IDC MarketScape: Worldwide Oracle Implementation Services 2023 Vendor Assessment

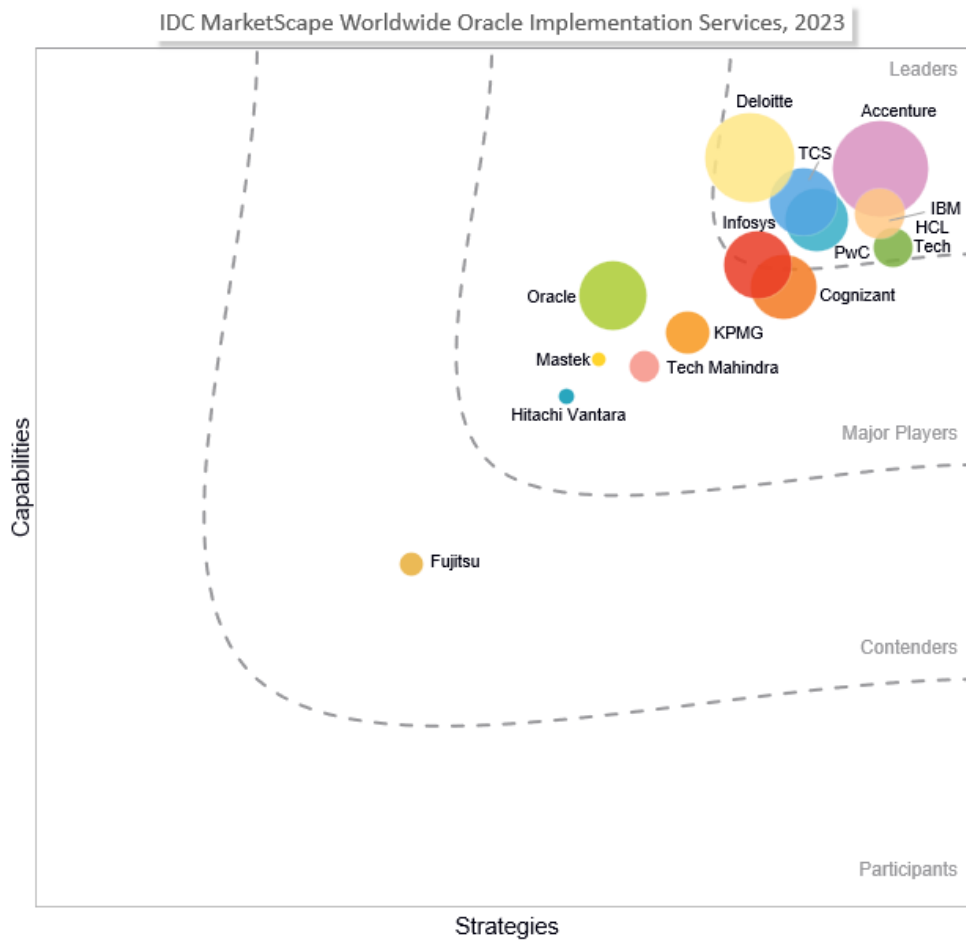Brian Wood   Gard Little

THIS IDC MARKETSCAPE EXCERPT FEATURES HCLTECH

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Oracle Implementation Services Vendor Assessment

Source: IDC, 2023

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Oracle Implementation Services 2023 Vendor Assessment (Doc # US49837623). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1 and 2.

IDC OPINION

This IDC study represents a vendor assessment of the 2023 Oracle implementation services ecosystem market through the IDC MarketScape model. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor's success in the marketplace and help anticipate the vendor's ascendancy. This IDC MarketScape covers a variety of vendors participating in the worldwide Oracle implementation services ecosystem market. This evaluation is based on a comprehensive framework and set of parameters expected to be most conducive to success in providing Oracle implementation services in both the short term and the long term. A component of this evaluation is the inclusion of the perception of Oracle implementation services buyers of both the key characteristics and the capabilities of these providers. Buyers were surveyed across all three of IDC's macroregions. Key findings from the evaluation include:

- Across all 14 strategies assessed, the three strategies vendors were rated most highly are "portfolio strategy," "delivery," and "marketing strategy." The three areas of key capabilities highly rated on average by customers are "functionality or offering," "functionality/offering delivered," and "delivery model appropriateness and execution."

