

Everest Group PEAK Matrix[®] for Microsoft Azure System Integrators 2021

Focus on HCL Technologies
December 2020



Introduction and scope

Everest Group recently released its report titled [System Integrator \(SI\) Capabilities on Microsoft Azure Services PEAK Matrix® Assessment 2021](#). This report analyzes the changing dynamics of the Microsoft Azure public cloud landscape and assesses system integrators across several key dimensions.

As a part of this report, Everest Group updated its classification of 26 system integrators on the Everest Group PEAK Matrix® for SI capabilities on Microsoft Azure Services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix® is a framework that provides an objective, data-driven, and comparative assessment of Microsoft Azure system integrators based on their absolute market success and delivery capability.

Based on the analysis, **HCL Technologies emerged as a Leader**. This document focuses on **HCL Technologies'** SI capabilities on Microsoft Azure and includes:

- HCL Technologies' position on the SI capabilities on Microsoft Azure Services PEAK Matrix®
- Detailed Microsoft Azure services profile of HCL Technologies

Buyers can use the PEAK Matrix® to identify and evaluate different system integrators. It helps them understand the system integrators' relative strengths and gaps. However, it is also important to note that while the PEAK Matrix® is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements and match them against system integrator capability for an ideal fit.

Background of the research

- Enterprise consumption of cloud has witnessed a dramatic shift, from a skeptical outlook towards public cloud to going all in on public cloud, in the last few years. More than 90 percent of enterprises already leverage one or public clouds in their enterprise environment
- COVID-19 has further accelerated enterprise migration to public cloud as most enterprises could see clear business continuity benefits during the pandemic. Contrary to an expected slowdown due to COVID-19, most enterprises have accelerated their digital transformation efforts with migration to public cloud being a key transformation lever
- Microsoft Azure, with its full stack of offerings across workplace, enterprise IT applications, IT infrastructure, data & analytics, business applications, and collaboration tools, along with its strong existing relationship with enterprises, is becoming a preferred public cloud provider. Rapid adoption of Azure offerings in the market coupled with management complexities and talent crunch is pushing enterprises to seek third-party support. System integrators help enterprises in navigating the Azure landscape across infrastructure, platform, data, and next-generation technology segments
- In this research, we provide an assessment of 26 Azure cloud system integrators featured on the SI capabilities on Microsoft Azure PEAK Matrix®

The assessment is based on Everest Group's annual RFI process conducted over 2020, interactions with Azure cloud system integrators, client reference checks, and an ongoing analysis of the cloud services market.

This report assessed the following 26 system integrators on Microsoft Azure PEAK Matrix® Assessment 2021:

- **Leaders:** Accenture, Capgemini, Cognizant, DXC Technology, HCL Technologies, Infosys, TCS, and Wipro
- **Major Contenders:** Brillio, Cloudreach, Coforge, Ensono, GFT, LTI, Microland, Mindtree, Mphasis, NTT DATA, Sopra Steria, Tech Mahindra, UST Global, and Virtusa
- **Aspirants:** Aspire Systems, Blazeclan Technologies, Coretek, and Zensar

Scope of this report:



Geography
Global



System integrators
26 leading cloud system integrators



Services
Cloud services

System Integrator (SI) Capabilities on Microsoft Azure Services PEAK Matrix® characteristics

Leaders:

Accenture, Capgemini, Cognizant, DXC Technology, HCL Technologies, Infosys, TCS, and Wipro

- Leaders have established successful businesses in Azure services, driven by capability building and experience across the infrastructure, platform, data, and next-generation capabilities
- These players continue to proactively drive investments in next-generation technology themes and build strategic roadmaps for Azure services (internal IP/tools, partnerships, and acquisitions)
- Leaders have a strong focus in driving alignment between the business and IT teams of enterprises to derive higher value through contextual solutions tailored to specific enterprise requirements
- All Leaders have a strong focus on driving large-scale / complex cloud transformation, specifically for the large enterprise segment (with annual revenue greater than US\$5 billion)

Major Contenders:

Brillio, Cloudreach, Coforge, Ensono, GFT, LTI, Microland, Mindtree, Mphasis, NTT DATA, Sopra Steria, Tech Mahindra, UST Global, and Virtusa

