

Finance and Accounting (F&A) Digital Capability Platform (DCP) Solutions PEAK Matrix™ Assessment with Service Provider Landscape 2020

Finance and Accounting Outsourcing (FAO)

Market Report – December 2019: Complimentary Abstract / Table of Contents

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Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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Background and methodology of the research

Background of the research

As the Finance & Accounting Outsourcing (FAO) industry shifts from an arbitrage-first to a digital-first model, buyers are increasingly trying to understand the digital ecosystem of service providers to minimize human effort, improve efficiencies, and drive better outcomes. Everest Group has developed the Digital Capability Platform (DCP) – a framework that helps understand the digital ecosystem with multiple levers, each addressing different buyer needs. While individual digital components such as RPA and analytics are important, the impact is much higher when they are integrated and implemented collectively as a suite. The purpose of this research is to understand and assess service providers based on their FAO solutions.

In this research, we focus on

- Everest Group Solutions PEAK Matrix™ evaluation, a comparative assessment of DCP solutions of 19 FAO service providers
- Service provider digital capability assessment
- Remarks on key strengths and areas of improvement for each FAO service provider

The scope and methodology of this report includes:

Services: FAO

Geography: Global

Service providers: 19 leading FAO service providers

This report is based on various sources of proprietary information

- Everest Group's proprietary database of F&A DCP capabilities of 19 providers
- The database, developed through a comprehensive Request For Information (RFI) exercise, tracks each service provider's capability along elements such as:
 - Clients with DCP deployments, DCP Proof of Concepts (POCs), and case studies
 - DCP client portfolio across buyer sizes, geographies, and industries
 - DCP vision and strategy, top DCP solutions, their value propositions, development mode, and technology features such as Robotics Process Automation (RPA), Artificial Intelligence (AI), and analytics
 - Technology partnerships and collaborations with academic institutes
 - Innovations and investments specific to DCP
 - Engagement and commercial models

Service provider briefings and demonstrations

- Detailed briefings and demonstrations with service providers for a comprehensive view of their solutions
- Vision and strategy for DCP
- Current state of the market
- Opportunities and challenges
- Expected direction of movement in the industry
- Emerging areas of investment (e.g., focus on AI and cognitive solutions)

