ISG Provider Lens™

Enterprise Service Management – Services

A research report comparing provider strengths, challenges, and competitive differentiators

Customized report courtesy of:

Capgemini

QUADRANT REPORT | MARCH 2023 | U.S.

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A consolidated enterprise view will drive the growth and success markers of the future.

Enterprise service management (ESM) is an evolving capability that helps organizations progress to digital business transformation from version 2.0 (what we know) to version 3.0 (what we aspire to be), by reconfiguring their essential enterprise portfolios.

Evolving technologies effectively manage information, decision making and intelligence from every transaction. The technology backbone is shifting from metal (on-premises) to mist (cloud), prompting operators of large platforms to make vital strategic decisions to standardize the tech stack and related processes. This will set the future foundation for enterprises to operate optimally, by dissolving technical divisions and uniting based on their perspective on cloud and cloud-native architectures, including cloud-bursting functionality.

Business leaders must focus on the strategic enterprise blueprint definition and clarity. This will drive the enterprise operating state from technology dependent to technology agnostic by re-platforming applications and systems.

Decoding an enterprise's aspects and services can redefine the purpose, value and performance. This will have to be in line with global regulations, including for environmental, social and governance (ESG); diversity, equity and inclusion (DEI); and resiliency, sustainability and agility (RSA).

These ESM capabilities should be the primary focus among enterprise leaders as part of their enterprise business strategy. Simultaneously, enterprises expect these capabilities to be delivered and supported by service providers with new competencies. Thus, demand and supply interlock to build a future-ready sustainable enterprise.

ESM to become the **pivotal theme** for **digital business transformation** by 2025.

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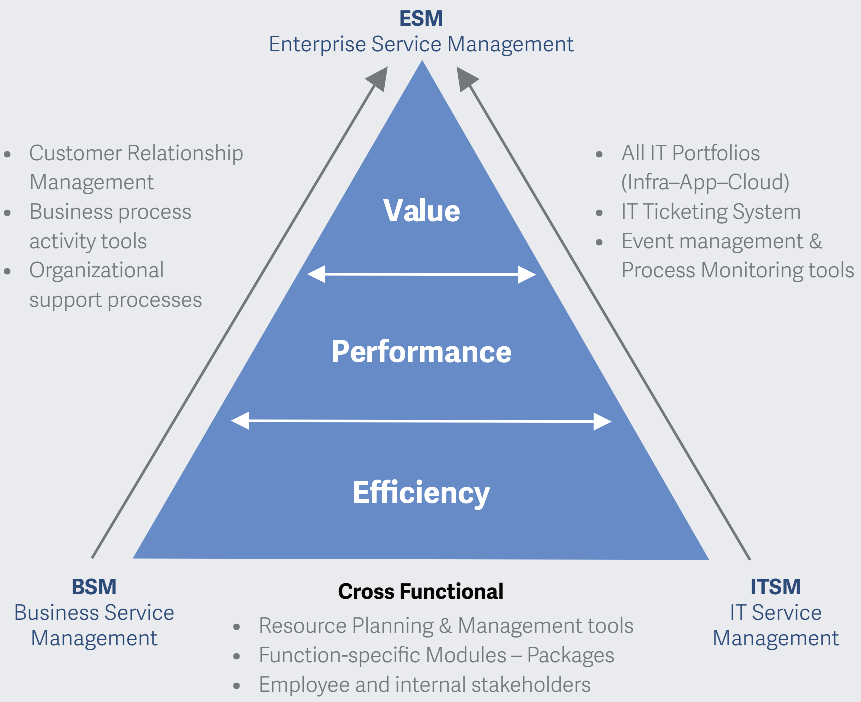
Enterprises' market demands and service providers' must focus on the transition of framework and best practices **to bridge the gaps between the past and future**. Every organization has past legacies, idiosyncrasies and unique market positions (weak/strong), and each organization's strategic goals are different. Therefore, a high degree of customization is inevitable.

It is a good starting point to understand the organization's current belief system and whether it is out of sync with present business realities. Beliefs have shaped the most significant firms in the 21st century and were the key reason behind some infamous business failures. ESM leaders must establish the business perspective and overcome legacy belief constraints to embrace the larger view of enterprises, markets and economies.

ESM service providers must identify the following impediments that decelerate and derail transformation initiatives. These are few information and knowledge management fundamentals that impact the ESM strategy.

ESM - Services



ITSM
(IT Service Mgmt.)
Focused on availability

CSM
(Cross Functional Service Mgmt.)
Focused on productivity and ROI

BSM
(Business Service Mgmt.)
Focused on customer benefits and experience

ESM
Focuses on Enterprise value & Sustainability

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- **Information hoarding:** This is a major hurdle prevalent in organizations – where one department doesn't speak to another by design. It restrains shared knowledge and practices.
- **Information integrity:** This is only due to siloes and inconsistencies in the handling and processing of information across enterprise portfolios and functions. Seamless flow and enterprise information management practices can resolve this challenge.
- **Outdated business model:** Being a prisoner of past success (POPS) is the most severe obstacle to **building a bridge to the future.** Improvisation of business models but be the primary focus of the ESM providers.

The focus on information exchanges is evident as the data is generated, preserved, communicated and delivered through **process**. An enterprise can only become more innovative and resilient by managing the organizational information flows from every internal and external source. This is accomplished by the methods and the best practices being leveraged universally across the enterprise portfolios, thereby introducing consistency and credibility.

Critical insights from discussions with service providers and the market reflect the following business realities at present.

- An accurate and comprehensive view of an enterprise is mandatory for any transformation
- Modernizing perspectives and outdated or erroneous beliefs are the major stumbling blocks
- Industry boundaries are vanishing and converting through the emergence of cross-functional thinkers
- Businesses face greater expectations and increased stakeholder activism

The following are the three key components of digital transformation that help attain a native digital state, which is the key driver of ESM:

- Organizational capabilities
- Partner ecosystem
- Business architecture

Organizational capabilities include cultural transformation, learning and development, platform-based strategic thinking, and easy-to-use low-code/no-code tools. The technology comprises ML, deep learning, intelligent AI, DevOps pipelines, data encryption and real-time analytics. Data architecture includes data platforms, API strategy and data governance. However, building all the components together is challenging, considering the diverse solution requirements. The process can be delayed due to technical issues and can result in inappropriate data architectures that do not match the overall strategic objectives and capabilities. As a result, market demand is unmet, leading to dissatisfied customers.

Organizational capabilities: ESM facilitates the first stage of digital transformation by digitizing any organization's services to its employees, customers and stakeholders. The mistakes made and lessons learned will lay down a strong foundation to attain the native digital state, considering the three key components mentioned above.

