Everest Group®
RESEARCH

Everest Group PEAK Matrix® for S4HANA Service Providers 2021

Focus on Accenture

May 2021

Everest Group
PEAK MATRIX®

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Background of the research

- Enterprises are adopting SAP S/4HANA to modernize their finance and accounting operations, enable end-to-end visibility across the supply chain, better forecast demand and sales, optimize inventory management, and streamline procurement operations
- However, enterprise expectations are evolving beyond the lift and shift of workloads and process reimagination to ecosystem orchestration using S/4HANA to better orchestrate their enterprise application landscape to reap incremental value
- To address changing client expectations and accelerate the migration of its on-premise client base to the cloud, SAP is investing in augmenting its SAP product portfolio including S/4HANA Cloud capabilities
- In this research, we present an assessment of 21 service providers featured on the S/4HANA services PEAK Matrix®
- The assessment is based on Everest Group's annual RFI process for calendar year 2020, interactions with leading services providers, client reference checks, and an ongoing analysis of the S/4HANA services market

This report includes the profiles of the following 21 leading service providers featured on the S/4HANA services PEAK Matrix:

- **Leaders:** Accenture, Deloitte, EY, IBM, Infosys, NTT DATA, and TCS
- **Major Contenders:** Atos, Capgemini, Cognizant, DXC Technology, HCL Technologies, LTI, PwC, Tech Mahindra, T-Systems, and Wipro
- **Aspirants:** Birlasoft, Mphasis, Stefanini, and UST

Scope of this report:

Geography
Global

Service providers
21

Services
SAP S/4HANA services

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Introduction and scope

Everest Group recently released its report titled "S4HANA Services PEAK Matrix® Assessment 2021". This report analyzes the changing dynamics of the S4HANA services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 21 service providers on the Everest Group PEAK Matrix® for S4HANA services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of S4HANA service providers based on their absolute market success and delivery capability.

Based on the analysis, **Accenture emerged as a Leader.** This document focuses on **Accenture's** S4HANA services experience and capabilities and includes:

- Accenture's position on the S4HANA services PEAK Matrix
- Detailed S4HANA 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.

Source: Everest Group (2021)

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S/4HANA services PEAK Matrix® characteristics

Leaders:

Accenture, Deloitte, EY, IBM, Infosys, NTT DATA, and TCS

- Leaders are characterized by their ability to successfully execute large-scale, multi-continent, end-to-end S/4HANA services, underpinned by their strong global delivery network and meaningful onshore presence
- These providers have invested significantly to grow and engage talent to combat high attrition in the S/4HANA services market. Leaders are also able to successfully leverage domain experts to provide good change management experiences to clients
- Furthermore, they have a mature suite of SAP-certified, S/4HANA, OTS verticalized solutions to accelerate time-to-market for their clients
- Leaders have a highly balanced portfolio, and continue to keep pace with market dynamics through continued investments in S/4HANA Cloud and vertical-specific solutions and services capability development (internal IP/tools, partnerships, etc.)

Major Contenders:

Atos, Capgemini, Cognizant, DXC Technology, HCL Technologies, LTI, PwC, Tech Mahindra, T-Systems, and Wipro

- These players have built meaningful capabilities to deliver S/4HANA services – implementation and management/run; however, their service portfolios are not as balanced and comprehensive as those of Leaders (in terms of coverage across S/4HANA service segments, service type, geographies, or verticals)
- These providers have good partnership with SAP and all the leading cloud vendors & specialist technology partners to curate client-specific S/4HANA solutions
- Also, Major Contenders are making continued investments in building proprietary tools and solutions, as well as scaling their talent for S/4HANA

Aspirants:

Birlasoft, Mphasis, Stefanini, and UST

- Aspirants have good proof points in delivering low to medium complex implementation and maintenance S/4HANA services for Small and Mid-sized Buyers (SMBs)
- They are either focused on a region(s) or vertical(s), or currently have a relatively small S/4HANA practice
- While these providers have meaningful capabilities in driving S/4HANA on-premise initiatives, they might not be suitable for clients looking for S/4HANA Cloud services as they lack strong partnerships with leading cloud vendors

