



# Everest Group Mainframe Services PEAK Matrix<sup>®</sup> Assessment 2024

Focus on DXC Technology

April 2024



# Introduction

Mainframe systems continue to be critical components of enterprise IT. They are still considered a strong choice for enterprises needing large processing capacities for high-volume transactions and will continue to form the back-bone of many medium-to-large enterprises in 2024 as well. However, as the pace of digital transformation mandates picks up, most enterprises are evaluating their mainframe systems for better optimization and compatibility with modern platforms and applications. Limitations around availability of skilled resources and rising costs are also influencing enterprise decisions in this regard. Enterprises are at crossroads with regards to their mainframes and are increasingly looking at ways to optimize, enhance, and modernize their mainframe workloads. Moreover, rise of Mainframe-as-a-service (MFaaS), AI and generative AI, rehosting offerings by technology providers and hyperscalers, and cloud-native technologies have given a boost to enterprise mainframe optimization and modernization initiatives.

In this research, we present an assessment and detailed profiles of 17 mainframe service providers featured on the [Mainframe Services PEAK Matrix® Assessment 2024](#). Each provider profile offers a comprehensive picture of its service focus, key Intellectual Property (IP) / solutions, domain investments, and case studies. The assessment is based on Everest Group's annual RFI process for calendar year 2024, interactions with leading mainframe services providers, client reference checks, and an ongoing analysis of the mainframe services market.

**The full report includes the profiles of the following 17 leading mainframe services providers featured on the Mainframe Services PEAK Matrix:**

- **Leaders:** DXC Technology, Ensono, Kyndryl, HCLTech, TCS, and Wipro
- **Major Contenders:** Accenture, Capgemini, Cognizant, Fujitsu, Infosys, LTIMindtree, Tech Mahindra, and UST
- **Aspirants:** Mphasis, T-Systems, and Unisys

## Scope of this report

**Geography:** Global

**Industry:** 17

**Services:** Mainframe services

# Mainframe services PEAK Matrix® characteristics

## Leaders

DXC Technology, Ensono, HCLTech, Kyndryl, TCS, and Wipro

- Leaders continues to showcase high expertise for end-to-end mainframe service engagements with credible suite of IPs and solutions backed by robust delivery capabilities and skilled talent pool
- These providers have a balanced vision for mainframe services and focus on building innovative and tailored solutions for clients that deliver quick business outcomes and support them in their mainframe optimization and modernization journey
- They are also making strategic investments in expanding their partner ecosystem with prominent technology vendors, niche providers, and start-ups to co-create solutions and engage in joint GTM activities to further augment their service delivery

## Major Contenders

Accenture, Capgemini, Cognizant, Fujitsu, Infosys, LTIMindtree, Tech Mahindra, and UST

- While these providers are augmenting their broader mainframe capabilities with targeted investments in talent development, delivery capabilities, and partnership ecosystem, their end-to-end mainframe services capabilities continue to have some visible gaps
- These providers have built meaningful capabilities to deliver mainframe services, however, their service portfolios and delivery capabilities are not as balanced as those of Leaders which reflects in the scale of market success achieved by these providers (vis-a-vis Leaders)
- These providers are making targeted investments in mainframe talent, delivery frameworks, internal IP, and partnerships to fix capability gaps – making them strong contenders to Leaders in mainframe services