Partner ecosystem: Three types of providers prevail in the emerging ESM market: consulting providers that offer advisory services to enterprises to help them in digital transformation; implementation providers that help clients implement an array of technologies to build a proprietary ESM system, incorporating the best practices and idiosyncrasies; and post-implementation system maintenance and service management providers to further improve the system based on stakeholder feedbacks. The diverse set of technologies is reshaping how systems are designed and integrated with current business operations.

Business architecture: The consumption methods, mediums and modes are considered when the enterprise blueprint is designed. The ability to respond to changes is critical to correct and align the operating models to enterprise clients' needs. The services, processes, performances and other integrating technology architectures play a vital role in building the enterprise architecture that eventually covers a holistic, multidimensional structure.

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Key global trends—2023

- In 2022, ESM took center stage, evolving out of ITSM, irrespective of IT or non-IT service. Enterprises are seeking broader service management practices using the existing ITSM solutions.
- Service delivery gets more immersive. ESM is a non-IT service that uses ITSM principles and capabilities to deliver improved business performance. ESM is mainly about understanding and serving users, be it customers or employees. The main idea is to make service management more personalized and effortless.
- AI is gaining prominence in automation and is becoming a strategic business capability rather than just a toolbox. This includes ML, event-driven software architecture, robotic process automation and integration platform as a service.
- XSM and DevOps are rapidly reconciling with each other.
- Faster and more agile service management can be achieved in real time and on a single pane of glass.
- There is full-scale cloud adoption to drive ESM services.
- The demand is increasing for industry-specific services to effectively manage a particular business domain.

The next and final level of digital maturity involves employees' complete cultural and skill transformation that should result in corporate accelerators (active collaboration with hundreds of start-ups to speed up innovation) and meta organizations with large inter-organizational digital platform to solve complex business and social challenges.

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Provider Positioning

	ESM Consulting Services	ESM Managed Services for Converged IT & Business Ops	ESM Implementation and Integration Services
Accenture	Leader	Leader	Leader
Advance Solutions	Contender	Contender	Contender
Aspire system	Not In	Not In	Contender
Atos-Syntel	Product Challenger	Product Challenger	Product Challenger
Birlasoft	Rising Star ★	Product Challenger	Product Challenger
Capgemini	Leader	Leader	Leader
Cask	Product Challenger	Product Challenger	Rising Star ★
Cognizant	Leader	Leader	Leader
Deloitte	Leader	Not In	Not In
DXC Technology	Leader	Leader	Product Challenger

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Provider Positioning

	ESM Consulting Services	ESM Managed Services for Converged IT & Business Ops	ESM Implementation and Integration Services
Flycast Partners	Contender	Not In	Not In
Fujitsu	Contender	Contender	Contender
HCLTech	Product Challenger	Product Challenger	Leader
Hexaware	Product Challenger	Product Challenger	Product Challenger
Infosys	Leader	Leader	Leader
Kyndryl	Product Challenger	Product Challenger	Product Challenger
LTIMindtree	Leader	Leader	Leader
Movate	Not In	Rising Star ★	Product Challenger
Mphasis	Contender	Product Challenger	Product Challenger
New Rocket	Market Challenger	Market Challenger	Market Challenger

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Provider Positioning

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	ESM Consulting Services	ESM Managed Services for Converged IT & Business Ops	ESM Implementation and Integration Services
NTT DATA	Market Challenger	Contender	Market Challenger
Persistent Systems	Not In	Not In	Contender
TCS	Leader	Leader	Leader
Tech Mahindra	Leader	Leader	Leader
Trianz	Not In	Not In	Product Challenger
Wipro	Leader	Leader	Leader

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This study focuses on critical attributes of **enterprise service management** capabilities in 2023.

- **ESM Consulting Services**
- **ESM Managed Services for Converged IT & Business Ops**
- **ESM Implementation and Integration Services**

Simplified Illustration Source: ISG 2023

Definition

Enterprise service management (ESM) is an evolving capability as organizations integrate various functional practices to accelerate business transformation. The effective way to realize value from the ESM capability is when enterprise clients and service providers align their approaches to bring in an enterprise-wide portfolio as a connected, value-generating initiative. Business leaders must consolidate practices to build an integrated service portfolio. Service providers must act as a partner in designing and integrating their offerings to support this business mindset, catering to the needs around consulting, implementation and managed services.

This study covers the breadth of capabilities offered by service providers with functional knowledge, industry process experience, and diverse IT and software support competencies. They should deliver all types of services that are required to run processes across the enterprise portfolio. These services cover the skillset (resources), toolset (systems) and mindset (attitudes and perspective) attributes of a service provider to govern, manage and improve the current state to a mature and resilient stage. ESM is a set of business, technology and organizational support processes that leverage tools, practices and methods for holistic business-value creation. This study focuses on a service provider's capability and competency to design, deploy and manage processes, frameworks, tools and workflows to accomplish an organization's initiatives.

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Scope of the Report

In this ISG Provider Lens™ quadrant report, ISG covers the following three quadrants for services/solutions: ESM Consulting Services, ESM Managed Services for Converged IT and Business Ops and ESM Implementation and Integration Services.

This ISG Provider Lens™ study offers IT decision-makers the following:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments (quadrants)
- Focus on regional market

Our study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the evaluation within defined market segments (quadrants) and always applies to all business sectors and company sizes. In case the service requirements are different and the spectrum of IT providers operating in the local market is sufficiently wide, a further differentiation by performance is made according to the target group for products and services. ISG considers the requirements of the business sector or the number of employees, as well as the corporate structures of the customers, and positions the providers according to their area of interest. As a result, ISG differentiates them, if necessary, into two groups defined as follows:

Midmarket: Companies with 100 to 4,999 employees or revenues between $20 million and $999 million, headquartered in the respective country, usually privately owned.

Large accounts: Multinational companies with more than 5,000 employees or revenues above $1 billion, with worldwide activities and globally distributed decision-making structures.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four groups (Leader, Product Challenger, Market Challenger, and Contender), and providers are positioned accordingly. Each ISG Provider Lens™ quadrant may include one service provider (or more) that ISG believes has a strong potential to move into the Leader quadrant. This type of provider is classified as a Rising Star.

Number of providers per quadrant: ISG evaluates and places key providers according to the scope of consideration for each study; the number of providers per quadrant is limited to 25, but exceptions may apply.

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Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/ services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

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ESM Consulting Services

Who Should Read This Section

In this quadrant report, ISG highlights the current market trends and positioning of ESM consulting service providers for enterprises in the U.S. and how each provider addresses the key challenges faced in the region. ISG lays out the current positioning of ESM consulting service providers in the U.S. with a comprehensive overview of the competitive landscape of the market.

