Tech Mahindra
Agile Development & DevOps Services

Vendor Assessment
Report Abstract

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By David McIntire
IT Services
Research Director
NelsonHall

9 pages

Who Is This Vendor Assessment For?

NelsonHall's Agile Development and DevOps Services Vendor Assessment for Tech Mahindra is a comprehensive assessment of Tech Mahindra's 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

Tech Mahindra was founded in 1986 and is headquartered in Mumbai, India. A major shareholder is Mahindra Group (with ~36% of shares).

Tech Mahindra started focusing on offering agile development services in 2011. It added DevOps capabilities in 2013. Initially, it focused on selling the business case for agile development for clients to adopt it. Now, nearly all clients are seeking agile delivery with the current focus on being able to scale focused efforts to broader enterprise-wide engagements and ensuring that the planned value is realized, which was a challenge in early efforts.

The lead group within Tech Mahindra, delivering agile development and DevOps services is a horizontal consulting group called Business Excellence (BE). This global team of ~250 consultants are targeted with training both clients and delivery teams on the use of agile and driving the implementation of DevOps. The Business Excellence team estimates it has trained ~600 clients on agile development techniques.

Business Excellence also manages a DevOps lab located in Bangalore which supports pre-sales and RFP response efforts. This lab manages a rotating team of skilled resources and acts as a central point for investments in new IPs.

Tech Mahindra's total revenues for CY 2018 were ~$4.9bn. NelsonHall estimates that application services revenues accounted for ~63% of this (~$3.2bn).

NelsonHall further estimates that ~30% (~$935m) of this application service revenue is delivered through the use of agile development and DevOps capabilities.

Tech Mahindra positions its agile and DevOps capabilities in support of client delivery transformation. It frequently sees agile and DevOps implementation incorporated into a broader transformation, including cloud migration and implementation of microservices. Tech Mahindra positions its application transformation across six levers.

Tech Mahindra has ~122k employees, with ~72k focused on IT services. NelsonHall estimates that ~15k have been trained in agile principles. Of this, ~12k are actively delivering agile and DevOps services to clients. The company also has ~300 scrum masters.

While Tech Mahindra possesses agile development trained resources throughout its delivery network, the core of its DevOps capabilities are located at its DevOps lab on its Bangalore campus. Here a rotation of ~30 employees support RFP and pre-sales efforts and work on developing IP.

Tech Mahindra developed its DevOps platform, ADOPT, in 2014, which has given it time to use it with clients and mature its capabilities. Combined with a dedicated agile and DevOps consulting capability in its Business Excellence group, Tech Mahindra possesses an experienced offering for clients looking to shift from traditional development to agile and DevOps.

This is particularly the case for existing clients, where 80% of Tech Mahindra's work is currently aimed. While this reflects well on how Tech Mahindra is perceived by its client base, being overly reliant on this limited pool of clients for growth can be a risk. Taking its deep agile and DevOps experience and using it as an entry point with new clients would be beneficial.

In parallel with maturing existing capabilities, Tech Mahindra is investing in growing its skilled employee base, through a defined training curriculum. With NelsonHall estimating that less than half of its application services employee base has been trained on agile and DevOps, this needs to continue to be a major focus. Additionally, while Tech Mahindra recognizes the importance of instilling culture and organization changes to drive agile adoption, its dedicated agile OCM practice is limited (~20 employees globally). It would pay to expand this team either through investment in more dedicated agile OCM employees or cross-training of other OCM skilled teams.

Scope of the Report

The report provides a comprehensive and objective analysis of Tech Mahindra's 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.

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Report Author

David McIntire

david.mcintire@nelson-hall.com

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NelsonHall will be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager:

Guy Saunders at guy.saunders@nelson-hall.com