Everest Group PEAK Matrix™ for Cloud Enablement Service Providers

Focus on Accenture

November 2018

Introduction and scope

Everest Group recently released its report titled "Cloud Enablement Services PEAK Matrix™ Assessment 2019 and Market Trends: An Enterprise Primer for Adopting (or Intelligently Ignoring!) Cloud Native". This report analyzes the changing dynamics of the cloud enablement services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 24 service providers on the Everest Group PEAK Matrix™ for cloud enablement services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of cloud enablement service providers based on their absolute market success and delivery capability. Everest Group also identified 5 service providers as the "2018 Cloud Enablement Services Market Star Performers" based on the strongest forward movement demonstrated on the PEAK Matrix year-on-year.

Based on the analysis, **Accenture emerged as a Leader and Star Performer**. This document focuses on Accenture's cloud enablement services experience and capabilities and includes:

- Accenture's position on the cloud enablement services PEAK Matrix
- Detailed cloud enablement services profile of Accenture

Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers' relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

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Everest Group PEAK Matrix™
Cloud Enablement Services PEAK Matrix™ Assessment 2019 | Accenture positioned as Leader and Star Performer

Everest Group Cloud Enablement Services PEAK Matrix™ Assessment 2019[1,2]
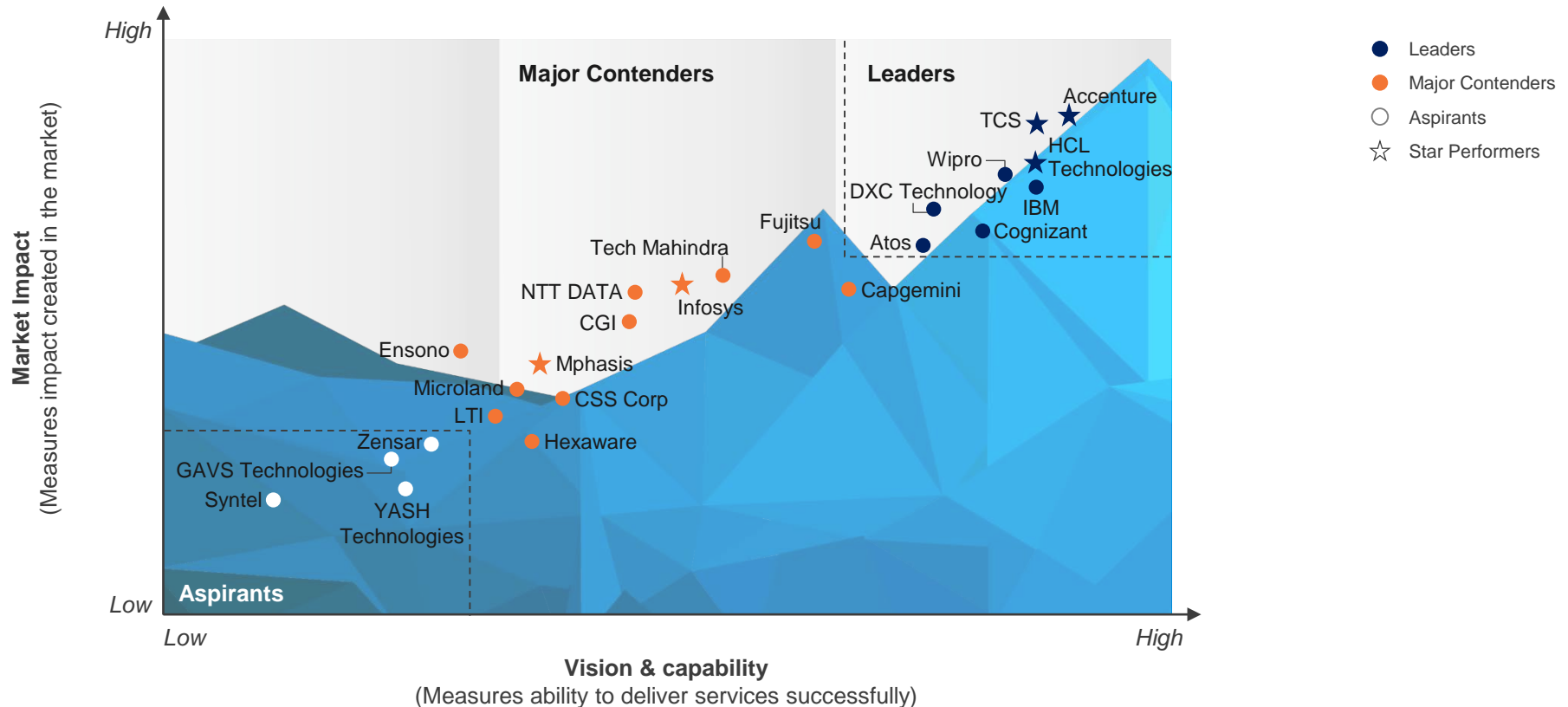
1 Assessment for Capgemini, CGI, Fujitsu, GAVS Technologies, and IBM excludes service provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with insurance buyers
2 PEAK matrix positioning for Atos and Syntel is based on the assessment of their individual capabilities prior to the announcement of Syntel's acquisition by Atos