## Aspirants

Mphasis, T-Systems, and Unisys

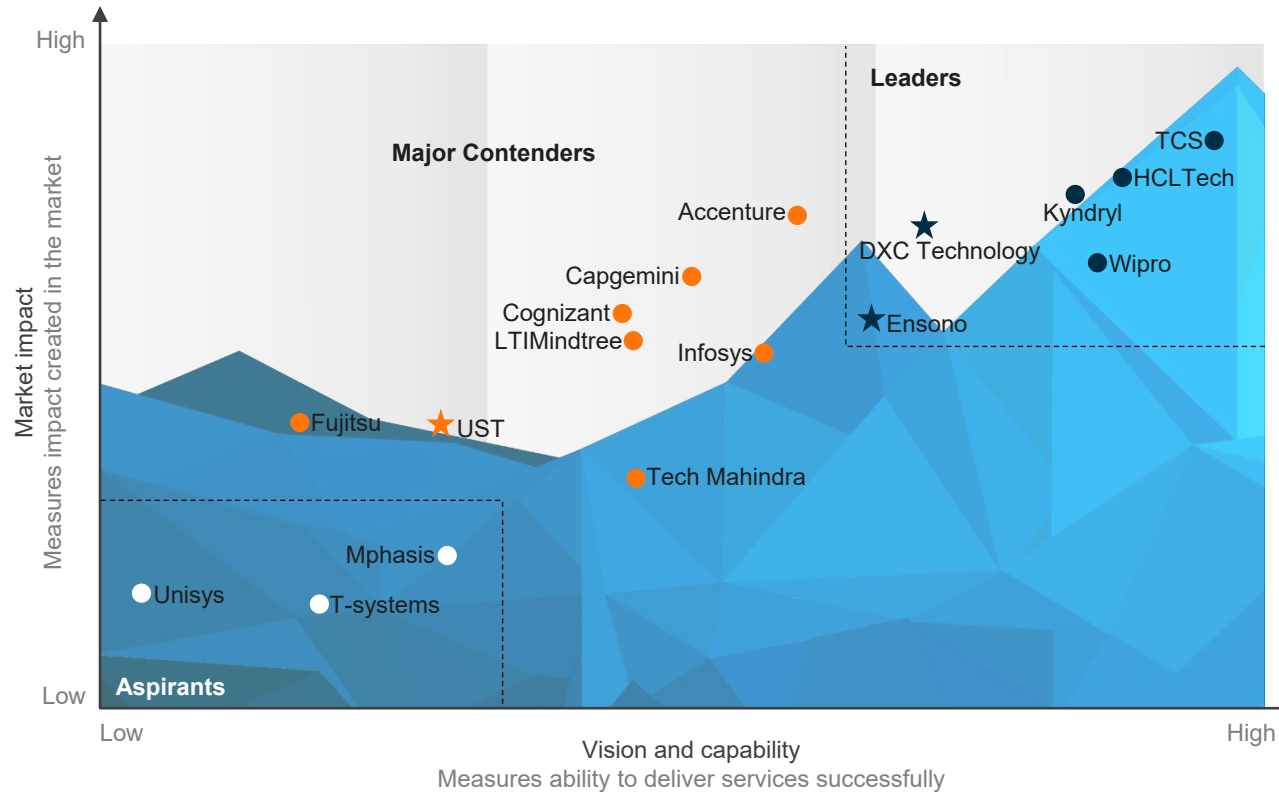
- Mainframe services capabilities of Aspirants show more gaps in the scope of mainframe services, maturity of internal IP, and coverage across industry verticals or geographies
- These providers are however expanding broader mainframe capabilities through investments in IP portfolios, niche platforms, and service and technology partnerships – keeping them poised to be significant challengers in the space

# Everest Group PEAK Matrix®

Mainframe Services PEAK Matrix® Assessment 2024 | DXC Technology is positioned as a Leader and a Star Performer

## Everest Group Mainframe Services PEAK Matrix® Assessment 2024<sup>1</sup>

- Leaders
- Major Contenders
- Aspirants
- ☆ Star Performers



<sup>1</sup> Assessments for Accenture, Capgemini, Cognizant, Infosys, and Unisys excludes system integrator inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these system integrators, system integrator public disclosures, and Everest Group's interaction with buyers  
Source: Everest Group (2024)

# DXC Technology profile (page 1 of 6)

## Overview

### Vision for mainframe services

DXC Technology's vision is to provide a bridge to the future by helping clients simplify and optimize existing mainframe infrastructures, putting in motion a review of future mainframe options by a team of cross-functional experts, presenting a solution that takes care of existing investments while providing a path to modernize and transform the mainframe estate, applying DXC's Mainframe Modernization approach to meet clients' transformation and modernization goals, and supporting customers in their journey to modernization.

