



## **Cloud Talent Handbook – Guide to Cloud Skills Across the Globe**

Locations Insider™

Market Report – June 2020: Complimentary Abstract / Table of Contents

# Our research offerings for global services

▶ Market Vista™ Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available	
▶ Application Services	▶ Human Resources
▶ BPS   Banking & Financial Services	▶ ITS   Banking & Financial Services
▶ BPS   Healthcare & Life Sciences	▶ ITS   Healthcare
▶ BPS   Insurance	▶ ITS   Insurance
▶ Catalyst™	▶ IT Services Executive Insights™
▶ Cloud & Infrastructure	▶ ITS   Life Sciences
▶ Customer Experience Management Services	▶ Locations Insider™
▶ Data & Analytics	▶ PricePoint™
▶ Digital Services	▶ Procurement
▶ Engineering Services	▶ Recruitment & Talent Acquisition
▶ Enterprise Platform Services	▶ Service Optimization Technologies
▶ Finance & Accounting	

## More about membership

In addition to a suite of published research, a membership may include

- Accelerators™
- Analyst access
- Data cuts
- Pinnacle Model® reports
- PriceBook
- Virtual Roundtables
- Workshops

## 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

## Membership information

- This report is included in the following research program(s)
  - [Locations Insider™](#)
- If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at [info@everestgrp.com](mailto:info@everestgrp.com)

