Capgemini
Application Outsourcing

Vendor Assessment
Report Abstract

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By Dominique Raviart
IT Outsourcing (ITO)
Research Director
NelsonHall

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research.nelson-hall.com

Who Is This Vendor Assessment For?

NelsonHall's Application Outsourcing Vendor Assessment for Capgemini is a comprehensive assessment of Capgemini's application outsourcing offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of application outsourcing services and identifying vendor suitability for such services

- Vendor marketing, sales and business managers looking to benchmark themselves against their peers

- Financial analysts and investors specializing in the IT services sector.

Key Findings & Highlights

In 2009, Capgemini launched its Application Life Cycle Services (ALS) top line initiative, aimed at providing both development and maintenance services, across the different units of Capgemini.

In late 2010 Capgemini announced a major reorganization of its units which resulted in the merger of its TS regional units, with the AM arm of OS. The purpose of this reorganization was to combine most of Capgemini's application service capabilities and win a larger proportion of multi-year application outsourcing contracts that increasingly combine maintenance & support with systems integration work. This resulted in the creation of Apps 1 and Apps 2.

Capgemini provides core maintenance, support and enhancement services through an industrialized approach and using resources in low cost countries. As part of this offering, Capgemini is promoting a continuous improvement service based on several elements of which:

- Failure mode analysis e.g. pro-active problem management to reduce the number of tickets. Failure mode analysis is a tool initially developed for the GM account and helped reducing tickets by a third

- Application monitoring for early failure detection

- A QA approach to development

- An application intelligence center, focused on the technical structure of applications and their quality. The offering is based on CAST Software tools and open source tools.

In addition to core maintenance and support services, Capgemini has built its ALS offering on several items

- Development of the offering portfolio

- Delivery industrialization offshoring

- Construction of a consulting-led approach with its Wide-Angle Application Rationalization Program 1 (WARP 1). Capgemini positions its WARP 1 approach as its main differentiator for its AM offering.

This NelsonHall vendor assessment analyzes Capgemini's offerings and capabilities in Application Outsourcing. Capgemini is one of a number of Application Outsourcing companies analyzed in NelsonHall's comprehensive industry analysis programs.

Capgemini's application services provide core maintenance, support and enhancement services through an industrialized approach and using resources in low cost countries. As part of this offering, Capgemini is promoting a continuous improvement service based on several elements:

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India is the largest component of Capgemini's global delivery network. In addition, the company has a number of onshore and nearshore application services factories.

Capgemini sells application services to its major outsourcing clients with whom it has large commercial relationships as well as under the form of smaller project services contracts.

Scope of the Report

The report provides a comprehensive and objective analysis of Capgemini's application outsourcing offerings, capabilities, and market and financial strength, including:

- Analysis of the company's offerings and key service components

- Revenue estimates

- Identification of the company's strategy, emphasis and new developments

- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts

- Analysis of the company's strengths, weaknesses and outlook.

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Report Author

Dominique Raviart

dominique.raviart@nelson-hall.com

Application Outsourcing Vendor Assessments Also Available for:

Amdocs, Atos, Cognizant, HP, IBM, Infosys, Steria, TCS and Wipro.