### Overall mainframe services revenue (YTD 2023)

|                |                  |                    |                            |
|----------------|------------------|--------------------|----------------------------|
| <US\$1 million | US\$1-10 million | US\$10-100 million | <b>&gt;US\$100 million</b> |
|----------------|------------------|--------------------|----------------------------|

### Number of active clients for mainframe services

|     |       |        |                |
|-----|-------|--------|----------------|
| <20 | 20-50 | 50-100 | <b>&gt;100</b> |
|-----|-------|--------|----------------|

● Low (<10%)   ● Medium (10-20%)   ● High (>20%)

### Adoption by buyer group

● Small (annual client revenue <US\$1 billion)   ● Midsize (annual client revenue US\$1-5 billion)   ● Large (annual client revenue >US\$5 billion)

### Adoption by industry

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

### Adoption by industry

● North America   ● United Kingdom   ● Europe  
 ● Asia Pacific   ● Middle East and Africa   ● Latin America  
 ● Rest of the World

### Adoption by service segments

● Consulting   ● Enhance/Optimize   ● Transform/Modernize   ● Manage/Run

# DXC Technology profile (page 2 of 6)

## Case studies

[NOT EXHAUSTIVE]

### CASE STUDY 1

Transitioned to cloud-native infrastructure

#### Client

John Hancock

#### Business challenge

The client wanted to move from wmA® and Vantage®, two of its legacy mainframe systems, to a cloud-native infrastructure on AWS. The main challenges were to improve reliability, reduce risks and downtime during the transition, and unify its various life insurance platforms into one system. Additionally, it needed to seamlessly integrate with digital systems of engagement via restful APIs to remain competitive in the changing market.

#### Solution

DXC Technology provided reusable Terraform and Docker-Swarm blueprints to automate the provisioning and deployment of wmA® and Vantage-One®, as well as reusable data migration methods to move data from DXC Technology's data center to AWS. It also implemented DevOps toolchains such as git, Jenkins, JIRA, Artifactory, and Grafana. It built new operating/monitoring procedures – scheduling (Automate BPA), monitoring (Prometheus), logging (Splunk), security framework, and archiving framework. It employed automatic disaster recovery using AWS Cloud Endure with continuous block-level replication and automated orchestration, and it migrated workloads (Vantage-One® and wmA®) to AWS with optimized DevOps procedures.

#### Impact

- Migrated DXC Technology applications for clients to AWS
- Achieved cost saving
- Met all delivery SLAs
- Increased maintainability in terms of automatic security upgrades and server instance monitoring

### CASE STUDY 2

Transitioned to micro-focus emulated environment to boost operational efficiency

#### Client

KLP

#### Business challenge

The client faced significant challenges with its existing mainframe development environment. The architecture was non-standard and presented integration complexities within its existing build processes. As it aimed to modernize its infrastructure and enhance operational efficiency, it sought a seamless transition to a micro-focus emulated environment hosted on Azure.

#### Solution

DXC Technology's team offloaded the mainframe development environment to micro focus. It initiated the process by baselining the migrated source in visual studio within the micro-focus emulated environment. Redundant source code was meticulously removed, and host synchronization and compilation processes were adopted and configured. Additionally, it managed the migration of databases and facilitated the transfer of jobs. Thorough documentation and a seamless handover to key line personnel resources ensured a well-rounded solution.

#### Impact

- Reduced time-to-market
- Implemented DevOps
- Saved total cost of ownership

# DXC Technology profile (page 3 of 6)

## Solutions

[NOT EXHAUSTIVE]

Key Proprietary solutions (IPs/frameworks/accelerators/tools, etc. developed internally to deliver Mainframe services) (representative list)

| Solutions                         | Details   |
|-----------------------------------|---|
| Platform X                        | Intelligent automation SaaS platform that hyper-automates, analyzes, adapts, and enables clients' mission critical operations including mainframes. It delivers insights through problem identification, predictive analytics, and intelligent remediation to enable business decision making and drives automated actions to reduce IT operating costs and increase business service availability  |
| Quick Transformation Engine (QTE) | A patented automatic code conversion tool that converts IBM mainframe (zSeries) and AS/400 (iSeries) languages such as COBOL, RPG, and JCL into Java. The code conversion ensures functional equivalence without making any changes to the resulting code. There are no runtime licenses. DXC Technology's mainframe modernization product, together with the QTE tool, enables end-to-end services for an organization's application portfolio transformation, regardless of size, industry, or location, to the AWS Cloud |
| DXC contact center experience     | DXC Technology's hybrid, digital-first contact center that assist clients throughout the end-customer life cycle. It uses data-driven insights to improve client experiences and efficiency, lower costs through proactive, smarter engagement, and promotes trust and compliance through personalized service from subject matter experts  |
| Data center consolidation         | Optimizes mission-critical application workloads for the cloud through consultancy and transformation services, which are completely integrated with cloud services and infrastructure platforms offered globally. DXC Technology compute and data center services also enable data center consolidation and migration of client workloads to new data centers or virtualized platforms including cloud   |

