability	
Marketing and thought leadership	# 1
IP and accelerators	# 1
Tools and technology	# 2
Vision for investments	# 1
Talent development and strategy	# 1
Voice of the customer	**# 11**

Strengths

- **Global talent pool:** Accenture delivers services in all major geographies, and clients benefit from having one of the largest benches of agile development talent among competitors.
- **Frameworks and methodologies:** As a leading agile software services firm, Accenture leverages the full range of frameworks and methodologies based on specific client requirements. The firm leads with an experienced consulting arm to select the right approach for the engagement.
- **Tools and technology:** Over its extensive history delivering services to the agile development market, Accenture has developed an array of accelerators and tools to reduce mean-time-to-value and boost delivery quality. These include the firm's myWizard platform, which includes virtual scrum master capabilities and predictive analytics.
- **Client references:** Accenture's clients advise the firm provides high-quality delivery and brings innovative thought leadership and approaches to engagements.
- **Developed partnerships:** Accenture has deep partnerships with many of the ISVs and innovators in the agile toolset ecosystem, supporting Accenture's internal innovation and capacity to bring in the right expertise to meet client needs.

Opportunities

- **Marketing differentiation:** The agile software services market is highly competitive, and all firms need to push unique and differentiated approaches to capture client mindshare. Broadly, Accenture has one of the best track records of pushing its differentiated approach into the market. However, the firm should spend more time and resources pushing a clearer narrative for its marketing services specifically. Clients advise they pay a premium for Accenture, but initially it's not always clear what the extra cost guarantees.
- **Broader client perception:** Accenture's client references advise the firm delivers quality solutions and services; however, in the broader G2000 survey, the firm has relatively lower scoring. In part, this is because Accenture struggles with an ongoing perception challenge in which existing clients are generally happy with the services it provides, while the broader market struggles to differentiate between Accenture and its peers that often have more competitive price points. More clearly articulating the value Accenture offers should help mitigate this perception challenge.

Acquisitions and partnerships

Key partnerships:

- Global Strategic Partner: Atlassian, Micro Focus, Scaled Agile
- Global Elite Partner: ServiceNow
- Others: AgilityHealth, Business Agility Institute, CloudBees, Collabnet, XeniaLabs, OpsHub, Planview, Scrum.Org, Software AG, Tasktop
- DevOps Partners: Ansible, Docker, Chef, GitLab, GitHub, HashiCorp, Puppet, Sonatype, Splunk, and Selenium

Acquisitions: 2017: SolutionsIQ, Agile Coaching Institute; 2015: Agilex Technologies

Solution portfolio

- **Accenture myWizard:** Platform for intelligent software engineering and IT services delivery. Specific to agile, Accenture has integrated functionality such as Release & Sprint Planner, Virtual Scrum Master, Story Analyzer, Daily Stand-Up Assistant, Story Point Estimator, and Agile Predictive Analytics.
- **Accenture DevOps Platform (ADOP):** A continuous testing, release, and maintenance automated platform for applications in a cloud-hosted development environment.
- **Accenture Dojo Delivery Model:** A customized coaching and delivery model that can be embedded with scaled agile frameworks.
- **Accenture Delivery Methods** for Distributed Agile is a flexible and scalable methodology for single and multi-site projects covering both sales and delivery stages, focusing on end-to-end delivery

Operations and key clients

Agile professionals: >75,000

Delivery center locations in 102 cities across 34 countries:

- Australia/APAC: 23 centers
- Europe: 50 centers
- Latin America: 12 centers
- North America: 17 centers

Key clients include:
Healthcare.gov, British Broadcasting Corporation, Nationwide, a global shipping and logistics company, a European satellite telecommunications company, North American multinational department store corporation, European multinational aerospace company

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One of the leading players in this space with strong tools, frameworks, expertise, and ability to deliver at scale

Dimension	Rank
HFS Top 10 position	# 4
Ability to execute	
Methodology and approach	# 2
Partnership	# 7
Breadth and scale	# 1
Client results	# 6
Pricing and commercial models	# 17
Innovation capability	
Marketing and thought leadership	# 9
IP and accelerators	# 2
Tools and technology	# 1
Vision for investments	# 4
Talent development and strategy	# 5
Voice of the customer	# 7

Strengths

- **Strong alignment:** All IBM platforms and products are embedded with agile workflows. Additionally, almost all of IBM's developers are trained well on agile methodologies and frameworks.
- **Strategic investment**: IBM invested heavily in its agile practices, such as the center of competency, frameworks, client innovation center, and agile academy. It clearly reflects IBM's strong focus on holistic enterprise agile transformation and delivery.
- **Industry expertise:** IBM's industry expertise and experience are key differentiators among peers, particularly looking across industries. IBM's agile expertise supports all major industries, including BFSI, healthcare, oil and gas, retail, mining, manufacturing, media and enterprises, and telecom.
- **Partnership ecosystem:** Along with IBM's reliable tools and frameworks, it has a comprehensive partnership ecosystem to provide seamless support to its clients.
- **Thought leadership:** IBM's consistent focus on thought leadership supports its delivery team by producing points of view (POVs) and articles on trends, frameworks and tools, estimation procedures, and remote teams collaboration as reference documents.

Opportunities

- **Flexibility:** While flexibility is less of a differentiator for mid-tier providers, it is a crucial one at the top of the market. IBM's colossal size and its integrated services with other business lines are complex and challenging to navigate for the enterprises. Small and medium enterprises prefer flexible, less-complicated, and easy-to-approach service providers.
- **Marketing its commercial models:** IBM's innovative co-creation, service-based model, value-driven revenue recovery, and other pricing models are unique. Absolute price is an important consideration in this market, and some customers, although happy with the overall level of work, would appreciate more flexibility in pricing and a more rapid application of price breaks when volumes increase.

Acquisitions and partnerships

Key partnerships:

- Global Strategic Partner: Microsoft Azure, AWS, Google, Apple, Salesforce, Cisco, SAP, Samsung, Workday
- Gold Partner: Scaled Agile
- Others: Atlassian Suite, Scrum @ Scale, Mural, Enterprise GitHub, Slack, Scrum Alliance, New Relic, International Consortium for Agile Partner

Acquisitions: 2019: RedHat; 2016: Bluewolf

Solution portfolio

- **IBM Garage Framework:** IBM Garage is the product of more than 100 years of constant innovation and modernization.
- **Application IMPACT Delivery Method**: Application IMPACT delivery method from IBM is designed to provide speed, efficiency, and an enhanced user experience.
- **Agile Center of Competency:** IBM Agile CoC is a strategic investment to provide research-based points of view, advisory, and thought leadership on end-to-end enterprise agile transformation, agile best practices, scaling frameworks, business, and technology innovations. Its focus on relentless improvement enables IBM and its clients to seamlessly transform capability and culture toward agile ways of working with its network of global delivery centers.
- **IBM Cloud Pak for Applications, Integrations, and Data**
- **IGNITE Quality and Test Framework:** Continuous Testing Framework to accelerate delivery through agile and DevSecOps by harnessing insights across strategy, development, and quality engineering through IBM's Cognitive and AI capabilities.

Operations and key clients

Agile professionals: NA

Delivery center locations in 50 cities:

- India, China, Japan, Philippines, Australia, and South Korea
- Europe: Germany, Netherlands, Belgium
- UK and Ireland
- North America
- South America

Key clients include:
Leading airlines in the US, Rabo Bank, leading rail transport company, US-based apparel company, leading airlines in the Middle East

Cognizant

Mature agile player with strong investments in talent and tools

TOP 10 HFS

Dimension	Rank
HFS Top 10 position	# 5
Ability to execute	
Methodology and approach	# 5
Partnership	# 8
Breadth and scale	# 7
Client results	# 11
Pricing and commercial models	# 4
Innovation capability	
Marketing and thought leadership	# 6
IP and accelerators	# 9
Tools and technology	# 7
Vision for investments	# 2
Talent development and strategy	# 3
Voice of the customer	# 4

Strengths

- **IP, tools, and accelerators:** Cognizant developed a unique suite of tools and accelerators with the help of its dedicated product engineering team and technology partners. Tools include real-time insights and end-to-end traceability for DevOps plus Cognizant's OneDevOps and Automation center.
- **Clear vision:** In 2017, the agile practice was merged into Cognizant's digital engineering practice, focused specifically on modern software product engineering. An estimated 45% of application development projects are using agile practices, which is expected to grow 10% YoY. Cognizant is focused on delivering organization-wide transformation through its methodologies and industry focus.
- **Partnerships:** Cognizant has a wide partner ecosystem for delivering business outcomes at an unprecedented speed and scale. Cognizant's collaboration with partners includes go-to-market programs, joint technology innovations, and IP development to support clients.
- **Investment in talent:** Cognizant Career Architecture (CCA) is a talent development framework for agile practices. The comprehensive framework helps develop internal talent. Dedicated investments in training and mentoring are attached to specialty career tracks for agile, such as agile immersion programs, behavioral training, and industry certification programs (scrum).

