Microsoft Dynamics 365 Services PEAK Matrix® Assessment 2023

June 2023: Complimentary Abstract / Table of Contents

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- Contingent Staffing
- Contingent Workforce Management
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- CXM Technology
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- Data and Analytics
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- Interactive Experience (IX) Services
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- IT Services Executive Insights™
- IT Talent Excellence
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- Life Sciences Commercial Technologies
- Life Sciences Information Technology
- Locations Insider™
- Marketing Services
- Market Vista™
- Microsoft Azure

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- Process Mining
- Process Orchestration
- Procurement and Supply Chain
- Recruitment
- Retail and CPG Information Technology
- Retirement Technologies
- Revenue Cycle Management
- Rewards and Recognition
- SAP Services
- Service Optimization Technologies
- Software Product Engineering Services
- Supply Chain Management (SCM) Services
- Sustainability Technology and Services
- Talent Genius™
- Technology Skills and Talent
- Trust and Safety
- Value and Quality Assurance (VQA)

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custom research capabilities

Benchmarking

Contract assessment

Peer analysis

Market intelligence

Tracking: providers, locations, risk, technologies

Locations: costs, skills, sustainability, portfolios

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Background of the research

- Enterprises, especially small and midsize, are adopting Microsoft Dynamics 365 to modernize customer experience, finance, and operations, enabling end-to-end visibility across the supply chain and streamlining marketing and sales. Large enterprises adopt Microsoft Dynamics 365 mainly to buttress their core Enterprise Resource Planning (ERP) and Customer Experience (CX) systems

- Microsoft Dynamics 365 has established its sweet spot by its ability to integrate with other Microsoft Office 365 apps and third-party apps. It has gained momentum in the market owing to its lower Total Cost of Ownership (TCO) compared to its close competitors and faster time-to-market as it is SaaS-enabled

- To help adopt Microsoft Dynamics 365 across existing complex portfolios, service providers are skilling talent and building robust accelerators to help enterprises in their digital transformation journeys

- In this research, we present an assessment of 27 providers featured on the Microsoft Dynamics 365 services PEAK Matrix®

- 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 Microsoft Dynamics 365 services market

This report includes the profiles of the following 27 leading providers featured on the Microsoft Dynamics 365 services PEAK Matrix:

- **Leaders:** Accenture and Avanade, Capgemini, EY, HCLTech, Hitachi Solutions, Infosys, LTIMindtree, and TCS
- **Major Contenders:** Alithya, Cognizant, Deloitte, EPAM, Eviden, HSO, IBM, NTT DATA, Sonata, Synoptek, Tech Mahindra, Visionet, and Wipro
- **Aspirants:** Birlasoft, GSLab-GAVS, Marlabs, Mastek, UST, and Yash Technologies

Scope of this report

Geography
Global
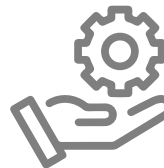
Providers
27 leading Microsoft Dynamics 365 services providers

Services
Microsoft Dynamics 365 services

Everest Group's definition of scope of Microsoft Dynamics 365 services

Advisory/Consulting services

Microsoft Dynamics 365 platform strategy and roadmap formulation, mapping of the existing technology landscape, product(s) selection, feasibility and readiness assessments, security assessment, integration strategy, governance, program management, change management, and CoE setup advisory

Implementation services

Requirements gathering, technical and functional design, configuration design, workload migration, platform setup, customizations, application development and testing, integration, and deployment

Maintenance and support services

Help desk management, monitoring, incident management, issue resolution, emergency fixes, environment management, ongoing customizations and integrations, compliance and regulatory support, new feature addition, minor and major usability enhancements, and ongoing application reengineering

Microsoft Dynamics 365 services

Finance	Supply chain	Sales	Service	Marketing	HR	Commerce	Project management	Customer data platform	Business central

