

Everest Group PEAK Matrix[®] for ServiceNow Service Providers 2021

Focus on DXC Technology
December 2020



Background of the research

- A decade ago, enterprises expected ServiceNow to help them manage digital workflows such as IT Service Management (ITSM) and IT Operations Management (ITOM). With time, enterprises are now looking for stakeholder-centric, automation-focused, data-/outcome-driven integrated solutions with emphasis on stakeholder experience even in a multi-channel, complex portfolio
- In response to the changing market landscape, ServiceNow has expanded its portfolio to deliver enterprise solutions including IT, employee, and customer workflows to help clients drive business growth, increase resilience, and enhance employee productivity. It has forayed into emerging areas such as CSM, HCM, DevOps, FinOps, SecOps, GRC, and Security – It has invested in building industry solutions to provide out-of-the-box solutions and expedite time-to-market for enterprises
- With changing client expectations and evolving ServiceNow landscape, service providers are investing in building strong talent in emerging areas, co-developing industry-specific solutions with ServiceNow, developing in-house accelerators and frameworks, and taking a strong inorganic approach with niche acquisitions to fill gaps across their ServiceNow services portfolio to further enhance their geographic footprint
- In this research, we present an assessment of 20 service providers featured on the ServiceNow services PEAK Matrix®

The assessment is based on Everest Group's annual Request For Information (RFI) process considering investments made till May 2020, interactions with leading ServiceNow service providers, client reference checks, and an ongoing analysis of the ServiceNow services market

This report includes the profiles of the following 20 leading ServiceNow service providers featured on the ServiceNow services PEAK Matrix:

- **Leaders:** Accenture, Atos, Cognizant, Deloitte, DXC Technology, and Infosys
- **Major Contenders:** Cask, Capgemini, Crossfuzze, EY, HCL Technologies, IBM, KPMG, LTI, TCS, and Wipro
- **Aspirants:** Mphasis, Tech Mahindra, Trianz, and Softek

Scope of this report:



Geography
Global



Service providers
20 leading ServiceNow service providers



Services
ServiceNow services

Introduction and scope

Everest Group recently released its report titled “[ServiceNow Services PEAK Matrix® Assessment 2021](#)”. This report analyzes the changing dynamics of the ServiceNow services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 20 service providers on the Everest Group PEAK Matrix® for ServiceNow services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of ServiceNow service providers based on their absolute market success and delivery capability.

Based on the analysis, **DXC Technology emerged as a Leader**. This document focuses on **DXC Technology’s** ServiceNow services experience and capabilities and includes:

- DXC Technology’s position on the ServiceNow services PEAK Matrix
- Detailed ServiceNow services profile of DXC Technology

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.

ServiceNow services PEAK Matrix® characteristics

Leaders:

Accenture, Atos, Cognizant, Deloitte, DXC Technology, and Infosys

- Leaders have a strong focus on talent – are heavily invested in upskilling and cross-skilling resources across multiple ServiceNow certification streams; they focus on certifying their developers who are core to the implementation and on building competency beyond ITSM to deliver enterprise solutions
- They have demonstrated the ability to carry out large-scale transformational engagements covering the entire portfolio of ServiceNow offerings; they guide enterprises with ServiceNow adoption as an enterprise platform while minimizing customization
- They have heavily invested in ServiceNow partnership and are co-developing industry- and/or function-specific solutions with ServiceNow
- They have invested in acquiring niche ServiceNow partners to strengthen their ServiceNow capabilities and expand their global footprint
- They have been recognized by the industry with global and regional awards and have higher buyer satisfaction for delivering ServiceNow engagements

Major Contenders:

Cask, Capgemini, Crossfuze, EY, HCL Technologies, IBM, KPMG, LTI, TCS, and Wipro

- Major Contenders have invested in building accelerators, solutions, and frameworks to expedite time-to-market for their clients
- They have a better global delivery network and onshore presence, which has helped them win end-to-end ServiceNow services deals
- They have a reasonable spread of ServiceNow services across buyer segments, which emphasizes their ability to effectively cater to clients across the entire buyer spectrum
- Major Contenders such as Crossfuze, LTI, and KPMG have taken an inorganic approach to plug gaps across their ServiceNow services portfolios and improve their global footprints
- They have invested in developing meaningful capabilities to deliver end-to-end ServiceNow services (including management/run capabilities) and build long-term client relationships

Aspirants:

Mphasis, Tech Mahindra, Trianz, and Softtek

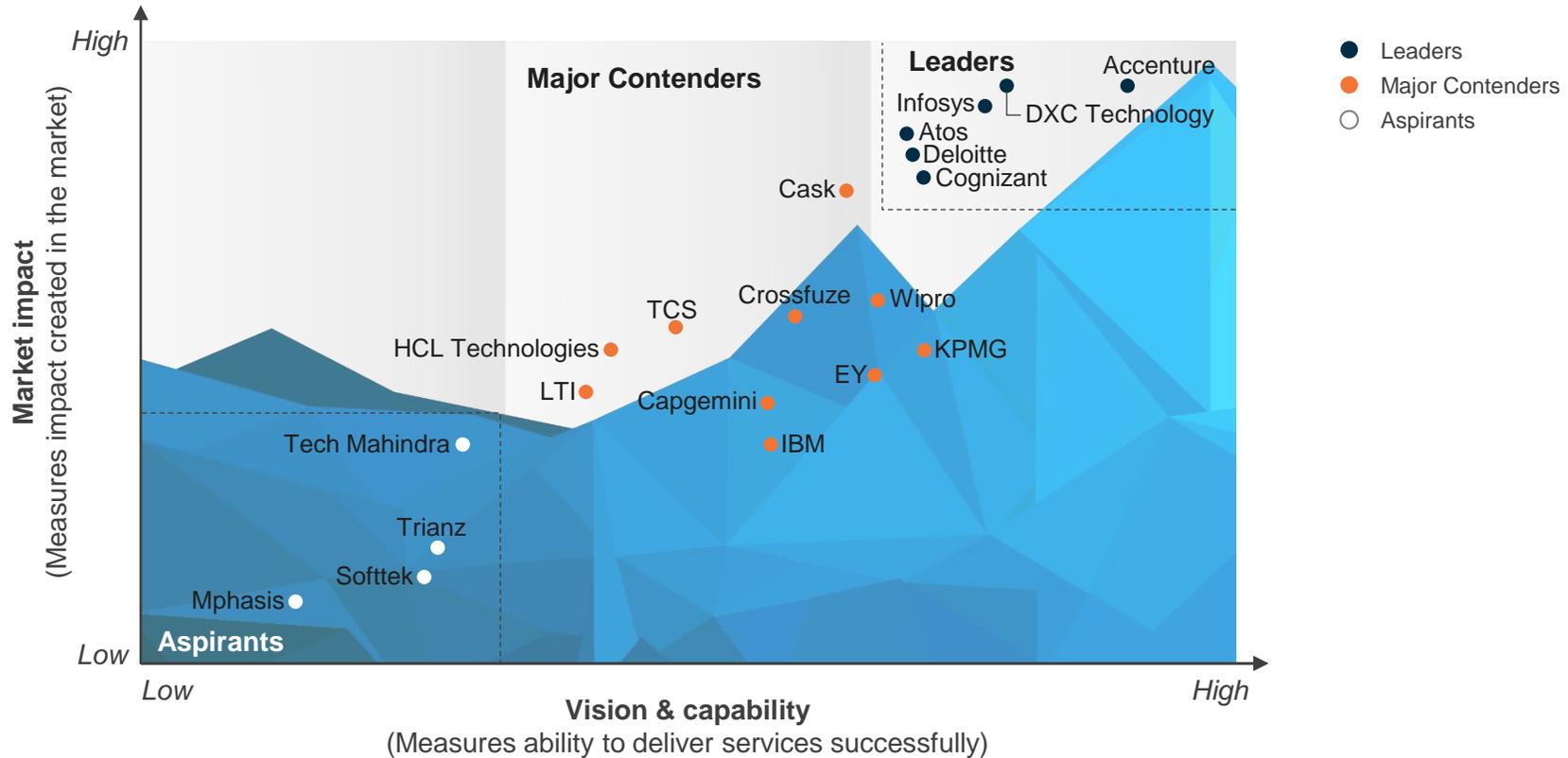
- Aspirants have credible proof-points in select areas, such as ITSM and ITOM, and are largely focused on small/mid-sized buyer segments
- Their onshore and offshore delivery capabilities are well-established to capture benefits of both labor arbitrage and client proximity; and they are investing in building solutions to expedite time-to-market for clients

Everest Group PEAK Matrix®

ServiceNow Services PEAK Matrix® Assessment 2021 | DXC Technology positioned as Leader



Everest Group ServiceNow Services PEAK Matrix® Assessment 2021



Note 1: Assessments for Deloitte, EY, IBM, and KPMG 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. Assessment for Crossfuze is based on service provider inputs and Everest Group's estimates

