

***ISG** Provider Lens™

SAP HANA and Leonardo Ecosystem Partners

Managed Application Services for SAP ERP

U.S. 2020

Quadrant
Report



A research report
comparing provider
strengths, challenges
and competitive
differentiators

Customized report courtesy of:

MINDSET

July 2020

About this Report

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of May, 2020, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars (\$US) unless noted.

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- 1** Executive Summary
- 3** Introduction
- 12** Managed Application Services for SAP ERP
- 25** Methodology

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EXECUTIVE SUMMARY

S/4HANA, SAP's intelligent and integrated ERP system running on SAP HANA, has been helping enterprises to transform their business processes through the use of artificial intelligence (AI) either on the cloud or on-premise. SAP S/4HANA aims to alleviate enterprise business process problems through its interactive interface and by applying analytics to speed insights delivery. While the on-premises edition offers more customizations and requires a greater S/4HANA management effort, the cloud edition suits enterprises seeking limited customizations, automatic upgrades and faster implementation. S/4HANA has application for a wide range of industries across both large and mid-sized enterprises.

ISG observes a two-tier adoption model as one of the S/4HANA trends gaining momentum in the coming months. Led by their business needs, enterprises are opting for on-premises S/4HANA with heavy customizations for their main office, and the cloud version for their satellite/regional offices or subsidiaries, which require less investment and customizations. Another potential market comprised of enterprises presently on SAP ECC but contemplating moving to S/4HANA in the future is also surfacing.

The S/4HANA certified professionals serve as one of the differentiators for providers to showcase their expertise in managing complexity and delivering services. Investments in reskilling initiatives have yielded results for providers, as they have grown the base of SAP- and S/4HANA-certified professionals in their organizations.

There is an increasing focus to integrate agile and DevOps processes into SAP services, across development, implementation and managed services. Providers are not only plainly leveraging their proprietary tools and accelerators to deliver S/4HANA services, but are integrating agile and DevOps methodologies with their frameworks to increase efficiencies and reduce the delivery time cycles. From a marketing strategy perspective, providers are undertaking region/city-specific roadshows and marketing activities to reach out to a larger spectrum of potential clients. Meanwhile, a few service providers have used a combined strategy of industry- and region-specific marketing to penetrate the U.S. market.

Due to the change in the macroenvironment scenario and sentiments from COVID-19, enterprises are procrastinating their decisions to go for large-scale S/4HANA implementations and transformation. Such investments are being deferred or delayed. This is affecting a sizeable portion of the decisions in the S/4HANA landscape, while a complete hold or freeze on S/4HANA deals or decisions can be seen as a fringe development among a few companies. Enterprises are discussing activities with providers to “keep the lights on,” both from the management and investment perspectives. This is crystallizing a shorter time horizon for management decisions on S/4HANA. SAP has extended support to SAP Business Suite 7 core applications including ECC 6.0. That move, along with the unfavorable business environment due to COVID-19, could result in enterprises delaying their shift to S/4HANA and continuing with their existing ERP setup with managed services.

Service providers have adjusted to the present uncertainty due to COVID-19 and have ramped up their SAP services by enabling their workforces with remote technology for

carrying out business. They have mobilized their workforces by leveraging the work-from-home model, using remote operations tools and new collaboration methods to ensure uninterrupted service delivery to their clients. A few service providers have also come up with quick-to-deploy solutions for supply chain and other areas to help their clients remotely continue their operations.

Against the backdrop of COVID-19, enterprises could contemplate a move to cloud as a measure to rein in costs. We expect an uptake in migration to cloud in the next few months, including S/4HANA migrations and efforts from providers to facilitate such moves to cloud through frameworks and preconfigured templates.

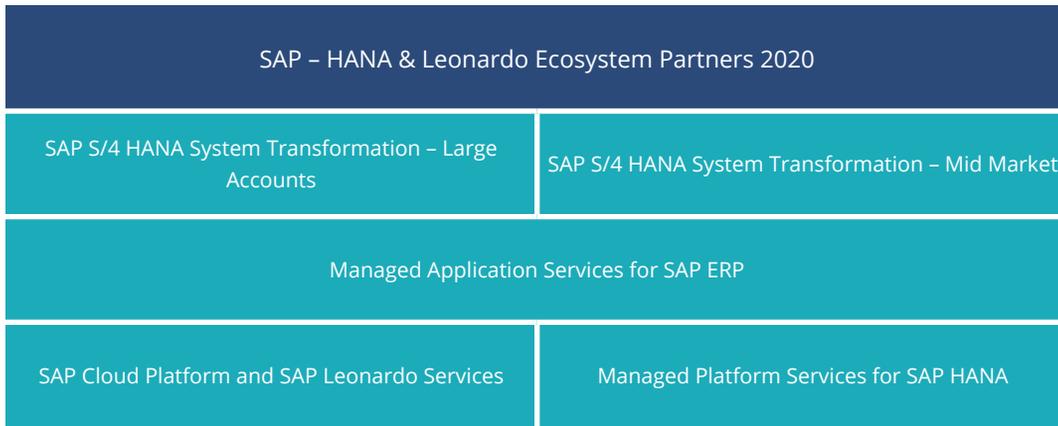
Some of the key S/4HANA, SAP Cloud Platform (SCP) and Leonardo trends are summarized below.