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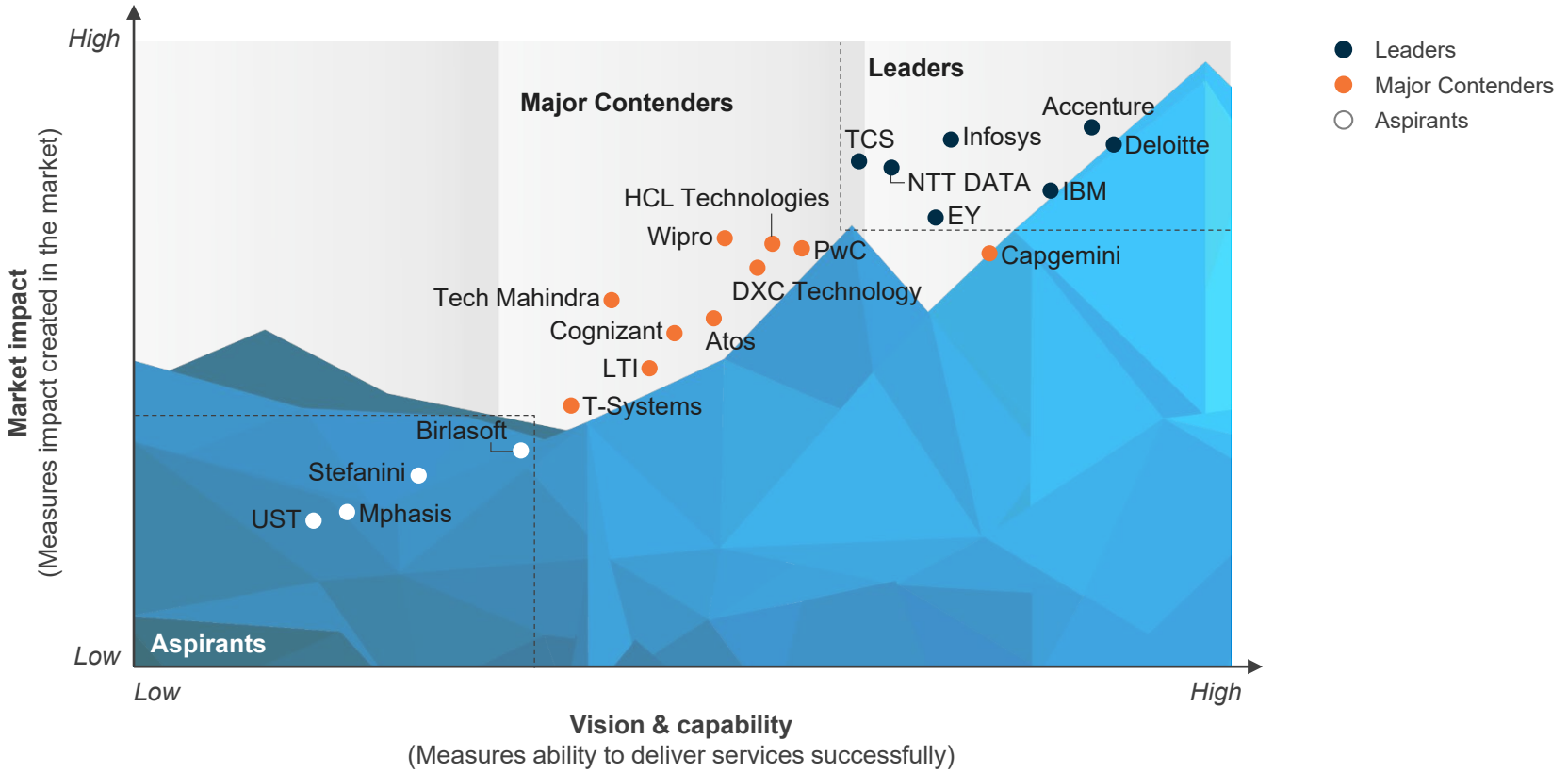
Everest Group PEAK Matrix®

S/4HANA Services PEAK Matrix® Assessment 2021 | Accenture positioned as a Leader

Everest Group S/4HANA Services PEAK Matrix® Assessment 2021[1]



1 Assessments for Deloitte, EY, IBM, PwC, and T-Systems exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers

Source: Everest Group (2021)

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Accenture | S/4HANA services profile (page 1 of 5)