Opportunities

- **Promoting thought leadership:** Cognizant's investments in tools, accelerators, talent, and vision are some of its core strengths. However, the firm must equally focus on promoting its thought leadership more effectively through all channels, with an emphasis on showcasing the breadth and depth of the developments, capabilities, and solutions it can deliver.
- **Collaboration**: Overall, customers are satisfied and impressed with the quality of services Cognizant delivers. However, customers expressed a desire for more flexibility from agile engagements.
- **Clearly articulate actual results:** Cognizant needs to talk more about its client success stories in this space.

Acquisitions and partnerships

Key partnerships:

- Global Strategic Partner: AppDynamics, Micro Focus, CA Tech, RedHat, Pivotal, AWS, LeanKit, CollabNet VersionOne
- Gold Partner: Microsoft, Scaled Agile
- Training Partner: Lean Kanban University
- Others: Dynatrace, Ansible
- DevOps Partners: Docker, CHEF

Acquisitions: 2019: Merit Software, Mustache, Samlink, Zenith, Cotino; 2018: Softvision; 2016: QuickLeft, KBACE Technologies, Idea Couture, Mirabeau

Solution portfolio

- **Cognizant OneDevOps:** A platform-based solution that delivers enterprise DevOps professional services.
- **Cognizant Automation Center:** Offers a suite of platforms and assets that integrate Cognizant's open systems-based IP, along with partner technologies, to deliver repeatable, scalable automation solutions.
- **FEGO:** A Cognizant-developed intelligent acceleration platform for application cloud transformation.
- **COSMOS:** A development platform for end-to-end microservices design and implementation.
- **OneDevOps Insights:** This patented tool helps enterprises get real-time insights and end-to-end traceability for DevOps across the enterprise software delivery pipeline during agile development.
- **OneDevOps ExtendCD:** OneDevOps ExtendCD automates and standardizes self-service and helps with quick onboarding of CI and CD tools.

Operations and key clients

Agile Professionals: 50,000+

Delivery center

- APAC: India, ANZ, and the Philippines
- Europe
- UK and Ireland
- Latin America
- North America

Key clients include:

A leading telecom and media company, global digital agency, largest and oldest department store in America, a leading global insurer, the largest global insurance provider, a large electric power holding company

HFS Research

0141bd1b

Flexible partner with track record of transforming client operations

Dimension	Rank
HFS Top 10 position	**# 6**
Ability to execute	
Methodology and approach	# 11
Partnership	# 11
Breadth and scale	# 6
Client results	# 7
Pricing and commercial models	# 10
Innovation capability	
Marketing and thought leadership	# 7
IP and accelerators	# 10
Tools and technology	# 8
Vision for investments	# 10
Talent development and strategy	# 10
Voice of the customer	# 5

Strengths

- **Flexible commercial model:** Wipro has continued to evolve its commercial and pricing models to match the changing demands of clients, including fixed price, capacity, and hybrid pricing structures. Clients advise the firm is generally flexible and approaches engagements as a partner.
- **Transformation focus:** Wipro provided multiple examples of innovative transformation, supported by client references, that demonstrate the firm's capacity to modernize client environments and align them for sustainable agile practices, supported by the firm's array of frameworks, tools, and accelerators.
- **Talent pool:** Wipro has evolved and continued to develop a talent pool capable of delivering agile development services through its global delivery model, which includes 70,000 development professionals trained on agile, supported by 127,000 trained agile associates across the organization.
- **Client results:** Wipro's clients emphasized their high levels of satisfaction with the firm's delivery capabilities, with many of the firms reference clients lauding the firms performance in engagements.

Opportunities

- **Marketing emphasis:** Wipro has a strong delivery track record in the agile services space, but it could benefit from pushing a clearer marketing narrative around its thought leadership and capacity to innovate in the market.
- **Investment in engagements:** Broadly, commercial models were well received by clients, and Wipro has the right mix of propositions. However, clients want contracting to be dealt with more strategically and proactively. Clients would appreciate more flexibility in Wipro's investment approach, particularly as engagements scale.

Acquisitions and partnerships

Key partnerships:
Tricentis, HeadSpin, SeaLights, Functionize, Cloudbees

Acquisitions: NA

Solution portfolio

- **#BeHPSE framework:** A delivery transformation framework integrating Agile and Lean philosophies for execution.
- **Agile self-assessment kit:** Allows associates to evaluate their own maturity against a given set of practices and receive automated feedback on improvement actions.
- **Agile maturity assessment toolkit:** Allows coach-led, intervention-based assessment on practice (at a team level) and policy (at an organizational level) maturity.
- **Tools assessment framework:** Vendor-agnostic tool assessment framework to recommend the right fitment of tools.
- **Digital Rig:** Wipro's DevSecOps platform to improve agile-based delivery by providing a self-service option to create CI-CD pipelines and automating repeatable work, thereby improving velocity.
- **Virtual Automation Engineer:** AI-driven automation platform that is capable of accepting test scenarios in English and converting them into actionable automation script using NLP and machine learning.

Operations and key clients

- **Agile Professionals:** ~70,000
- **Agile Anywhere:** Agile delivery for 100% remote teams

Delivery center locations in 57 countries with 72 development centers:

- India
- Europe
- UK and Ireland
- USA
- Rest of the world

Digital pods, 26 globally; cloud studios, 10 globally; innovation center in Silicon Valley California; Digital Lighthouse (business-IT co-creation hubs) and Digital Acceleration Centre (full-stack delivery sites) are established for specific customers.

Key clients include:
A European manufacturing major, a leading bank in the UK, Wipro supporting agile-led digital transformation with 1,800 associates for a global bank, UK-based telecom provider

TATA CONSULTANCY SERVICES

Global delivery capabilities supported by evolving technical expertise

TOP 10 HFS

Dimension	Rank
HFS Top 10 position	**# 7**
Ability to execute	
Methodology and approach	# 9
Partnership	# 3
Breadth and scale	# 4
Client results	# 5
Pricing and commercial models	# 11
Innovation capability	
Marketing and thought leadership	# 2
IP and accelerators	# 8
Tools and technology	# 6
Vision for investments	# 8
Talent development and strategy	# 7
Voice of the customer	# 9

Strengths

- **Assets and accelerators:** TCS has invested extensively in its technological assets and accelerators, including Jile to support agile planning and delivery, and ignio, a suite of cognitive tools to support engagements and transform outdated manual work.
- **Scale and breadth:** TCS has invested significantly in embedding agile practices across its global delivery network. The firm has one of the largest pools of agile software delivery talent in the market, a factor, according to some clients, that led to the selection of TCS—particularly to support global transformation activities.
- **Partnerships:** TCS has developed partnerships with all of the major ISVs in the agile delivery space. The firm has also partnered with the firms behind the leading agile frameworks, including Safe and scrum@scale.

Opportunities

- **Evolve approach beyond the technical:** Non-clients can perceive TCS to be strong technically at the expense of its business focus, which is a perception not borne out by customers, who argue TCS delivers strong business outcomes and meets technical challenges. TCS needs to articulate this to the market, given it has invested heavily in business-focused solutions. As decision making moves beyond IT, this evolution will be more important to gain traction in an increasingly competitive market.
- **Proof of delivery:** TCS' clients emphasize the value the firm brings to engagements, but more broadly, the market struggles to differentiate between the firm and some of its competitors, particularly when it comes to marketing, thought leadership, and innovation. To rectify this, the firm should continue building its library of proof-points to inform current and potential clients about the firm's capabilities.

Acquisitions and partnerships

Key partnerships:

- Global Strategic Partner: Microsoft, IBM, Google, AWS, RedHat, CA, Micro Focus, Splunk, Puppet, Hp, Perfecto, ServiceNow, Dynatrace, Appdynamics, Tricentis, Neotys, SmartBear, NewRelic, Solarwinds, ConformIQ, QASymphony, Compuware, Worksoft, Blueprint, Rightanswers, Flexera, ScienceLogic, Turbonomic, Moogsoft , MesoSphere, DBMaestro, Clarive
- Platinum Partner: Scrum@Scale
- Others: SalesForce

Acquisitions: NA

Solution portfolio

- **Mastercraft:** A suite of products that can be utilized throughout the software lifecycle.
- **ignio:** Helps clients to digitally transform their operations, moving from outdated manual methods into digital streamlined work.
- **Jile:** An enterprise agile planning and delivery product to manage the end-to-end software delivery value stream from ideation and deployment.
- **Agile SOE (Standard Operating Environment):** A delivery platform that is a mix of standardized set of software tools (the best in TCS or the market) for application delivery.

Operations and key clients

Agile Professionals: ~272,000

Delivery center locations in 608 cities across 59 countries:

- India
- Europe
- UK and Ireland
- USA
- Rest of the world

Key clients include:

A leading retailer in the US, global bank, one of the leading airlines in Europe, leading energy retailer in Australia, leading media and entertainment company in the US

HFS Research

0141bd1b

Strong end-to-end development player with broad tools and methodologies

NTT DATA

HFS TOP 10

Dimension	Rank
HFS Top 10 position	# 8
Ability to execute	
Methodology and approach	# 4
Partnership	# 6
Breadth and scale	# 10
Client results	# 9
Pricing and commercial models	# 12
Innovation capability	
Marketing and thought leadership	# 3
IP and accelerators	# 7
Tools and technology	# 11
Vision for investments	# 7
Talent development and strategy	# 8
Voice of the customer	# 13

Strengths

- **Thought leadership:** NTT DATA provides a compelling story and integrated framework for the journey it takes its customers on in agile. Customers recognize this alongside its broad skills pool.
- **Methodologies:** A broad set of methodologies and tools focused on ensuring best practice drives customer experience. Tools include an integrated cloud platform and developer portal, plus strong investments in AI and automation, particularly around testing.
- **Strong partnerships:** Additional partnerships that extend outside of the usual suspects and show that NTT DATA is taking an active role in driving.
- **Strong architecture**: Clients mentioned that NTT DATA’s key strength was the evolutionary approach to architecting the solution, which enabled them to cope with major refactoring of software and changing requirements.

