



EPAM Digital Transformation Services

**Vendor Assessment
Report Abstract**

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Who Is This Vendor Assessment For?

NelsonHall's Digital Transformation Services Vendor Assessment for EPAM is a comprehensive assessment of EPAM's digital transformation services offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of IT services and identifying vendor suitability for digital transformation services
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the digital transformation sector.

Key Findings & Highlights

EPAM Systems (EPAM) is headquartered in Newtown, PA (U.S.). It was founded in 1993 in New Jersey, with its first offshore development center located in Minsk, Belarus. In 1995, EPAM began targeting technology vendors and ISVs in a product engineering role, initially working for SAP and for ISVs, including Hyperion, Oracle and Brio Software.

This product engineering heritage evolved to include layering in technology solutions and software solutions. One key area of focus was digital transformation, initially launched in 2012 and now accounting for ~60% of EPAM's revenues. This is expected to grow further and is also driving expansion of the company's consulting capabilities.

EPAM now has ~20k FTEs across 25 countries and is aiming to maintain its 20%-25% growth, in part fueled by acquisitions; since 2012, EPAM has completed 11 acquisitions. None of these are considered major acquisitions and have not had a significant direct impact on revenues; they are tuck-in acquisitions to fill out gaps in capabilities, which has driven EPAM's ability to create new offerings and enter new markets. As an example, its 2014 acquisition of NetSoft has enabled it to launch its hospital of the future offering. Other digital acquisitions include Empathy Labs for digital strategy and experience design in 2012, Great Fridays for service design in 2014, and NavigationArts for digital strategy and experience design in 2015.

EPAM's core digital transformation consulting and implementation offerings fall into three workstreams: Think (to include digital and technical consulting), Design (which is focused on design thinking) and Engineer (to implement digital solutions).

EPAM has ~20k delivery personnel. The largest concentration of these are in Central and Eastern Europe, though EPAM is undertaking an expansion into lower cost APAC locations such as India and China, including via its acquisition of Alliance Global Services.

Scope of the Report

The report provides a comprehensive and objective analysis of EPAM's digital transformation service 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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