Accenture | Cloud enablement services profile
Overview

Strengths
• Strong focus on providing contextualized solutions based on client's industry-specific requirements and driving alignment between business and IT teams • Has established a wide range of strategic alliances/partnerships with leading technology vendors and cloud service providers on a global scale • Clients point out Accenture's commitment to business outcomes and credible savings in operational and IT costs within engagements as a key strength

Areas of improvement
• While Accenture has a strong vision for cloud services backed by a highly credible cloud offerings suite, certain clients point out that Accenture's narrative tends be aspirational and needs to be more rooted to on-the-ground challenges within the transformation journey (rather than just articulating the end state) • Further scope of improvement in terms of proactively applying the learnings from previous engagements to minimize risks and optimize transformation efforts

Cloud enablement services revenue

<US$200 million	US$200-US$500 million	US$500 million-US$1 billion	>US$1 billion

Scope of coverage

Accenture's cloud enablement services suite includes consulting services, design and deployment services, and managed services. Its journey to cloud approach is across three phases: strategy assessment & roadmap, cloud transformation & migration, and cloud management & optimization. Accenture is estimated to have more than 44,400 FTEs skilled in cloud enablement services.

Adoption by industry — ■ High (>20%) ■ Medium (10-20%) ■ Low (<10%)

BFSI	■ High	Energy and utilities	■ Medium
Technology	■ Medium	Healthcare and life sciences	■ Medium
Manufacturing	■ Low	Retail, distribution, and CPG	■ Medium
Public	■ Low	Telecom, media, and entertainment	■ Low

Adoption by buyer groups — ■ High (>20%) ■ Medium (10-20%) ■ Low (<10%)

Small (annual revenue < US$1 billion)	■ Low
Medium (annual revenue = US$1-5 billion)	■ Medium
Large (annual revenue > US$5 billion)	■ High

Adoption by service segments — ■ High (>20%) ■ Medium (10-20%) ■ Low (<10%)

Consulting services	■ High	Managed services	■ High
Build/design services	■ Medium		

Adoption by geography — ■ High (>25%) ■ Moderate (10-25%) ■ Low (<10%)

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Offerings

NOT EXHAUSTIVE

Accenture's "Journey to Cloud" approach has three phases: strategy assessment & roadmap, cloud transformation & migration, and cloud management & optimization. Across these phases, Accenture claims to combine business and industry knowledge with IP and experience to enable swift and secure transition to the cloud. Accenture aims to work with its clients and alliance partners toward developing industry-specific solutions and business services that allow clients to run core processes in the cloud.

Proprietary solutions (representative list)

Solution	Details
Accenture Cloud Platform	A legacy-to-cloud control plane that helps enterprises improve operations, maintain security, control cost, and ensure governance of their growing cloud estate
Navigate: Accenture Cloud Computing Assessment Tool	A tool that supports and enables migration methodology across all phases of the application migration program – automating the recurring tasks, compressing delivery timelines, and providing a single point of process control and visibility
Accenture DevOps Maturity Model Assessment	A model that is used for client assessments and as a part of DevOps strategy formulation. It can also be used as a self-assessment tool for ongoing delivery projects to evaluate their maturity across core DevOps principles
Cloud Migration Toolkit (CMT)	A toolkit to analyze codebase of existing architecture and implementation to identify and remediate based on platform deployment model

Cloud services partnerships (representative list)

Partner name	Type of partnership	Details
AWS, Microsoft Azure, Oracle, and Google	Service partnership	Partnership for providing public cloud services
Oracle, Microsoft, Docker, and Kubernetes	Technology partnership	Partnership for providing public, private, and hybrid cloud services
HPE, VMware, and Cisco	Technology partnership	Partnership for network and private cloud
Pivotal, Oracle, Microsoft Azure, OpenShift, and Cloud Foundry	Technology partnership	Partnership to provide PaaS/migration services
ServiceNow and Splunk	Service partnership	Partnership for managed services