- **Frameworks, tools and accelerators for S/4HANA services delivery expand:** Providers are using a host of tools, proprietary frameworks, methodologies and templates for assessments, code reconciliation, data management, testing and other components of S/4HANA conversions and transformations for their clients. Areas served by these tools include assessing IT landscape, strategizing roadmaps, improving code management and automating support services.
- **Hybrid agile and DevOps methodologies being applied:** Service providers are investing and integrating hybrid agile and DevOps approaches such as Scaled Agile Framework (SAFe) for rapid development, prototyping, deployment and faster release cycles. Providers are also using agile sprints and have dedicated centers of excellence (CoEs) for them.

- **Industry-specific solutions for transformation:** Service providers have increased their focus on creating ready-to-run templates, industry-specific solutions and preconfigured offerings for S/4HANA, SCP and Leonardo to help customers with integration and business agility. Enterprises are looking for such solutions as a differentiator for faster time-to-market and to help them become an intelligent enterprise. Several providers have also established innovation centers, labs and other facilities to showcase their solutions and provide a platform for enterprises to experience them.
- **Bots and automation in managed services increase:** With a focus on lowering cost and increasing delivery speed, service providers are increasing their use of conversational AI, automation, robotic process automation (RPA), bots and chat queries for improving operational efficiency, streamlining incident management, triage configuration and more.
- **Emerging technologies-based SAP SCP and Leonardo platform solutions get specific:** Service providers are increasingly leveraging emerging technologies such as IoT and blockchain to create ready-to-use solutions for various industries and processes such as supply chain, retail, utilities, manufacturing and others. Providers are also developing strong partnerships with SAP to co-innovate and co-develop such solutions to serve specific use cases for different industries.
- **Partnerships with hyperscalers advancing:** Most of the service providers have developed alliances or partnerships with all the leading hyperscalers to provide platform application services in areas such as archiving, backup, disaster recovery, security, compliance and monitoring. Some of the providers have developed their own platform on a hyperscaler or offer the services on their own dedicated centers.

Introduction

Simplified illustration



Source: ISG 2020

Definition

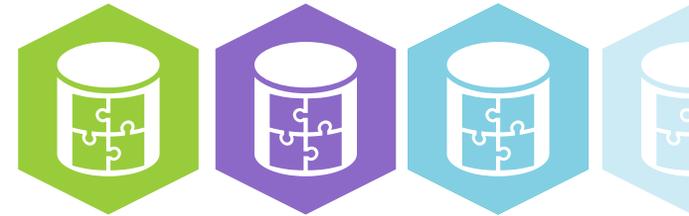
SAP is well known for its enterprise resource planning (ERP) software, data management products and digital focused offerings. This report compares IT service providers and their capabilities to implement, migrate, transform and manage SAP services such as SAP S/4HANA for large and midmarket companies, and their SAP application managed services, SAP managed platform services and SAP Cloud Platform and Leonardo services.

Definition (cont.)

Scope of Report

The SAP HANA & Leonardo Ecosystem Partners 2020 report is a comprehensive, objective analysis and evaluation of service providers. The report focuses on trends associated with SAP HANA and its market. As part of this U.S. report, ISG classified 34 providers for SAP study as either leaders, market challengers, product challengers or contenders in five areas of specialization: SAP S/4 HANA System Transformation – Large Accounts, SAP S/4 HANA System Transformation – Midmarket, Managed Application Services for SAP ERP, Managed Platform Services for SAP HANA and SAP Cloud Platform and SAP Leonardo Services.

The report outlines key trends in different SAP services and will help heads of different lines of businesses, enterprise applications, SAP services and vendor management within organizations to understand the SAP market dynamics and service provider capabilities to meet their business needs.



Provider Classifications

The ISG Provider Lens™ quadrants were created using an evaluation matrix containing four segments, where the providers are positioned accordingly.

Leader

The “leaders” among the vendors/providers have a highly attractive product and service offering and a very strong market and competitive position; they fulfill all requirements for successful market cultivation. They can be regarded as opinion leaders, providing strategic impulses to the market. They also ensure innovative strength and stability.

Product Challenger

The “product challengers” offer a product and service portfolio that provides an above-average coverage of corporate requirements, but are not able to provide the same resources and strengths as the leaders regarding the individual market cultivation categories. Often, this is due to the respective vendor’s size or their weak footprint within the respective target segment.

Market Challenger

“Market challengers” are also very competitive, but there is still significant portfolio potential and they clearly lag behind the “leaders.” Often, the market challengers are established vendors that are somewhat slow to address new trends, due to their size and company structure, and have therefore still some potential to optimize their portfolio and increase their attractiveness.

Contender

“Contenders” are still lacking mature products and services or sufficient depth and breadth of their offering, while also showing some strengths and improvement potentials in their market cultivation efforts. These vendors are often generalists or niche players.

Provider Classifications (cont.)

Each ISG Provider Lens™ quadrant may include a service provider(s) who ISG believes has a strong potential to move into the leader's quadrant.