Enterprises seek digital transformation with a quicker development cycle, and the alignment of consulting service providers with enterprises has become a major necessity. Enterprises look for a partner that can undertake an enterprise-wide consulting service initiative, as service management requirements have spread across various portfolios of an enterprise and are not limited to IT. ESM consulting is, hence, about the breadth of coverage, including all portfolios in an organization.

Also, the demand among businesses, customers and stakeholders for customized and personalized solutions is increasing. There is also a critical need for holistic guidance covering various aspects during the solution designing and assessment phases.

Strategy professionals should read this report to understand the trends and changing patterns in the ESM consulting area.

Technology professionals should read this report to learn about industry-specific solutions and providers' prowess in successfully conducting consulting assignments for diverse industries.

IT and business professionals should read this report to understand the design framework, evaluation methodologies, maturity and complexity of GRC processes in regulated industries across the U.S.

Digital transformation professionals should read this report to know how service providers design solutions and map respective technology solutions.

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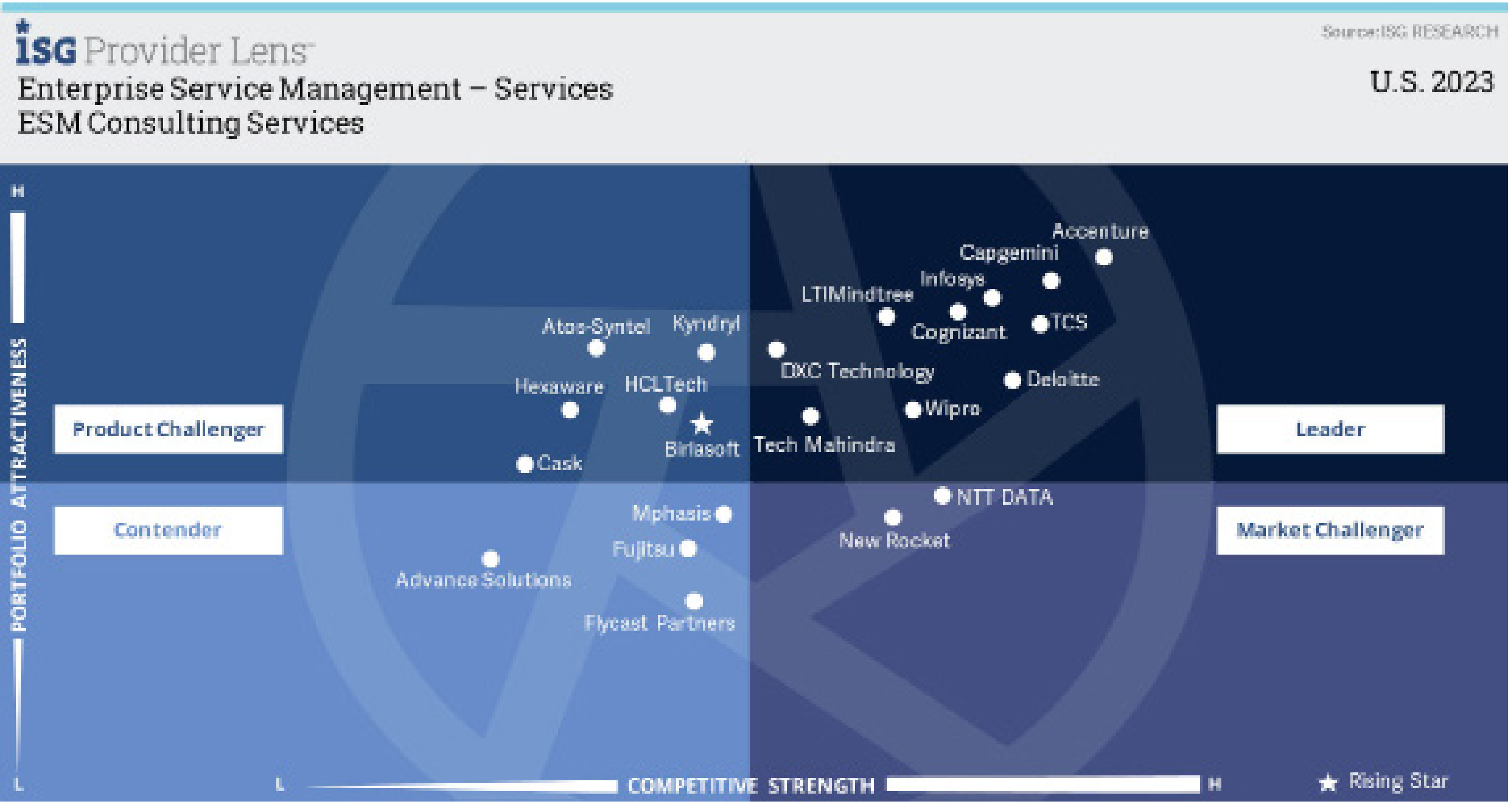

ESM consulting capability is transforming to encompass the industry, technology and practice domains, **driving business transformation**. This quadrant evaluates providers' ability to **drive end-to-end consulting engagements across the enterprise portfolio**.

Ashwin Gaidhani

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Definition

ESM consulting services bridge the gap between IT and business to connect enterprise streams and build a seamless collaboration between ITSM and ESM portfolios. Translating business and IT languages helps define one enterprise's objective. This quadrant evaluates service providers that transform the enterprise services landscape to improve their service philosophies and strategies through consulting services. These providers assist enterprises in understanding the changing market course and guide them in designing the right business, service and technology models. They also enable enterprises to reach their desired future state by recommending tools and solutions to build a sustainable and resilient business.

Eligibility Criteria

The main evaluation criteria for this quadrant are as follows:

1. **Use of reference models, assessment frameworks templates and best practices** to drive ESM initiatives across the business, organizational and IT portfolios.
2. Capability to **design service transformation strategy and roadmap** in the IT and business service management areas
3. **Digital business transformation** competency focusing on enterprise-wide portfolios
4. **Qualified and certified professionals** in IT, organizational support and business-specific process consulting
5. **Knowledge of enterprise services**, processes, workflows, tools and platforms
6. **Tool and technology certifications, accreditations** (ITSMF and PMI) and associations with standard bodies (TOGAF)
7. Competency of the provider teams to help clients in **solution designing and assembling a service portfolio** (IT and non-IT)
8. Experience in **organizational and technology change management** principles and guidance to achieve conformance with regulatory, compliance and governance frameworks

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Observations

Digital transformation is shaping organizations to ramp up their technological innovations. This has led to an increase in consulting services, as organizations are looking to provide experiential guidance to ensure a successful transformation. Service providers that can address the entire lifecycle requirements, from consulting to support, typically dominate the market. The demand for service providers that offer ESM and transformation consulting services in line with business requirements is increasing.