Recent activities (representative list)

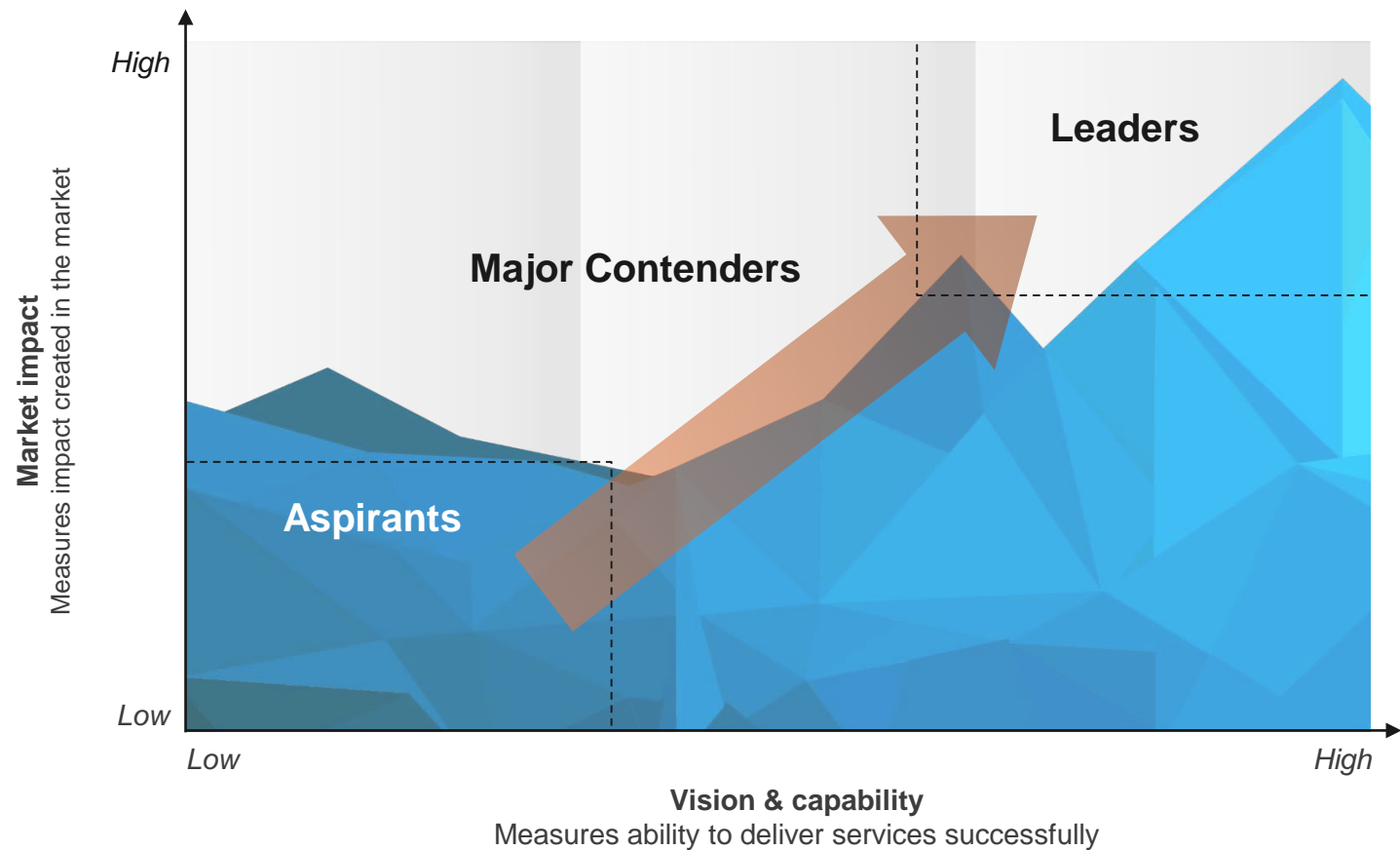| Development	Details
Cloud related acquisitions	Acquired and integrated cloud companies including Enkitec (Oracle), Cloud Sherpas (ServiceNow), Nashco (ServiceNow), Solid-SerVision (ServiceNow), Focus Group Europe (ServiceNow), Certus Solutions (Oracle), as well as other key companies focused on cloud security (e.g., FusionX, Defense Point Security, and Maglan).