- Major Contenders in the Azure services space include born in the cloud system integrators as well as Indian-heritage system integrators
- While global players strongly leverage/include their assets and datacenter footprint along with their Azure services offerings, “asset-light” providers leverage their partner technology ecosystem to provide these services
- These companies continue to invest aggressively in building their IP, partnership ecosystem, and delivery capabilities across the Azure services spectrum, as well as in increasing their global coverage

Aspirants:

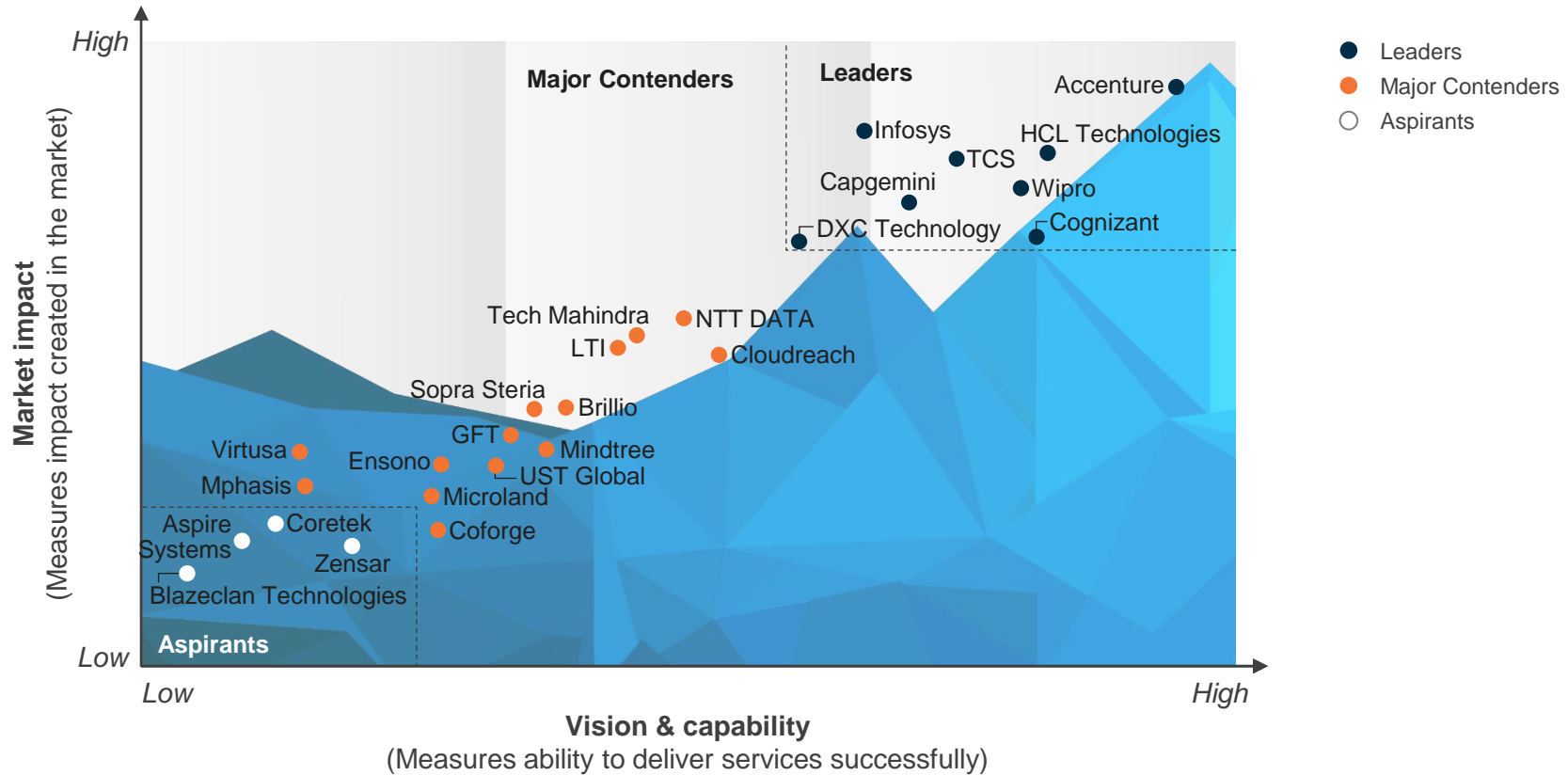
Aspire Systems, Blazeclan Technologies, Coretek, and Zensar