- Service management tools and capabilities such as ITIL 4, SIAM and IT4IT have become the axle point for the ESM strategy formulation and roadmaps. We see organizations investing in industry-focused resource competency to build vertical-centric consultancies to improve efficiency.
- With the increasing focus on customer experience, organizations are gradually shifting from traditional IT service management (ticketing, change management, asset management, etc.) and directing their energy toward customer service. This trend will continue to rise, as some companies are increasingly competing based on customer experience. Additionally, non-IT services are being transformed due to the rising need to modernize services to support technology advancements.
- The combination of strategy, business, technology and industry consulting is in demand, resulting in the growth of ESM consulting services. Service providers are bolstering their respective deficit areas to complete the consulting lifecycle.

From the 26 companies assessed for this study, 22 have qualified for this quadrant with 10 being Leaders and one Rising Star.

accenture

Accenture offers strategic and advisory services to help enterprises rethink their customer experiences, deep insights and recommendations by infusing functional and industry knowledge. These insights help businesses focus on providing their customers with 360° value.

Capgemini

Capgemini provides a comprehensive set of SIAM services through its engineered tools, templates and techniques, driving continuous innovation. The proprietary solutions help customers improve end-to-end performance, optimize overall enterprise processes and accelerate the pace and efficacy of digital transformation programs. Capgemini also designs and deploys the IT operating model, delivering end-to-end services based on a core set of SIAM principles.

cognizant

Cognizant has been ranked as a Leader in ISG's study for consulting in the ESM space over the last two years. Its ESM advisory practice follows a design-thinking and outcome-based approach to deliver successful transformations to its enterprise customers. The company has a strong consulting practice in the ESM space, primarily focused on ServiceNow.

Deloitte

Deloitte, with its industry-specific processes, focuses on enhancing enterprise competency to leverage in-depth and experiential competency. Its consulting team drives business transformation through an integrative approach. The company emphasizes core business and enterprise technology performance, delivering high customer value.

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DXC Technology

DXC Technology has strong capabilities in the ESM consulting space and has been a Leader in two of ISG's studies in the last three years. It does not equate transformational and technology consulting as one. It is extending its consulting business for ServiceNow, the leading global OEM in the ESM space.

Infosys

Infosys has shown consistent progress in the ESM consulting space. It has evolved from being a Rising Star (2021) to a Leader in the last two years. Large enterprises comprise nearly 80 percent. The ESM practice gets executive-level interest within the company, and its progress is reviewed at higher management levels. The company expects its ESM practice to grow to $2.3 billion by FY2025. Infosys has nearly 1,100 ESM consultants in the U.S.

LTIMindtree

LTIMindtree, after the merger, has become a more attractive choice for consulting services among enterprise customers in the ESM space. This is also reflected by its Leader position this year. The company's engagements with an experienced team of consultants in the U.S. have resulted in outcomes spanning lower TCO, consolidated monitoring tools, improved process governance and compliance, proactive IT operations and OCM for a smoother transition.

TCS

TCS's capability spans the end-to-end engagements of ESM. The company defines the roadmap and transformation journey, driven by human-centered organizational design principles. It supports enterprise customers in developing business and service architectures.

Tech Mahindra

Tech Mahindra's ESM consulting practice has grown over the last three years. The company has progressively moved from being a Contender (2021) and a Rising Star (2022) to a Leader (2023). The company provides consulting on end-to-end digital strategy, architecture design, transformation and new-age risk and ESG.

Wipro

Wipro has consistently shown significant progress over the last couple of years and has advanced from being a Product Challenger two years ago to a Leader in the ESM Consulting Services quadrant. In the ESM space in the U.S., the company has strong partnerships with around 20 technology and software vendors, along with the hyperscalers. It has expertise in all commonly used ESM platforms by enterprise customers.

Birlasoft

Birlasoft (Rising Star) is an emerging player in the ESM space. The company focuses on continuously building the ESM consulting portfolio, covering the platform, processes and partnerships. The enhancement of the consulting methodology by adding new tools, techniques and frameworks is evident.

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"Capgemini delivers business transformation through its advanced ESM consulting practice."

Ashwin Gaidhani

Leader

Capgemini

Overview

Capgemini is headquartered in Paris, France, and operates in 50 countries. It has more than 358,400 employees. In FY21, the company generated $21.9 billion in revenue, with Applications and Technology as its largest segment. It has a well-established ESM consulting practice with industry-leading frameworks and methodologies, including OTACE®, which is used to measure customer satisfaction. The company has strengthened its ESM services portfolio with several acquisitions over the last few years and has a clear roadmap.

Strengths

Leveraging digital SIAM frameworks for enhanced business maturity: In addition to developing transformative operating models, Capgemini offers technology consulting services. It integrates cybersecurity, Industry 4.0, data analytics and cloud technology with its ESM consulting offerings.

Comprehensive set of domain practices for compelling business impact: Capgemini has developed a wide array of proprietary, maturity service assessments that help drive ESM capabilities. The company uses Ips such as OTACE® (business performance and client feedback tracking process) to meet client aspirations.

Elevating ESM competency through continuous process and model engineering: Capgemini offers an extensive set of SIAM functions covering a broad SIAM scope embedded in the modern operating model. It has more than 75 SIAM-specific process stacks, which include more than 100 procedures, numerous work instructions and SIAM practice documentation focusing on delivering direct business value.

Caution

Capgemini must better highlight its robust service capabilities and strong use cases. It should develop service elements such as workforce management, which may be a low priority now. However, considering the labor force normalization post pandemic, workforce management is expected to become a vital growth area soon.

