Everest Group®

Everest Group SAP Business Application Services for Mid-market Enterprises PEAK Matrix® Assessment 2024

Focus on **Genpact**

April 2024

PE∧K MATRIX®

Background of the research

SAP's mid-market services market have already made a significant impact, contributing an impressive US$ 10+ billion with a double-digit year-over-year growth rate. Since the launch of SAP BTP, RISE with SAP, and GROW with SAP offerings, momentum is growing for Small and Medium-sized Businesses (SMBs) to adopt the SAP suite.

SAP mid-market customers have distinct priorities compared to large clients. Unlike their large counterparts having resources to build complex solutions with extensive customization, majority of the SMBs seek packaged solutions including pre-configured industry solutions to transform their processes and experiences. They are cost efficient and spend staggered on multiple short sprint of engagements.

With distinct enterprise demands and an evolving SAP offerings, service providers are investing in talent indicatives and building differentiated IP assets to help enterprises in their SAP journey.

This research includes an assessment of 15 service providers featured on the SAP Services for Mid-market PEAK Matrix® Assessment 2024. The assessment is based on Everest Group's annual RFI process for the calendar year 2023, interactions with leading providers, client reference checks, and ongoing analysis of the SAP services market.

This report includes the profiles of the following 15 leading SAP business application services providers featured on the SAP Business Application Services for Mid-market Enterprises PEAK Matrix:

- **Leaders:** Genpact, Hitachi Digital Services, Kaar Technologies, and Reply
- **Major Contenders:** Birlasoft, FPT Software, Mphasis, Softtek, Techwave Consulting, Tietoevry, Tenthpin Management Consultants, and Zensar
- **Aspirants:** Kellton**,** Quinnox, and Stefanini

Scope of this report

Geography: Global

Providers: Market activity and investments of 15 leading service providers

Services: SAP business application services

Introduction and scope

Everest Group recently released its report titled "SAP Business Application Services for Mid-market Enterprises PEAK Matrix® Assessment 2024". This report analyzes the changing dynamics of the SAP Business Application services landscape for Mid-market Enterprises and assesses service providers across several key dimensions.
As a part of this report, Everest Group updated its classification of 15 service providers on the Everest Group PEAK Matrix for SAP Business Application services for Mid-market Enterprises into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of SAP Business Application services providers based on their absolute market success and delivery capability.

Based on the analysis, **Genpact emerged as a Leader**. This document focuses on **Genpact's** SAP Business Application services experience and capabilities for Mid-market enterprises and includes:

- Genpact's position on the SAP Business Application services for Mid-market Enterprises PEAK Matrix 2024
- Detailed SAP Business Application services profile of Genpact

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 (2024)

SAP Business Application Services for Mid-market Enterprises PEAK Matrix® characteristics

Leaders

Genpact, Hitachi Digital Services, Kaar Technologies, and Reply

- Leaders are characterized by their ability to successfully execute end-to-end SAP services, underpinned by their strong domain knowledge in their focused verticals

- These providers have showcased transformational case studies covering the entire SAP product spectrum to help SMBs across SAP SuccessFactors, SAP S/4HANA, SAP Analytics Cloud, SAP Ariba, and other industry solutions

- Leaders have helped enterprises with their implementation capabilities to migrate their applications to SAP S/4HANA, and have leveraged a mature suite of in-house and SAP-certified industry solutions and AI capabilities to reduce efforts and accelerate time-to-market for their clients

Major Contenders

Birlasoft, FPT Software, Mphasis, Softtek, Techwave Consulting, Teitoevry, Tenthpin Management Consultants, and Zensar

- These providers have built meaningful capabilities to deliver SAP services – advisory, implementation, and managed services; however, their service portfolios are not as balanced and comprehensive as those of Leaders (in terms of coverage across SAP product areas, geographies, or verticals)

- These providers have good partnerships with SAP and often specialize in select verticals in delivering SAP-specific services. They also get recognized by SAP with a few partner awards showcasing their credibility in the SAP market

- Major Contenders are also making continued investments in building proprietary tools and solutions, as well as scaling their talent for delivering SAP services

Aspirants

Kellton, Quinnox, and Stefanini

- Aspirants have good proof points in delivering implementation and maintenance SAP services for Small and Midsize Buyers (SMBs)

- They are either focused on a region(s) or vertical(s) or currently have a specialized SAP practice

- Clients acknowledge Aspirants' pricing and commercial flexibility, account management capabilities as well as talent management

