



Supply Chain Management (SCM) BPO – Service Provider Landscape with Services PEAK Matrix™ Assessment 2020 SELECT SLIDES

Procurement Outsourcing (PO)
Market Report – December 2019



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Everest Group's SCM research is based on several sources of proprietary information

- Everest Group's proprietary database of 700+ SCM contracts (updated annually)
- The database tracks the following elements of each contract:
 - Buyer details including size and signing region
 - Contract details including service provider, contract type, TCV & ACV, service provider FTEs, start & end dates, and duration
 - Scope details including share of individual buyer locations being served in each contract, Line of Business (LOB) served, and pricing model employed
 - Global sourcing including delivery locations and level of offshoring

- Proprietary database of ~14 SCM BPO service providers (updated annually)
- The database tracks the following for each service provider:
 - Revenue and number of FTEs
 - Revenue split by region
 - Number of clients
 - Location and size of delivery centers
 - FTE split by different lines of business
 - Technology solutions developed

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

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

Service providers assessed

accenture

Axe Bpo

Capgemini

Cognizant

DXC.technology

EXL
look deeper™

genpact
Transformation Happens Here

GEP®
Insight Drives Innovation

HCL

Infosys

OnProcess
TECHNOLOGY

TATA CONSULTANCY SERVICES

Tech
Mahindra

wipro

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

Detailed definitions of SCM segments in the scope of this report

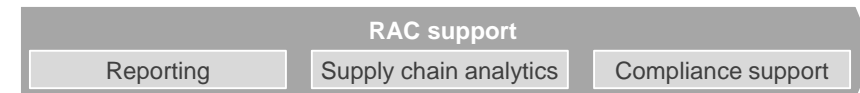
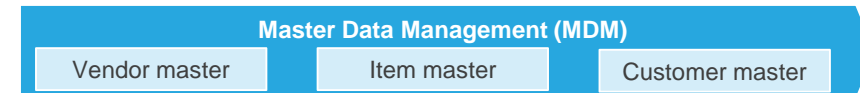
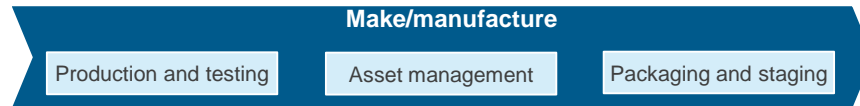
- Lead and quote management**
- Lead generation and management
 - Obtain and respond to Request for Proposal (RFP) / Request for Quote (RFQ)
 - Quote generation

- Order management**
- Install base and contract management
 - Order receipt, validation, and entry
 - Customer helpdesk
 - Follow up on overdue order
 - PO / Invoice / Advanced Service Notification (ASN) matching

- Order fulfillment**
- Schedule product receipt
 - Consolidate and ship order
 - Shipping document management
 - Track and trace shipment
 - Receive and verify product receipt
 - Expedite/substitute

- Logistics administration**
- Optimize warehouse network
 - Coordination with logistics provider
 - Transport scheduling/management
 - Reverse logistics

- Inventory management**
- Inventory planning
 - Inventory optimization
 - Vendor Managed Inventory (VMI) support
 - Monitor inventory levels
 - Manage internal warehouse movement



- Reporting**
- Weekly/monthly reporting
 - Ad hoc reports
 - Exception reports
 - Dashboards

- Supply chain analytics**
- Demand forecasting
 - Route/network analysis
 - Supply variability
 - Usage variance analysis
 - Carrier sourcing analytics
 - Freight analytics
 - Root cause analysis

- Compliance support**
- Legal compliance
 - Environmental/social compliance
 - Trade compliance
 - Financial compliance
 - Product compliance
 - Process/contractual compliance

- Claims/warranty management**
- Warranty contract registration
 - Claims receipt and verification
 - Claims processing
 - Claims service helpdesk

- Service contract management**
- Asset and contract management
 - Partner and service network management
 - Contract compliance assurance
 - Service helpdesk