Opportunities

- **Transition and change management:** Feedback from customers was broadly strong on outcomes and the eventual results, but not always from a good start. Both parties must be on the same page, particularly with change management.
- **Commercial models:** Feedback on commercial models was mixed—fairly strong at bringing innovative pricing methods to engagements, but less flexible on the absolute price.

Acquisitions and partnerships

Key partnerships:

- Strategic Partnerships: Microsoft Azure, AWS, Google Cloud Platform, RedHat, Pivotal, Scaled Agile (SAFe) Gold Partner, Atlassian Gold, Digital.ai/VersionOne
- Communities: Cloud Native Computing Foundation (CNCF) SilverScrum Alliance, Scrum.org
- Others: CloudBees (Jenkins), Cucumber Training Partner, GitLab, Mattermost, Tosca, Computer Associates, Confluent, Docker, Dynatrace, Elastic, Hashi Corp, BlackDuck, CyberArk, Gemalto, NeuVector, Tenable

Acquisitions: 2020: Flux7; 2019: CloudHedge (investment); 2017: MagenTys

Solution portfolio

- **Altemista Cloud:** A cloud-based, vendor agnostic Agile/DevOps platform comprised of a managed Kubernetes service, an asset catalog for middleware components and agile tools for CI/CD/CT, and a developer portal to share templates for microservices and front-end applications.
- **DevOpsME2 Framework:** A comprehensive model of Agile-DevSecOps quality attributions in a holistic, tailorable framework that enables thorough Agile-DevSecOps maturity assessments. It is available as part of NTT DATA's DevOps Advisory Services.
- **Delivered Value Model:** An innovative tool to link the delivered technical artifacts and the functions they implement with the business value they enable.
- **CRESTA:** A tool powered by artificial intelligence and natural language processing to assess the quality of requirements and test cases on a semantic level. It helps identify areas in the requirements with low semantic test coverage.
- **Customer User Experience Engineering:** A methodology for software development and maintenance that combines best-practices of agile-DevOps plus an enhanced focus on the user

Operations and key clients

Agile Professionals: ~12,400

Delivery center locations:

- India, Australia, Malaysia, the Philippines, Singapore, Taiwan, China, Japan
- Europe: Germany, Italy, Poland, Portugal, Spain, Turkey
- UK and Ireland
- USA
- Rest of the world

Key clients include:
Large automotive OEM firms, large commercial, investment banks, captive finance and trading firms, large healthcare payers and providers, large global primary insurance (life and property and casualty) and reinsurance corporations, large Japanese retailer, large telecommunications firms (mobile and fixed lines)

HFS Research

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Tech Mahindra

Customer-driven, flexible player that knows the agile playbook

TOP 10 HFS

Dimension	Rank
HFS Top 10 position	# 9
Ability to execute	
Methodology and approach	# 13
Partnership	# 11
Breadth and scale	# 11
Client results	# 3
Pricing and commercial models	# 11
Innovation capability	
Marketing and thought leadership	# 13
IP and accelerators	# 12
Tools and technology	# 12
Vision for investments	# 12
Talent development and strategy	# 11
Voice of the customer	# 3

Strengths

- **Solution design:** Strong and responsive design capabilities, with innovative design work rapidly executed, helping it to respond quickly to changing circumstances when required.
- **Commercial terms very strong**: Good feedback from customers on the absolute pricing of work, the flexibility of pricing for engagements, and Tech Mahindra's willingness to invest in a client's business when required.
- **Outcomes strong—customers enjoy working with Tech Mahindra**: Customers are happy with the final results of engagements, with strong satisfaction scores.
- **Customer focus.** Satisfaction driven by the quality of the engagement management within Tech Mahindra was called out by many customers. Tech Mahindra's team takes the time to understand customers' requirements well and react quickly. This is part of the reason for the strong feedback on solution design, as customers believe Tech Mahindra takes the time to understand their business and its requirements prior to jumping in.

Opportunities

- **Drive overall quality improvements:** Although customers are broadly happy, there have been some issues around the consistency of the development, which wasn't always exceptional.
- **Move away from the playbook a little**. Feedback was that although Tech Mahindra was a safe pair of hands when delivering directly from the framework, tailoring solutions wasn't always as good as it could be.
- **Lack of overall innovation:** Like many of the offshore service providers, Tech Mahindra suffers from a lack of bottom-up-driven innovation with clients advising many of the developers at the coal-face are focused on delivering specific solutions rather than innovating.
- **Alignment with current methodologies:** Tech Mahindra needs to make Some investment in updating and evolving current methodologies to ensure it remains at the arrowhead of best practice and innovation

Acquisitions and partnerships

Key partnerships:

- Bronze Partnership: Scaled Agile Academy
- Others: CAST Software, Docker, Puppet, Ansible, Jenkins, Git, SonarSource, CHEF, Splunk, SaltStack, Logstash, Automic, Maven, Artifactory

Acquisitions: NA

Solution portfolio

- **Agile Index of Maturity (AIM):** Diagnoses current practices and measures agile maturity.
- **ADOPT:** Platform provides a single pane of view for managing continuous delivery.
- **AppSAFe framework:** Strategic guidance and acts as a cookbook to implement Scaled Agile.
- **D3OPS:** Over 90 courses spanning 200+ hours of agile and DevOps training to executives and practitioners. These can be taken in person or be web-enabled.
- **iSPEED:** For transformation methodology
- **FAST:** Framework for agility and stability
- **ACAP:** Agile culture assessment and profiling

Operations and key clients

Agile Professionals: ~8,500

Delivery center locations:

- India, Australia
- Europe
- UK
- USA
- Rest of the world

Key clients include:

Canadian banking and financial services major, large telco in Australia, large aircraft manufacturer in EU, railroad firm based in the USA, telecom company based in the Philippines, auto manufacturer in Europe, large telco provider in the UK, chemical major in Europe, large pharma manufacturer in the UK, global financial provider in the US

HFS Research

An innovative agile provider with robust tools and accelerators and dense partnership ecosystem

Capgemini — HFS TOP 10

Dimension	Rank
HFS Top 10 position	**# 10**
Ability to execute	
Methodology and approach	# 8
Partnership	# 2
Breadth and scale	# 3
Client results	# 11
Pricing and commercial models	# 15
Innovation capability	
Marketing and thought leadership	# 8
IP and accelerators	# 5
Tools and technology	# 10
Vision for investments	# 9
Talent development and strategy	# 9
Voice of the customer	# 15

Strengths

- **Strong and comprehensive agile service offerings:** Capgemini has end-to-end agile service offerings, advisory services, high-performing tools, and accelerators to enable quality delivery.
- **Partnership ecosystem:** Beside other capabilities, Capgemini has one of the richest partner ecosystems in the industry to support its clients. Some of Capgemini's platforms and tools were built based on their experience and co-innovations with partners.
- **Innovation:** Many providers overlook the importance of innovation. However, Capgemini consistently experiments with new ways of working underpinned with innovation. Capgemini offered new kinds of services like MVPs or proofs of concept (still, it's an agile way of working for large firms) through innovative digital solutions and partners.
- **Workplace enablement:** Capgemini has beneficial training programs for both internal talent and enterprises. The company leverages its in-house program, Capgemini University Training, and other partner training programs to upskill workforces to enable next-gen agile deliveries.
- **Marketing and thought leadership:** Capgemini conducts regular studies on agile and publishes them to support its internal teams and peers. Also, it sponsors industry conferences and has organized some agile conferences, such as Agile Consortium and Agile India.

Opportunities

- **Commercial models:** Feedback from our survey on commercial models was mixed. Customers were happy with the investment level in engagements and Capgemini's ability to bring innovative pricing models to deals, but saw it as less flexible and focused on the total cost of engagement rather than the absolute cost of resources.
- **Real-world results:** Capgemini suffers from a gap between perception and reality. Customers were broadly satisfied with engagements, but perception scores from non-customers were relatively low. This could be bolstered with more articulation of real-world success stories for agile engagements, particularly highlighting business outcomes from transformational work.