Everest Group PEAK Matrix®

SAP Business Application Services for Mid-market Enterprises PEAK Matrix® Assessment 2024 | Genpact is positioned as a Leader

Everest Group SAP Business Application Services for Mid-market Enterprises PEAK Matrix® Assessment 2024[1,2]

- ● Leaders
- ● Major Contenders
- ○ Aspirants
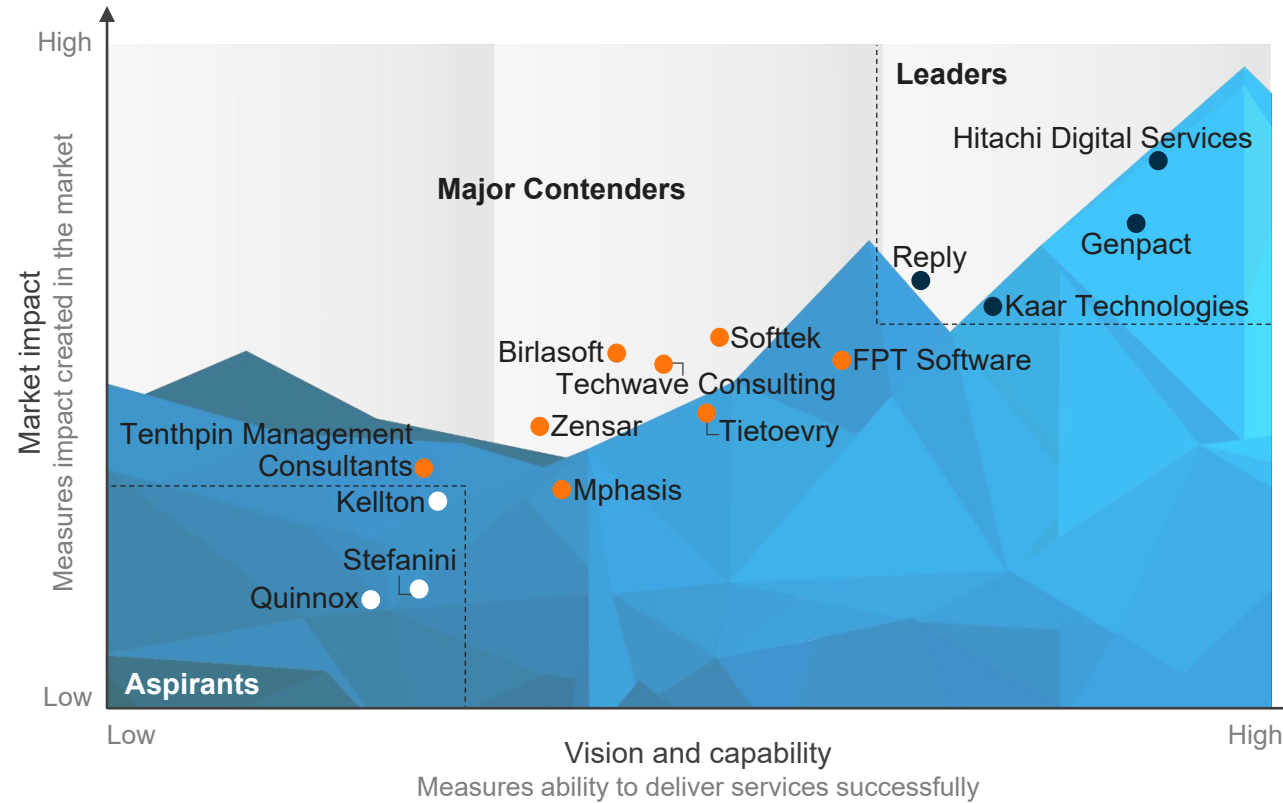
Genpact profile (page 1 of 4)

Overview

Vision for SAP Business Application Services

Genpact's vision for SAP is to drive value through end-to-end SAP optimization, agility, analytics, insights, SAP innovation, governance, and compliance. It focuses on efficiency, specially for SAP standardization, simplification of SAP processes, scale, labor arbitrage, transparency, and control. Its focus on growth includes improving productivity, leveraging S/4 growth, and cost-effectiveness to experience double-digit growth YoY.