- The Azure services business of Aspirants is in the initial stages of asset and capability maturity
- While these system integrators are making investments to build delivery capabilities and IP/tools, they will also need to develop and strengthen advisory and design services capabilities on Azure to build market awareness and credibility as strategic transformation partners for enterprises

Everest Group PEAK Matrix®

System Integrator (SI) Capabilities on Microsoft Azure Services PEAK Matrix® Assessment 2021 | HCL Technologies positioned as Leader

Everest Group System Integrator (SI) Capabilities on Microsoft Azure Services PEAK Matrix® Assessment 2021



Source: Everest Group (2020)

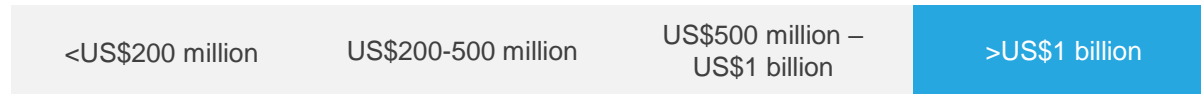
HCL Technologies | system integrator capabilities on Microsoft Azure (page 1 of 5)

Overall cloud services overview

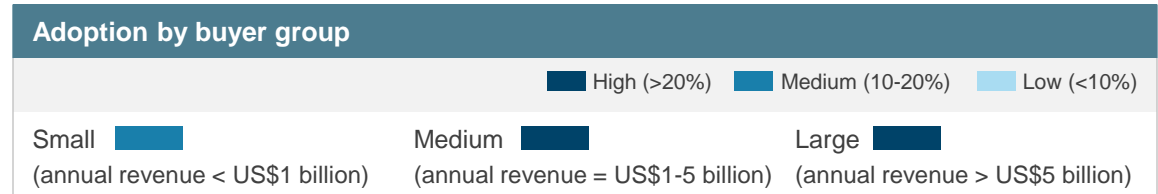
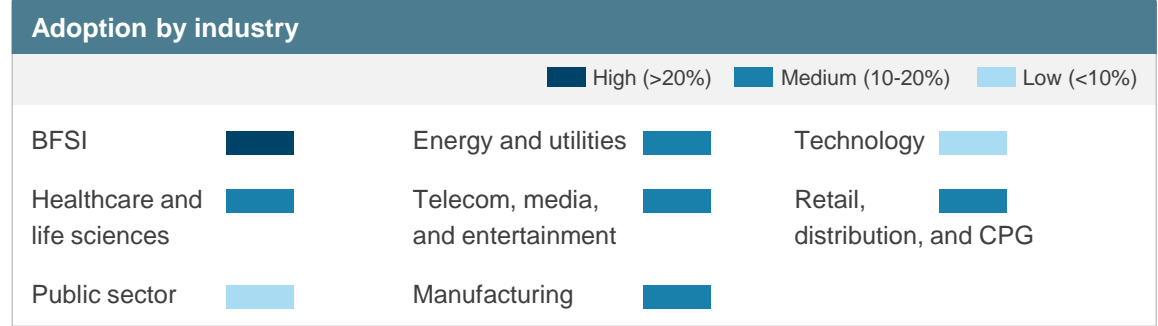
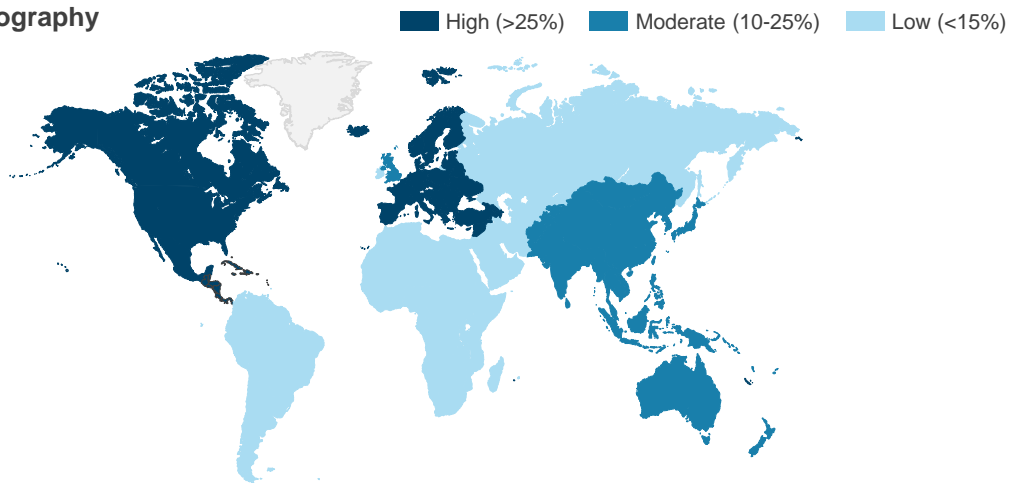
Cloud services vision:

HCL Technologies provides a suite of cloud services that delivers smarter digital experience across the cloud value chain. It offers a full spectrum of services from the cloud to the edge that aims to enable experience-centric and outcome-oriented business benefits for its clients. It has adopted “everything-as-a-service” philosophy, which looks to offer an open, scalable, and integrated approach to manage multi-cloud and support clients’ life cycle of cloud transformation through a single unified catalog.

Overall cloud services revenue (2019)



Adoption by geography



Source: Everest Group (2020)

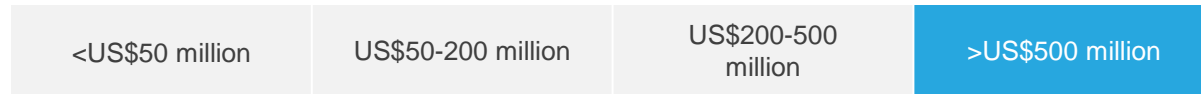
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Capabilities on Microsoft Azure overview

Azure partnership overview:

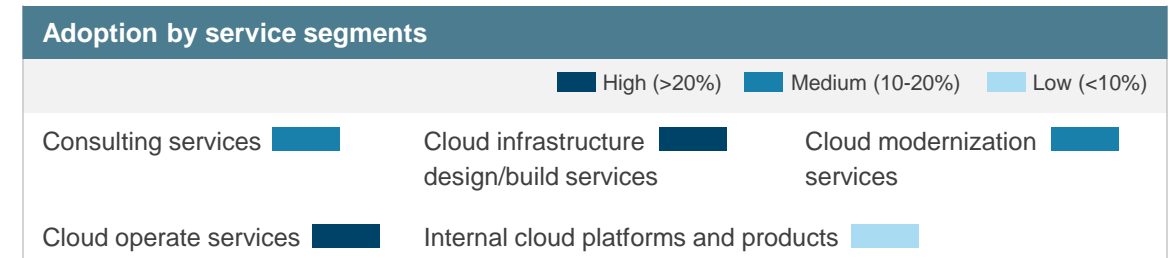
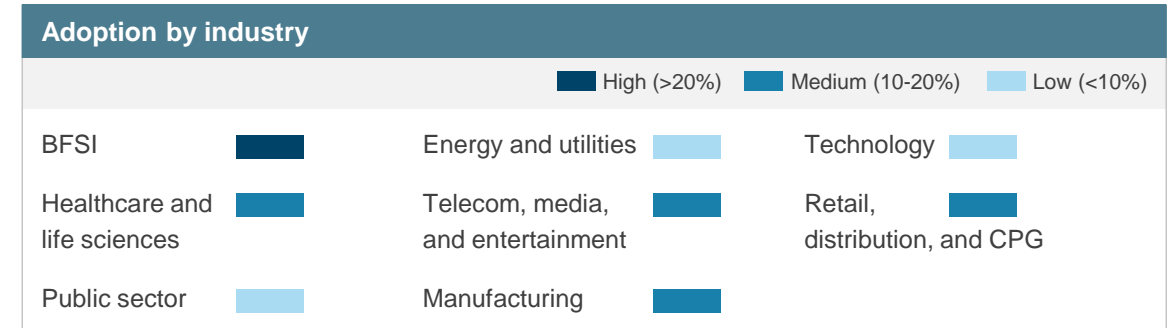
HCL and Microsoft’s partnership is based on a robust 360-degree relationship. HCL uses the Microsoft ecosystem to accelerate customers’ digital transformation journey. HCL is a Microsoft Expert MSP and SAP on Azure advanced specialization partner, with 12 gold competencies including cloud platform, cloud productivity, and cloud analytics. HCL has invested in setting up facilities and labs for next-generation technologies with IoT CoLLABS and Lab 21 setup within the Microsoft campus in Redmond.