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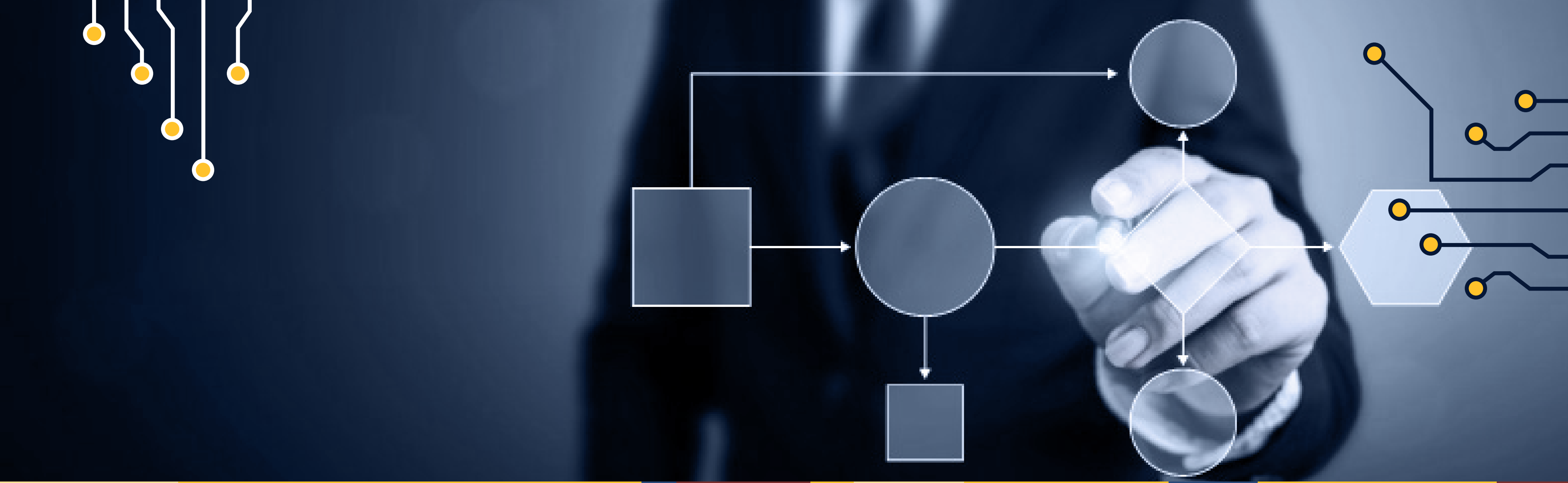

ESM Managed Services for Converged IT & Business Ops

Who Should Read This Section

In this quadrant report, ISG highlights the current market positioning of ESM managed service providers for enterprises in the U.S. and how each provider addresses the key challenges faced in the region. ISG lays out the current positioning of ESM managed service providers in the U.S. with a comprehensive overview of the competitive landscape of the market.

Many enterprises have unique requirements that demand specific tools, which can incorporate the nuances of customized functions, clients and consumers. IT and business can no longer be placed in siloes. Instead, a point of convergence exists wherein a single layer can support methods, objectives and controls. To accomplish this, enterprises need a skilled workforce with expertise in integrating software into existing systems and applications, cloud, API interfaces, big data platforms, AI automation and core programming languages.

Also, most large enterprises need an increasing level of customization, which pushes the service providers to set up or enhance their center of excellence and delivery standards. The service providers also require regular investments to improve the proper utilization of resources to provide managed services.

Strategy professionals should read this report to understand the capability of providers in the U.S. market to manage and support the entire software maintenance across all portfolios.

Service integration and management (SIAM) professionals should read this report to improve ESM managed services, while supporting a wide range of capabilities and skillsets to run enterprise operations.

Service delivery professionals should read this report to understand how ESM managed service providers retain their credibility and service quality.

Service-line and functional professionals will benefit from this report by rationalizing the fitment of ESM resources and workflows across all services.

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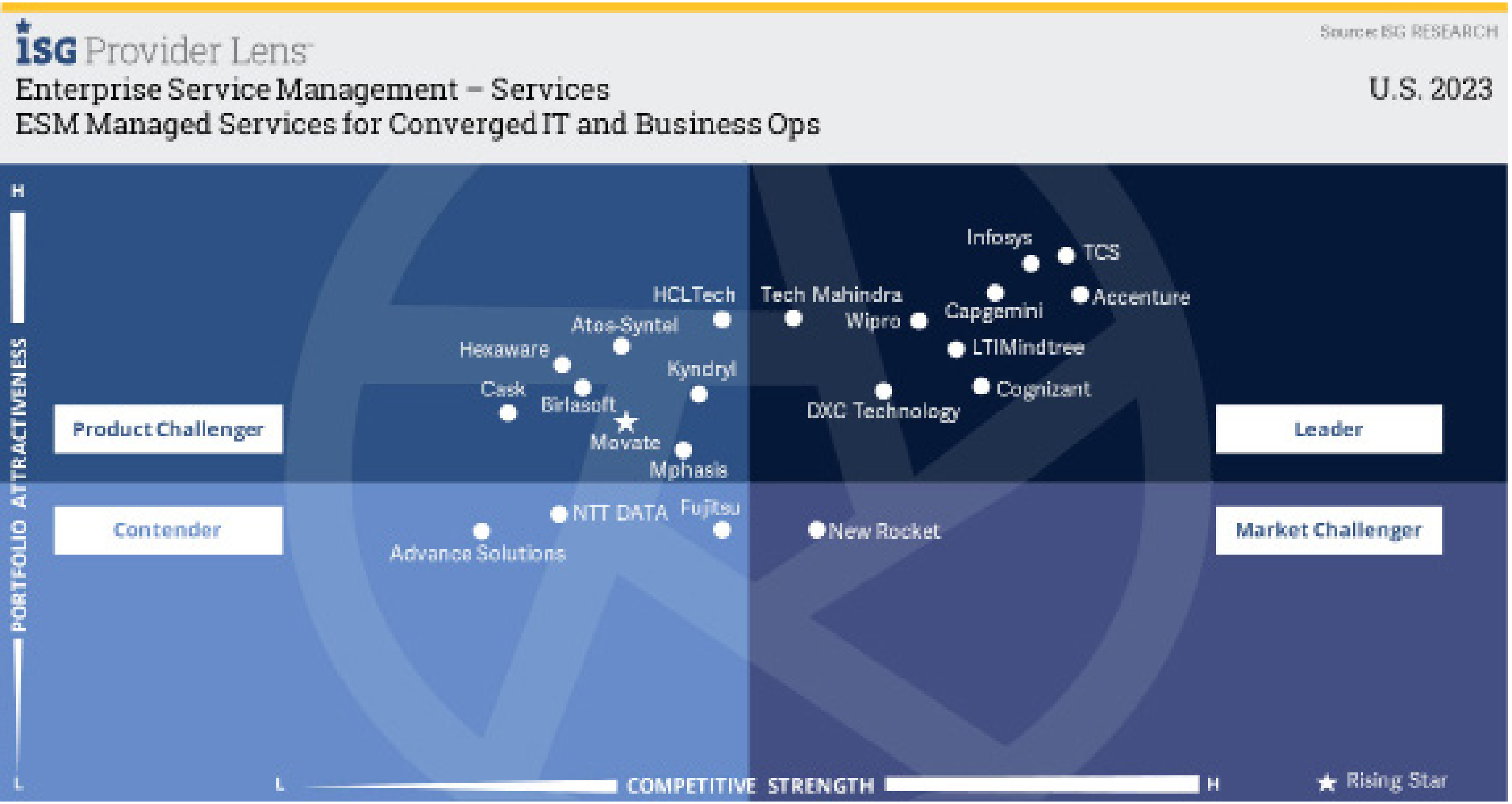

Managing and maintaining the entire **set of applications and systems across the enterprise portfolio** is complex yet critical. This quadrant assesses service providers' ability to support **customized environments through the right skillset and toolset**.