Acquisitions and partnerships

Key partnerships:

- Global Strategic Partner: Atlassian
- Cloud Partner: AWS, Azure, Google cloud
- Gold Partner: SAFe
- Others: Bamboo, Puppet, Docker, CHEF, Selenium, Ansible, Jenkins, Git, SonerSource, Splunk

Acquisitions: 2018: DOING, LiquidHub; 2017: Itelios, Lyon Consulting Group, Idean

Solution portfolio

- **Capgemini Agile Playbook:** Single source of knowledge assets in Agile and DevOps. Also acts as a focal point for connecting local communities to leverage their assets and expertise, resulting in a quick turnaround for fulfilling delivery needs.
- **Accelerated Delivery Center (ADC):** A collaborative workspace for agile teams with pre-built accelerators. ADC delivers 3X faster than regular agile projects with less than 2% technical debt.
- **Capgemini Agile Rocket:** SAFe aligned agile training programs for various levels, such as senior management and delivery teams.
- **Capgemini DevOps automation toolkit:** A set of preconfigured CICD pipeline templates for Java, .Net, mainframe, ETL, containers, and packaged apps.
- **Production Line:** Integrated DevOps tool suite delivered as a service to cater to the entire SDLC for any distributed application.

Agile Professionals: 100,000

Delivery center: 60+

- APAC: 20
- Europe: 17
- Latin America: 3
- North America: 23

Key clients include:
A global bank, leading European tax authority, leading airline manufacturing, global financial clearing organization, a global bank based in the UK, a major European automotive manufacturer, one of the largest global quick-service restaurant chains, a global clearinghouse, a bank in Europe, a large Canadian bank, a large automobile manufacturer in Germany

HFS Research

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End-to-end enterprise agile transformation partner, focused on high-end enterprise engagements

Atos — HFS TOP 10

Dimension	Rank
HFS Top 10 position	# 11
Ability to execute	
Methodology and approach	# 16
Partnership	# 9
Breadth and scale	# 10
Client results	# 11
Pricing and commercial models	# 14
Innovation capability	
Marketing and thought leadership	# 10
IP and accelerators	# 3
Tools and technology	# 3
Vision for investments	# 6
Talent development and strategy	# 6
Voice of the customer	# 14

Strengths

- **High degree of agile adoption:** Over 80% of Atos's development work has transitioned to agile ways of working, with over 1,000 agile projects across its customer base.
- **Industry skills:** Atos has agile experience that cuts across various industries, including experience in energy and utilities, financial services and insurance, healthcare and life sciences, public sector and defense, telecom and media, retail, hospitality, and events.
- **Solution focused:** Atos has a strong set of internal frameworks for operating and managing agile projects, with flexible frameworks that adapt to customer requirements, including global distributed and co-located teams. Works well as a holistic partner, taking an end-to-end development role for large transformation projects.
- **Consulting-led engagements with a focus on transformation and skills:** Experience cuts across operational services and consulting with a strong set of services to address transformation needs. It applies its deep understanding of the software development life cycle. Atos has proprietary frameworks to gauge maturity and change within organizations, in addition to agile training programs run by the Atos University.
- **Agile automation:** Operational management of agile and DevOps helped by the integration of SyntBots into all of the managed services processes.

Opportunities

- **North America:** Despite its North American acquisitions, Atos's center of gravity is still European, which gives some advantages, particularly when it comes to relationships with key industrial partners like Siemens. The recent acquisitions bring strong agile capabilities, which should drive business in North America and bring some key new wins.
- **Maven Wave:** Bolsters delivery of cloud-based applications on Google Cloud in North America. With interest in AI and ML increasing, this is a key opportunity.
- **Scaled agile and enterprise app transformation integration:** Atos can bring together strong IP and experience managing agile at scale, plus experience and partnerships with key enterprise software platforms like SAP, Oracle, and SFDC.
- **Innovation:** Atos needs to make more of its innovation ecosystem. With a strong heritage in the research and scientific community, it needs to emphasize the benefits it has driven through agile.
- **Not focused on pure talent augmentation:** Atos's focus is on transformation service using IP and solutions rather than pure staff augmentation.

Acquisitions and partnerships

Key partnerships:

- Global Strategic Partner: IBM, AWS, Google Cloud, Pivotal, RedHat
- Gold Partner: SAFE, Microsoft
- Others: Appian, Duck Creek,

Acquisitions: 2019: Maven Wave, IDnomic; 2018: Syntel, Air-Lynx; 2016: Unify

Solution portfolio

- **AAAF (Atos Adaptive Agile Framework):** Conceptualized in 2016, this is a home grown scalable agile framework suitable for agile projects of any size. It comes with three variants—A1 (colocated teams), A2 (distributed teams), and A3 (distributed and diverse teams)—and embeds the culture of DevOps as part of day-to-day working.
- **G-Agile (Global Agile):** A complete 360-degree service offering, ranging from inception (through assessment) to delivery via framework, accelerators, infrastructure, and high-performing teams, all made available under one umbrella.
- **KI NxT Atos Agile Platform:** The Unified Quality Management System for internal Atos employees with guidelines, explanations, best practices, and templates on agile delivery approaches.
- **SyntBots:** SyntBots for Processes is an intelligent process automation approach that incorporates application, screen, and IVR automation.
- **AMAF (Agile Maturity Assessment Framework):** An analytical model-driven agile maturity assessment framework.

Operations and key clients

Agile Professionals: 14,000+

Delivery center

- India
- Europe: Netherlands, France, Spain, Germany
- UK
- North America

Key clients include:
T-Mobile Netherlands, Siemens, BBVA, KPN Mobile, NS&I, Renault, NHS Scotland, Dutch Centre of Healthcare Indications, one of the leading global logistics firms, home improvement firm in North America, leading healthcare customer, leading global financial organization, leading digital wallet provider

HFS Research

Mindtree
A Larsen & Toubro Group Company

Competitive commercial model blended with agile practices and consulting services makes Mindtree a strong player in this space

TOP 10 HFS

Dimension	Rank
HFS Top 10 position	# 12
Ability to execute	
Methodology and approach	# 6
Partnership	# 15
Breadth and scale	# 12
Client results	# 10
Pricing and commercial models	# 1
Innovation capability	
Marketing and thought leadership	# 11
IP and accelerators	# 14
Tools and technology	# 13
Vision for investments	# 14
Talent development and strategy	# 13
Voice of the customer	# 2

Strengths

- **Strong agile focus:** Mindtree's agile practice consistently evolves every year. They expand their offerings and the certified practitioners increasing (6,000+) in a progressive manner. Aiming to deliver best in the class internal training programs in Agile, DevOps, and Automation.
- **Agile consulting services:** A critical differentiator for Mindtree given its size is its agile consulting practice, which helps to transform its client's Agile ways of working in a non disruptive process with a focus of driving continuous improvement. Very few of its peers are offering Agile consulting services in such a comprehensive manner.
- **Pricing:** Customers praised both Mindtree's price point compared to its competition and the flexibility of its commercial model. Clients commended one of Mindtree's vital differentiator among its peers is their pricing. Additionally, clients highly spoke about their deep client engagement and responsiveness to feedback.
- **Investment**: Mindtree has invested around $20 million to create a post-graduate global learning center that teaches 2,500 new Mindtree minds annually. Additionally, Mindtree invested in other learning platforms and certification courses and immersive learning environments (Dojos) to ensure the practitioners are continuously improving their skills.

Opportunities

- **Partnership:** To compete more consistently with Tier-1 providers and break the pure staff augmentation perception, Mindtree would need to broaden its partnership ecosystems.
- **Consistency:** Customers are overall satisfied with most aspects of its delivery; a few concerns were raised around the consistency of delivery. Not all customers felt they were getting pro-active innovation from Mindtree during engagements.
- **Thought leadership:** Overall, Mindtree's organizational approaches, processes, tools, and technologies are strong. But this is not as well reflected in the market as it could be; Mindtree must increase its focus on thought leadership to support its internal delivery team as it helps to showcase its successes and alignment with industry outcomes.
- **Perception as pure staff augmentation persists:** Some perception as a pure staff augmentation player still exists despite its current range of work.

Acquisitions and partnerships

Key partnerships:

- Scaled Agile In.,
- Scrum Alliance, Atlassian, TaskTop, Jfrong Artifactory, Electric Cloud, CA

Acquisitions: 2016: Magnet 360: 2015; Bluefin

Solution portfolio

- **CAPE**[2] for optimizing Scrum based frameworks when teams are geographically dispersed to take advance of low cost delivery centres
- **Continuous Delivery** to optimize Agile teams by including DevOps and Quality Engineering in Sprint.
- **Business Agility Consulting** to enable Agile practices in non Dev, Test, Ops teams
- **Client Custom Agile Models ways of working (Spotify)** to take advantage of strengths, mitigate weaknesses, and focus on sustainable Agility
- **Scrum** for smaller organizations or business units that have 30 people or less
- **Scrum of Scrums** for organizations and business units that have more than 30 but are not ready for value steam reorganization
- **SAFe** and **LeSS** for organizations that are interested in moving to enterprise Agile frameworks.
- **eXtreme P**rogramming as a stand-alone framework in conjunction with a Scrum based Framework
- **Kanban** for development, maintenance support or in conjunction with large scale programs that have multiple production releases planned.
- large-scale programs that have multiple production releases planned.
- FrAgile for organizations that are new to Scrum-based frameworks and are new to variable scope.