# DXC Technology profile (page 4 of 6)

## Partnerships

[NOT EXHAUSTIVE]

Partnerships (representative list)

| Partners     | Details  |
|--------------|--|
| IBM          | Partnered for a comprehensive array of mainframe solutions including hardware components such as CPU, storage, and virtual tape library, as well as software offerings such as zOS, zTPF, zVM, zVSE, zLinux, and other infrastructure software   |
| Broadcom     | Partnered for over 30 years, DXC Technology and Broadcom have forged a strategic global software and switch vendor relationship. Numerous DXC Technology clients leverage Broadcom (CA) software to maintain their mainframe application portfolio   |
| BMC          | Partnered for almost 30 years, DXC Technology and BMC have established a strategic global software vendor relationship. Many of DXC Technology's clients utilize BMC software to manage their mainframe application portfolio, encompassing infrastructure and database management solutions |
| HPE          | Partnered for storage solutions, HPE is a vendor partner   |
| Hitachi      | Partnered for storage solutions, Hitachi is a vendor partner   |
| Dell         | Partnered for storage solutions, Dell is a vendor partner  |
| AWS          | Partnered to jointly facilitate clients' IT modernization journey at scale, offering customized expertise in large-scale cloud migrations  |
| Azure        | Collaborated to develop DXC Intelligent Boost, an end-to-end IoT platform that provides actionable analytics on Microsoft Azure, to solve common challenges for clients  |
| Google Cloud | Partnered to jointly help clients move from an on-premise data center to hybrid multi-cloud environments by transforming, migrating, and managing mission-critical workloads on Google Cloud   |



# DXC Technology profile (page 5 of 6)

## Investments and recent activities



[NOT EXHAUSTIVE]

### Investments (representative list)

| Investments          | Details  |
|----------------------|--|
| Training             | <ul style="list-style-type: none"> <li>Recruited and trained 250 additional resources</li> <li>Partnered with technology leaders to maintain a repository of training resources, fostering continuous skill development in mainframe technologies through tech-a-thons, technology presentations, workshops, certifications, and a virtual CoE forum</li> <li>Trained early-in-career resources across regions through mentorship and coaching in z/OS and TPF</li> </ul>  |
| Modernization studio | Developed an in-house DevSecOps platform for IBM Z series mainframe development for fostering agile development and productivity improvement   |
| Platform             | Invested in Platform X™, an automation platform designed to accelerate clients' transition to self-healing; robust IT throughout their whole IT infrastructure including mainframes  |
| Innovation           | <ul style="list-style-type: none"> <li>Invested in innovative mainframe technology to enhance savings and elevate customer experience, supported by DXC Technology's ITO services, optimizing operations securely while meeting evolving workplace needs</li> <li>Established digital innovation labs to facilitate collaboration among digital professionals, data scientists, and partners to develop and deploy cutting-edge solutions</li> <li>Developed Redhat Openshift Container environment of zLinux</li> <li>Installed ZOWE in software repository to roll out to clients</li> </ul> |
| Others               | <ul style="list-style-type: none"> <li>Moved MLC software to value unit</li> <li>Refreshed n-3 mainframe CPUs to maintain Sysplex compliance</li> <li>Refreshed Virtual Tape Libraries</li> </ul>  |










# DXC Technology profile (page 6 of 6)

Everest Group assessment – Leader and Star Performer

Measure of capability:  Low  High

## Market impact

## Vision and capability

| Market adoption   | Portfolio mix   | Value delivered   | Overall  | Vision and strategy   | Scope of services offered   | Innovation and investments  | Delivery footprint  | Overall   |
|---|---|---|--|---|---|---|---|---|
|  |  |  |  |  |  |  |  |  |