Current partnership status with SAP: Gold

**Number of projects completed
(till June 30, 2023):**   260-270

**Number of SAP Business Applications certified FTEs
(till June 30, 2023):**   1,000+

Proportion of SAP Business Application Services revenue

By geography   ● Low (<10%)   ● Medium (10-25%)   ● High (>25%)

● North America   ● Europe   ● United Kingdom

● South America   ● Middle East and Africa   ● Rest of World

By key products   ● Low (<10%)   ● Medium (10-25%)   ● High (>25%)

● SAP S/4HANA   ● SAP Ariba   ● SAP SuccessFactors

● SAP Analytics Cloud   ● SAP Industry Solutions   ● Other applications[1]

Others include SAP Concur, SAP BTP, RISE with SAP, GROW with SAP, SAP ECC, SAP FeildGlass

Proportion of SAP Business Application Services revenue

By business function   ● Low (<15%)   ● Medium (15-30%)   ● High (>30%)

● Consulting   ● Implementation   ● Maintenance and support

By buyer size (annual revenue)   ● Low (<10%)   ● Medium (10-25%)   ● High (>25%)

● Small (annual client revenue <US$1 billion)   ● Medium (annual client revenue US$1-5 billion)   ● Large (annual client revenue US$5-10 billion)

● Very large (annual client revenue US$10-20 billion)   ● Mega (annual client revenue >US$20 billion)

By industry   ● Low (<10%)   ● Medium (10-15%)   ● High (>15%)

● Banking and financial services   ● Electronics, hi-tech, and technology   ● Healthcare and life sciences

● Retail, distribution, and CPG   ● Telecom, media, and entertainment   ● Travel and transport

● Energy and utilities   ● Manufacturing   ● Public sector

● Others

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Genpact profile (page 2 of 4)

Key solutions and investments

Proprietary solutions (representative list)

Solution name	Industry in focus	Focused SAP module(s)	Number of engagements leveraged in	Details
GenAIOps – self resolution, anomaly detection, and automation	All Industries	All modules	10+	It is a solution that automates knowledge management for service requests, prioritizing tickets, commissioning collaboration channels, and offering unified dashboards for efficient incident resolution.
Integrated Test Automation Framework	All Industries	All modules	8+	Creates a standardization, externalizing test data and providing a unified dashboard as well as reporting. The framework will be leveraging industry standard toolsets.

SAP-certified solutions on SAP marketplace (representative list)

Solution name	Industry in focus	Focused SAP module(s)	Number of engagements leveraged in	Details
SAP – Shipping Simplification Screen	All Industries	All modules	15+	It is a single custom screen to do all shipping related operations starting from delivery creation to PGI.
SAP – SCOCH	All Industries	All modules	10+	Supply Chain Control Hub is a solution that provides supply chain transparency in the whole cycle, process, and supply chain nodes visual management. It provides a role-based KPI analysis as well.
SPADE Connectors	All Industries	All modules	20+	It is an in-house integration accelerator.

Key investments (representative list)

Investment theme	Focused SAP module(s)	Details
Rise with SAP	All modules	Invested in building talent, tools, and frameworks to help customers in modernizing their digital transformation journey.
BTP Platform	All modules	It covers investment in tools in BTP, upskilling resources in BTP skillset as part of their BTP CoE incubation program.
SAP Analytics	All modules	The investment focuses on building PoC and use cases for existing customers in their innovation lab using SAP Data Intelligence and SAP DataSphere
GenAIOps	All modules	It focuses on building SAP AMS support framework by leveraging genAI technologies to enable their AMS teams to increase productivity..

Genpact profile (page 3 of 4)
Case studies

CASE STUDY 1
Improving governance and support process by leveraging S/4HANA

Business challenge
The client was facing challenges regarding its support processes and governance for S/4HANA, which complicated management. Implementing S/4HANA embedded analytics for reporting would offer valuable insights; however, the influx of tickets and queries from users with limited system knowledge was also a challenge. Closing this knowledge gap was essential for efficient operations and maximizing system potential.

Solution and impact
Genpact implemented robust processes, SOPs, and controls to support our operations effectively. By establishing baseline SLAs, incident, and RITM metrics over a three-month period, it ensured consistent performance and accountability. Additionally, it set up weekly and monthly governance cadences to monitor progress and address any issues promptly, ensuring smooth operations and continual improvement.

Impact
- Generated more than US$8 million savings with business benefit program
- 5% reduction in dispatch cycle time
- 10% reduction in period closing cycle
- Improved S/4HANA user adoption by 25% within the first year

CASE STUDY 2
Onboarding of acquired business on S/4HANA for efficient operations

Business challenge
The client encountered integration challenges with acquired entities due to unprepared business processes for S4 adoption. It was essential to develop evolving policies and procedures to ensure optimal performance. Furthermore, broken or missing centralized reporting impeded data accessibility across group companies. Additionally, limited user knowledge about S4 hindered system utilization. Addressing these issues was crucial for unlocking S4's full potential and enhancing operational efficiency for the client.