Ashwin Gaidhani

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Definition

This quadrant evaluates the service provider's ability to deliver system maintenance and service management across enterprise portfolios, including IT and business operations. The converged IT services portfolio enables the control and monitoring of business systems, IT operations and corporate services. These include infrastructure, applications monitoring and performance. Additionally, this study reviewed providers for business process support and operations capabilities built around specific business verticals and organizational functions. Modernizing the service support abilities will be a critical aspect to review. Finally, the quadrant will examine the capability of providers to offer these services globally in application landscapes comprising solutions from different software providers.

Eligibility Criteria

Main evaluation criteria for this quadrant are as follows:

1. **Breadth of service portfolio**, including IT and business process
2. **Measuring success parameters** of IT value drivers mapped to business value drivers
3. **Demonstrate operational and technical support** experience in ESM tools and corresponding workflows
4. Breadth of application management services, **functionality upgrades, and custom requirements**
5. Options to choose from multiple **service delivery and engagement models**
6. **Resource availability and competency** for management of ESM software Ability to **drive service operations across all enterprise portfolios** and competency levels

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Observations

Organizations are competing for technological innovation and are largely concentrating their resources on improving their ESM managed services and providing continuous maintenance, development and support for deploying various software applications or tools. ESM managed services are widely being adopted by leading service providers to offer seamless operations, while staying up to date with the current technological transformation and creating and developing personalized software to meet clients' requirements.

Some of the major trends in the market are:

- **Low-code/no-code platform emergence:** These platforms have been gaining traction in recent years among providers to create custom applications without the need for coding skills or reliance on IT. This trend is expected to rise, as more enterprises look for ways to accelerate digital transformation initiatives. The benefits offered by ITSM include increased agility, faster time-to-value and reduced costs.
- **Increased AI and chatbot adoption:** AI solutions are used to automate mundane tasks and provide tailored insights and recommendations while helping IT teams better anticipate user needs. Conversational AI use has increased in the market, as it drives better self-service outcomes. Conversational AI allows companies to create better user experiences and interactions to reduce manual tasks.
- **Digitized, automated and intelligent managed services improve the user experience:** Automation has become a norm in enterprise services. The use of AI-powered conversational engines, intuitive self-help tools and automated workflows to modernize and enhance managed services are on the rise.

From the 26 companies assessed for this study, 21 have qualified for this quadrant with nine being Leaders and one Rising Star

accenture

Through its collaboration with ServiceNow, **Accenture** has benefited from its platform-centric approach to develop a service-centric IT operating model (which has brought 1,200 enterprise services on one single platform), helping customers globally achieve the same.

Capgemini

Capgemini offers a wide range of managed service offerings to its clients. It has in-house accelerators and tools plus strong partnerships with third-party tool providers. Innovation in Capgemini is a continuous process, with its web of delivery centers and research and innovation labs worldwide.

cognizant

Cognizant has been a Leader for the last two years in ISG's studies on ESM managed services. It claims to have thousands of customers for managed services.

DXC Technology

DXC Technology, with its significant managed services offerings in the ESM space, has consecutively achieved the Leader position in ISG's study for the last three years, despite rising competition. It has helped its clients become more competitive by enabling flexible IT service environments.

Infosys

Infosys has been consistently ranked as an ESM managed services Leader over the last three years. ESM is one of the top five digital offerings of the company. It is aligned with its larger cloud infrastructure services (CIS) practice focusing on experience, insight, innovation, acceleration and assurance.

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The merger between LTI and Mindtree has brought considerable opportunities to cross-sell and up-sell their service management offerings. After the merger **LTIMindtree** has moved to the Leader position in this year's study. Last year, LTI and Mindtree were rated as Product Challenger and Rising Star, respectively.

TCS has helped a leading OEM achieve 99 percent customer retention rate in the ESM space. The company has frameworks, such as Agile Innovation Cloud (AIC), to deliver outcome-focused innovation on technologies such as data science, IoT, UX, AI, ML and automation.

Tech Mahindra has evolved from a Rising Star (2021) to a Leader in the last two years. The company's Shared Managed Services Platform has approximately 35 customers. For security best practices, Tech Mahindra adheres to the standards of both the OEM and the customer.

Wipro offers a range of ESM managed services through an agile delivery model, covering AIOps and observability, workload automation and ITSM. Its end-to-end observability and full-stack monitoring provide a single-pane-of-glass view for all enterprise applications.

Movate (Rising Star): This is the first time Movate has been featured in the ISG study for ESM. It has been rated as a strong Product Challenger and a Rising Star in Managed Services for the ESM space. The company focuses on connected systems and EX and CX as the basis of ESM to drive synergy between IT and business processes. Movate's center of excellence (CoE) supports customers to achieve steady state operations.

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Leader

"Capgemini's SIAM offerings go beyond the traditional scope of service management covering broader portfolio."

Ashwin Gaidhani

Capgemini

Overview

Capgemini is headquartered in Paris, France, and operates in 50 countries. It has more than 358,400 employees. In FY21, the company generated $21.9 billion in revenue, with Applications and Technology as its largest segment. Capgemini offers a range of managed services for ESM and has emerging capabilities in several ESM platforms, with multiple co-innovation centers in the U.S. It drives the ESM managed services practice through a well-defined architecture that cuts across workflow processes and platforms and is supported by a diverse set of resource competencies.

Strengths

Strong in-house intellectual property and third-party partnerships: Capgemini's Enterprise Automation Fabric (EAF) platform is a repository of many accelerators and in-house tools, such as Operations Insight, which are integrated into its managed services offering. Easy integration is facilitated by its integration-platform-as-a-service (iPaaS) DIY Integration Designer, a DIY tool allowing zero-code integrations.

Gamut of engagement models and strong focus on various industries: Healthcare and pharmaceuticals are the key industries for ESM services, followed by financial services and consumer packaged goods. Customers can choose from a wide variety of engagement models, including dedicated CoEs.

ESM-centered competency training resources: Capgemini offers specific training to customer organizations on digital SIAM processes, platforms and tools. Its digital SIAM includes a wide range of offerings beyond its enterprise customers' traditional service management scope. Capgemini is keen on building ESM resource pool through continuous ITIL and digital SIAM training programs.

Caution

Capgemini has a comprehensive ESM service portfolio. It has some strong use cases that highlight its capabilities in the public sector, in addition to other industries mentioned above. However, it must focus on further improving its market awareness initiatives to win more clients.

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ESM Implementation and Integration Services

Who Should Read This Section

In this quadrant report, ISG highlights the current market positioning of ESM implementation and integration service providers for enterprises in the U.S. and how each provider addresses the key challenges faced in the region. ISG lays out the current positioning of ESM implementation and integration service players in the U.S. with a comprehensive overview of the competitive landscape of the market.

