Mphasis
Agile Development & DevOps Services

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Agile Development and DevOps Services Vendor Assessment for Mphasis is a comprehensive assessment of Mphasis' Agile Development and DevOps services offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of IT services and identifying vendor suitability for Agile Development and DevOps services

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

- Financial analysts and investors specializing in the Application Development services sector.

Key Findings & Highlights

Mphasis has ~22k employees across 16 countries globally. It maintains a focused set of target industries, including:

- Wealth management

- Insurance

- Retail banking

- Telecom

- Travel and logistics.

Its client base of large FSI enterprises includes six large global banks, eleven large mortgage lenders, and three global insurance companies.

From 2006 to 2013, EDS and then HPE (which acquired EDS in 2008) held a significant ownership interest in Mphasis, starting at 40% and rising to 60%. In April 2016, PE Blackstone acquired a 60.5% share of Mphasis from DXC for ~$1bn. Blackstone-owned companies make up a proportion of Mphasis' client base today, where it is helping companies undergo a transformation in response to digital threats and opportunities.

Mphasis is placing significant corporate focus on enabling client digital transformations, aligning its offerings to help drive this. The core of Mphasis' digital service offerings is an approach called Anything to Cloud Powered by Cognitive (X2C2). As part of this, it undertakes a transformation approach called Front to Back Transformation (F2B). The delivery of services using agile and DevSecOps principles to modernize engineering capabilities are a fundamental component of F2B.

In November 2018, Mphasis announced it was acquiring U.S. based Stelligent, an independent operating unit of HOSTING.com. Stelligent focuses on DevOps offerings for AWS and brought ~50 engineers to form the foundation of Mphasis DevOps for AWS offerings (see Offerings section below).

NelsonHall estimates that CY 2018 revenues for Mphasis were ~$1,084m. NelsonHall estimates that ~46% (~$502m) of these revenues are associated with application development services and ~75% of these revenues are delivered using agile development and DevOps capabilities ($377m).

Mphasis positions its modern application development offerings within four foundational areas:

- Design 3.0: AI-driven, data-driven responsive experiences across multi-channels

- Architecture: focus on composable and disposable architecture to replace monolithic applications with microservices

- DevSecOps: Using Accelerated Reliability and Agility Engineering offering (XRAE) to offer traditional DevOps services with security incorporated throughout

- Talent: Aligning operating model to XRAE offering and TalentNEXT

The Mphasis agile and DevOps skilled team is primarily located in its India delivery center network, principally in Pune, Bangalore, and Chennai. It has specifically sought to not concentrate its skilled workforce in a single location for business continuity reasons.

Mphasis is making a significant investment in its agile development and DevSecOps capabilities. These investments include acquiring Stelligent for dedicated DevSecOps and AWS capabilities, expanding its skillsets through focused training, and developing the XRAE DevSecOps offering.

XRAE's full lifecycle offering positions Mphasis to help clients to mature their capabilities and tailor the areas of focus to the client's least mature or greatest opportunities for value. For a toolset, Mphasis is working with leading commercial and open source tools across the DevSecOps pipeline and is targeting its efforts in orchestration and integration.

While Mphasis possesses strong experience providing large-scale distributed agile delivery for clients, its experience is primarily concentrated within its five platinum clients. It will suit it well to leverage this experience to a larger proportion of its overall client base. In parallel, it will also need to expand its senior agile delivery experts as the limited numbers today will act as a constraint on its growth.

Scope of the Report

The report provides a comprehensive and objective analysis of Mphasis' Agile Development and DevOps 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.

Contents

Report Length

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