Everest Group assessment – Leader

Measure of capability: High Low

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall

Strengths

- Accenture is a fitting choice for enterprise clients (annual revenue >US$5 billion) seeking end-to-end services for highly complex, multi-continent global S/4HANA initiatives
- It has demonstrated change management capabilities for large global S/4HANA roll outs; its change management platform, integrated with MyConcerto platform, offered change insights and demonstrated workflows to accelerate change initiatives
- It has built a strong suite of IP tools/platforms/solutions to curate industry-specific solutions and accelerate time-to-market for its S/4HANA clients; its key IPs include MyConcerto, MyWizard, and MyNav
- Accenture continuously evaluates its capabilities and is willing to acquire firms to serve its clients with a strong S/4HANA services portfolio and global delivery capabilities
- Its technical prowess, domain expertise, and advisory capabilities are well-perceived by the market

Limitations

- While it has scaled internal talent for S/4HANA, it needs to further invest in certifying in-house talent on S/4HANA to enhance its delivery quality of scaled transformations
- The market perceives it to lack solutioning flexibility owing to the push to embed its in-house IPs and platforms
- Clients believe that Accenture can further enhance its talent management capabilities – specifically in bringing in consultants with relevant experience during the initial advisory phase of S/4HANA engagements
- Clients continue to find Accenture inflexible in commercial aspects for S/4HANA services

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Accenture | S/4HANA services profile (page 2 of 5)

Provider overview

Vision for S/4HANA services: Accenture's vision for SAP S/4HANA is to shape and execute clients' vision for end-to-end digital transformation, including journey-to-cloud and ecosystem orchestration, to deliver measurable efficiencies and new value enabled by SAP S/4HANA.

Partnership status with SAP: SAP Global Strategic Service Partner

Number of projects completed in 2020: 600+

Number of S/4HANA experts: 29,000+

Proportion of S/4HANA services revenue by buyer size (annual revenue)

High (>25%) Medium (10-25%) Low (<10%)

Less than US$1 billion	US$1-5 billion	US$5-10 billion	US$10-20 billion	Greater than US$20 billion

Percentage of projects by deployment model

High (>30%) Medium (15-30%) Low (<15%)

On-premise	Public Cloud	Private Cloud

Proportion of S/4HANA services revenue by business function

High (>30%) Medium (15-30%) Low (<15%)

Consulting	Implementation	Maintenance and support

Proportion of S/4HANA services revenue by modules/capabilities

High (>25%) Medium (10-25%) Low (<10%)

Finance	S/4HANA LOB products including industries
Human resource	Supply chain; Sourcing and Procurement
Others[1]	

Proportion of S/4HANA services revenue by geography

High (>25%) Medium (10-25%) Low (<10%)

North America	Europe (excluding UK)	South America
Middle East & Africa	United Kingdom	Asia Pacific

Proportion of S/4HANA services revenue by industry

High (>15%) Medium (10-15%) Low (<10%)

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

1 Includes Asset Management, Manufacturing, Sales & Services, Analytics, compatibly packs, and Integration

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Accenture | S/4HANA services profile (page 3 of 5)

Key solutions

Proprietary solutions (representative list)			
Solution name	**Industry in focus**	**Focused S/4HANA module**	**Details**
myConcerto	40+ industries and functions	All	Insight-driven, digitally integrated platform that orchestrates the power of new SAP solutions and technologies, and Accenture's industry and functional expertise to create exponential business outcomes
myNav	Across all industries	All	Capabilities curate the roadmap for cloud journeys and drive the right architecture and cloud solution
myWizard	Across all industries	All	Helps organizations create, implement, and measure enterprise-wide automation strategies and reimagine their information technology systems for efficiency and performance
Smart()Field	Across all industries	All	Tools and accelerators used for S/4HANA conversion to help reduce system downtime, prepare the system landscape, implement data volume management, and remediate custom development issues

Custom-built SAP-certified solutions on SAP portal compatible with S/4HANA (representative list)			
Solution name	**Industry in focus**	**Focused S/4HANA module**	**Details**
SAP Cloud for upstream oil and gas	Oil & gas	All	Solution that offers customers a 360-degree view of the enterprise – from operations to the boardroom, enabling operational excellence
SAP Cloud for utilities	Utilities	All	An end-to-end industry product suite to help utilities scale their business in the energy transition era, underpinning the activating key moments of the customer journey
SAP S/4HANA for chemicals	Chemical	All	Provides a foundation for chemical companies to digitally transform their business models, business processes, and the way people work
Connected Hydrocarbon Logistics	Oil & gas	Supply chain	An integrated digital solution that reduces risk, increases planning and logistics accuracy, enhances contract profitability, and decreases operational and capital expenditure
NewsPage 9	CPG	Supply Chain, Sales, & Customer Services	It is an integrated distributor management and sales automation system that helps consumer products companies better manage traditional trade channels, promotions, and sales processes