- Based on IDC's *Global Oracle Implementation Services Buyer Perception Survey* feedback from 37 of the evaluated vendors' customers, the most critical business priority for them was to "improve operational efficiency," followed by to "reduce cost/improve profitability and/or cashflow," while the most critical vendor attribute for successful Oracle implementation services was being "able to achieve desired business outcomes," followed closely by "ability to meet the engagement timeline."

- Through discussions with buyers, IDC determined that this is a mature market where strategy is more of a differentiator than capabilities. Accordingly, criteria are weighted 60:40 for strategies to capabilities for the 2023 analysis.

- Enterprises are heavily integrating Oracle products with other products within their systems portfolio, and some are undertaking business process enhancement/realignment when adopting Oracle solutions. In a recent IDC survey, 54.2% of respondents chose "system conversion (full data movement with no process transformation)" as the implementation approach they have or will utilize for deploying cloud, 44% chose "new implementation (full data and process transformation)," and 23.2% chose "selective data and process transformation (client defines what data and processes are selected for transformation" (see *Implementation Approaches for Moving to the Cloud,* IDC #US50517823, March 2023).

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

This research includes an analysis of 13 Oracle applications systems integrators (SIs) with broad portfolios spanning IDC research coverage and with global scale. This assessment is designed to evaluate the characteristics of each firm, as opposed to its size or the breadth of its services. The inclusion criteria are:

- At least $300 million in revenue coming from a vendor's Oracle implementation services practice at a worldwide level
- A minimum of 3,250 Oracle implementation-associated global resources
- At least 10% of the vendor's worldwide Oracle revenue and head count coming from each of IDC's macroregions

ADVICE FOR TECHNOLOGY BUYERS

Define and Agree on Success

When engaging with the vendors on your short list, present and discuss your business case and/or feasibility study and how the results will be measured. Discuss all competing priorities and include all key stakeholders in the discussion. If possible, discuss guardrails (e.g., goal of increasing revenue with a guardrail of as long as gross margin does not go below X) and acceptable trade-offs (e.g., we are willing to accept a lower gross margin if we can become carbon neutral Y months sooner) (see *Define and Agree on Success,* IDC #US50159923, April 2023).

Create an "Out of Scope" Backlog Identifying Associated Key Stakeholders

As part of the process of managing scope for the current project, it is important to identify additional phases to address priorities currently deemed out of scope. This will help with the next item of advice for technology buyers, which is to focus on organizational change management and performance management. Since not all performance goals are positively correlated and maintaining manageable project scope is critical to success, showing stakeholders that their concerns may not be addressed immediately, they are important and will be documented for future phases will help win them over and will assure them that their efforts will not be for naught.

Focus on Organizational Change Management and Performance Management

It is a well-known fact that changing the way people think and act is more difficult and takes longer than changing technology. Similarly, many believe that change management requires an outside-in perspective that cannot be easily provided internally. So it is important that you discuss the change management requirements and approach as part of the engagement process. IDC also includes performance management in this section because it is often necessary to adjust the way people are evaluated and paid to ensure the metrics defined in the business case are achieved. For digital transformation and reinvention, ignoring any of this is perilous.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

HCLTech

According to IDC analysis and buyer perception, HCLTech is positioned in the Leaders category in the 2023 IDC MarketScape for Oracle implementation services ecosystem worldwide.

HCLTech's Oracle practice mission statement is building digital enterprises with Oracle Cloud. With this mission statement, the practice strategy is defined as:

- Building digital enterprise with Oracle Cloud is an exercise in converging strategy, leveraging people and technology, and embracing innovations to build customer-, channel-, and employee-centric organizations.
- Our end goal at Oracle practice is to create competitive advantage for our customers with increased efficiency and agility.

HCLTech's Oracle practice invests in tools, accelerators, and frameworks supported by its talent that addresses both the on-premises and cloud applications. HCLTech's IP PM Smart is an enterprise project management platform that helps in managing the complete end-to-end project management activities.

HCLTech has 8,000+ Oracle practice FTEs and 240+ active customers.