Scope of the assessment

- IT services delivered for all Microsoft-owned and acquired Dynamics 365 business applications (both on-premises and cloud)
- This includes applications, databases, middleware, analytics, SI-built solutions, and emerging technologies such as AI/ML, and IoT for ERP (including finance and accounting), customer experience, Supply Chain Management (SCM) and procurement, human capital management, industry-specific applications, and technology
- Activities including business/technology consulting, design and implementation, integration, and support services for Microsoft Dynamics business applications (as per the above services definition)

Exclusions

The scope of this PEAK Matrix® assessment does not include the below

- IT infrastructure-related services
- Resale of licenses related to Microsoft Dynamics business applications
- Activities around business process outsourcing

Everest Group®

This report is based on four key sources of proprietary information

- Proprietary database of IT services contracts of major Microsoft Dynamics 365 services providers with workplace services in scope of work (updated annually)
- The database tracks the following elements of each contract:
  - Buyer details including size and signing region
  - Contract details including provider, contract type, TCV and ACV, provider FTEs, start and end dates, duration, and delivery locations
  - Scope details including share of individual buyer locations being served in each contract, Line of Business (LoB) served, and pricing model employed

- Proprietary database of Microsoft Dynamics 365 services providers (updated annually)
- The database tracks the following for each provider:
  - Revenue and number of FTEs
  - Number of clients
  - FTE split by different lines of business
  - Revenue split by region
  - Location and size of delivery centers
  - Technology solutions developed

- Provider briefings
  - Vision and strategy
  - Annual performance and future outlook
  - Key strengths and improvement areas
  - Emerging areas of investment

- Buyer reference interviews, ongoing buyer surveys, and interactions
  - Drivers and challenges for adopting workplace services
  - Assessment of provider performance
  - Emerging priorities
  - Lessons learnt and best practices

Providers assessed[1,2,3]

accenture | Alithya | birlasoft | Capgemini
cognizant | Deloitte | epam | EVIDEN an atos business | EY Building a better working world
GAVS | HCLTech | Hitachi Solutions | Hso | IBM
Infosys | LTIMindtree | marlabs driving digital agility | Mastek Trust. Value. Velocity.
NTT DATA | SONATA SONATA SOFTWARE | Synoptek | tcs TATA CONSULTANCY SERVICES
TECH mahindra | UST | VISIONET | wipro | YASH Technologies More than what you think.

1   Assessments for Deloitte, EY, Hitachi Solutions, IBM, and Wipro 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
2   Analysis of LTIMindtree is based on capabilities post the merger of LTI and Mindtree
3   Eviden is an Atos business
Note: **The source of all content is Everest Group unless otherwise specified**
Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information we collect that is contract specific will only be presented back to the industry in an aggregated fashion

Microsoft Dynamics 365 Services PEAK Matrix® characteristics

Leaders

Accenture and Avanade, Capgemini, EY, HCLTech, Hitachi Solutions, Infosys, LTIMindtree, and TCS

- Leaders are characterized by their ability to successfully execute large-scale, multi-continent, end-to-end Dynamics 365 services, underpinned by their strong global delivery network
- These providers have showcased end-to-end transformational case studies covering a large portfolio of Dynamics 365 replacing multiple legacy Customer Relationship Management (CRM) and a few elements of ERP
- Leaders have helped enterprises with their advisory capabilities to navigate the business transformation and have leveraged in-house IP tools and accelerators to expedite engagement timelines
- Furthermore, they have a mature suite of Microsoft-certified, Dynamics 365, and verticalized solutions to accelerate time-to-market for their client

Major Contenders

Alithya, Cognizant, Deloitte, EPAM, Eviden, HSO, IBM, NTT DATA, Sonata, Synoptek, Tech Mahindra, Visionet, and Wipro