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Accenture | S/4HANA services profile (page 4 of 5)

Investments and partnerships

Key investments (representative list)		
Investment theme	**Focused S/4HANA module**	**Details**
Cloud enablement	All	Heavy investment in Cloud First initiatives that accelerate clients' move to cloud and digital transformation (including move to S/4 on cloud as an enabler of transformation, innovation, and digital core orchestrator)
Talent	All	Talent acquisition, training & upskilling, retaining talents: Referral programs, employer branding, collaboration with educational organizations, and providing a compelling career experience
Delivery	All	Delivery excellence: Methods refresh (including learnings from switching to full remote delivery), myConcerto digital delivery, and next-generation delivery automation
Industries and functions	All	Globally funded and governed SAP industry and function plays to hone deep SAP industry capabilities, talent, community, and innovation
Acquisitions	Across functions	Invested more than US$1.5 billion across 34 strategic acquisitions in FY20. Recent SAP capabilities-focused acquisitions include Intrigo (supply chain and SAP IBP), Zag (cloud), SALT Solutions (manufacturing and logistics), Icon Integration (supply chain and BI), maihiro (SAP CX), Edenhouse (cloud), and Silveo (Industry X)

Key partnerships (representative list)		
Partner ecosystem		
SAP	Amazon Web Services	Microsoft Azure
Google Cloud Platform	Celonis (myConcerto Intelligent Process Diagnostics)	Datavard, SNP (for Smart()Field S/4HANA Conversion)
Tricentis	Worksoft	Blackline

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Accenture | S/4HANA services profile (page 5 of 5)

Case studies

Case study 1 | **Client: A specialty chemicals company in Germany**

Business challenge

The client wanted to design and build a digital core as the foundation for its large-scale business transformation

Solution

Accenture implemented S/4HANA on-premise version; the transformation spanned 10 business units, 10,000 users, and 25 countries and included introducing new operating models for SCM, transactional services, and IT. The rapid-template build for the program occurred over one-year with a three-year roll-out timeline – managed remotely with the advent of COVID-19

Impact

- Better functionality, lower TCO, and business agility
- Higher efficiency gains in business processes by automation, integration, and standardization

Case study 2 | **Client: A multinational telecommunications company**

Business challenge

The client wanted to migrate one of the largest instances of SAP to S/4HANA including a massive legacy database, which was used by its finance LOB globally

Solution

Accenture implemented S/4HANA on-premise for better experience, business agility, and better functionality

Impact

- Reduced the client's database down to about 30% of its original size
- Resulted in intuitive and accessible experience for 12,000+ employees