# Table of contents

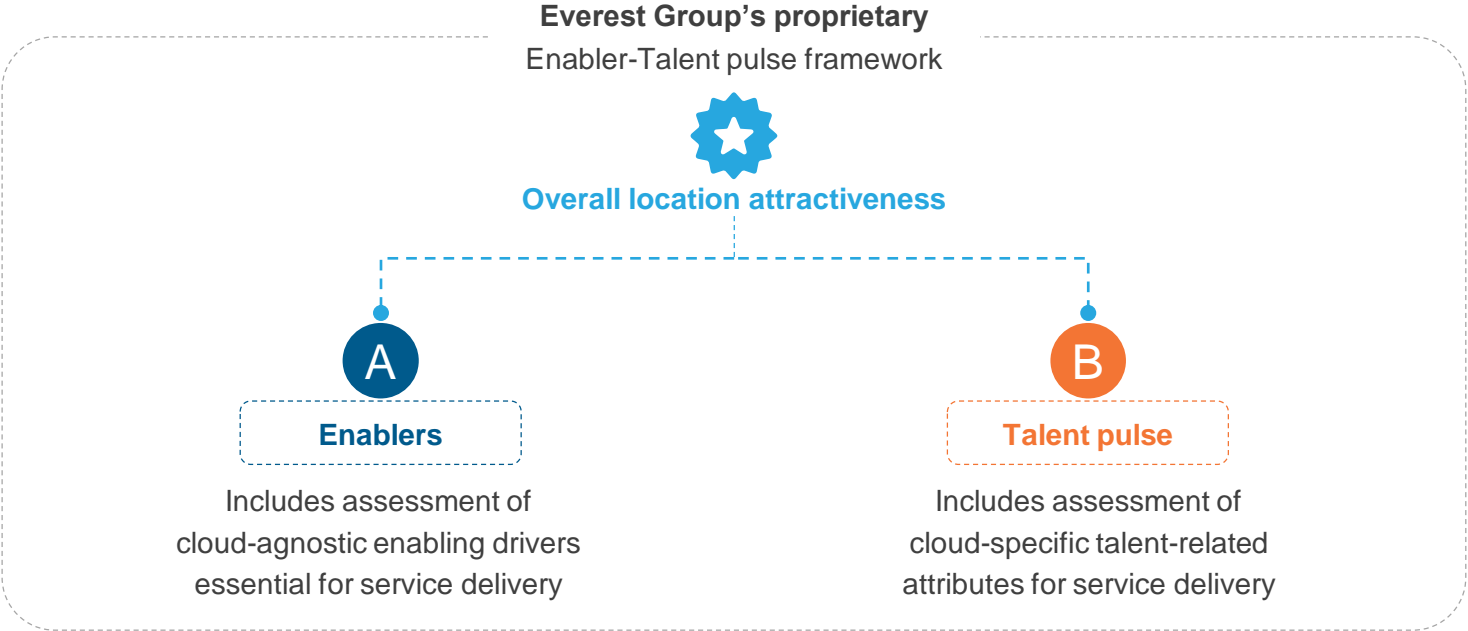
---

Topic	Page no.
<b>Introduction and overview</b> .....	<b>04</b>
• Background and aim of this handbook .....	05
• Scope and coverage .....	06
• Assessment methodology .....	07
<b>Executive summary</b> .....	<b>08</b>
<b>Detailed assessment</b> .....	<b>13</b>
• Enablers .....	14
• Talent pulse .....	21
<b>Appendix</b> .....	<b>24</b>
• Supporting analysis – Enablers .....	25
• Supporting analysis – Talent pulse .....	33
• Research calendar – Locations Insider™ .....	37
• Additional Locations Insider™ research references .....	38

# Background and aim of this handbook

Cloud has been one of the fastest growing digital skills and has become the “next big thing” in the information technology industry. Cloud computing and allied skills have been one of the most in-demand professional skills for the past few years, making it difficult for organizations to find the right candidates to fill positions. As more and more organizations look to adopt and incorporate cloud to enable virtual delivery and reduce dependency on any on-premise environments, they need to work their way around the cloud challenges of a global marketplace

**This handbook by Everest Group aims to support market players in their quest to identify the right location for supporting cloud services. It highlights the relative attractiveness of leading global locations for supporting cloud and allied services based on a holistic and multi-faceted assessment, covering 15+ parameters. At an overall level, this handbook covers the cloud delivery attractiveness on two broad dimensions:**



Source: Everest Group (2020)

# Scope and coverage



The report focuses on delivery of cloud services



24 delivery locations across geographies have been prioritized for assessment. These locations represent the most leveraged locations for cloud services delivery in their respective geographies

North America	Asia Pacific	Latin America
 Canada  US	 China  India  Malaysia  Philippines  Singapore	 Argentina  Costa Rica  Mexico
Middle East and Africa	Central and Eastern Europe (CEE)	Western Europe
 Egypt  Israel	 Bulgaria  Czech Republic  Hungary  Lithuania  Poland  Romania	 England  Germany  Ireland  Portugal  Scotland  Spain

# Summary of key messages

1

Locations in North America and Western Europe have the **most favorable enabler ecosystem along with a moderately favorable talent pulse**. Most of these locations offer excellent infrastructure, high innovation potential, and favorable business environment. However, the cost of operations is high in these locations primarily driven by higher salaries and office rentals

**Scotland has relatively lower talent pulse**, given smaller pool of experienced talent supporting cloud services

2

Most locations in Asia Pacific have **high to moderately favorable enabler ecosystem and talent pulse**. They offer an attractive talent pulse and enabler infrastructure proposition, with presence of a sizable experienced talent pool and significant cost savings over source markets (e.g., the US and the UK).

Among the APAC locations, **India has the most favorable talent pulse** driven by a large employed pool and significantly lower costs of operations. The Philippines has a relatively lower enabler ecosystem and talent pulse ratings

3

CEE locations have a **high to moderately favorable enabler ecosystem and talent pulse**. Most of these locations offer moderate cost savings over leading source locations in Western Europe. Further, these locations offer advantage of greater proximity to key source markets and relatively lower competitive intensity as compared to the locations in APAC

**The Czech Republic has the most favorable talent pulse and enabler ecosystem**, driven by high adoption maturity and favorable business environment

4

Most locations in LATAM and MEA have **relatively lower enabler ecosystem and talent pulse**, given smaller experience pool and relatively lower maturity of cloud services delivery

Among these locations, **Israel and Mexico offer a relatively better enabler ecosystem**. While, Israel has achieved high maturity for cloud services, the operating cost is also high

# This study offers two distinct chapters providing a deep dive into key aspects of cloud services market; below are four charts to illustrate the depth of the report