Note 2: This assessment exclude LTI's recent update of ServiceNow partnership to Elite status and Infosys' ongoing acquisition of GuideVision

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information will be presented back to the industry only in an aggregated fashion

DXC Technology | ServiceNow services profile (page 1 of 4)

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

- DXC Technology is a ServiceNow Global Elite Partner; its global award and regional awards for Americas, APJ and EMEA from ServiceNow highlight its global delivery capabilities
- It has credible transformational proof-points across all major ServiceNow product areas
- It has built a strong suite of frameworks and accelerators – such as Operational Resilience Framework (focused on ITSM, ITOM, and IRM) and HealthNow (focused on AppEngine) – across the services value chain and key verticals to expedite time-to-market
- The market acknowledges pricing, flexibility in engagement and solutioning approach, domain expertise, understanding of industry-/business-specific needs, and proximity to clients as its key strengths

Areas of improvement

- Few clients have highlighted that DXC Technology should further invest in effecting a smooth transition during acquisitions – specifically focus on retaining quality talent from the acquired company
- Its portfolio is skewed toward clients looking for implementation and managed services; however, it should further enhance its consulting capabilities to better serve its clients in building a strategic roadmap and guidance on business transformation

DXC Technology | ServiceNow services profile (page 2 of 4)

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

- It has a reasonable spread of ServiceNow services across buyer segments, which emphasizes its ability to effectively serve clients across the entire buyer spectrum
- Unlike most peers, DXC Technology has demonstrated ServiceNow services capabilities in the APAC and European markets in its chosen niche, and thus is more suitable for clients in these regions
- It has a strong inorganic stance for ServiceNow services. Acquisitions of Syscom, BusinessNow, and TESM have helped it to strengthen its footprint and serve clients better across European markets, specifically the Nordic region

Areas of improvement

- Few clients have faced challenges with integration of new ServiceNow products –the company should invest more in Non-ITSM certifications to better position itself for serving evolving market demands
- Market feedback has highlighted that DXC Technology should further enhance its talent management capabilities – specifically its ability to bring/retain the right talent at the right time – across different phases of the engagement

DXC Technology | ServiceNow services profile (page 3 of 4)

Provider overview

Vision for ServiceNow services: DXC Technology's vision is to provide knowledge, skill, and experience in both ServiceNow and practical problem-solving to clients. It aims to address clients' operational, tactical, and strategic challenges, and digitally transform their business. DXC Technology provides ServiceNow services to help clients in IT modernization, corporate risk reduction, enhanced employee experiences, customer & field services excellence, custom application development, and managed services for clients' ServiceNow instances.

Current partnership status with ServiceNow: Global Elite

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

Percentage of projects by products



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

Proportion of ServiceNow services revenue by business function



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

Percentage of projects by buyer size (annual revenue)



1 Emerging products include CSM, HRSD, FSM, and industry solutions

2 Others include custom applications, partner applications, etc.

3 Current CSAT score represents feedback from customers effective April 1, 2020. Legacy CSAT score represents feedback from engagements prior to April 1, 2020

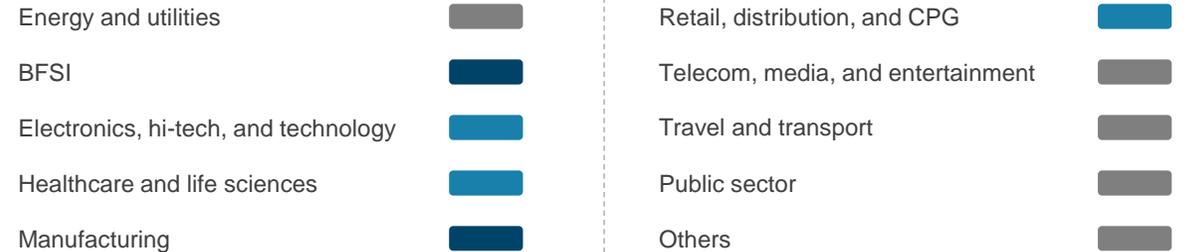
ServiceNow Customer Satisfaction Rating (CSAT)³: 4.5 / 5 (Current), 8.9 / 10 (Legacy)

Projects completed: 1,100-1,200

ServiceNow certified experts: 750-850

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

Percentage of projects by industry



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

Percentage of projects by geography



DXC Technology | ServiceNow services profile (page 4 of 4)