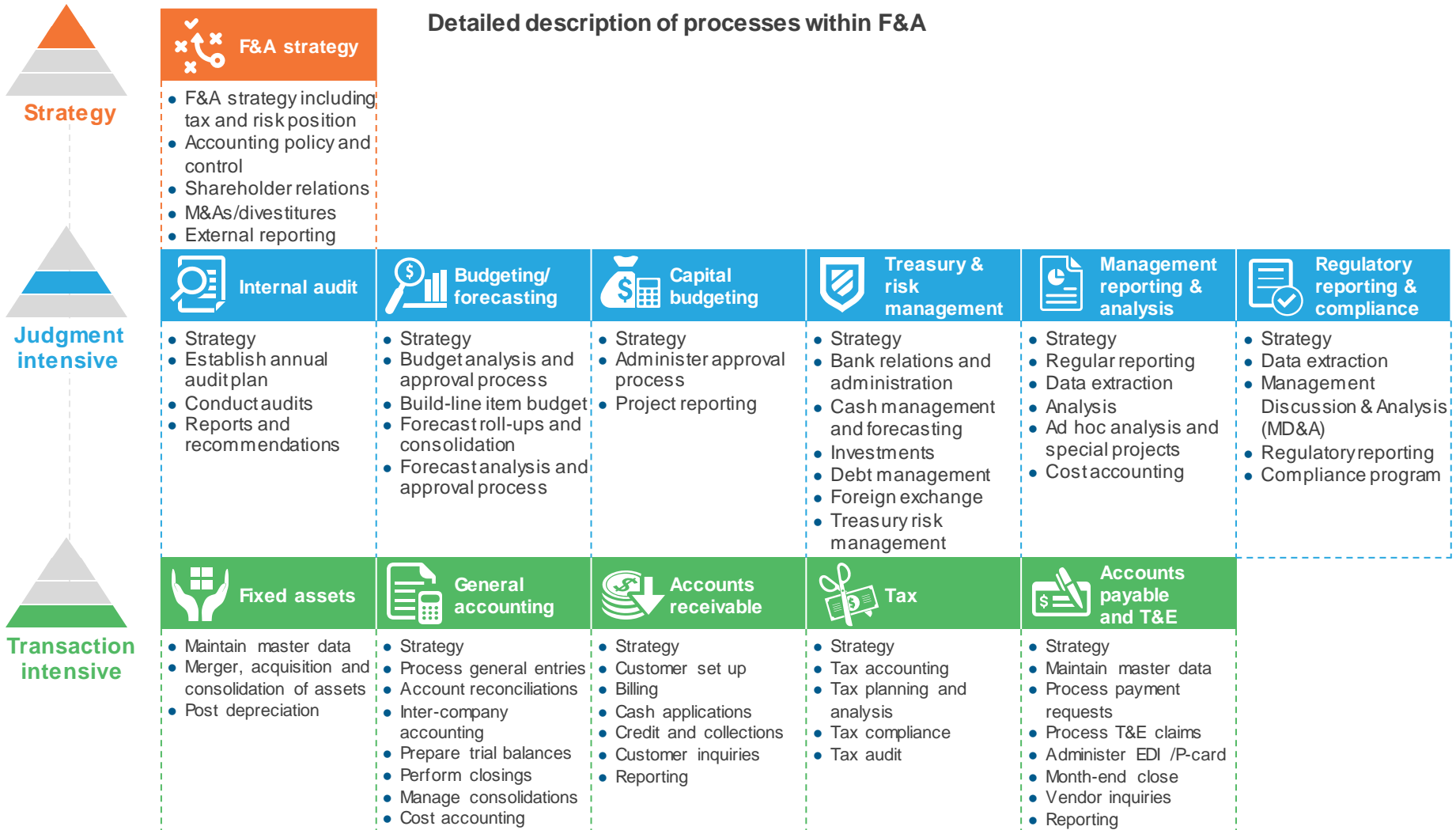
Service providers assessed



The source of all content is Everest Group unless otherwise specified

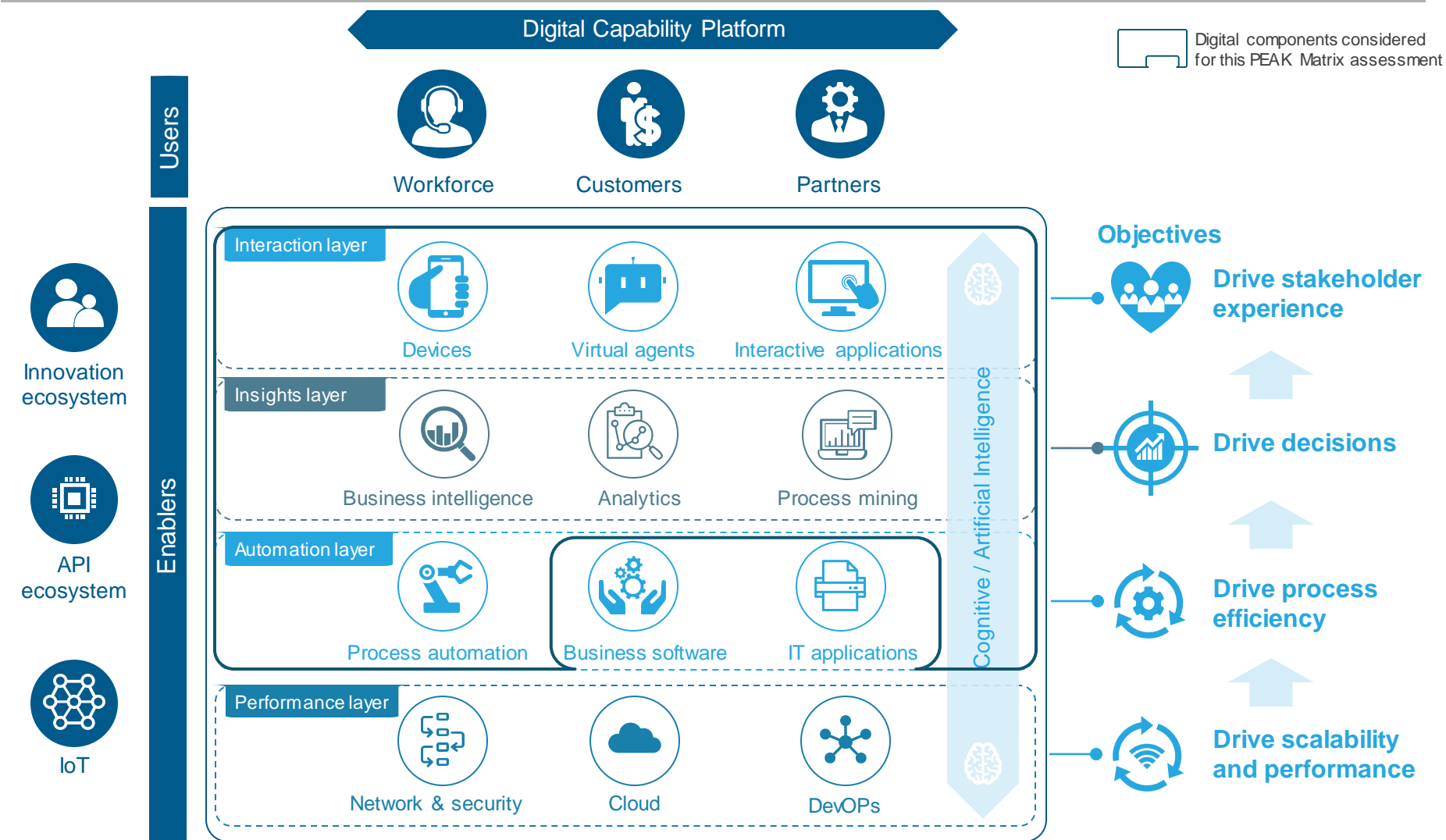
Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information collected will only be presented back to the industry in an aggregated fashion