ESM implementation and integration process is a critical part of the ESM journey. Most enterprise clients seek ESM service providers that offer best-practice-based, pre-packaged solutions, including proprietary accelerators, components and interfaces, that help accelerate, enhance and improvise the outcome.

In the U.S., system integration service providers have expanded their services from implementation and integration to migration and modernization services. These service providers focus on expanding their coverage of multiple tools and platforms to support combinations of technology integrations. This implementation experience in various industries demonstrates maturity and expertise.

Strategy professionals should read this report to decide on the right system integration partner for modernizing and delivering the technical requirements.

Technology professionals should read this report to gain insights into the latest technology trends and patterns aligned with the company goals in the U.S. tech industry space.3p6

Engineering professionals can use this report to understand the developments in software solutions to invest and build IPs and accelerators for respective activities, cloud platforms and industries.

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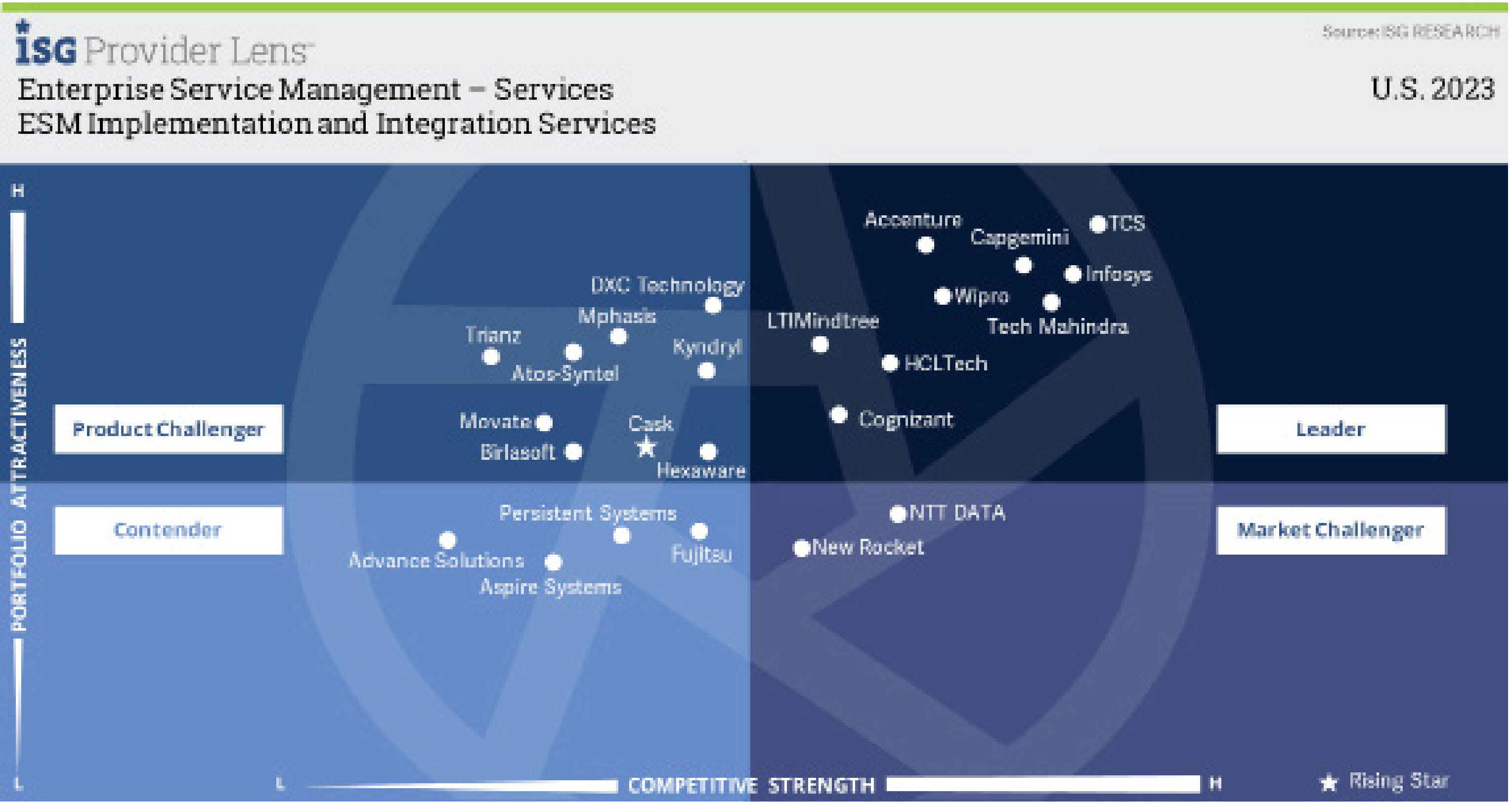

Implementations of **diverse set of enterprise solutions** across portfolios are modernizing, with emerging technologies and platforms. This quadrant evaluates providers' competency to implement and integrate a broad set of ESM systems and platforms.

Ashwin Gaidhani

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Definition

This quadrant analyzes providers with a broad set of ESM software implementation and integration capabilities within the enterprise landscape. The focus is on deep knowledge of technical and project management practices for planning, designing, developing and deploying standard software solutions for enterprise portfolios that include business, service lines and information technology systems. Implementation concentrates on installation, configuration and operationalizing the software for IT and business functions. The integration activities connect supplementary and complementary systems across all portfolios to enhance efficiency and productivity. Integration covers knowledge of different software tools and bespoke components to connect systems for data transfer, collection and analysis. The study also evaluates providers on the methodology, frameworks and practices exercised during the implementation and integration activities.

Eligibility Criteria

Main evaluation criteria for this quadrant are as follows:

1. Expertise in a broad set of **ESM technical implementation and integration** of tools, software and platforms
2. **Use of accelerators and custom solutions** for various ESM software deployment
3. Ability to **design technical solutions** as per reference architecture aligning to the described needs of the business
4. **Expertise in application optimization, support and testing services**
5. **Demonstrated use of software deployment methodologies** (agile) and practices (DevOps) during ESM software deployments and upgrades
6. Ability to **drive implementations and integrations with major hyperscale** providers and on-premises
7. **Expertise in process integration and migration** with knowledge of IT and non-IT functions across enterprise portfolios

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Observations

Technological advances drive organizations to create numerous applications, platforms and tools to facilitate seamless information flow. Enterprises developing on cloud platforms focus on integrating software and tools to drive business. Providers are currently working on improving solution mapping that focuses on identifying an organization's business requirements while planning the integration.

ISG observes the following trends in ESM implementation and integration services. They are typically led by technology and platform-agnostic service providers.