Revenue from Azure-related services (2019)



Azure portfolio – key highlights (representative list)

- Recognized by Microsoft as a competent partner in the following categories: Cloud Business Application, Cloud Platform, Cloud Productivity, SAP on Azure, and Windows Virtual Desktop
- HCL offerings with differentiating transformation, support, and maintenance services are listed in Microsoft’s One Commercial Partner(OCP) catalog. Solutions on OCP include Real-time Manufacturing Insights (RMI), Real-time instore Insights (RII), etc.
- Key use cases delivered on Azure include:
 - Application modernization on cloud
 - Large scale SAP migration
 - Data & AI and IoT on Azure
 - Microsoft business applications including Dynamics CRM



HCL Technologies | system integrator capabilities on Microsoft Azure (page 3 of 5)

Key solutions

Proprietary solutions (representative list)	
Solution name	Details
MyCloud	A multi-cloud life cycle management product that empowers organizations to optimally govern, provision, monitor, and manage cloud infrastructure
CloudArmour	A security platform that provides comprehensive visibility in clients' cloud environment to keep a continuous compliance check and adhere to all the defined policies including HIPPA, PCI-DSS, CIS, ISO, SOC, etc.
VelocITy	A multi-cloud solution based on certified and validated reference architecture available to be consumed based on flexible commercial constructs. It addresses business productivity, intelligent migration, and DevOps, providing benefits such as faster time-to-market, agility, and predictability
Dprizm	A patented unified assessment tool for cloud readiness analysis and cloud migration strategy and planning
Action	A portfolio of products and solutions spanning data management, integration, and analytics, activating the value of hybrid data for enterprises
DRYiCE MyXalytics	A unified reporting and dashboarding software tool. It ingests data from multiple enterprise tools, creates insightful and intuitive reports, and projects the results, configurable in role-based dashboards
iLIT DC	A mainframe suite of solution frameworks and accelerators that help in understanding legacy mainframe code and extracts business rules, process mappings, and interdependencies of various mainframe modules
DRYiCE MTaaS	A hosted enterprise management platform powered by the DRYiCE AIOps framework for delivery of IT management tools
XRStudio	Extended reality application development platform to rapidly develop industry-ready augmented, virtual, and mixed reality applications using reusable modules, components, algorithms, starter kits, and conversion kits
ADvantage Azure	Suite of frameworks and accelerators focusing on differentiation through AI- and ML-infused services on Azure PaaS in areas of application modernization, modern application development, integration, and data
One Click IP	End-to-end automation for cloud foundation build and lift-and-shift migrations on Azure
HCL Sketch	Internally built accelerator framework for development and management of data migration pipelines based on open-source technologies. It has connectors to most industry standard data access methods and data sources

HCL Technologies | system integrator capabilities on Microsoft Azure (page 4 of 5)

Case study, investments, and recent activities

Case study	
Business technology transformation	
Client	A leading software & consultancy company
Business challenge	The parent organization was struggling with business growth. Thus, they acquired a company to drive SaaS adoption. Large scale migration of business IT to cloud was required to meet business agility requirements (no internal IT support in scope)
Solution	The solution had 35,000+ instances on Azure and was implemented with agile delivery using Azure DevOps. Capabilities included scaling up/down operations using U4X and hybrid cloud management with orchestration. HCL also provided an innovation hub for next-generation technology PoCs and training, integrated agile operations utilizing specialized squads, AI-based predictive intelligent automation, and capacity forecast dashboard for managing two-fold demand.
Impact	<ul style="list-style-type: none"> • Capacity forecast dashboard for addressing >80% demand proactively • IaaS delivered for greater agility and legacy UNIX modernization • Up to 30% reduction in incidents in 18 months; 5-10% YoY reduction in cloud cost consumption • Achieved 15% optimization in software license cost upon refresh; 15% auto resolution of incidents in 18 months