Everest Group FAO process map



Everest Group's definition of F&A DCP

Everest Group defines DCP as an integrated digital solution, comprising of multiple components



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Some of the findings in this report, among others, are:

2020 F&A DCP PEAK Matrix

- Everest Group classified 19 F&A DCP solution providers on the Everest Group PEAK Matrix™ into the three categories of Leaders, Major Contenders, and Aspirants:
 - **Leaders:** Accenture, Capgemini, Genpact, IBM, Infosys, and TCS
 - **Major Contenders:** Cognizant, DXC Technology, Exela Technologies, EXL, HCL Technologies, NTT Data, Sutherland Global Services, Wipro, and WNS
 - **Aspirants:** Conduent, Datamatics, Hexaware, and IQ BackOffice
- Based on Year-on-Year (YOY) movement of different service providers on the PEAK Matrix, Everest Group identified six service providers as the “2020 F&A DCP Market Star Performers” – Capgemini, Datamatics, EXL, Genpact, and WNS

Everest Group analysis on service providers

- We assessed the overall F&A DCP vision & capability and market impact of service providers by evaluating them along eight dimensions – technology capability, service capability, innovation and investments, engagement and commercial model, vision and strategy, market adoption, portfolio mix, and value delivered

This study offers two distinct chapters providing a deep dive into key aspects of F&A DCP market; below are three charts to illustrate the depth of the report

Everest Group PEAK Matrix™ for F&A DCP 2020^{1,2}



1 Service providers scored using Everest Group's proprietary scoring methodology
2 DXC Technology's evaluation does not consider the management decision to seek strategic alternative to its horizontal business process services units

Capability assessment

Illustrative example

Measure of capability: ● High ○ Low

Service provider	Market impact				Vision & capability					
	Market adoption	Portfolio mix	Value delivered	Overall	Vision & strategy	Technology capability	Services capability	Innovation & investments	Engagement & commercial model	Overall
Service provider 1	●	○	●	●	○	○	○	○	○	○
Service provider 2	○	○	○	○	○	○	○	○	○	○
Service provider 3	○	○	○	○	○	○	○	○	○	○
Service provider 4	○	○	○	○	●	○	○	○	○	○
Service provider 5	○	○	○	○	○	○	○	○	○	○
Service provider 6	○	○	○	○	○	○	○	○	○	○
Service provider 7	○	○	○	○	○	○	○	○	○	○
Service provider 8	○	○	○	○	○	○	○	○	○	○

Everest Group's remarks on service providers

Illustrative example

Measure of capability: ● High ○ Low

Market impact				Vision & capability					
Market adoption	Portfolio mix	Value delivered	Overall	Vision & strategy	Technology capability	Services capability	Innovation & investments	Engagement & commercial model	Overall
●	●	●	●	●	●	●	●	●	●