Rising Star

Rising stars are mostly product challengers with high future potential. When receiving the “rising stars” award, such companies have a promising portfolio, including the required roadmap and an adequate focus on key market trends and customer requirements. Also, the “rising stars” has an excellent management and understanding of the local market. This award is only given to vendors or service providers that have made extreme progress towards their goals within the last 12 months and are on a good way to reach the leader quadrant within the next 12-24 months, due to their above-average impact and innovative strength.

Not In

This service provider or vendor was not included in this quadrant as ISG could not obtain enough information to position them. This omission does not imply that the service provider or vendor does not provide this service.

SAP HANA and Leonardo Ecosystem Partners - Quadrant Provider Listing 1 of 3

	SAP S/4 HANA System Transformation – Large Accounts	SAP S/4 HANA System Transformation – Midmarket	Managed Application Services for SAP ERP	Managed Platform Services for SAP HANA	SAP Cloud Platform and SAP Leonardo Services
Accenture	● Leader	● Not In	● Leader	● Leader	● Leader
Atos	● Product Challenger	● Product Challenger	● Product Challenger	● Product Challenger	● Product Challenger
Birlasoft	● Not In	● Leader	● Product Challenger	● Contender	● Product Challenger
Capgemini	● Product Challenger	● Product Challenger	● Leader	● Leader	● Leader
CenturyLink	● Contender	● Not In	● Contender	● Not In	● Not In
Clarkston Consulting	● Not In	● Contender	● Not In	● Not In	● Not In
Cognizant	● Product Challenger	● Product Challenger	● Product Challenger	● Leader	● Product Challenger
Delaware	● Not In	● Contender	● Not In	● Not In	● Not In
Deloitte	● Leader	● Not In	● Not In	● Not In	● Not In
DXC	● Product Challenger	● Not In	● Leader	● Product Challenger	● Product Challenger
Ensono	● Not In	● Not In	● Not In	● Contender	● Not In

SAP HANA and Leonardo Ecosystem Partners - Quadrant Provider Listing 2 of 3

	SAP S/4 HANA System Transformation – Large Accounts	SAP S/4 HANA System Transformation – Midmarket	Managed Application Services for SAP ERP	Managed Platform Services for SAP HANA	SAP Cloud Platform and SAP Leonardo Services
GyanSys	● Not In	● Contender	● Not In	● Not In	● Not In
HCL	● Rising Star	● Product Challenger	● Leader	● Leader	● Leader
Hexaware	● Not In	● Leader	● Product Challenger	● Not In	● Not In
IBM	● Leader	● Not In	● Leader	● Leader	● Leader
Infosys	● Leader	● Leader	● Product Challenger	● Product Challenger	● Leader
Keytree	● Not In	● Product Challenger	● Not In	● Not In	● Contender
LTI	● Product Challenger	● Not In	● Not In	● Not In	● Not In
Mindset	● Not In	● Product Challenger	● Contender	● Not In	● Not In
Mindtree	● Not In	● Leader	● Product Challenger	● Product Challenger	● Product Challenger
Mphasis	● Not In	● Contender	● Contender	● Not In	● Not In
NTT DATA	● Product Challenger	● Leader	● Rising Star	● Leader	● Market Challenger

SAP HANA and Leonardo Ecosystem Partners - Quadrant Provider Listing 3 of 3

	SAP S/4 HANA System Transformation – Large Accounts	SAP S/4 HANA System Transformation – Midmarket	Managed Application Services for SAP ERP	Managed Platform Services for SAP HANA	SAP Cloud Platform and SAP Leonardo Services
Rackspace	● Not In	● Not In	● Not In	● Product Challenger	● Not In
Stefanini	● Not In	● Product Challenger	● Product Challenger	● Not In	● Contender
Suneratech	● Not In	● Product Challenger	● Product Challenger	● Not In	● Not In
TCS	● Leader	● Not In	● Leader	● Leader	● Leader
Tech Mahindra	● Product Challenger	● Product Challenger	● Leader	● Product Challenger	● Leader
T-Systems	● Contender	● Not In	● Product Challenger	● Product Challenger	● Contender
Velocity	● Not In	● Contender	● Not In	● Not In	● Not In
Virtustream	● Not In	● Not In	● Not In	● Product Challenger	● Not In
Wipro	● Product Challenger	● Leader	● Leader	● Leader	● Leader
Yash Technologies	● Not In	● Contender	● Contender	● Not In	● Contender
Zensar	● Not In	● Product Challenger	● Not In	● Not In	● Not In



SAP HANA and Leonardo Ecosystem Partners Quadrants

ENTERPRISE CONTEXT

Managed Application Services for SAP ERP

This report is relevant to enterprises across industries in the U.S., for evaluating providers of managed application services for SAP ERP.

In this quadrant report, ISG highlights the current market positioning of providers of managed application services for SAP ERP in the U.S., and the way they address the key challenges faced by enterprise clients in the country. These providers focus on helping enterprise clients effectively manage SAP ERP, which includes SAP S/4 HANA, SAP Enterprise Central Component (ECC) and legacy R3.

In the U.S., the need for automation and increase in SAP S/4 HANA implementation drives the demand for managed application services.