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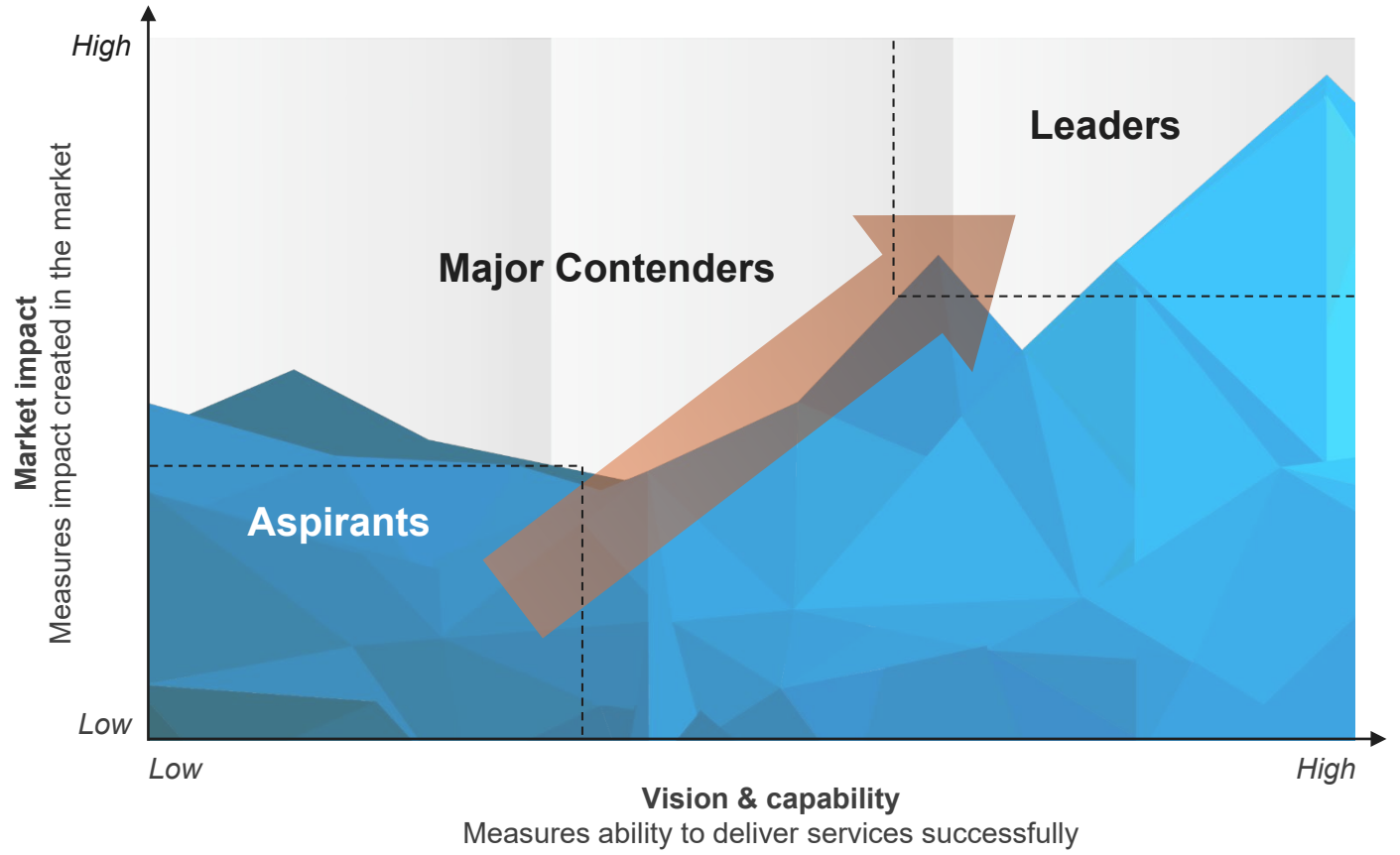
Appendix

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

Everest Group PEAK Matrix



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Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption

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

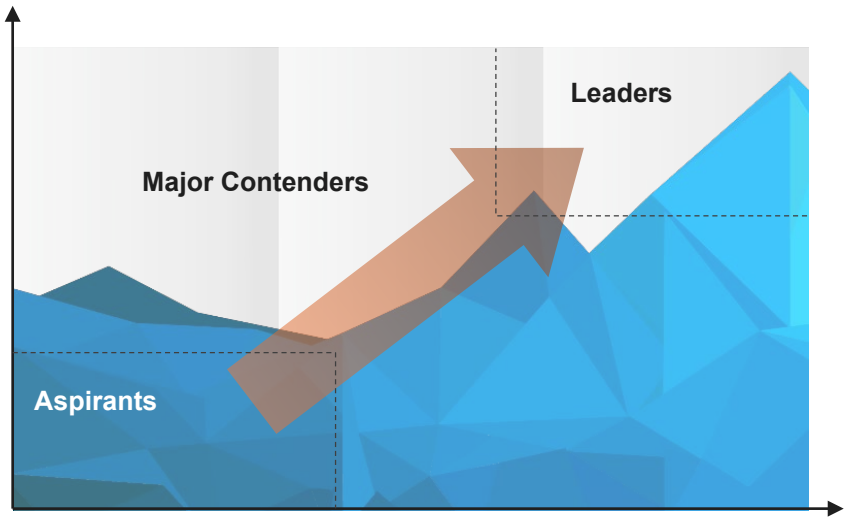
Portfolio mix

Diversity of client/revenue base across geographies and type of engagements

Value delivered

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

Market impact



Vision & capability

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

Vision and strategy

Vision for the client and itself; future roadmap and strategy

Scope of services offered

Depth and breadth of services portfolio across service subsegments/processes

Innovation and investments

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

Delivery footprint

Delivery footprint and global sourcing mix

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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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