Strengths

Areas of improvement

- Built a solution with advanced analytics that leverages unstructured information from multiple sources to provide prescriptive actions and personalized information/reports through a conversation UI
- Complements its significant focus on process level automation by leveraging BPM tools with point automation solutions and RPA to patch any gaps
- Service provider 1 should focus on integrating predictive and prescriptive analytics across the entire F&A value chain, especially for complex and judgment-driven F&A processes, to enable CFOs to make strategic decisions
- Industry-specific customizations can be added to the existing solutions to address industry nuances and increase adoption among clients

Research calendar – Finance and Accounting Outsourcing (FAO)

Published
 Planned
 Current release

Flagship FAO reports

Release date

F&A DAS – Service Provider Landscape with Solutions PEAK Matrix™ Assessment 2018	August 2018
Finance and Accounting Outsourcing (FAO) – Service Provider Landscape with PEAK Matrix™ Assessment 2019	June 2019
Finance and Accounting Outsourcing (FAO) Service Provider Compendium 2019	June 2019
Finance and Accounting Outsourcing (FAO) Annual Report 2019: Why, What, and How of F&A Transformation	September 2019
Finance and Accounting (F&A) Digital Capability Platform (DCP) Solutions PEAK Matrix™ Assessment with Service Provider Landscape 2020	December 2019
Finance and Accounting Outsourcing (FAO) – Service Provider Landscape with PEAK Matrix™ Assessment 2020	Q2 2020
Finance and Accounting Outsourcing (FAO) Service Provider Compendium 2020	Q2 2020

Thematic FAO reports

F&A BPaaS: A Game Changer for SMB and Mid-market Companies	April 2018
Are Buyer Expectations Outpacing Provider Capabilities	May 2018
Your Complete Guide to Accounts Payable Transformation	February 2019
Digital Orchestration, Not Just Automation, is the Key to Success	March 2019
Changing Priorities of CFOs and CPOs	July 2019
Blockchain in F&A	November 2019
FP&A – is it really performed in a strategic manner or is it just a reporting and annual forecasting exercise?	Q1 2020
Impact of recession on FAO/PO/SCM	Q1 2020

Note: For a list of all of our published FAO reports, please refer to our [website page](#)

Additional FAO research references

The following documents are recommended for additional insight on the topic covered in this report. The recommended documents either provide additional details on the topic or complementary content that may be of interest

- 1. Finance and Accounting Outsourcing (FAO) Annual Report 2019: Why, What, and How of F&A Transformation (EGR-2019-23-R-3351); 2019.** This report talks about the Why, What, and How of F&A transformation and provides an overview of the FAO market and the service provider landscape in 2018. The global multi-process FAO market witnessed strong growth of 8-10% in 2018 to reach US\$8.6 billion, driven by increasing first-generation outsourcers, large-scale transformation deals, and scope expansion in existing contracts. The changing business landscape is forcing enterprises to rethink their traditional business model and take an end-to-end transformational approach. Service providers are building capabilities in process, digital, and talent and are increasingly using a platform-led approach, where all the digital levers are integrated, implemented, and orchestrated with the right mix of process and talent, to deliver the best outcomes from F&A transformation. Service providers are also expected to handhold enterprises through their transformation journey, leveraging frameworks and domain-related assets and assist enterprises in effective change and transition management.
- 2. Finance and Accounting Outsourcing (FAO) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019 (EGR-2019-23-R-3110); 2019.** This report examines the dynamics of the 2018 global FAO service provider landscape and its impact on the FAO market. Based on the comprehensive Everest Group PEAK Matrix, each of the 24 FAO service providers are segmented into Leaders, Major Contenders, and Aspirants. The report also provides key insights into service provider position & growth in the market, changing market dynamics, and assessment of service provider delivery capabilities. It will assist key stakeholders (service providers, buyers, and technology vendors) understand the current state of the FAO service provider landscape.
- 3. Finance and Accounting Digital Augmentation Suite (F&A DAS) – Service Provider Landscape with Solutions PEAK Matrix™ Assessment 2018 (EGR-2018-23-R-2744); 2018.** This report examines the next-generation digital capabilities of FAO service providers, their ability to integrate different technology levers, and their impact on F&A processes. Based on the comprehensive Everest Group PEAK Matrix™ assessment, each of the 19 FAO service providers are segmented into Leaders, Major Contenders, and Aspirants. The report also provides key insights into service provider position & market success, as well as an assessment of service provider digital capabilities. It will assist key stakeholders (service providers, buyers, and technology vendors) to understand the current state of the digital capabilities of FAO service providers.

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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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