Strengths

HCLTech's strengths are in the company's offerings around ebusiness suite, Oracle Cloud Infrastructure (OCI) and other Oracle solutions, the breadth and depth of IP/tools to deliver Oracle implementation services, and the ability to provide access to vendor labs and resources to co-innovate prototypes for new solutions based around Oracle products. In addition, HCLTech scored above average on its quality of client management/engagement process and resources and on its ability to provide both technical and functional insights and competency.

Similarly, IDC views HCLTech highly in terms of its innovation/R&D strategy and its use of automation both as implementation platform/tools and in business solutions.

Challenges

HCLTech is challenged by resource fulfillment.

IDC believes HCLTech's marketing channel capabilities could be improved by including podcasts and running physical/virtual customer events at the Oracle practice level.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

The Oracle implementation services ecosystem market covers the design, build, and integrate functions of the design-build-run function chain (see Figure 2). The design phase includes both IT and business consulting. For a detailed definition of the services markets illustrated in Figure 2, see *IDC's Worldwide Services Taxonomy, 2022* (IDC #US47769222, July 2022).

FIGURE 2

IDC's Design-Build-Run Function Chain
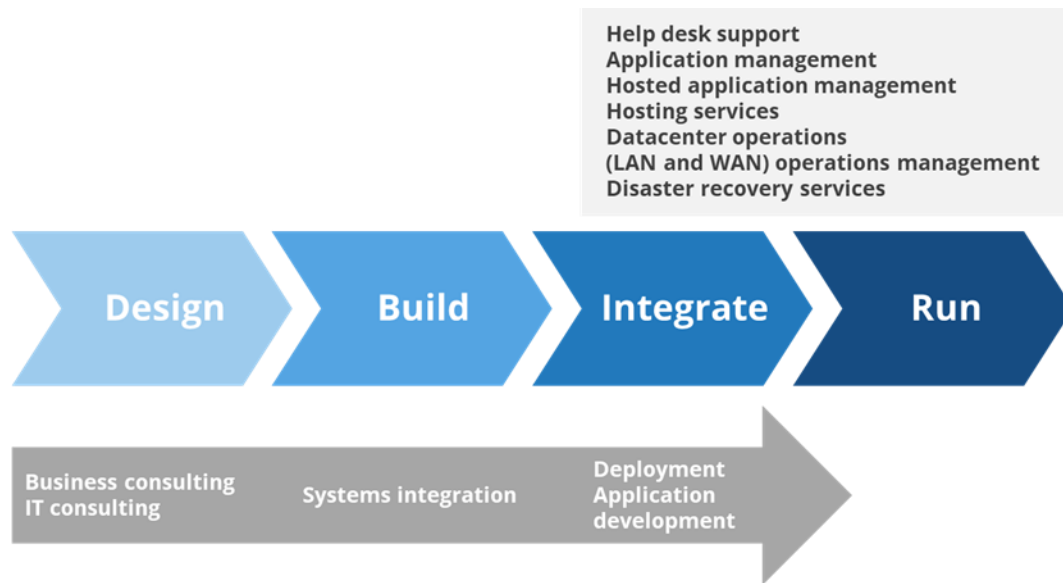
Source: IDC, 2023

LEARN MORE

Related Research

- *IDC's Worldwide Services Taxonomy, 2022* (IDC #US47769222, July 2022)
- *IDC MarketScape: Worldwide Oracle Implementation Services 2020 Vendor Assessment* (IDC #US45354320, November 2020)
- *Worldwide and U.S. Systems Integration Services Forecast, 2020-2024* (IDC #US45198620, May 2020)

Synopsis

This IDC study represents a vendor assessment of the Oracle implementation services ecosystem through the IDC MarketScape model. This assessment discusses both quantitative and qualitative characteristics that explain success in the Oracle implementation integration services market. This IDC MarketScape covers a variety of vendors participating in the Oracle implementation services space. The evaluation is based on a comprehensive and rigorous framework that assesses vendors relative to the criteria and to one another and highlights the factors expected to be the most influential for success in the market in both the short term and the long term.

"Customers expect their service providers to produce measurable business outcomes in line with their business case and often want contracts that specify these outcomes," says Brian Wood, research director, IT Consulting and Systems Integration at IDC.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

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