### Strengths

- DXC Technology offers partial application migration to cloud through phased migration where it brings value benefits for enterprises moving partial application to cloud and moving residual application to other MFaaS to avoid vendor dependencies
- It holds expertise in managing mainframe workloads by emphasizing continuous improvement and optimization through DevOps frameworks, data-driven insights, and integrated operations powered by Platform X and its mainframe-certified talent pool
- DXC Technology offers Quick Transformation Engine (QTE), an automatic code conversion tool, to help enterprises with application portfolio transformation to the AWS cloud ensuring functional equivalency
- Some clients have expressed appreciation for DXC Technology's client-centric approach and account management capabilities
- Clients have expressed appreciation for DXC Technology's technical prowess and domain expertise in managing mainframe operations

### Limitations

- Enterprises looking for providers with platform-driven mainframe application modernization capabilities might not find DXC Technology suitable due to limited maturity of its application modernization solution portfolio
- MEA enterprises looking for service capability proof points may not find DXC Technology suitable due to limited market mindshare in the region
- Enterprises seeking extensive flexibility and customization may encounter limitations in DXC Technology offerings, as they rely primarily on standardized solutions
- Some clients have emphasized DXC Technology's need to prioritize training of new offshore resources amid an impending wave of retirements over the next few months

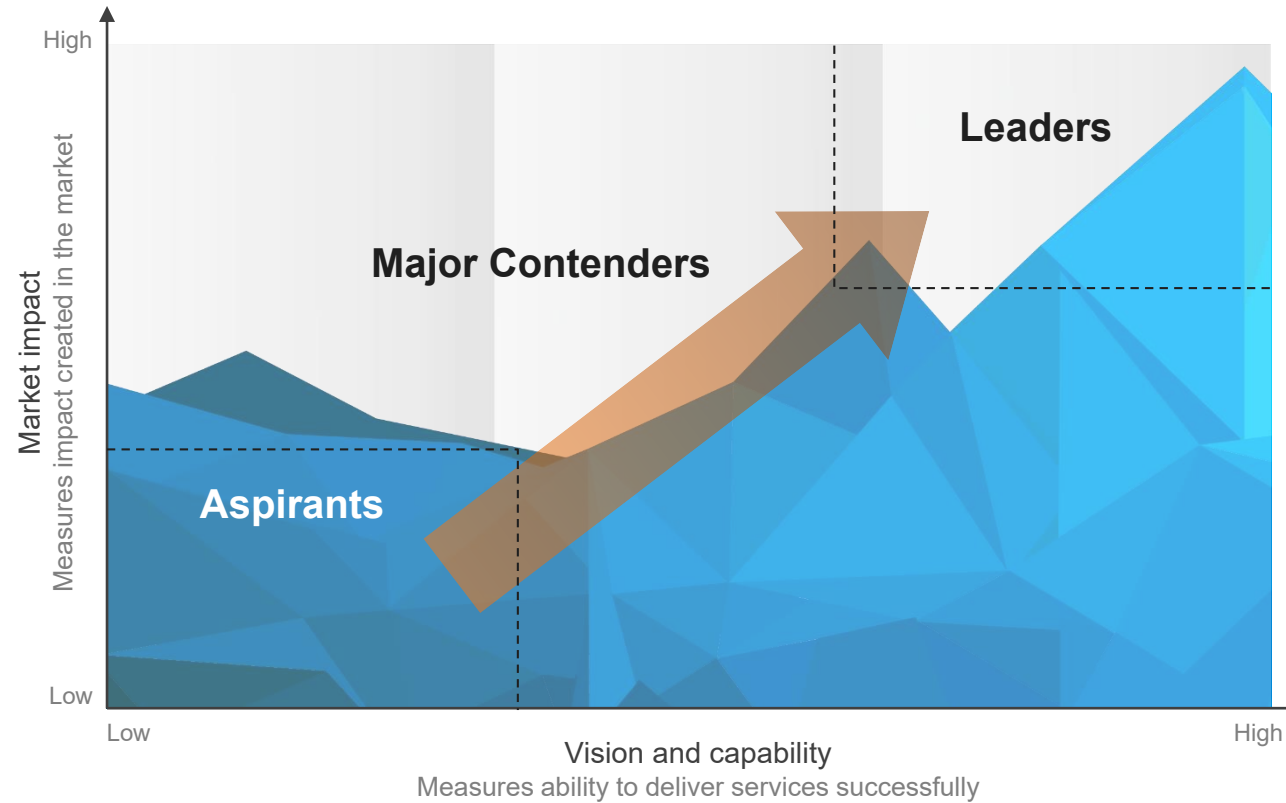
# Appendix

PEAK Matrix framework

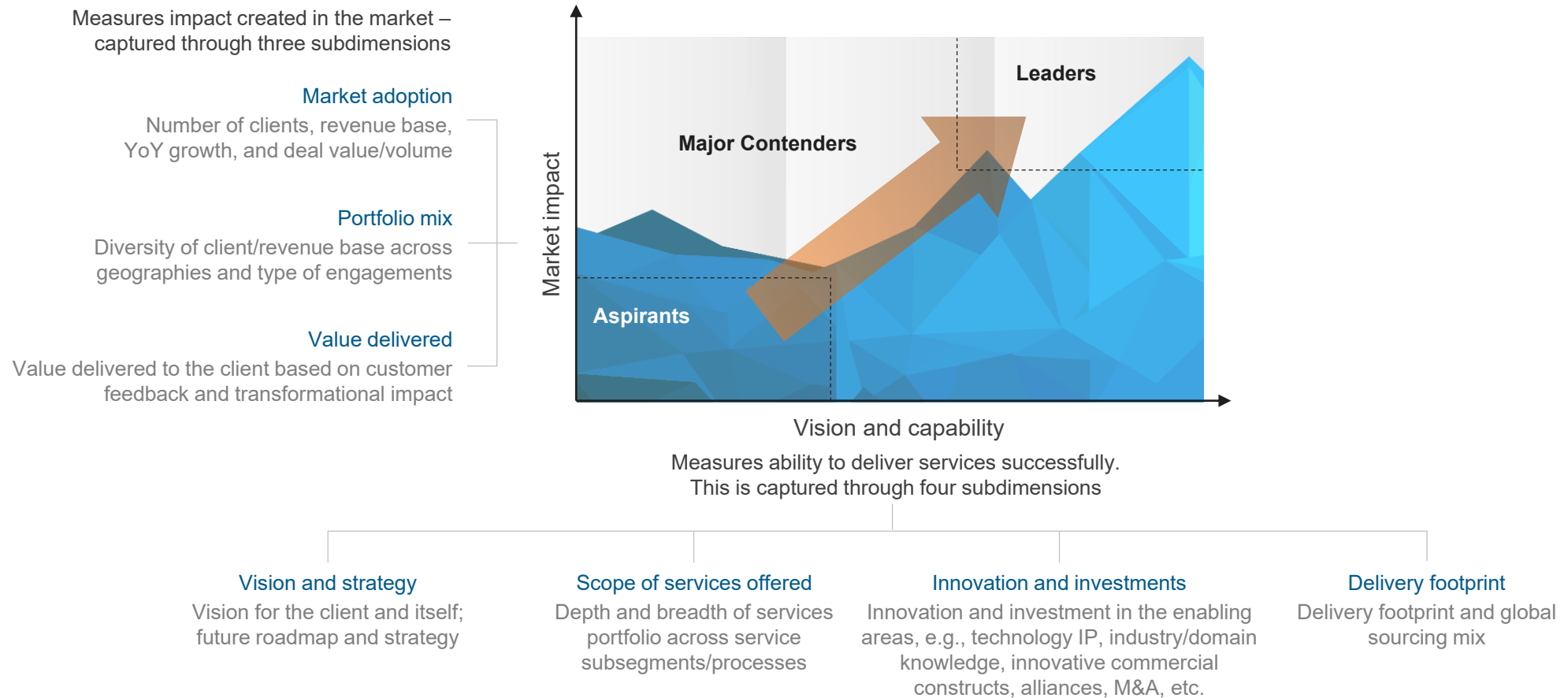
FAQs

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

## Everest Group PEAK Matrix



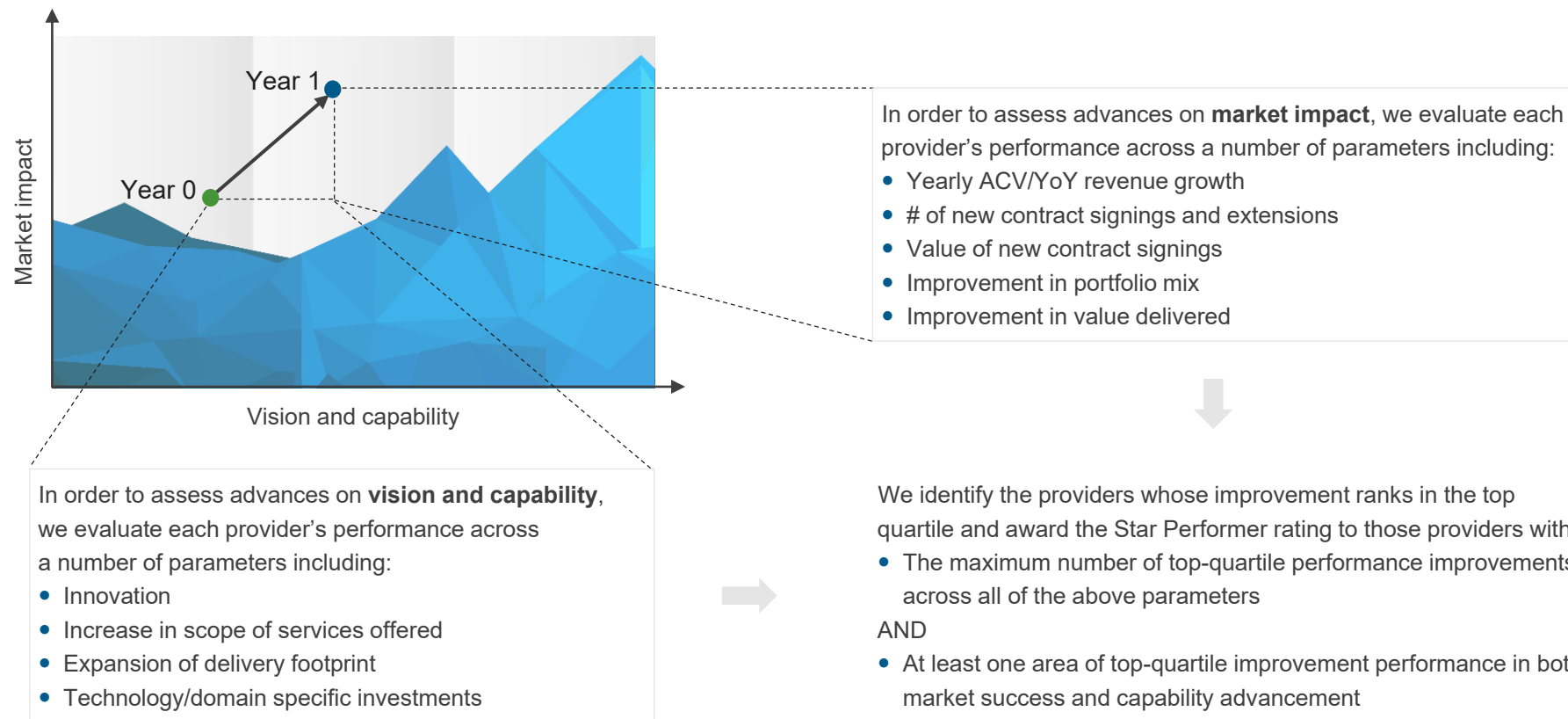
# Services PEAK Matrix® evaluation dimensions



# 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



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

## FAQs

**Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?**

**A:** Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

**Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?**

**A:** No. The PEAK Matrix highlights and positions only the best-in-class 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.

**Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?**

**A:** A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

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

**A:** Enterprise participants receive summary of key findings from the PEAK Matrix assessment

- For providers
  - The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
  - In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

**Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?**

**A:** Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:

- Issue a press release declaring positioning; see our citation policies
- Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
- Use PEAK Matrix badges for 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 Everest Group; please contact your CD or contact us

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

**A:** PEAK Matrix assessments are designed to serve enterprises' current and future needs. 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 and to serve enterprises' future expectations.

# Stay connected

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