- These providers have built meaningful capabilities to deliver Microsoft Dynamics 365 services – implementation and management/run; however, their service portfolios are not as balanced and comprehensive as those of Leaders (in terms of coverage across Dynamics 365 service segments, service type, geographies, or verticals)
- These providers have good partnerships with Microsoft and specialist technology partners to curate client-specific Microsoft Dynamics 365 solutions. They have been recognized by Microsoft with multiple partner awards showcasing their credibility in the Dynamics 365 markets
- Also, Major Contenders are making continued investments in building proprietary tools and solutions, as well as scaling their talent for Microsoft Dynamics 365
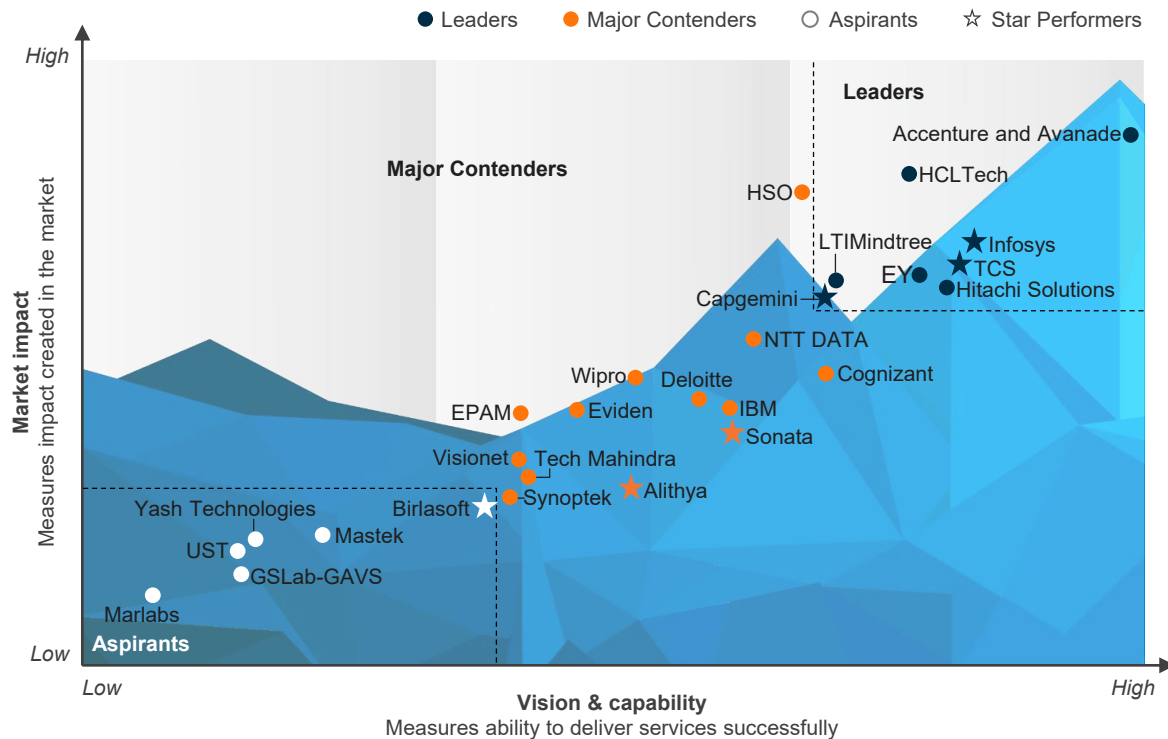
Aspirants

Birlasoft, GSLab-GAVS, Marlabs, Mastek, UST, and Yash Technologies

- Aspirants have good proof points in delivering low to medium complex implementation and maintenance Dynamics 365 services for Small and Midsize Buyers (SMBs)
- They are either focused on a region(s) or vertical(s) or currently have a relatively small Microsoft Dynamics 365 practice
- Clients acknowledge aspirants' pricing and commercial flexibility as well as account management flexibility

This study offers three distinct chapters providing a deep dive into key aspects of Microsoft Dynamics 365 services market; below are three charts to illustrate the depth of the report