Operations and key clients

Agile Professionals: 6,086

Delivery center locations 11:

- India
- North America

Key clients include:
Lincoln Financial Group, TomTom, SITA, Major US airline which is the world's largest low-cost carrier, US MNC diversified hospitality company, which is 3rd largest hotel chain globally, The largest German Airline company which is EU's 2nd largest, One of the world largest insurance Company, an American MNC with operations in more than 80 countries, American MNC Confectionery, Food, Holding and Beverage company based in Chicago

HFS Research
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virtusa

Provider with strong investment in talent and one of the industry's best frameworks

TOP 10 HFS

Dimension	Rank
HFS Top 10 position	**# 13**
Ability to execute	
Methodology and approach	# 17
Partnership	# 16
Breadth and scale	# 16
Client results	# 8
Pricing and commercial models	# 3
Innovation capability	
Marketing and thought leadership	# 18
IP and accelerators	# 13
Tools and technology	# 15
Vision for investments	# 13
Talent development and strategy	# 15
Voice of the customer	# 6

Strengths

- **Unique transformation approach:** Virtusa has a robust transformation approach comprised of culture, people, and frameworks, driven through innovative gamified tools, accelerators, and processes that help clients achieve faster, high-quality outcomes.
- **Strong framework:** The firm has strong agile maturity assessment Vista and OPERA (**O**rient, **P**repare, **E**stablish, **R**epeat, **A**dapt) transformation frameworks, which are levers for organization transformation derived from industry models and its experience.
- **Extensive talent development:** The firm invested extensively in its transformation teams with comprehensive academic training programs and courses inline with industry bodies like VCSM, VCPO, and VCD. This frequently mentioned during our client conversations. Clients spoke highly about Virtusa talents and its technical knowledge.
- **Deliver to expectations**: Virtusa customers are usually happy with the overall results of the engagements, with strong satisfaction scores for agile work.

Opportunities

- **Thought leadership:** The firm has strong resources and approaches; however, the firm is falling short in marketing and developing thought leadership. It must not shy away, and it should showcase the capabilities and solutions it can deliver.
- **Low diversification in its client base and industries:** Virtusa has a strong client base in North America, and it generates nearly 71% of its revenue from that region. It must focus more on APAC and other countries to reduce its risk. Similarly, Virtusa must concentrate on different industries. As of now, almost two-thirds of its revenue comes from the BFSI sector (62%).
- **Investment:** The firm has a strong maturity assessment framework and industry expertise. However, investments made by Virtusa in innovation and R&D are not sufficient given the scale of the company compared with its peers. Customers were keen for Virtusa to step beyond its delivery capabilities and add value.
- **Partnership:** Virtusa has platforms that support a range of enterprises (small to large); however, it must increase its investments and partner eco-system proportionately.

Acquisitions and partnerships

Key partnerships:

- Xebia Labs
- Compuware
- Plutora
- Cloudbees

Acquisitions: 2018: Etouch

Solution portfolio

- **Lumos:** LUMOS aims to increase requirements clarity by providing instant feedback and facilitating team feedback and gamification using NLP**.**
- **InsightLive:** Virtusa's intelligent engineering platform, InsightLive, enables transparent collaboration between developer teams. This enterprise-level SDLC platform utilizes dashboards and gamification features to help enhance developer productivity, improve code quality, and increase developer engagement.
- **Airis:** Virtusa's Airis is an intelligent requirement-capturing platform designed to overcome the challenges in conventional requirement gathering methods, enabling a complete and accurate derivative of the current state of a given business process workflow.
- **OIP:** Virtusa's Open Innovation Platform (OIP) is a gamified sandbox environment that can be hosted on a cloud environment or on-premise, enabling you to ideate, build, and publish applications while transforming and achieving your business goals. It helps organizations adopt a culture of continuous innovation and experimentation and rapidly prototype and deploy new digital business models, products, and services.

Operations and key clients

Agile Professionals: 12,000

Delivery center locations:

- India, Australia, Sri Lanka, Singapore
- Europe: Germany
- UK
- North America

Key clients include:

One of the leading retail and commercial bank in the UK, an American multinational investment bank and financial services, leading American television network company, a leading publishing company, a global non-profit professional organization, a leading Canadian investment banking company, a leading software company based in the US, a leading financial and human capital management software firm, a leading furniture store chain in the US, a leading e-Commerce company in the US, a leading online payment company, a leading computer networking company

HFS Research

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DXC.technology

Trusted partner with increased capability through Luxoft acquisition

HFS TOP 10

Dimension	Rank
HFS Top 10 position	**# 14**
Ability to execute	
Methodology and approach	# 15
Partnership	# 10
Breadth and scale	# 9
Client results	# 11
Pricing and commercial models	# 13
Innovation capability	
Marketing and thought leadership	# 12
IP and accelerators	# 11
Tools and technology	# 9
Vision for investments	# 11
Talent development and strategy	# 12
Voice of the customer	# 16

Strengths

- **Platform DXC:** DXC has developed a mature framework of services and capabilities to underpin IT services, including automation and analytics capabilities. Alongside other accelerators and tools, such as DevCloud, DXC can rapidly optimize IT environments to support agile development engagements.
- **Scale and breadth**: As a leading IT services firm, DXC can leverage a global delivery network with centers in all major geographies. DXC can also tap into a large bench of agile development talent alongside other pools from adjacent service lines.
- **Luxoft acquisition:** DXC acquisition has brought in a fresh talent pool alongside additional clients, enabling DXC to continue to broaden its delivery capabilities and expand its array of tools and approaches.
- **Investments:** Outside of DXC's acquisition of Luxoft, the firm has worked to both consolidate its sprawling network and make the necessary investments to develop growing service lines, including investments to grow regional delivery capabilities, such as Bluleader.

Opportunities

- **Innovation perception:** While the broader market recognizes the scale and delivery capabilities DXC brings to engagements, its broader capacity to innovate is harder to define. Clients advise they view DXC as a trusted delivery partner; however, in the larger G2000 survey, DXC scores lower for innovation credentials as the market struggles to understand the unique toolsets, capabilities, and fresh thinking the firm brings to engagements. DXC should bring more client success stories to market that set out its position as an innovator in the agile software delivery services space.

Acquisitions and partnerships

Key partnerships:

- Global Strategic Partner: Microsoft, Micro Focus, IBM
- Gold Partner: Scaled Agile
- Others: Broadcom CA, GitHub, Atlassian, Agility Health

Acquisitions: 2019: Virtual Clarity, Syscom, Luxoft Holding, EG, Bluleader; 2018: TESM, System Partners, Sable37, M-Power, Molina Medicaid Solutions, eBECS, BusinessNow, Argodesign; 2017: Tribridge, Logicalis SMC

Solution portfolio

- **Platform DXC:** An open framework of services and capabilities that analyzes and automates IT environments using real-time data collection and analysis to continuously measure and elevate performance.
- **DXC DevCloud:** A fully managed DevSecOps toolchain that supports the full CI/CD lifecycle.
- **DXC MMIS:** Large-scale Medicaid management information system developed with agile teams and processes.
- **DXC Adaptive Measurement and Assessment Tool:** A value-based diagnostic tool that provides a rapid insight to the agile and DevOps transformative journey of an organization.

Operations and key clients

Agile Professionals: 21,000

Delivery centers:

- India, China, Malaysia, Vietnam, Philippines, ANZ
- Europe
- UK and Ireland
- North America
- South America

Key clients include:

DXC groups its clients by industry verticals: insurance, banking, healthcare, manufacturing, oil and gas, retail, utilities, aerospace and defense, and travel and transportation. Specific clients include; Horizon Retail Solutions, Yum! Brands, Inc, Flemish Youth Welfare Agency, PKO Bank POLSKI, Lufthansa

HFS Research

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End-to-end product management expertise across domains with strong frameworks

Dimension	Rank
HFS Top 10 position	**# 15**
Ability to execute	
Methodology and approach	# 12
Partnership	# 12
Breadth and scale	# 14
Client results	# 11
Pricing and commercial models	# 8
Innovation capability	
Marketing and thought leadership	# 16
IP and accelerators	# 16
Tools and technology	# 16
Vision for investments	# 16
Talent development and strategy	# 16
Voice of the customer	# 10

Strengths

- **Robust frameworks:** NIIT Technologies has a unique set of frameworks, such as “DONE Release at Will” and “Tron-Smart Automation.” These frameworks have strategy and agile processes, people and culture, automation and tools, architecture, and infrastructure dimensions. The DONE Framework assesses across 27 different capabilities to arrive at a predictable outcome.
- **Strong client engagements**: The firm has broad and deep agile engagements with its clients. Like many other mid-tier service providers, it is very customer focused and drives long engagements through its flexibility and attentive nature. To support client engagement, NIIT Technologies has around 4,500+ agile practitioners and certified scrum masters.
- **Industry knowledge in BFSI and travel:** NIIT Technologies has a clear understanding of industry-specific requirements and challenges, handling client issues and expectations, and a sensible pricing model (based on the maturity of the engagement), which makes NIIT Technologies a reliable and fastest-growing provider in the agile space.
- **Pricing and commercial terms**: Strong feedback from customers about the absolute price competitiveness of NIIT Technologies.