- ITSM platforms were traditionally implemented as standalone solutions. However, this is changing as providers look for ways to break down silos and take a more pragmatic and holistic approach to their IT environment. The use of tools such as iPaaS to facilitate end-to-end integration is increasing in the market because such tools provide agility and efficiency for overall IT and business operations.
- Providers are centralizing platforms and tools that are integrating to generate visibility, while improving efficacy to ensure a smooth flow of processes. For example, certain leading providers are using their solutions to improve governance over their hardware and software investments by integrating data related to hardware and software inventory, application usage, contracts and entitlements, and lifecycle status to manage and track IT investments.
- The ESM frameworks of certain providers have been created to simplify mundane or repetitive tasks by providing reusable components that save time and increase efficiency for maintaining jobs. Such applications are built to impart a consistent way of building integrations for common use cases such as extracting employee profiles or pulling tasks. Many enterprises are adopting this type of framework to streamline their tasks and reduce unnecessary workload or repetition.

From the 26 companies assessed for this study, 24 have qualified for this quadrant with nine being Leaders and one Rising Star.

Accenture has a strong partnerships with all major hyperscalers, technology vendors and software platforms. It is a leading provider of implementing and integrating CRM, ERP and workflow management systems.

Capgemini drives ESM adoption by increasing automation levels across the SIAM platform. ML, bot technology, predictive analytics and advanced workflow and orchestration are a few capabilities used to accelerate process implementation.

Cognizant has been a Leader in the ESM implementation and integration space for the last two years in ISG's studies. The company builds and implements enterprise integration platforms in partnership with OEMs. Cognizant's integration solution has built-in APIs applicable to most verticals and enterprise applications.

HCLTech has been a Leader for two consecutive ISG ESM studies. The company has a more than a decade-old partnership with the leading global OEM in the ESM space. IT service management is one of HCLTech's oldest disciplines, and the company plans to hire more people for it in the U.S.

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Infosys has been consistently evolving with complex ESM implementations. Over the years, the company has improved its market awareness and partnerships and strengthened its services portfolio. Infosys continues to adapt its strategy for diversified offerings under Horizon 1, 2, and 3 for various customers depending on criticality and impact.

LTIMindtree was a Rising Star last year. The rise indicates the synergy and capability enhancement from its merger. LTIMindtree has placed customer centricity at the center of the service delivery model. The U.S. contributes to nearly two-thirds of the company's revenue and more than 50 percent of its customers.

TCS has been ranked as a Leader in ISG's study for the last two years. The company supports customer business objectives through a unified platform by optimizing workflows, connecting disparate systems and providing best-in-class experiences.

Tech Mahindra was rated as a Market Challenger in 2021 and has been a Leader in 2022. This is owing to the company's commitment to the ESM services market. Tech Mahindra has completed approximately 550 ESM integrations and implementations.

Wipro has been a consistently performing Leader in the ESM space for the past few years. Even as the company has been on an acquisition spree recently, its competitors are inching closer. Wipro has completed several complex ESM integration and implementation projects across various corporate functions and must showcase these use cases in the market.

Cask (Rising Star) has been making steady progress from the last year. The company was rated as a Contender across all three areas of ESM in ISG's 2022 study, while it evolved to Product Challenger across all the these areas in this year's ISG study. Over the last two years, Cask has won regional, global and Americas partner awards from ServiceNow.

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Leader

“Capgemini modernized the entire ESM implementation portfolio to generate comprehensive value for the organization.”

Ashwin Gaidhani

Capgemini

Overview

Capgemini is headquartered in Paris, France, and operates in 50 countries. It has more than 358,400 employees. In FY21, the company generated $21.9 billion in revenue, with Applications and Technology as its largest segment. Capgemini has a wide range of capabilities in ESM integration and implementation services. It also has strong platform-agnostic capabilities with go-to-market (GTM) strategy driven at the CEO level. Capgemini grew its revenue by nearly 80 percent YoY, with approximately 70 percent coming from four verticals – financial services, manufacturing, healthcare and CPG.

Strengths

Robust strategy to work with ESM application and integration: Capgemini has strong, proven capability across several strategic layers, from data management to security and licensing strategy. The company has well-established frameworks and assessment models; some were developed in-house, while others were developed in partnership with companies such as Blazent.

Focus on unifying the approach to DevOps and Agile to implement ESM platforms and related systems: Capgemini has an experienced team to work on ESM software installation, customizations and licensing support. The company believes it has a robust digital SIAM approach that allows its customers to unify new and traditional development methods.

Extensive use of templates, accelerators, connectors, SIAM-specific process stacks and tools in the implementation cycle: Capgemini uses third-party accelerators such as Precision Bridge during integration or migration activities and a catalog migrator, or a knowledge migrator, which has been built in-house. It has strong ESM integration expertise in various enterprise platforms such as Microsoft, Oracle, SAP and Salesforce.

Caution

Capgemini has a strong partnership with most leading ESM software providers. However, it can further strengthen its ESM services portfolio through strong partnerships with emerging leaders in the ESM platform space. It must develop use cases in emerging domains such as facilities, while focusing on critical areas of ESM such as GRC.

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Appendix

The ISG Provider Lens 2023 – Enterprise Service Management – Services research study analyzes the relevant software vendors/service providers in the U.S. market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this report includes research from the ISG Provider Lens program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of January 2023, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of Enterprise Service Management – Services market
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

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Research Partner

Ashwin Gaidhani
Lead Analyst

Ashwin Gaidhani has a comprehensive understanding of enterprise services and digital business transformation initiatives with over two decades of experience in this field. A subject matter expert in enterprise services and workflow management, Ashwin is contributing to ISG Provider Lens™ studies as a Lead Analyst and Author, highlighting related services, platforms and digital technologies.

Ashwin brings to the table an extensive business and technology experience, revolving around service management, consulting, emerging capabilities (AI and intelligent automation), work design methodologies implementation frameworks

Research Specialist

Arjun Das
Research Analyst

Arjun Das is a senior research analyst at ISG and is responsible for supporting and co-authoring Provider Lens™ studies on Enterprise Service Management, ServiceNow Ecosystem, Banking Platforms and Services and SAP HANA Ecosystem Services. He supports the lead analysts in the research process and authors the global summary report. Arjun also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments as well.

Arjun has helmed his current role since 2020. Prior to this role, he has worked across several syndicated market research firms and has more than eight years of experience across research and consulting, with major areas of focus in collecting, analysing and presenting quantitative and qualitative data. His area of expertise lies across various technologies like IoT, artificial intelligence, VR/AR and blockchain.

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IPL Product Owner

Jan Erik Aase

Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a partner and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

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ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens research, please visit this webpage.

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ISG

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MARCH, 2023

REPORT: ENTERPRISE SERVICE MANAGEMENT – SERVICES

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