Source: Everest Group (2018)

Appendix

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

Everest Group PEAK Matrix

Market impact
Measures impact created in the market

High

Leaders

Major Contenders

Aspirants

Low

Low — **High**

Vision & capability
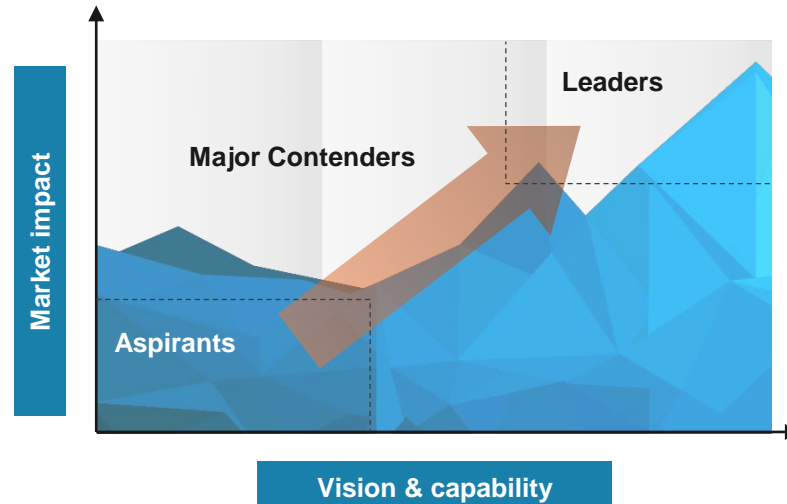Measures ability to deliver services successfully

Services PEAK Matrix™ evaluation dimensions

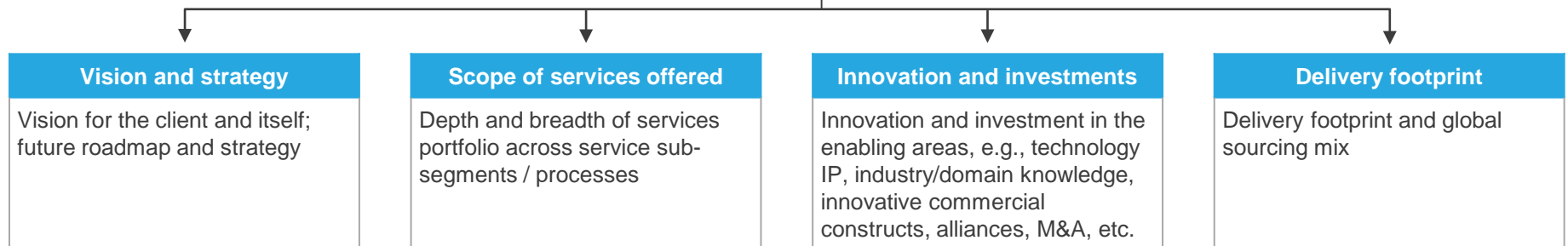Measures impact created in the market – captured through three subdimensions

Market adoption
No. of clients, revenue base, and YOY growth, deal value/volume

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

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

Market impact (vertical axis)

Leaders

Major Contenders

Aspirants

Vision & capability (horizontal axis)

Measures ability to deliver services successfully. This is captured through four subdimensions

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

Scope of services offered
Depth and breadth of services portfolio across service sub-segments / processes

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

Delivery footprint
Delivery footprint and global sourcing mix

Everest Group confers the Star Performer title on providers that demonstrate the most improvement over time on the PEAK Matrix™

Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix

Market Impact

Year 1

Year 0

Vision & capability
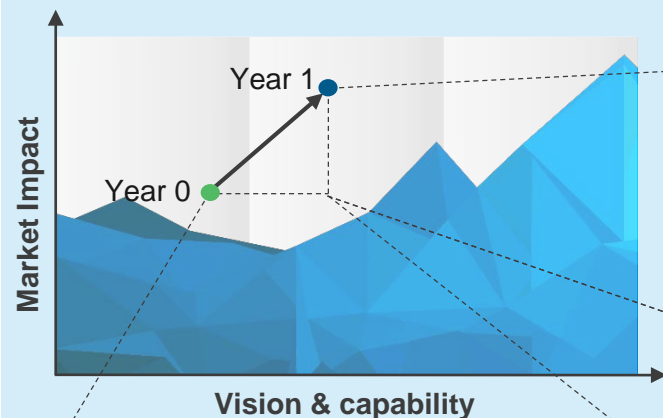
In order to assess advances on **market impact**, we evaluate each service provider's performance across a number of parameters including:
- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each service provider's performance across a number of parameters including:
- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service providers with:
- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

Star Performers are identified by top quartile performance improvement on the X and Y axes for each segment

The Star Performers title relates to YOY performance for a given service provider and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

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FAQs

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

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

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

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

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

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

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About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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