Like large enterprises, small and medium-sized enterprises seek managed application services for their existing SAP ERP solutions. These enterprises face the challenge of maintaining applications (both SAP and non-SAP), managing the IT landscape, resolving tickets and customizing development based on needs. Enterprises can benefit by investing in the services of managed application providers that can help in establishing their IT landscape as per need and adding bots (automation) for quick resolution of tickets.

Many enterprises are undertaking migration initiatives to move to the latest SAP ERP version as SAP will cease support services for its legacy ERP by 2027. Hence, enterprise clients should not only look for providers that can support existing ERP but also help in migrating their existing ERP.

Who should read the report:

IT and technology leaders should read this report for a clear understanding of the strengths and weaknesses of providers offering SAP ERP managed services, and their competency in developing frameworks and tools to effectively manage their applications.

Sourcing and procurement managers should read this report for a clear understanding of the service provider ecosystem for SAP ERP Managed services in U.S., and how the various providers can be compared with each other.

MANAGED APPLICATION SERVICES FOR SAP ERP

Definition

This assessment considers a provider’s capability to offer managed services, including maintenance and support functions that comprise monitoring, remote support and centralized applications management for SAP S/4HANA and legacy SAP Business Suites such as ECC 6.0.

Managed application services for incidents include troubleshooting, Level 2 and Level 3 application support, user support, ticket lifecycle management, incident resolution, problem management, root cause analysis and interface with SAP product support (upon client authorization). Service requests typically include user management (add, change of user profile and disablement of user access), performance reports, database services, security (access) monitoring and license compliance. Providers that have center of excellence (CoE) certifications get better evaluations, but these certifications are not a requisite for participating in this quadrant.

SAP HANA and Leonardo Ecosystem Partners
Managed Application Services for SAP ERP

2020
U.S.



Source: ISG Research 2020

MANAGED APPLICATION SERVICES FOR SAP ERP

Eligibility Criteria

- Ability to offer application optimization, application support and testing.
- Offer enhancements and changes pertaining to applications; apply SAP Service Pack Stacks (SPS) if required and predict the business impact of such updates.
- Capability to stabilize applications and offer SAP Basis support.
- Possess expertise in incident management, variety of ticket system tools, SAP Solution Manager and additional application documentation solutions

Observations

Managed applications services for SAP now have service providers using automation, bots, RPA and tools to deliver services to their clients. Providers have also extended the best practices from ADM-related managed services frameworks to SAP services. Most of the leaders use framework-led delivery to bring in standardization and best practices to reduce delivery time, and pass on the benefits to the clients. Service providers also have many proprietary tools for various managed services functions such as data management, monitoring, incident management and testing, with a focus on simplifying tasks and making the operational elements intelligent.

- **Accenture's** delivery is led through its Intelligent Enterprise Platform, Liquid Application Management and robust application management services, and is provided through its large resource base, which make the company a leader.
- **Capgemini** is a leader in application management services owing to its mix of the proprietary ADMnext delivery framework, business process-focused method, tools and bots for service automation.

MANAGED APPLICATION SERVICES FOR SAP ERP

Observations cont.

- **DXC Technology's** investments to transform its managed services operations model to embed automation in functions have helped make it a leader in SAP managed services.
- **HCL** has a solid digital-led delivery focus on application management services. The company showcases its leadership through its Digital AMS framework, integration automation services and a battery of internally developed tools and accelerators for workflow automation, chat and testing.
- **IBM** has a 45-year partnership with SAP and offers end-to-end SAP managed services. IBM integrates flexibility, continuous innovation and automation in its delivery, making it stand out among other players.
- **TCS'** market leadership stems from its proprietary ignio™ AI.ERPOps automation product that delivers cognitive automation to manage resources, and its large array of tools for neural automation, data management and monitoring to manage SAP ERP environments.
- **Tech Mahindra's** automation-based AMS solution, innovation framework, performance enhancing tools and accelerators and high degree of automation differentiate it from other players in managed services.
- **Wipro's** strength in AMS lies in its automation-led framework that is focused on simplification and enabling intelligent operations, its Holmes-backed tools for various managed services areas, and its APEX delivery model that uses non-linearity, security and analytics.
- **NTT DATA's** bots-led delivery, AMS tooling to bring standardization and cost optimization, and robust managed services portfolio give it advantages against the other competitors and have helped it become the rising star in this segment.

ACCENTURE

Overview

Accenture's application management services span the entire SAP lifecycle and use its Accenture Intelligent Enterprise Platform and Liquid Application Management. The company offers end-to-end application services that can cover a single application or an entire portfolio. SAP services are delivered through 40 global delivery centers around the world. The services help clients by improving their efficiencies, agility and productivity.

Strengths

Platform-led delivery: Accenture delivers managed services through its proprietary Accenture Intelligent Enterprise Platform and Liquid Application Management platforms. These assets help the company consolidate IT to improve and enhance efficiencies for its clients. The platforms use myWizard to monitor value realization against the client's business case KPIs and provide new insights for continuous process improvement.

Robust application management capabilities: Accenture has extensive experience in consulting, system integration and application services. It can provide an entire array of services ranging from managing a single application to an entire portfolio depending on the needs of its customers, which are in many industries and geographies.