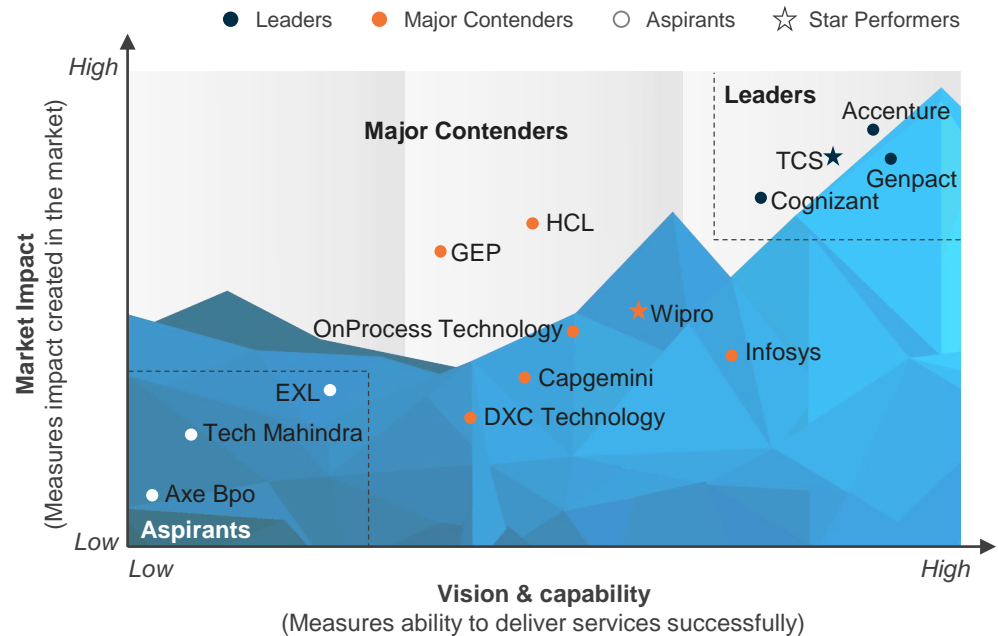
- Returns management**
- Returns authorization
 - Return/repair documentation
 - Problem assessment and categorization
 - Returns tracking and scheduling
 - Returns expedition and follow up

- Vendor/item/customer master**
- Data cleansing
 - Data migration
 - Codification/classification
 - Error resolution/reconciliation

Summary of key messages

- Everest Group classifies 14 SCM service providers on the Everest Group PEAK Matrix™ into the three categories of Leaders, Major Contenders, and Aspirants
 - Leaders:** Accenture, Cognizant, Genpact, and TCS
 - Major Contenders:** Capgemini, DXC Technology, GEP, HCL, Infosys, OnProcess Technology, and Wipro
 - Aspirants:** Axe Bpo, EXL, and Tech Mahindra
- While Accenture and Genpact continue to lead the SCM market, others including TCS and Wipro depicted good growth
- The provider landscape continue to demonstrate significant variations across geographies

Everest Group Supply Chain Management (SCM) BPO – Services PEAK Matrix™ Assessment¹ 2020



1 Assessment for Axe Bpo excludes service provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers

Note: DXC Technology's evaluation does not consider the management decision to seek strategic alternative to its horizontal business process services units

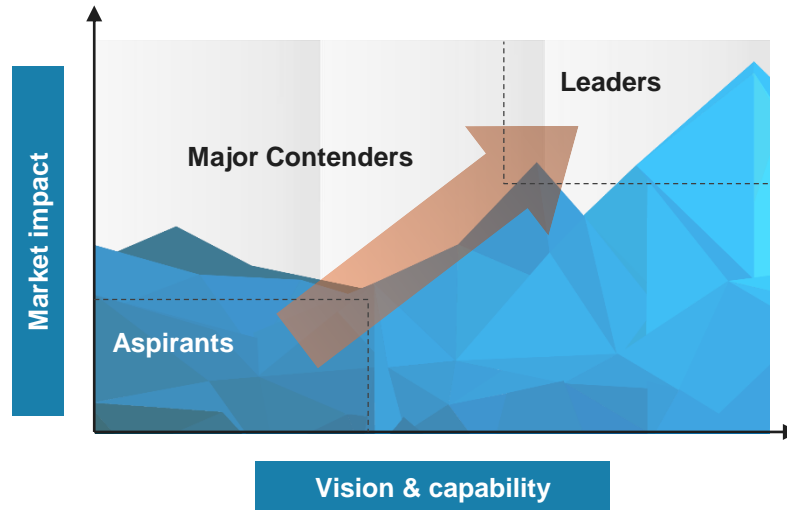
Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