Recent investments and activities (representative list)	
Development	Details
Business Unit	HCL recently announced the launch of the HCL Microsoft Business Unit in January 2020, which has been designed to accelerate innovation for customers
Innovation centers	<ul style="list-style-type: none"> • HCL has developed IoT COLLAB™, IoT innovation centers, in Washington, Seattle, and Noida, where clients can co-create IoT-led solutions • “Lab 21,” based in Redmond, helps HCL develop high-impact business solutions based on the Microsoft AI platform and Azure Cloud with deep competencies on MS Cortana Intelligence stack
Delivery centers	<ul style="list-style-type: none"> • HCL has dedicated Microsoft delivery centers in India and Redmond, the US • HCL has multiple Microsoft vendor offshore facilities including Redmond Microsoft Delivery Center

HCL Technologies | system integrator capabilities on Microsoft Azure (page 5 of 5)

Everest Group assessment – Leader

Measure of capability: ● High ◐ Low

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall

Strengths

- To meet the unique requirements of different verticals, HCL Technologies has developed industry-specific solutions on Azure that focus on verticals including BFSI, manufacturing, retail, and Healthcare and Life Sciences (HLS)
- It has setup innovation centers and labs to develop business solutions based on Microsoft AI platform, Cortana Intelligence Suite, and Azure IoT platform
- Through PowerObjects, an HCL Technologies company, it delivers Microsoft business applications and Dynamics 365 solutions on Azure with excellent customer satisfaction scores
- HCL Technologies’ flexibility to work with customers, ability to deliver solutions during ambiguous situations, and aptitude to collaborate with Azure professionals were cited as key strengths

