



Sopra Steria Digital Transformation Services

Vendor Assessment
Report Abstract

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By David McIntire
IT Services
Research Director
NelsonHall

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research.nelson-hall.com





Who Is This Vendor Assessment For?

NelsonHall's Digital Transformation Services Vendor Assessment for Sopra Steria is a comprehensive assessment of Sopra Steria'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

Sopra Steria is a France headquartered IT services company primarily focused on delivering IT services within the European market. Sopra Steria is targeting CY 2017 revenues of ~\$4.2bn and an adjusted operating margin in the 8.0%-9.0% range. Its headcount at end of Q4 2016 was 39,813.

Along with CGI, and unlike most competitors, Sopra Steria has a federal organizational structure, and its operations (countries and its various software product units) have prime P&L responsibility. Within major Sopra Steria geographies, Consulting and Systems Integration (C&SI) has structured its delivery organization by major vertical. Its organizational structure is aimed at supporting Sopra Steria's objectives of: 1. empowering personnel at the operations level, and 2. driving client intimacy through a largely onshore presence.

In addition to services, Sopra Steria also offers several software products, primarily in financial services and real estate/building management as well as covering HR through its Sopra HR software entity. Software products have been the main focus of its recent acquisitions including Cassiopae, EchoSystems, and Active3D.

In CY 2016, Sopra Steria had revenues of ~\$3.9bn. NelsonHall estimates that its digital transformation services revenues account for ~25% of this (~\$982m).

Sopra Steria positions its digital transformation work as engagements that move beyond the digitization of existing processes to reimagine how to achieve business outcomes. It works with its clients to shape digital transformation by employing three complementary functions:

- Digital champions with industry vertical knowledge
- Technology champions with a focus on specific digital solution areas
- Design thinking/UX capabilities.

Sopra Steria has a total headcount of 39,397 currently, of which it estimates that ~2,800 FTEs are dedicated to digital transformation.

Key to Sopra Steria's digital organization delivery is its DigiLabs. Sopra Steria currently has eleven DigiLabs including five in France (two in Paris, Lille, Lyon, and Toulouse) and six in its international operations in Singapore, Berlin (Germany), Madrid (Spain), London (U.K.), Oslo (Norway), and Noida (India).

Scope of the Report

The report provides a comprehensive and objective analysis of Sopra Steria'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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Report Author

David McIntire

david.mcintire@nelson-hall.com

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