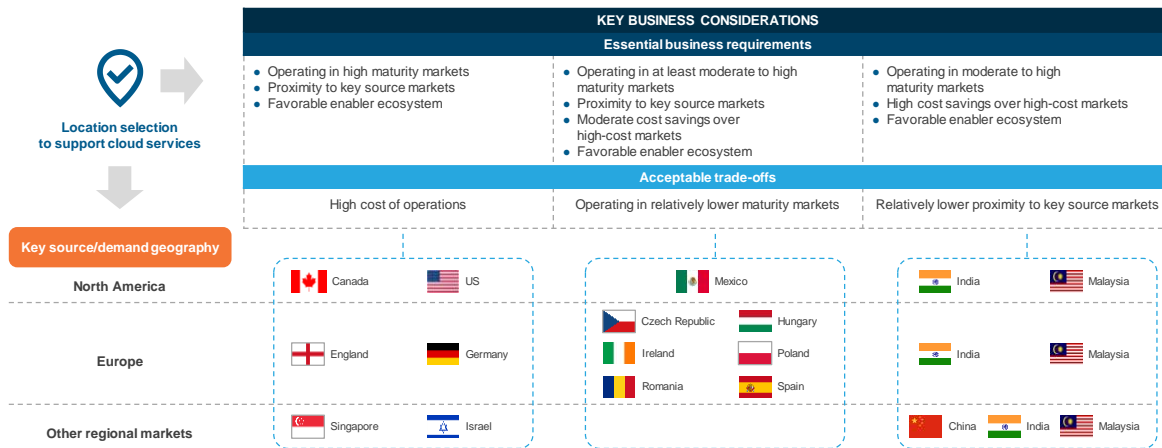
## Everest Group's proprietary Enabler-Talent Pulse framework



## Talent pulse: Key parameters considered

- B1 Adoption maturity**
  - Size of employed pool:** Corresponds to size of the employed pool across leading players (both service providers and GBS centers) supporting global delivery of cloud services
  - Perspectives on complexity of operations:** Indicates the breadth and depth of services supported across the cloud service line. This includes perspectives on relative adoption maturity of transactional and knowledge-based processes
- B2 Competitive intensity**
  - Extent of market congestion:** Corresponds to number of key market players, i.e., service providers and global business services (GBS) centers supporting global operations from the location under consideration for cloud services
  - Wage inflation:** Corresponds to typical increase in wages as experienced by leading players (both service providers and GBS centers) on an annual basis
  - Attrition:** Indicates typical levels of annual voluntary attrition witnessed by leading players (both service providers and GBS centers)
- B3 Financial feasibility**
  - Financial attractiveness:** Corresponds to attractiveness of a location from an operating cost perspective

## Key implications for market players



## Enablers | Cloud infrastructure

Region	Location	Maturity of cloud ecosystem 2020, Rating	Cybersecurity readiness 2020, Rating	Cloud infrastructure 2020, Rating	Legend: Highly favorable (Green), Moderately favorable: some constraints (Yellow), Least favorable (Red)			
					Maturity of cloud ecosystem 2020, Rating	Cybersecurity readiness 2020, Rating	Cloud infrastructure 2020, Rating	Notes
North America	Canada	High adoption of cloud computing	Strong legal, technical, and organizational frameworks					
	US							
	China							
Asia Pacific	India	Evidence of public sponsored training and awareness programs on cybersecurity						
	Malaysia							
	Philippines							
Latin America	Singapore	High adoption of cloud computing	Strong legal, technical, and organizational frameworks					
	Argentina							
	Costa Rica	Low adoption of cloud computing						
MEA	Egypt							
	Israel	Moderate to high adoption of cloud computing						
	CEE	Bulgaria	Moderate adoption; less than 10% enterprises using cloud computing					
Czech Republic								
Hungary		Limited adoption to host internal business software and end-user application						Evidence of technical frameworks to deploy trainings on IST risk assessment
Lithuania								
Poland								
Romania			Strong legal, technical, and organizational frameworks					
England		High adoption of cloud computing						
Germany			Evidence of public sponsored research programs to cover new IS tech					
Ireland								
Portugal		Moderate adoption of cloud computing						
Western Europe	Scotland							
	Spain							