Case studies, solutions, and investments

Case study 1

Client: A US-based healthcare consortium

Business challenge	To migrate off a customized legacy solution and a complex environment with both IT and overall industry business needs
Solution	<ul style="list-style-type: none"> Implemented ITSM, Field Services, ITBM, ITAM, and custom applications for clinician onboarding, training management for hospital staff, clinical device incident management, crisis and response team management, clinical work order management, and medical device asset management Leveraged iHub, DXC's customized SN instance designed to manage customer engagement, to enable process innovation and optimization
Impact	<ul style="list-style-type: none"> Resulted in a US\$20 million reduction of TCO on HW, SW, and services Over 45 integrations with IT and healthcare systems About 50% reduction in incident assignment groups

Case study 2

Client: A global investment bank & financial services company

Business challenge	To modernize and automate the client's 15 legacy applications performing various parts of their processes and reduce their operating expenses
Solution	<ul style="list-style-type: none"> Implemented ITSM, SecOps, GRC, Service Catalog, and customized solutions for branch onboarding and banking regulations management Also implemented White Glove service for wealth management and iHub to provide process innovation and optimization, solution consulting, and client-specific banking process solutions
Impact	<ul style="list-style-type: none"> Achieved 20% reduction in operating expenses About €20 million reduction in service desk and €10 million reduction in service automation 70% automation in end-user services

Proprietary solutions (representative list)

Solution name	Focused ServiceNow product	Details
Operational Resilience Framework	ITSM, ITOM, IRM incl. BCM and SecOps, plus DXC's CIR	Provides outcome-based customer journey, enabling operational resilience as an organizational capability. The solution focuses on enabling and improving its capability around response, recovery, prevention, learning, and adapting
HealthNow	AppEngine	Focused on connecting patients, clinicians, and healthcare providers to deliver better health outcomes
Integrated Digital Employee Experience Framework	Service Portal, HR, CSM, Integration Hub, and AppEngine	Provides outcome-based customer journey, enabling an integrated digital employee experience that also digitizes workflows to drive engagement and productivity across the organization
CoE Blueprint	All products	Provides a blueprint to organizations for their ServiceNow CoE operating model, enabling the required platform governance depending on their size, complexity, and self-sufficiency

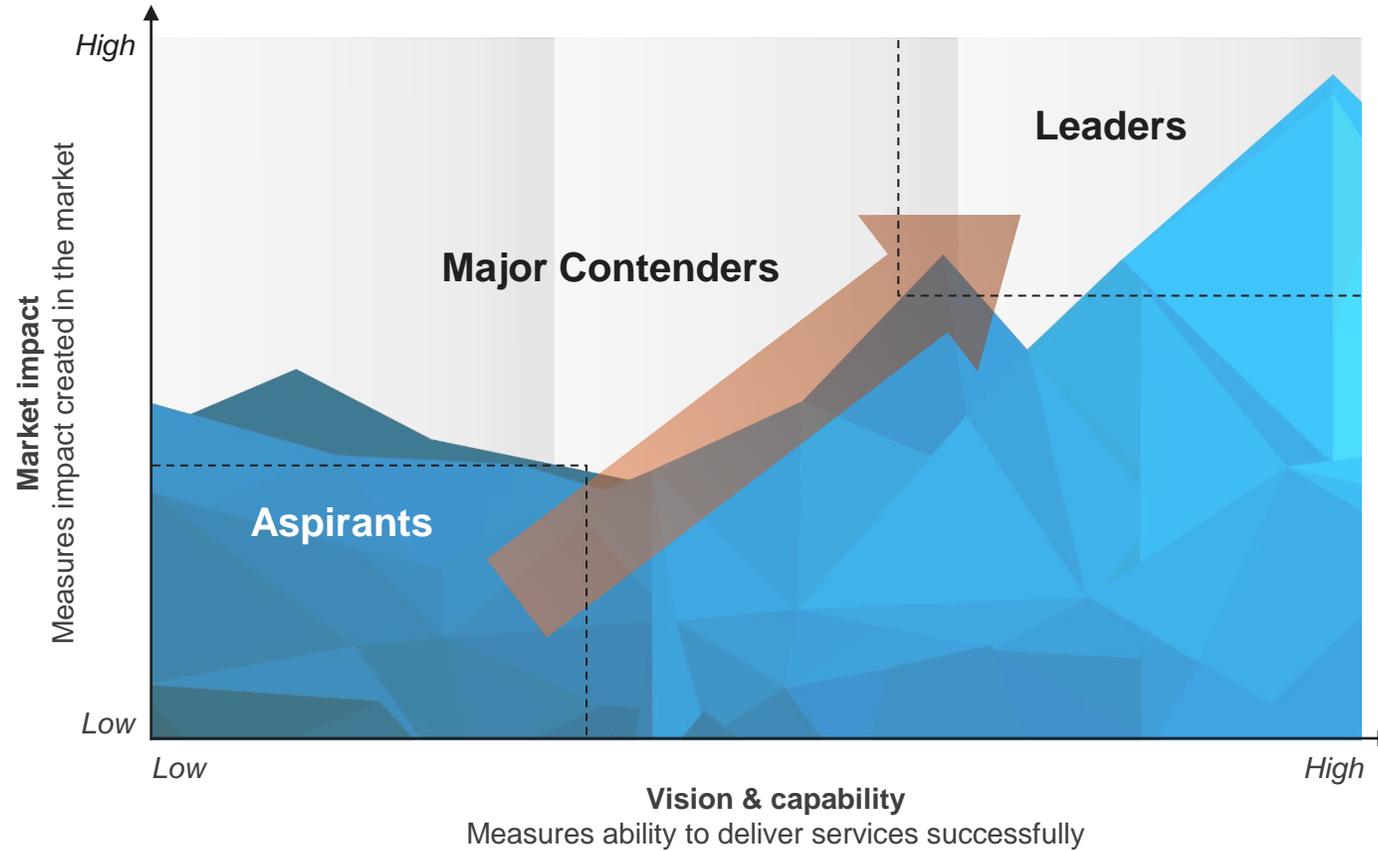
Key Investments (representative list)