Solution
Genpact developed a global blueprint and Target Operating Model with standardized controls. It implemented S/4HANA in the US and optimized operations for OTC, RTR, STP MTI, and EDI integration. Additionally, it executed group reporting, enhancing operational transparency and coherence.
- Developed global blueprint, policy procedures, and processes
- Created target operating model for business execution along with standardized controls
- Implemented S4/HANA for USA - OTC, RTR, STP MTI, and EDI integration
- Implemented group reporting

Impact
- Delivered 30%+ productivity over three years
- 40% reduction in incidents count
- Reduction in manual journals by 15%
- 25% reduction in shop floor issues

Genpact profile (page 4 of 4)

Everest Group assessment – Leader

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

- Genpact is a relevant service provider for SMBs seeking SAP business application services in North America and the UK regions, especially in the manufacturing and retail and CPG industries

- It has meaningfully invested in building a strong talent pool for SAP business application engagements to deliver enhanced quality for its clients

- It has a robust suite of industry-wide solutions across SAP modules to automate processes and accelerate time-to-market for its SAP clients; its key IPs include GenAIOps, SAP SCOCH, and SPADE Connectors

- Clients can benefit from its strategic acquisitions such as Enquero in the data engineering and analytics domain and partnerships with technology vendors such as Syniti, Avantra, and Celonis

Limitations

- SMBs looking for an onshore-centric delivery model need to carefully assess Genpact's capabilities as a significant portion of its delivery footprint is currently offshore

- It needs to focus on winning relevant SAP awards to build credibility in the market and instill confidence in mid-market clients on its capabilities in driving quality SAP business application engagements