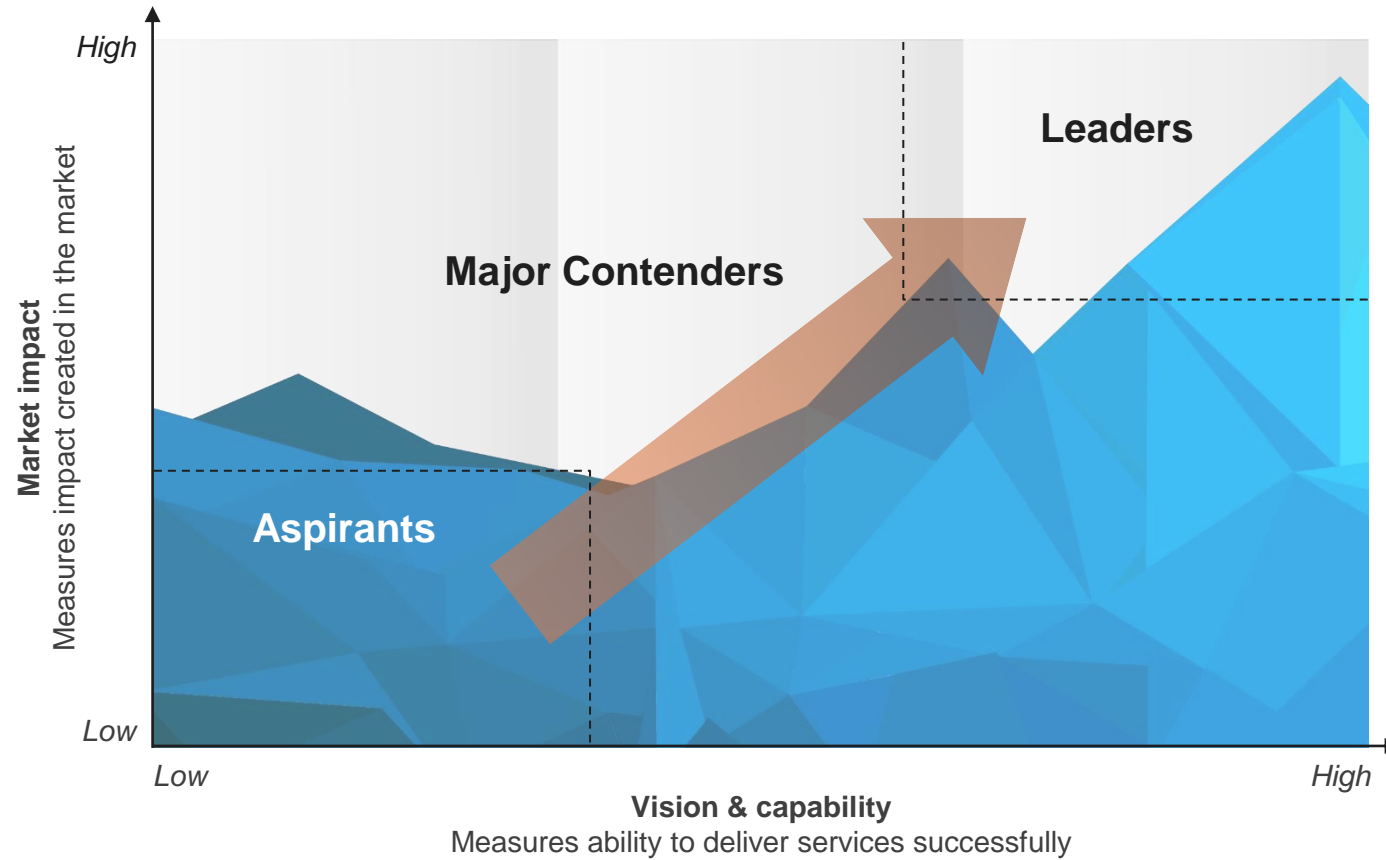
Areas of improvement

- As next steps, HCL Technologies needs to acquire Microsoft Gold competencies in the areas of data platforms and DevOps to augment its capabilities in this space
- Clients feel there is scope for improvement in providing the right level of visibility into Request Units (RUs) and billing on Azure consumption
- It needs to be proactive in offering best practices and automation capabilities on Azure
- While HCL Technologies is perceived as a strong implementation partner, it needs to build further proof points and credibility to be seen a strategic partner for end-to-end transformation on Azure

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

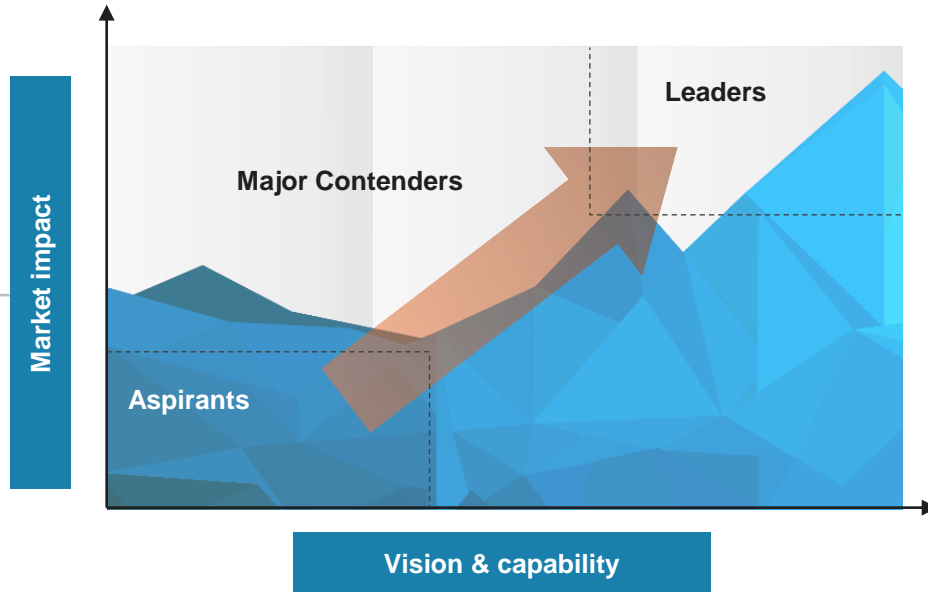
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YOY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



Measures ability to deliver services successfully. This is captured through four subdimensions

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging system integrator / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class system integrators / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a system integrator / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



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