Investment theme	Focused ServiceNow product	Details
Acquisitions	ITSM, ITOM, ITAM, and HR	<ul style="list-style-type: none"> In 2019, acquired Syscom, a service management and solutions provider, and ServiceNow partner, to expand its IT services scope in the Nordics In 2018, acquired TESM, a UK-based ServiceNow partner. It also acquired BusinessNow, an independent ServiceNow partner in the Nordics. These acquisitions enabled DXC enterprise clients to leverage the ServiceNow platform as a foundation for enterprise-wide digital transformation From 2015 to 2017, engaged in a series of acquisitions to establish and grow the ServiceNow practice. Acquisitions included: The Manta Group (Canadian consultancy), Fruition Partners (US-based consultancy & integrator), UXC Keystone (Australian IT services & integrator), Aspediens (European preferred ServiceNow partner) and Logicalis SMC (European cloud technology & ServiceNow integrator)

Appendix

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

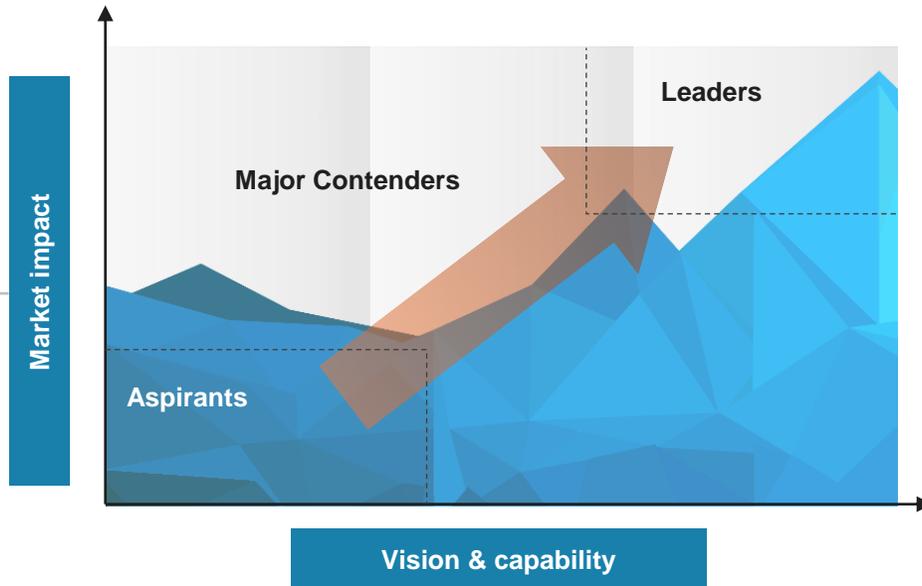
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YOY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



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

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

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

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

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

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

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

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

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

Does the PEAK Matrix evaluation criteria change over a period of time?

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



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