Opportunities

- **High dependency on offshore Agile teams:** From a business perspective, having 88%+ of the Agile team (developers) at offshore locations delivers solid cost benefits. However, customers are increasingly looking for partners with strong local workforces.
- **Low industry diversification:** NIIT Technologies has a robust set of frameworks and business understanding. However, the company must focus beyond mature sectors such as insurance, travel and hospitality, and BFS sectors. Currently, around 60% of revenue comes from two major industries.
- **Scale and investment.** Compared to some of its competitors, NIIT Technologies lacks scale and investment in agile.

Acquisitions and partnerships

Key partnerships:

- Cloud Partner: AWS, Google Cloud Platform, Microsoft Azure, Salesforce
- Others: Pega, Appian, Sitecore, Mulesoft, Conversational AI, AppDynamics, Dynatrace, Suse, DataDog, Arago, Automation Anywhere, UiPath, Experitest, Nintex, IBM, Collibra, Oracle, SAP, IBM, Informatica

Acquisitions: 2019: WISHWORKS; 2017: RuleTek; 2015: Incessant Technologies

Solution portfolio

- **DONE-Release at Will:** Framework to aid business agility transformation. 27 capabilities to enable business agility. encompasses strategy and process (agile), people and culture, automation and tools, architecture, and infrastructure dimensions. It includes capabilities to implement Agile Development and DevOps**.**
- **Tron-Smart Automation:** Intelligent Automation Framework, integrated management of events from multiple sources and event processing with cognitive deep learning.
- **Continuous Delivery Model on Duck Creek:** Accelerate time to market, increase code quality.
- **vLSA for Pega:** Pega AI-based Virtual LSA powered by Pega WebChat, Pega NLP, Pega RPA, and Pega Knowledge to perform review of Pega applications remotely, enhancing code quality and developer efficiency.
- **iVLD for Appian:** Automatically review the Appian application against a pre-defined set of best practices and provides a 360-degree view on code quality.

Operations and key clients

Agile Professionals: 4,512

Delivery center locations:

- India, Australia, Bangkok
- Europe
- UK
- USA
- Middle East

Key clients include:
Travel distribution services provider, UK-based airlines group, loyalty program for UK-EU based airline group, US-based destination airline, ANZ-based low-cost airline, utility and luxury automobile manufacturer in APAC, US-based financial services product provider

LTI Let's Solve

Hungry, customer-driven provider looking to up its game with higher-value services

HFS TOP 10

Dimension	Rank
HFS Top 10 position	# 16
Ability to execute	
Methodology and approach	# 18
Partnership	# 13
Breadth and scale	# 15
Client results	# 11
Pricing and commercial models	# 6
Innovation capability	
Marketing and thought leadership	# 15
IP and accelerators	# 17
Tools and technology	# 17
Vision for investments	# 17
Talent development and strategy	# 17
Voice of the customer	# 12

Strengths

- **Pricing and commercial terms**: Strong feedback from customers about the absolute competitiveness of LTI pricing. Customers also mention a willingness to invest in engagements and the availability of tailored pricing models.
- **Customer focus and flexibility:** Like many of the other mid-tier service providers, LTI is very customer focused and drives long engagements through its flexibility and attentive nature.
- **Partnerships**: Some strong partnering, particularly for a mid-tier provider, although it does not have the range of partnerships enjoyed by some of its Tier 1 competitors.
- **Solid customer satisfaction**: Good recognition in the market and good customer satisfaction, particularly given its relative scale to the Tier 1 suppliers.
- **Multi-layered approach to solutions and skills**: LTI drives solutions and skills through different layers, including industries, platforms (SAP, Oracle, Microsoft) and practices (digital, RPA, cloud), so agile cuts across engagements.
- **Tools and automation**: Investment in tools like MOSAIC, optimizing delivery.

Opportunities

- **Highlighting higher0value services:** A need to break away from the perception that LTI is a pure staff-augmentation player. Although this perception is shared with many of the other mid-tier service providers, demonstrating its ability to drive outcomes and value is key. Plus showcasing it's broad set of tools and industry experience.
- **Flexibility is not a differentiator for mid-tier providers:** All of the mid-tier service providers are flexible—this is great in individual engagements, but it is not a differentiator. LTI needs to balance reactive qualities with a proactive mindset in more junior staff, which is a key expectation from clients looking for agile development partner.
- **Winning new business through commercial models:** Customers are very keen to leverage flexible pricing models for agile, as current models ironically aren't agile enough to support the model.

Acquisitions and partnerships

Key partnerships:
- DevOps Partner: FlexDeploy
- Silver Partner: Atlassian
- Gold Partner: Microsoft
- Cloud Partner: AWS, Google Cloud
- Others: CAST, UiPath, Kubernetes, Docker, Kaiburr, CHEF, IBM, Micro Focus, Mulesoft

Acquisitions: 2019: Powerup Cloud, Lymbyc; 2018: Ruletronics, Syncordis; 2017: Augment IQ

Solution portfolio

- **Agile Studio and PODs:** Agile Studio promotes an environment to collaborate with clients.
- **CLICK:** Click workshops are a perfect example of collaboration between agile and design thinking.
- **VISIONING:** Visioning workshop, generally conducted at the beginning of the transition or transformation phase.
- **GLASSBOX:** AI and NLP-driven predictive analytics using LTI GlassBox, enabling defect prediction and intelligent decision making.
- **GENIUS:** End-to-end DevOps platform.
- **NYX:** Resiliency test tool for injecting chaos to the system by increasing CPU, RAM, I/O, and network utilization.

Operations and key clients

Agile Professionals: NA

Delivery center locations:
- India, Australia, Singapore, China
- Europe
- UK and Ireland
- North America
- Latin America
- Africa

Key clients include:
A multinational bank, American elevator company, American insurance company, African financial services group, electronic payment service provider, multinational conglomerate company, Nordic financial service group, Swedish manufacturing company, US bank holding company, leading government taxpayer

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Mphasis
The Next Applied

Growing agile services firm with an emphasis on flexibility

TOP 10

Dimension	Rank
HFS Top 10 position	**# 17**
Ability to execute	
Methodology and approach	# 10
Partnership	# 14
Breadth and scale	# 13
Client results	# 11
Pricing and commercial models	# 7
Innovation capability	
Marketing and thought leadership	# 14
IP and accelerators	# 15
Tools and technology	# 14
Vision for investments	# 15
Talent development and strategy	# 14
Voice of the customer	# 18

Strengths

- **Flexible partner:** Clients lauded Mphasis for its flexible approach, working with clients to overcome immediate challenges rather than rely on the statement of work or contracts to dictate terms. Clients have emphasized the value it places on the flexibility it can bring to engagements.
- **Verticalized specialization:** Mphasis has focused significantly on evolving its BFS business, placing a real focus on developing solutions and services to tackle issues in the space. As a result, Mphasis has developed a strong client base in the market with existing clients rating the firm highly for delivery and innovation.

Opportunities

- **Scale:** As a mid-tier firm, Mphasis can bring a closeness and flexibility that its larger rivals struggle to deliver. However, the corresponding challenge is scale. Some clients advise that the firm's delivery quality is strong, but at times the overall talent pool can limit the growth of engagements.
- **Demonstrate outcomes from higher-value work:** Like many of the tier-2 providers, some potential customers still perceive Mphasis as a pure staff-augmentation player.
- **Flexibility is not a differentiator for mid-tier providers:** All of the mid-tier service providers are flexible; this is great in individual engagements, but it does not provide differentiation. Mphasis needs to balance reactive qualities with a proactive mindset in more junior staff, which is a key expectation from clients looking for an agile development partner.

Acquisitions and partnerships

Key partnerships:
Unix, Java, J2EE, .Net, Oracle, MongoDB, Maven/JenKins, BitBucket, Bamboo, PL/SQL, C#, Mainframe, Para soft, AngularJS, JIRA, Zephyr

Acquisitions: 2018: Stelligent Systems LLC

Solution portfolio

- NA

Operations and key clients

Agile Professionals: 8,000

Delivery center locations:
- India
- North America

Key clients include:
Mphasis has clients in investment banking, brokerage, financial trading and wealth management sector, insurance, logistics, and manufacturing

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ZenSar

Increasingly trusted partner driving holistic agile story

HFS TOP 10

Dimension	Rank
HFS Top 10 position	**# 18**
Ability to execute	
Methodology and approach	# 14
Partnership	# 17
Breadth and scale	# 17
Client results	# 11
Pricing and commercial models	# 9
Innovation capability	
Marketing and thought leadership	# 17
IP and accelerators	# 18
Tools and technology	#18
Vision for investments	# 18
Talent development and strategy	# 18
Voice of the customer	# 17

Strengths

- **Client adoption of agile is strong:** Over 70% to 75% of Zensar's development work has transitioned to agile ways of working.
- **Industry skills:** Zensar has agile experience in three primary industries, high-tech and manufacturing, financial services and insurance, and retail and consumer services.
- **Methodology certifications and training:** Zensar drives internal training and education in agile through its Agile Center of Excellence. It has partnered to drive internal certifications for CSM, CSPO, SAFe Agilist, and PSM.
- **Commercial Models**: A comprehensive set of pricing models for development and maintenance work, plus direct feedback on Zensar's competitive pricing in this space.
- **Research:** Zenlabs, the R&D center and innovation hub of Zensar, helps bring together emerging technologies and provide working business-led solutions plus a dedicated lab to demonstrate how an optimal agile team should work.
- **Range of customers:** Zensar works with large and small enterprises, giving it flexibility in agile engagements, particularly in scaling up when required.