Everest Group Microsoft Dynamics 365 Services PEAK Matrix® Assessment 2023[1,2,3]

Illustrative example

Legend: ● Leaders ● Major Contenders ○ Aspirants ☆ Star Performers

Y-axis: **Market impact** — Measures impact created in the market (Low → High)
X-axis: **Vision & capability** — Measures ability to deliver services successfully (Low → High)

Plotted: Leaders — Accenture and Avanade, HCLTech, LTIMindtree, EY, Capgemini. Star Performers area — Infosys, TCS, Hitachi Solutions. Major Contenders — HSO, NTT DATA, Cognizant, Wipro, Deloitte, IBM, EPAM, Eviden, Sonata, Visionet, Tech Mahindra, Synoptek, Alithya. Aspirants — Yash Technologies, Birlasoft, Mastek, UST, GSLab-GAVS, Marlabs.

1 Assessments for Deloitte, EY, Hitachi Solutions, IBM, and Wipro 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
2 Analysis of LTIMindtree is based on capabilities post the merger of LTI and Mindtree
3 Eviden is an Atos business
Source: Everest Group (2023)

Capability assessment

Illustrative example

Measure of capability: ◖ Low ● High

Providers	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation and investments	Delivery footprint	Overall
Provider 1									
Provider 2									
Provider 3									
Provider 4									
Provider 5									
Provider 6									
Provider 7									
Provider 8									
Provider 9									

Everest Group's remarks on providers

Illustrative example

Measure of capability: ◖ Low ● High

	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation and investments	Delivery footprint	Overall

Strengths

- Provider 1 has showcased a strong understanding and deep capabilities in the finance module and is suitable for clients seeking Dynamics services focused on this module
- Enterprises acknowledge its proactiveness, technical expertise, and partnership with Microsoft as its key strength areas
- It has good domain expertise in industries such as manufacturing, retail and CPG, and financial services industries to aid clients in their Microsoft Dynamics journey
- Provider 1 has a good focus on Dynamics-specific implementation services; it can be a suitable fit for clients seeking implementation-heavy engagements
- It has developed a comprehensive suite of horizontal IP tools/solutions focused on implementation and managed services for its Dynamics clients

Limitations

- Enterprises seeking Provider 1's services around commerce, marketing, and HR modules may need to evaluate its capabilities in depth
- Clients looking to engage with Provider 1 for Dynamics services in electronics, hi-tech, and technology and telecom industries may need to evaluate its capabilities within these industries
- Few clients have mentioned the scope of improvement in its pricing and commercial flexibility which may need to be assessed before engaging for Dynamics-specific services

Research calendar
Enterprise Platform Services (EPS)

Reports title	Release date
SAP Business Application Services PEAK Matrix® Assessment 2023 – Global	November 2022
Salesforce Industry Cloud Services Provider Compendium 2023	December 2022
Playbook: Transforming Customer and Partner Experiences in the Retail, Consumer Packed Goods (CPG), and Manufacturing Industries	March 2023
Microsoft Dynamics 365 Services PEAK Matrix® Assessment 2023	**June 2023**
Enterprise Platform Services: Voice of the Customer 2023	Q2 2023
Microsoft Dynamics 365 Services – Provider Compendium 2023	Q2 2023
Salesforce Industry Cloud State of the Market 2023	Q3 2023
SAP Business Application Services – State of the Market 2023	Q3 2023
Microsoft Dynamics 365 Services – State of the Market 2023	Q3 2023
Oracle Cloud Applications Services PEAK Matrix® Assessment 2023	Q3 2023
Oracle Cloud Applications Services – Provider Compendium 2023	Q3 2023
Oracle Cloud Applications – State of the Market 2023	Q3 2023
Pega Services PEAK Matrix® Assessment 2023	Q4 2023
Pega Services – Provider Compendium 2023	Q4 2023
Pega Services – State of the Market 2023	Q4 2023

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