



Infosys Next Generation Application Outsourcing

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Next Generation Application Outsourcing Vendor Assessment for Infosys is a comprehensive assessment of Infosys' next generation application outsourcing offerings and capabilities designed for:

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

Key Findings & Highlights

Headquartered in Bangalore, Infosys was founded in 1981 in Pune by a group of seven programmers. It became a public limited company in India in June 1992 and was listed on NASDAQ in 1999, having set up development centers in several Indian cities to serve the global market.

Infosys' largest business segments are focused on the development, testing, and management of client applications. In FY 2016, this accounted for more than 75% of its total revenues.

For CY 2015, Infosys reported total revenues of \$9.2bn. NelsonHall estimates Infosys application management services revenues (which include application development, maintenance, testing and packaged services) accounts for ~75% of this (\$7.2bn).

NelsonHall estimates that ~71% (~\$4.9bn) of the application management services revenues are associated with next generation application outsourcing.

In addition to adjacent offerings such as dedicated testing and digital and integration services, Infosys segments its application services work into application development and maintenance (ADM) and package services (which covers consulting, implementation and support of packaged software packages from vendors such as Oracle and SAP).

Excluding its BPS services, Infosys has a global resource pool of ~149k. Of this, ~44k are focused on application development and maintenance, ~43k on packaged services and ~7k on digital and integration services.

Infosys has 100 global development centers from which it delivers application services. It organizes its delivery around a number of centers of excellence within these centers, in a hub and spoke model. Its agile and DevOps services include personnel located across multiple locations in US, Mexico, Belgium, U.K., Switzerland, Singapore, Sydney, Melbourne, Japan and France.

Application services make up a significant majority of Infosys' revenues and therefore receive a significant focus. With Dr. Sikka taking over the role of CEO (coming from software company SAP), a significant focus has shifted from resource-centric models to developing frameworks and tools to increase automation and cognitive capabilities. These have included tailored solutions for target industry verticals, toolsets to increase delivery efficiency and effectiveness, and Infosys Mana, which directly impacts application delivery effort. These new capabilities align well with the delivery of next generation application services and enable Infosys to

move beyond its time and materials, legacy package solution application management core.

Scope of the Report

The report provides a comprehensive and objective analysis of Infosys' next generation 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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