Opportunities

- **Shift toward higher-value services:** There remains a perception that mid-tier players like Zensar only offer pure staff augmentation for development. Highlighting higher-value services, industry experience, and Zensar's broader agile ethos is important.
- **Flexibility is not a differentiator for mid-tier providers:** All of the mid-tier service providers are flexible; this is great in individual engagements, but it does not differentiate. It needs to balance reactive qualities with a proactive mindset in more junior staff, which is a key expectation from clients looking for an agile development partner.
- **Communicating the innovation message:** Zensar needs to make more of its research and thought leadership.
- **Partnerships:** As ZenSar grows its footprint, it will need to invest more in its partnership ecosystem.

Acquisitions and partnerships

Key partnerships: NA

Acquisitions: NA

Solution portfolio

- **Zensar Integrated Inventive Agile Solutions (ZIIAS):** Platform to take organizations to Industry 4.0 and beyond. It is an end-to-end transformation to any enterprise aspiring to achieve the business agility by moving from traditional to agile delivery.
- **ZenAgiNavigator tool:** It evaluates all the key stakeholders against all the important "agile success criteria"—culture, management support, people, technology, measures and metrics, tools, performance indicators, and inhibitions.
- **ZenAgiRouteRecalc tool:** Evaluates the team and other stakeholders against the required practices from release level up to daily actions.
- **ZAFOe:** Zensar Agile Framework for Oracle EBS is a hybrid agile framework designed while keeping in mind the challenges and idiosyncrasies of a typical package software implementation at an enterprise level.
- **Pro – D – G:** Product development framework based on design thinking that can be clubbed with any other agile development methodology.

Operations and key clients

Agile Professionals: 3,300

Delivery center locations:
- India
- Europe
- UK
- North America
- South Africa

Key clients include:
Fortune 500 global networking company, US global provider of risk management products, South African online gaming company, South African financial services group, South African retail banking services company, Pan African investment, US-based auction house, British Motoring Association, US-based biomedical equipment manufacturers, South African global retail company, US-based helicopter services company, US-based gifting company, US-based car rental company, South African financial services company, US-based global industrial mineral and logistics leader, British multinational specialty chemicals company, European design company, British Dutch oil and gas company

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Market overview

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Market trends

- **The market continues to test and experiment with new frameworks and methodologies:** The most notable are DevOps and agile, which are now widely adopted by many of the major IT service providers. Providers are implementing sweeping training and culture redevelopment programs to adopt best practices to support innovation and delivery in the application services space.
- **Re-platforming the enterprise for digital:** Now more than ever, enterprises are looking for providers to help them rationalize and optimize their technology stack, of which business applications are a significant component. In their drive toward the Digital OneOffice, forward-thinking enterprises are engaging with providers that can build innovative solutions that can integrate and unite business applications and, in the process, break down business siloes.
- **Buyers want collaborative partners:** Given the importance of technology and business applications, enterprises are looking for collaborative partners that are invested in their success. As a result, we're seeing an increasing reliance on existing relationships to deliver on fresh engagements, including embedding automation into existing deals. The enterprise applications space is highly competitive and complex. As a result, we see a concerted move in the provider community to rethink partnership strategies. Provider ecosystems are expanding and deepening to accommodate the level of expertise and variety that modern enterprises expect.

Major trends impacting the market

- **Talent development is key to success:** Providers are also working tirelessly to ensure they are making the most of their talent—driving training and retraining programs to help keep employees' skillsets up to speed in a changing market. Providers are bringing talent into the spotlight in their strategic roadmaps, spending on sweeping training programs to ensure they can deliver the most value from application services professionals. Providers are also building out talent-attraction programs with a raft of organizations from higher education institutions to government organizations.
- **Major investments in capability:** Many providers are shoring up capability by investing inorganically, such as the acquisition of Red Hat by IBM or the series of investments made by Cognizant to build out its digital engineering practice, including Softvision and Contino. Others are focusing on growing capability organically through sweeping talent development initiatives and localization programs.
- **Accelerators and IP:** Providers continue to build out internal accelerators and develop components for solutions that are repeatable to drive more value out of effort. Clients are looking for highly technical partners to support engagements; they advise that firms with a clear track record of developing quality accelerators are more likely to make their shortlist.

Application optimization and modernization

TOP HFS 10

Rapidly growing market with huge enterprise investment

- Enterprises are loosening their purse strings and pursuing broader transformation strategies to re-platform their business, including application modernization and migration to cloud environments.
- Increasingly, clients are pushing for enterprises with capability in cloud as well as traditional and new-age application and digital engineering strengths.
- Clients are finding it harder to differentiate between the major IT services firms' ability to execute and innovate, particularly in application modernization.
- All of the major IT services firms are telling the market they can do everything. While the microservices and containerization space is capturing a lot of corporate mindshare, it's hard to pin as a point of differentiation because all providers say they have capability and partnerships to support modernized business applications.

Application modernization is more about platforms than apps

- Application modernization is shifting away from point solutions to building a platform for agile and responsive development and maintenance environments. Some of the leaders in the space are building environments where clients can easily evolve business solutions without the complex redevelopment and redeployment exercises in the past.
- Due to ever-present talent shortages, providers are looking to boost productivity by rolling out internal platforms to streamline development and testing and more effectively leverage accelerators and IP across the organization.
- We're hearing more from providers about how they are evolving internal delivery capabilities to align as product areas rather than service lines to support agile practices and more readily face the changing demands of modern businesses. Cognizant building out a digital engineering business, and HCL is pushing its product business to help push this strategy.

Market dynamics: buyers look to cost and automation to balance the books

- **Cost remains at the top of buyer motivation lists:** Unsurprisingly, cost remains a key reason for ADM services, and this has not abated despite a decade of predictions about innovation, outcomes, and value-added services—customers expect initial and on-going cost savings, particularly in the C-Suite. However, the driver to modernize is juxtaposed with prioritising cost alone. Enterprises must adopt more holistic cost considerations to work as part of the need to modernise applications.
- **Automation is a major lever to support buyer ambitions:** In line with the continuing need for buyers to bring cost savings to engagements, automation is increasingly in vogue as a major cost-takeout lever. Clients advise they now expect providers to package a clear strategy for deploying automation in application development engagements, with a clear focus on iterative cost savings across engagements. The challenge is that this approach has raised overall cost expectations; buyers want more competitive price points once automation technologies are ramped up.
- **Modernization and migration to the cloud are growing drivers**. Migrating apps to the cloud remains a major driver for development work, a trend likely to increase dramatically as a result of distributed and remote workforces as part of the COVID-19 pandemic. More enterprises are looking at app modernization services as an important building block of their replatforming ambitions as they continue to invest in becoming a totally digital enterprise.

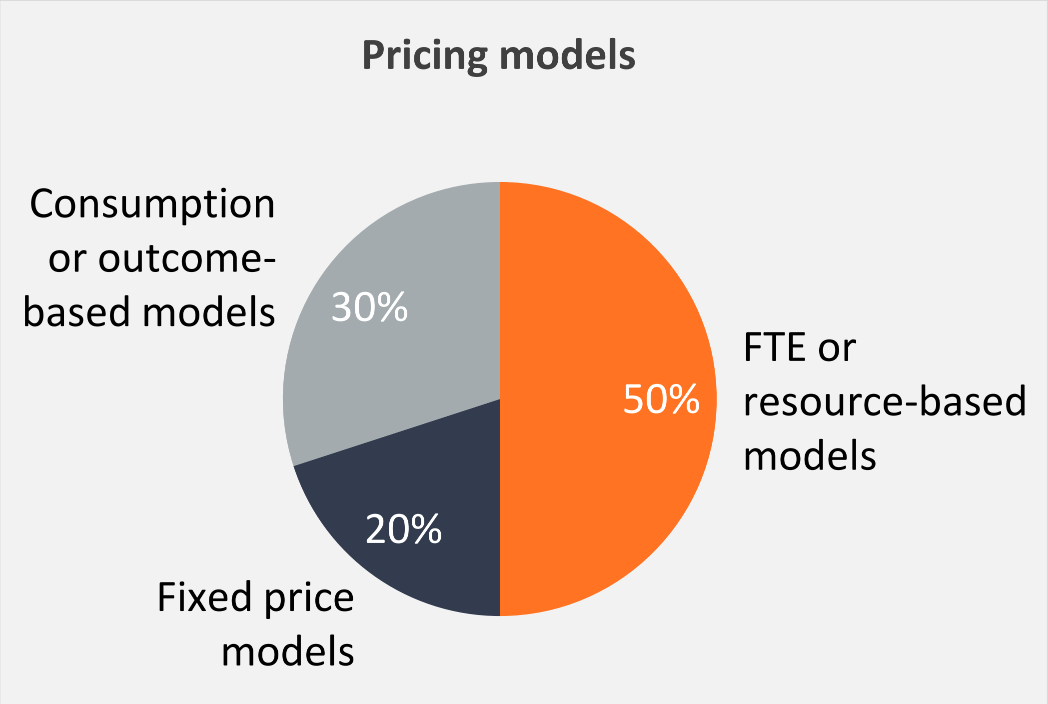
Market dynamics: agile and DevOps evolve as core business approaches