SAP expertise: Accenture is one of SAP's largest implementation partners, with more than 36,000 global SAP resources. The company co-develops with SAP through innovations and upgrades. It uses a combination of tools and the AIES framework (Accenture Insight for Enterprise Systems), which analyzes the client's SAP environment, to standardize delivery, optimize code and diagnose performance.

Caution

Despite having a large practice and capabilities for SAP application management services, Accenture's messaging is relatively scattered across the digital medium. The company should focus on aggregating its messaging to help clients.



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Accenture's proprietary frameworks, robust capabilities, large resource base, partnerships with hyperscalers and SAP management capabilities make it a leader in managed application services.

CAPGEMINI

Overview

Capgemini has a large SAP practice with 2,200 SAP practitioners and six delivery centers in the U.S. Capgemini's application management services (AMS) model is aligned with the shift in market trends where clients are moving from being operations centric to being business centric. The AMS services are led by ADMnext, its proprietary application development and maintenance platform, which focuses on core excellence, continuous improvement and innovation. Each element in the ADMnext platform delivers value through efficiency, continuous improvement, accelerating speed of change, business-focused delivery and innovation.

Strengths

Delivery framework: Capgemini delivers AMS services using ADMnext. Its DELIVER methodology is built on CMM, Six Sigma and ITIL v3 standards. The delivery model incorporates Capgemini Agile Framework (CAF), which is based on Scrum and Extreme Programming. It also includes DevOps support (run) resources in the DevOps agile sprints to accelerate the ability to provide early life support.

Services focused on business responsiveness: Capgemini delivers business responsiveness to clients through its Business Process Focus method and alignment of SAP business KPIs to IT KPIs via SMART AM KPI. The company created its Business Insights-rich solutions (BIS) to target issues that occur during business process runtime. Capgemini has also created industrialized managed services centers and business command centers to accommodate clients' fluctuating needs and to automate SMART ADM KPI monitoring.

Proprietary tools and bots for service automation: Capgemini offers a host of in-house tools for managed services such as ABAP Code Generator, CART, iDoc monitoring, SAP Catalogue automation, SAP Solution Finder, SAP Intellimap and CIAP. The resources help in automated report generation, semantic ABAP code error remediation, failure monitoring, automated service change requests and failure mode analysis for tickets. Capgemini also uses its CIAP unified end-to-end platform, which has more than 45,00 use cases and 700 scripts and chatbots, and its 24-by-7 control tower to address recurring gaps.

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Caution

Capgemini has a relatively low number of certified SAP HANA and Basis practitioners in the U.S. compared to the other SAP application areas. Their delivery model foresees that their large pools of certified resources in India can support projects globally.



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Capgemini borrows the ADMnext framework and other key elements from its larger application development and maintenance practice and extends them to its SAP application managed services. Its managed services are built on ITIL standards and incorporate agile and DevOps to provide support. The company strengthens its practices with a large battery of tools and the CIAP framework, which automates various operations functions.

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16

DXC

 Overview

DXC Technology's SAP managed services have evolved from being delivery focused based on ITSM and business outcomes to intelligent application operations (iAOps). The company's managed services portfolio for SAP offers a full scope of services from infrastructure to applications. DXC's Intelligent AppsOps for SAP leverages Scaled Agile Framework (SAFe) and IT4IT for multi-modal service delivery.

 Strengths

Intelligent Application Operations (iAOps) for SAP: DXC offers continuous exploration, continuous integration, continuous deployment and continuous operations as a part of its intelligent Application Operations (iAOps) for SAP. DXC's services cover several areas such as incident management, and benefit clients by reducing the incident levels by using predictive analytics and automation. DXC also offers a preconfigured bi-modal SAP DevOps toolchain that aligns with DXC Pathway and the SAP S/4HANA CLD SDK. DXC aims to offer more automation, latency reduction and increased visibility.

Intelligent AppsOps for SAP: Against the traditional approach to application management services involving service desk, DXC offers an automation-led approach through Intelligent AOps for SAP. For automatic ticket resolution, DXC's Intelligent AOps for SAP uses autoDetect to automatically find failures and automate ticket generation, autoManage for automatic notifications and tracking, autoResolve for resolution identification and execution and autoTest for test process automation.

Platform DXC and Bionix for intelligent AppsOps: DXC uses its proprietary Platform DXC and Bionix platform to deliver intelligent AppsOps for SAP services. By leveraging its platforms, the company delivers intelligent automation and helps to transform operations at scale for its clients. The Bionix platform has analytics and AI for insights visibility, and lean philosophy for data-driven optimization, waste elimination and automation. DXC also uses EMMA, another in-house asset, for AI-enabled incident triaging by integrating ServiceNow, PowerBI and SQL.

 Caution

DXC needs to amplify rollouts of its intelligent automation assets and the iAOps (DevOps)-led framework for managed services for clients in the U.S.



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DXC has a broad base of SAP managed services that are integrated with intelligent automation, Platform DXC, the Bionix platform and a larger application DevOps toolchain. The company's investments to transform its managed services operations model to embed automation in functions such as incident management make it a leader in SAP managed services.