# Research calendar – Locations Insider™

Published
  Planned
  Current release

Flagship Locations Insider reports	Release date
Location Spotlight – The Czech Republic .....	September 2019
Location Spotlight – Morocco .....	October 2019
Location Spotlight – Romania .....	October 2019
Location Spotlight – Israel.....	October 2019
Location Spotlight – Trivandrum, India .....	October 2019
Location Spotlight – Vietnam .....	February 2020
Global Locations Annual Report 2020 .....	March 2020
Location Spotlight – Bulgaria .....	April 2020
Location Spotlight – Indonesia .....	April 2020
Location Spotlight – Slovakia .....	May 2020
Location Spotlight – Georgia .....	June 2020
Thematic Locations Insider reports	
European Digital Services Talent Handbook: Prepare for Digital Disruption .....	June 2019
Global Handbook – Focus on Language Skills Availability Across the World .....	November 2019
<b>Cloud Talent Handbook – Guide to Cloud Skills Across the Globe .....</b>	<b>June 2020</b>
Talent Handbook – Engineering Skills.....	Q2 2020

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



## Additional Locations Insider™ research references

---

The following documents are recommended for additional insight into 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. Global Locations State of the Market 2020: Moving Forward in Turbulent Times | Key Trends Shaping the Landscape** ([EGR-2020-37-R-3646](#)); 2020. The Global Locations State of the Market report describes the nuances of the global services locations landscape and interprets locations-related developments and trends to help in locations portfolio strategy design. It presents insights into market size and growth as well as global services exports by region and country. It also offers an update of locations activity by region and country, as well as trends affecting global locations (changes in the investment environment, key global developments, and changes in exposure to various risks)
- 2. 2020 Locations Predictions: Confronting the Impending Slowdown** ([EGR-2020-37-V-3618](#)); 2020. Everest Group's predictions that the global services market would experience slightly lower growth in 2019 over 2018, both in terms of revenue and headcount, have been proven correct. Enterprises have been increasingly leveraging their locations strategies – based on talent quality and availability, rather than cost – as a tool to achieve service delivery transformation. Given these developments, what does 2020 hold for the global services industry? The report offers predictions on overall and location-specific services delivery, upon which organizations can anchor their transformation agendas. In addition to it, It presents insights into next-wave locations expected to gain prominence in the future and key risks to watch out for when transforming the delivery strategy
- 3. European Digital Services Talent Handbook – Prepare for digital disruption** ([EGR-2019-37-R-3194](#)); 2019. This handbook by Everest Group aims to support market players in their quest for supporting the right digital service from the right location. It highlights the relative attractiveness of key European locations for supporting digital services, based on a holistic and multi-faceted assessment covering 20+ parameters

For more information on this and other research published by Everest Group, please contact us:

**Hrishi Raj Agarwalla**, Practice Director:

[hrishi.agarwalla@everestgrp.com](mailto:hrishi.agarwalla@everestgrp.com)

**Kunal Anand**, Senior Analyst:

[kunal.anand@everestgrp.com](mailto:kunal.anand@everestgrp.com)

**Bhavyaa Kukreti**, Analyst:

[bhavyaa.kukreti@everestgrp.com](mailto:bhavyaa.kukreti@everestgrp.com)

Website: [www.everestgrp.com](http://www.everestgrp.com) | Phone: +1-214-451-3000 | Email: [info@everestgrp.com](mailto:info@everestgrp.com)



## 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](http://www.everestgrp.com).

### Dallas (Headquarters)

info@everestgrp.com  
+1-214-451-3000

### Bangalore

india@everestgrp.com  
+91-80-61463500

### Delhi

india@everestgrp.com  
+91-124-496-1000

### London

unitedkingdom@everestgrp.com  
+44-207-129-1318

### New York

info@everestgrp.com  
+1-646-805-4000

### Toronto

canada@everestgrp.com  
+1-416-388-6765

## Stay connected

### Website



[www.everestgrp.com](http://www.everestgrp.com)

### Social Media



@EverestGroup



@Everest Group

### Blog



[www.everestgrp.com/blog/](http://www.everestgrp.com/blog/)

*This document is for informational purposes only, and it is being provided "as is" and "as available" without any warranty of any kind, including any warranties of completeness, adequacy, or fitness for a particular purpose. Everest Group is not a legal or investment adviser; the contents of this document should not be construed as legal, tax, or investment advice. This document should not be used as a substitute for consultation with professional advisors, and Everest Group disclaims liability for any actions or decisions not to act that are taken as a result of any material in this publication.*