- **Agile and DevOps grow as a core business approach**. At the end of 2018, agile represented about 30% to 35% of application development resources, although in practice, this number could be higher. This proportion is growing rapidly as the majority of new projects picked up by the major IT services firms are now delivered using agile methodologies and approaches. In 2020, close to half of all application management engagements will be delivered through an agile framework. This will be closer to 70% for pure development projects.
- **Offshore delivery still makes up the bulk of delivery, but localization is becoming increasingly important:** Approximately 70% to 80% of outsourced development for agile was delivered through offshore centers, with distributed agile backed by standard DevOps platforms. However, now more than ever, clients are looking for strategic help increasing agile development, with considerable opportunities developing for consulting around hybrid approaches onshore, inhouse, and offshore. We have seen Indian vendors building more onshore localization centers, partly for digital enablement, specific tech CoEs, and customer-centricity and also for agile development “bridges,” helping to solve the ongoing tension about distributed agile by increasing the number of people onshore.
- **Application development evolves into engineering:** As applications face increasing scrutiny, they require more rigor, with vendors promoting engineering credentials to improve customer-facing apps alongside growing practice areas from leading firms focusing on digital engineering as a practice subsuming traditional application development capabilities.

Market dynamics: pricing remains undifferentiated for most clients

TOP 10

- **Buyers struggle with pricing dynamics:** Many enterprise clients are pushing for collaboration and higher-value services from their partners, but their overall willingness to use genuine gain-share and risk-reward in many circumstances has left pricing in a hybrid state, with buyers trying to move from fixed-price and resource-based models to consumption-based models.
- **Consumption models are developing:** However, we are seeing an overall willingness from providers and buyers alike to discuss pricing and move at least to consumption-based models in some instances. However, the common feedback is that newer pricing models championed by providers are often too complex for buyers to balance benefits compared to traditional pricing structures.



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Recommendations for buyers

- **Flexibility of approach is key:** Buyers must move beyond traditional relationships with service providers. One of the defining characteristics of a successful agile engagement is the equal footing both partners have achieved, particularly the need for providers to push back on client demands if they compromise the value the project can deliver. For providers, this can be a challenging equilibrium to achieve alone—buyers must lead the charge and focus on building a flexible approach that fosters feedback from providers as equal partners.

- **Look for proof of delivery:** The application development market is highly competitive, and buyers will struggle to look for real differentiation in pricing and commercial models—at least from the outset. They must focus on identifying firms with the capability and innovation track record to deliver real business value. To do this, they must push potential partners to bring proof points that show how they have helped their existing clients achieve results.

- **Focus on business challenges:** The application development space more broadly, let alone agile, is a complex and fast-moving space. Enterprise leaders must enter engagements with an open mind and focus on solving a specific business challenge—allowing experienced partners to pick the best approach, framework, timeline, and delivery team to reach their goals.

- **Be open to new and innovative talent sourcing models:** To get the best results from engagements, providers are increasingly embedding non-traditional talent sourcing models, such as hackathons, crowdsourcing, and the gig-economy, which can be challenging for buyers to bake into traditional contracts. Going forward, buyers must be more flexible and open to new talent sourcing models to ensure they get best-in-breed capability for providers.

Recommendations for providers

- **Develop an empowered culture:** One of the biggest challenges for providers in the agile space is building an equal partnership with their clients and, by extension, developing a culture that enables their talent to push back on requirements and help shape an approach that delivers the most value. However, in this research, it's the organizations that have achieved this that are the most successful in the space and have the highest levels of client satisfaction.

- **Develop innovative pricing models:** Buyers are looking for commercial structures that help them minimize risk and balance costs against rewards more evenly. Smart providers will look to this demand and innovate accordingly by developing pricing models that help their clients recognize the value and investments their providers are pumping into engagements.

- **Move beyond technology narratives:** Technology is, of course, a vital building block of the agile software development market, but technologists and IT teams are no longer the only stakeholders in engagements. Providers must shift the narrative beyond technology and spell out how different capabilities and services will help executives reach particular business goals.

- **Assess talent capability objectively:** Providers must develop frameworks for assessing the total value talent provides to client engagements. This includes the technical skillsets alongside the growing demand for developers with a clear understanding of business environments, priorities, and demands, as well as personality traits, including the capacity to push back on clients and speak up in engagements to ensure the approach taken delivers the required results. As an extension, providers must also build toolsets and training to help talent meet the changing requirements of the role.

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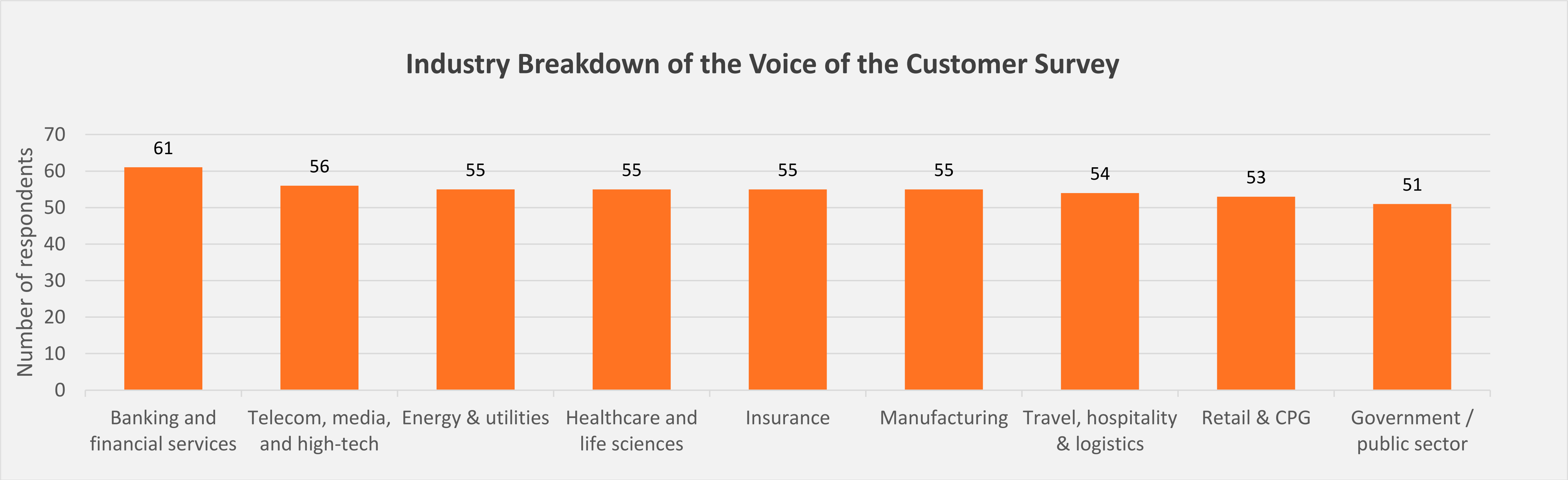
Voice of the Customer



Source: HFS Research, VOC Survey 2020 495 Enterprise Buyers

- **Survey:** HFS surveyed 495 enterprise buyers in Global 2000 (or equivalent) organizations with $1Bn+ revenue as part of its 2020 VOC survey.
- **References:** HFS conducted in-depth interviews with over 40 buy side executives with experience of agile services. This was a combination of customer references and from the HFS network.

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Ollie O’Donoghue is Research Director, IT Services. With many years of experience in the IT services industry—as both a practitioner and a research analyst—Ollie understands the impact IT services have in the modern business environment.

Before joining HFS, Ollie was the Head of Research and was an Industry Analyst for an ITSM Practice. He provided IT service and support organisations with the resources to deliver greater business value. There he developed a comprehensive research portfolio for the industry. He has researched and presented on a multitude of topics including automation, innovative support models, and real-time analytics. In 2017, Ollie was named second on a list of IT and ITSM experts to watch.

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Jamie Snowdon has primary responsibility for overseeing the development of HFS’ Quarterly Market Index, in addition to managing and developing the firm’s data-centric products and services. He works across the HFS analyst teams to define evolving services markets and create market size estimates and forecasts.

He also manages HFS’ quantitative survey and benchmark data. Jamie has over twenty years experience in the IT and Business Services industry. In that time he has worked in a variety of roles including sales, marketing, consulting, and as an industry analyst. Jamie’s analyst career has largely been spent conducting data analysis including market size/forecast models, quantitative/qualitative survey analysis and competitive analysis.

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Martin has over 5 years of research, analytics, and market intelligence experience in TCS and Xchanging. In his TCS role, he worked on point-of-sale and consumer panel data and on analytical projects, providing business insights to clients. He was responsible for analyzing retailers and consumer behaviour for various FMCG/CPG products to address diverse business issues and provide actionable recommendations for the future growth for clients. He performed extensive category reviews, brand management and trend analysis based on point of sale and homes scan data along with information from secondary sources. At Xchanging, he was part of the market intelligence team that supports Xchanging’s vertical heads, strategy team and sales and marketing team.

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