HCL

Overview

HCL, through its application maintenance and support (AMS) services, delivers its “Digital Engineering & Digital AMS” value proposition. This is also part of the company’s “Transform Experience Transform Business” theme. HCL’s SAP application services are well supported by its Digital AMS framework and tools such as HCL Workload Automation, HCL One Test Suite, HCL AppScan and Lucy. Experience transformation is engineered and delivered across all the layers through core simplification, process mining, digital platforms and bots. The company’s AMS practice revenue and U.S. client base have grown steadily in the last year.

Strengths

Digital AMS framework: HCL’s S/4HANA Managed Services framework is focused on the principles of Digital AMS. It covers IT operations automation, business automation, process mining, value creation and operational transformation. Its Digital ASM methodology is based on the key tenets of a unified and integrated operating model, autonomics (automation and analytics delivered through the DRYICE framework), business-aware operations, digital experience (offered through proprietary tools such as MyXalytics) and continuous innovation.

Integrated automation services: HCL offers an integrated automation service through expertise developed in horizontal and vertical IT automation using a portfolio of homegrown, acquired and third-party solutions across service layers (front office, middle office and back office). The company also utilizes Automation Maturity Model (AMM), Cognitive Orchestrated Robotic Experience (CORE), Solman Pulse and Business Process Operational Analysis (BPOA) Framework to stream operations for its clients by using smart bots, machine learning (ML) and artificial intelligence (AI) solutions.

Tools and accelerators: HCL’s additional relevant proprietary assets includes HCL Workload automation, HCL One Test Suite, HCL Appscan, HCL Urban Code Deploy, the ADVISOR product suite, Lucy, iAutomate, iControl and MyXalytics. They cover automation, workflow optimization, test automation, background execution of workflows, automated application deployments, reporting and cognitive assistance.

Caution

HCL has a large base of managed services customers in the sub-\$5 million contract range; the company should focus on raising the contract value base to grow its revenue stream.



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HCL’s application management services practice is supported by Digital AMS framework, proprietary tools and third party solutions that enable the company to offer horizontal and vertical IT automation to deliver on its “Digital Engineering & Digital AMS” value proposition for its clients.

IBM

Overview

IBM, through its portfolio of SAP managed services, offers end-to-end lifecycle services from basic SAP-certified IaaS to application management services and business process as a service (BPaaS) by using its managed cloud services. It provides managed services through a combination of continuous innovation, modernization, DevOps, agile and automation. The company has a strong 45-year partnership with SAP and has been one of SAP's premier certified cloud partners for all types of cloud.

Strengths

Key managed services capabilities: IBM delivers all the key S/4HANA managed services, which include predictive monitoring, technical self-healing, cognitive ticket analytics, automated service request and self-help conversational bots. The company offers SAP Optimize/Continuum in its managed services portfolio. IBM plans to increase its investments in AMS Optimize/Continuum as a part of its 2020 investment plans.

Robust SAP managed services: IBM's managed services are delivered by skilled IBM resources and include built-in security and business-related key performance indicators and SLAs. The company offers intelligent automation bots as a part of its AMS offerings. With a focus on continuous improvement, the company is moving traditional AMS to a continuous learning offering.

Continuous innovation: IBM has flexibility and management expertise through its multiple data centers and cloud coverage worldwide, around-the-clock security, strong SLAs and extensive migration capabilities for SAP HANA.

Caution

Against the backdrop of economic certainty from COVID-19, IBM should fortify its SAP managed services messaging to benefit enterprises that are looking for quality application management services.



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IBM's established managed services delivered through flexible migration capabilities, security services, SLAs and multiple data centers, make it an obvious choice for enterprises that have a complex SAP landscape and are looking for an experienced service provider with ability to offer scale and reliable support.

TCS

 Overview

TCS is a leading Indian IT services company headquartered in Mumbai. The company's application management services support specific services for SAP S/4HANA projects across the entire project lifecycle using tools from TCS, SAP and third parties. It also helps companies to operate and run their SAP S/4HANA platform with other applications.

 Strengths

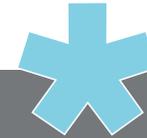
Large SAP HANA workforce: TCS, through its large base of more than 16,800 SAP S/4HANA and over 2,200 SAP HANA consultants, offers robust managed services to reduce technology cost and efforts. It delivers the IT services through its Global Network Delivery Model.

Tools and accelerators: The company has a wide array of tools and accelerators for SAP services. These include ignio (a neural automation system), Data Sure (data management tool), TCS HANA Command Suite (for analysis, monitoring and performance optimization of SAP HANA databases) and others.

Proprietary ignio™ AI.ERPOps automation product: ignio™ AI.ERPOps is an AI platform billed as an “intelligent virtual expert” that learns how customers use SAP ERP for business operations, resolves issues and protects a company's enterprise IT infrastructure. TCS uses its ignio™ AI.ERPOps cognitive automation offering to autonomously manage more than 1.5 million technology resources for more than 50 clients globally. ignio™ AI.ERPOps applies artificial intelligence, machine learning and advanced software engineering to transform enterprise IT services. It is used to manage IT infrastructure, SAP environments, batch workloads, applications and business processes.

 Caution

Although TCS provides a robust service basket for SAP, it needs make the information more accessible so enterprises can understand the length and breadth of its capabilities.