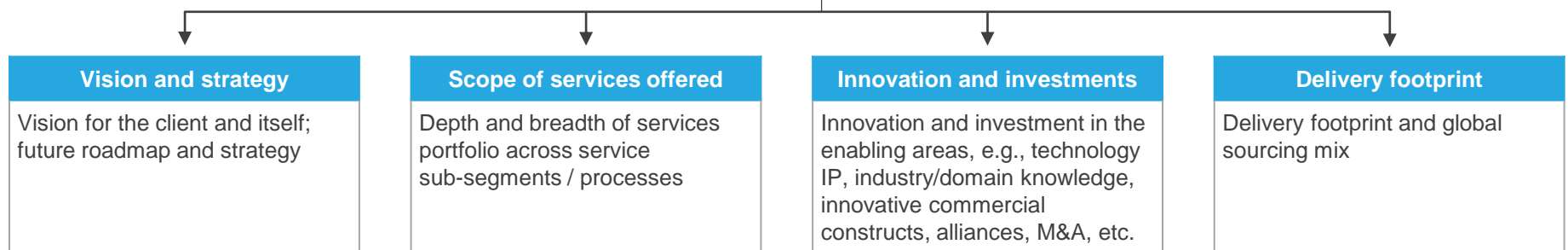
Market adoption
No. of clients, revenue base, and YOY growth, deal value/volume

Portfolio mix
Diversity of client/revenue base across geos and type of engagements

Value delivered
Value delivered to the client based on customer feedback and transformational impact



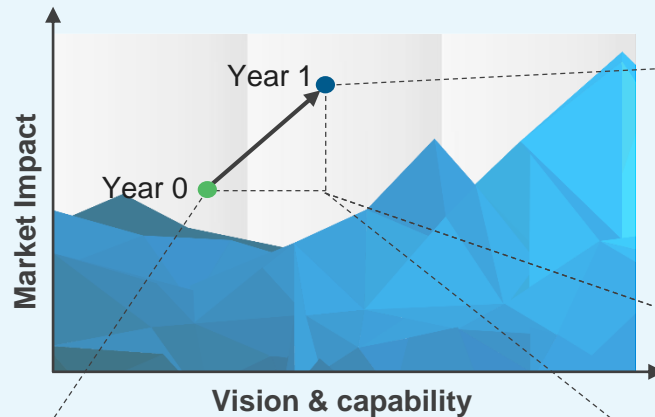
Vision & capability
Measures ability to deliver services successfully. This is captured through four subdimensions



Everest Group confers the Star Performers 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



In order to assess advances on **market impact**, we evaluate each service provider's performance across a number of parameters including:

- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each service provider's performance across a number of parameters including:

- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service providers with:

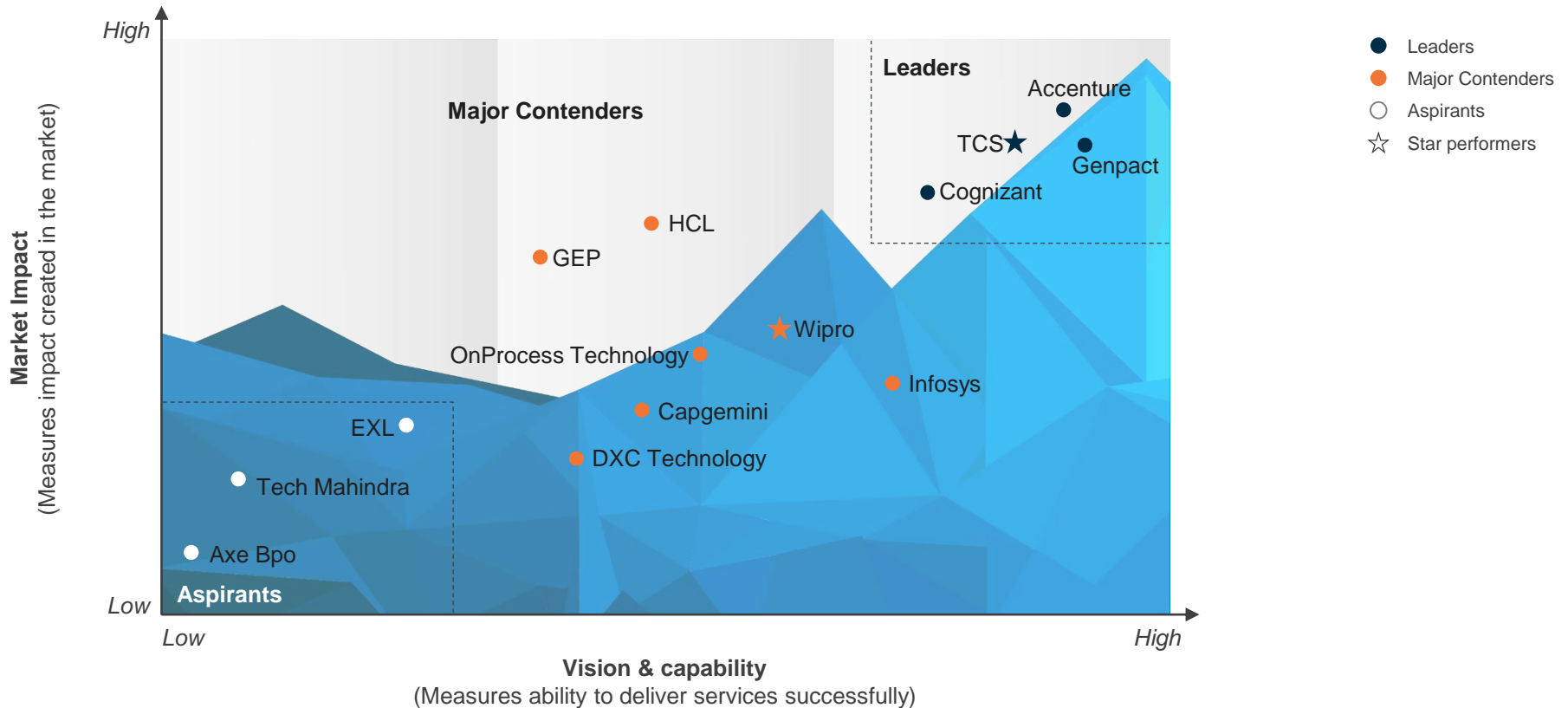
- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

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

Everest Group PEAK Matrix™

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Summary dashboard | Market impact and vision & capability assessment of providers for SCM BPO 2020

Leaders










Measure of capability:  High  Low

Service provider	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall
Accenture									
Cognizant									
Genpact									
TCS									

Genpact

Everest Group assessment – Leader

Measure of capability:  High  Low

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

Strengths

- From a scale perspective, Genpact is among the top four service providers by revenue as well as FTE strength. Additionally, it also significantly expanded its supply chain management business (revenue as well as number of clients) during 2016-2018
- Genpact has an extensive delivery network with presence across five continents. It has delivery centers in high growth countries such as the United States, China, and Malaysia to cater to local firms
- Acquisition of Barkawi Management Consultants helped Genpact in reorienting its supply chain strategy from being offerings-led to being more inclusive and enterprise problem-centric. Consultants spend time understanding enterprise problems before offering any solution or service
- Genpact has multiple innovation centers and labs across different countries to further expand capabilities of its solutions. Many of these labs are focused on digital levers such as analytics, automation, and AI
- Genpact has one of the biggest libraries of digital tools to help enterprises in solving supply chain-related issues. CORA Supply Chain Assist platform is a good example of the applicability of a broader platform in SCM
- Clients have highlighted extensive domain and business expertise as Genpact's key strengths. Additionally, consulting capabilities of Genpact have also been highlighted as a value differentiator

Areas of improvement

- Blockchain is rapidly gaining traction as a key solution to solve many of enterprise supply chain-related issues, especially pertaining to functions such as track and trace and payments. A few service providers have already started pilot deployments to study feasibility of blockchain-based solutions in the long-term. Genpact's focus on research and development in blockchain, specifically for supply chain management, is missing
- Buyers have mentioned attrition management as a key improvement area
- Due to buyers' preference for onshore providers, Genpact should aim to bolster its onshore delivery presence in the U.S. and Europe