- Genpact's engagements are skewed toward implementation and maintenance services. Clients looking for end-to-end services may need to assess its capabilities in depth
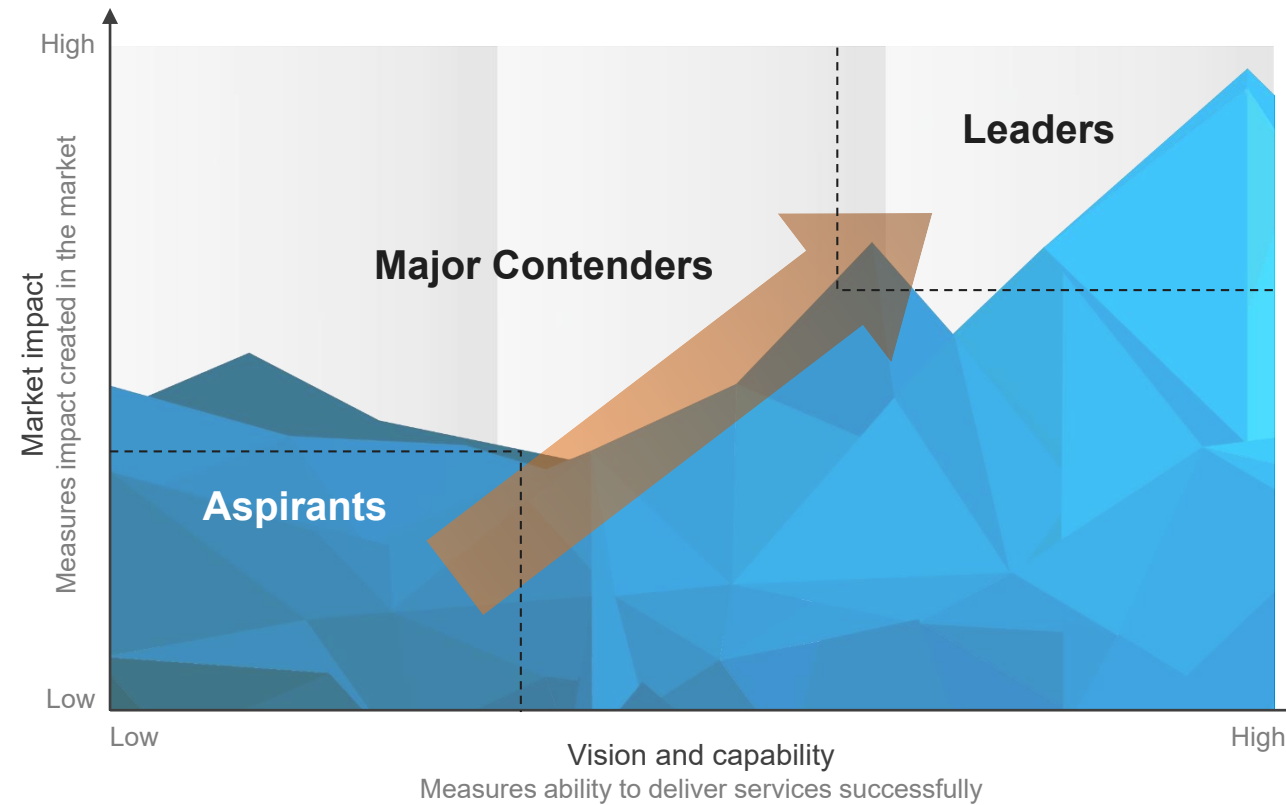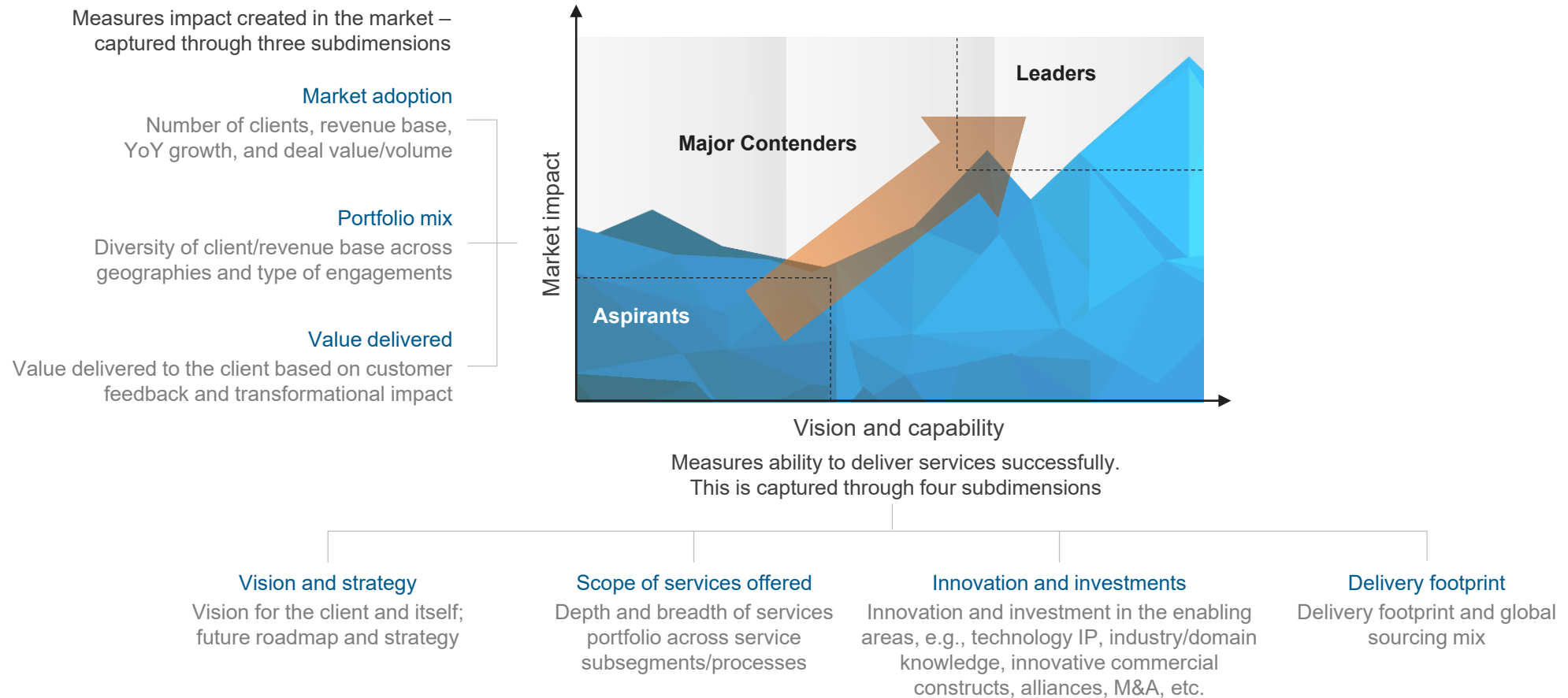
Appendix

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

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

Leaders

Major Contenders

Aspirants

Vision and 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

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 in 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.

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