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TCS is a one of the leading Indian IT services providers with large base of ADM and SAP services. It uses its Global Delivery Network, trained base of SAP consultants and proprietary tools and frameworks to deliver SAP managed services. The company's robust delivery capabilities and large skills base make it a leading choice for companies looking for a reliable service provider with ability to handle complexity and scale.

TECH MAHINDRA

Overview

Tech Mahindra provides SAP HANA managed application services for clouds, databases and applications. Application maintenance, support, testing and operation services comprise the managed applications services. They are offered for Suite on HANA (SoH), BW on HANA, S/4HANA, BW/HANA and C/4HANA. Tech Mahindra uses a multitude of internally developed tools and accelerators across discovery, IT operations, AIOps, monitoring, operations transformation, Basis management, archiving, asset management and test automation to increase efficiencies. Innovation, artificial intelligence and bots for automation, data analysis and visualization are deeply entrenched in the services. The company has three centers of excellence in the U.S.

Strengths

Next-gen automation-based AMS solution: Tech Mahindra offers a strong managed service that is based on machine learning, RPA, preventive operations and support linked to business KPIs. The company provides a risk-free, automated transition, plus tool-based steady state operations, continuous improvements on auto resolution, monitoring, orchestration and analytics through this offering. Tech Mahindra's automation-first AI platform focuses on four main levers of elimination, automation, shift left and lean out to make an SAP landscape more efficient. The company delivers process efficiencies for its customers through bots, RPA, chatbots, voice-enabled Fiori, AI and cognitive and intelligence tools and solutions.

Innovation framework and experience centers: Tech Mahindra's global customer experience center in Houston supports design thinking and links customer experiences with ERP solutions by using DevOps and agile frameworks for speed and agility. Solution Studio, Tech Mahindra's experience center, has more than 80 SAP instances that include all SAP Digital Technology Competencies of S/4HANA and Leonardo for testing and development, training, prototyping, ramp-up and innovation work.

Time-saving IP: Tech Mahindra accentuates its managed services through a host of proprietary AI-based tools such as TACTiX, Epselon, UNO, MAGIX, the Entellio chatbot and CUBE, which help save time, improve monitoring, maintenance and reduce testing efforts.

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Caution

The company should focus on increasing its roster of practitioners certified in SAP Basis and SAP ABAP in the U.S.



2020 ISG Provider Lens™ Leader

Tech Mahindra's SAP managed services are supported by its proprietary Next Gen AMS platform and a bevy of tools and accelerators that cater to a broad set of operations and maintenance functions. It has strong focus on automation and innovation, which has resulted in the company incorporating bots, AI and ML capabilities in managed services for its clients.

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21

WIPRO

Overview

Wipro, one of the leading Indian IT service providers, is a certified Application Management Services Provider. The company offers AMS support services across delivery models, which consist of a flexible structure that enables customers to fine-tune their SAP landscape. Some of the AMS services include SAP module support, business continuity (applications), 24-by-7 real-time automated monitoring and alerting, SAP health checks and analysis, upgrades, patching, performance management, scaling and data management. The company also offers application management services for ECC 6.0 and has more than 3,400 practitioners dedicated to this service. It uses over 150 bots based on its HOLMES cognitive automation for administration, business process efficiency and monitoring.

Strengths

APEX delivery model: Wipro's tool-based APEX delivery model for managed services helps clients realize value by leveraging non-linearity, security, analytics, competency-based support and transparency in transitions. The framework also increases speed to market with lower costs, led by its integrated scalability, automation, tools, reusable assets and processes.

Automation tools for managed services: Wipro offers customers several proprietary tools and assets as a part of its AMS services. Some of them include Holmes My Personal Assist, Holmes Chat, Holmes Cog Search, Holmes Data Transfer Workbench, Holmes ERP Preventive Workbench, SAP Batch job Monitoring, SAP ABAP Code reviewer, Holmes SAP Basis Workbench, SAP Process Buddy and Holmes Application Automation Center. The tools cover automation, queries, user conversations, IDOC records, preventive checks, monitoring, centralized BASIS console and incident management.

Nextgen AMS Framework: Wipro's Nextgen AMS themes pivot around the tenets of simplify, intelligent automation, accelerate and experience. The company, through these themes, helps customers move towards leaner operations, benefit from proactive automation, focus on cycle time reduction and concentrate on metrics.

Caution

Wipro could increase its Basis support professionals in the U.S. to address the large and growing business needs of SAP customers.



2020 ISG Provider Lens™ Leader

Wipro offers application management services as a part of its Next Gen AMS model, which is supported by the Apex delivery model and focuses on simplification, automation, security, analytics and competency-based support for its customers. The company also leverages a plethora of proprietary in-house tools and accelerators centered around HOLMES to accentuate the managed services.

RISING STAR: NTT DATA

Overview

NTT DATA's application managed services are centered around continuous integration and deployment, metrics management and governance, forecasting and resource management and continuous improvement themes. As a part of its core AMS offering, the company offers support for SAP modules, business continuity, real time monitoring, SAP health checks, performance management, security, database management and testing. NTT DATA's SAP Managed Services practitioner base in the U.S. grew steadily over the previous year.

Strengths

Robust application managed services portfolio: NTT DATA has services for predictive, corrective, perfective and adaptive maintenance, KPI tracking, resource forecasting and incident analysis and reduction. Its managed services portfolio revolves around the pillars of continuous integration, metrics, continuous improvement to deliver process improvement, service level enhancement and user experience improvement to its clients.

AMS tooling: NTT DATA's Managed Services tools deliver standardization, cost optimization and automation by eliminating problems, leveraging knowledge and managing the portfolio, ideas and SLAs. The company dives deep into each of these areas using its tools – Incident Navigator, Knowledge Manager, Portfolio Analyzer, Idea Manager and SLA Manager.

Bot-led service delivery: NTT DATA optimizes SAP operations by implementing bots for chat, triage configurations, knowledge development, conversational AI and testing functions.

Caution

The company has a large base of SAP ABAP developers, but compared to its peers, it should prioritize increasing the strength of SAP Basis developers in the U.S.



2020 ISG Provider Lens™ Rising Star

NTT DATA has a robust application managed services portfolio. It delivers AMS services that are centered around continuous improvement, continuous deployment and continuous integration through proprietary tools, bots and RPA assets for its clients. The company has a broad base of SAP practitioners, SAP HANA experts and managed services professionals.

CONTENDER: MINDSET

Overview

Mindset, headquartered in Minneapolis, offers SAP application management services (AMS) services for cloud, applications and database. The company provides design thinking-led UX/Fiori applications, end-to-end implementation services for SAP S/4HANA, enterprise warehouse management, transformation management, managed services, and SAP talent solutions. It provides dedicated managed support for S/4HANA in the U.S. Monitoring, L2 and L3 support, business analysis and enhancements are some of the areas served within its SAP managed services. The company is known for delivering applications to large enterprise clients.

Strengths

Support for SAP ECC 6.0: Support services for SAP ECC 6.0 customizations as part of its managed services are one of Mindset's core strengths. The company offers technical support to functionality and ECC 6.0 configurations along with training programs for internal professionals.

Managed application services: Mindset is focused on managed services for applications through agile and DevOps delivery of backlog and PoCs on an ongoing basis. The company also supports the Fiori applications for S/4HANA or SAP ECC environments.

Tools for managed services: Mindset uses a mix of third-party tools such as Atlassian JIRA, GitHub, SAP Build along with its proprietary design thinking tool to deliver SAP managed services.

Caution

The company should focus on expanding its base of certified practitioners for SAP Basis, SAP HANA, ABAP, SAP ECC 6.0 and in-house experts in the U.S.



2020 ISG Provider Lens™ Contender

Mindset offers SAP-related AMS services, covering database, applications and cloud. It delivers managed services for SAP using an agile and DevOps approach along with third-party solutions and a proprietary tool for design thinking.



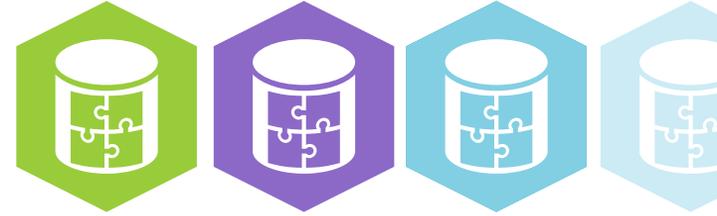
Methodology

METHODOLOGY

The ISG Provider Lens™ 2020 SAP HANA and Leonardo Ecosystem Partners research study analyzes the relevant software vendors and service providers in the U.S. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

The study was divided into the following steps:

1. Definition of SAP HANA and Leonardo Ecosystem Partners market
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
6. Use of the following key evaluation criteria:
 - Strategy & vision
 - Innovation
 - Brand awareness and presence in the market
 - Sales and partner landscape
 - Breadth and depth of portfolio of services offered
 - Technology advancements



Authors and Editors



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Lead Analyst

Kartik Subramaniam is the Lead Analyst for ISG's Provider Lens™ reports for Next-gen ADM and SAP HANA and Leonardo Ecosystem Partners . He brings in over 11 years of experience in primary and secondary research, advisory and consulting services from leading IT and research companies such as Accenture, IBM, IDC and TNS. Kartik has worked on research notes, briefing notes, industry speaking engagements, blogs and advisory engagements in the areas of offering in application development and maintenance, SAP, multi layered/pace layered IT/applications, cybersecurity and infrastructure services. Apart from research, Kartik also worked closely with strategy and sales teams providing insights on strategic planning for offerings and creating seller enablement deliverable through analytics at Accenture and IBM respectively.



ArulManoj M, Enterprise Context and Global Overview Analyst

Senior Analyst

Arul has been working with ISG for more than two years and his area of expertise is on Application Development & Maintenance (ADM). During his tenure, he has developed content for ISG Provider Lens™ in the areas of Next-gen Application Development & Maintenance (ADM), SAP HANA and Leonardo Ecosystem and Data Analytics Services & Solutions. As part of ISG Provider Lens™, Arul is responsible for supporting research authors and authoring blogs about niche technologies, market trends and insights.

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Director

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor. Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

ISG Provider Lens™ Report: SAP HANA and Leonardo Ecosystem Partners

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