

Everest Group PEAK Matrix™ for Network Transformation and Managed Service Providers 2020

Focus on HCL Technologies
January 2020



Introduction and scope

Everest Group recently released its report titled “[Network Transformation and Managed Services PEAK Matrix™ Assessment 2020: Transform your Network or Lie on the Legacy Deathbed.](#)” This report analyzes the changing dynamics of the network services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 13 service providers on the Everest Group PEAK Matrix™ for network services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of network service providers 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’** network services experience and capabilities and includes:

- HCL Technologies’ position on the network transformation and managed services PEAK Matrix
- Detailed network services profile of HCL Technologies

Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ 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 service provider capability for an ideal fit.

Background of the research

Networks have traditionally been the most neglected component within the IT infrastructure. Digital transformation within enterprises has so far focused on the compute aspect with cloud being the main driver. However, enterprises now realize that without network transformation, optimum benefits of digital transformation cannot be realized. This has changed enterprise expectations from networks. Enterprises have now begun leveraging network services to achieve the desired business-oriented outcomes. They are engaging service providers for network transformation across datacenter, Wide Area Network (WAN), and branch. WAN transformation is becoming the starting point of network transformation for most enterprises due to its immediate cost benefits and low business disruption. Enterprises need to ensure that they develop the right business case for network transformation to derive the maximum benefits. Service providers need to think beyond networks and should align the networks as a digital transformation enabler.

In this research, we present an assessment and detailed profiles of 13 network service providers featured on the network services PEAK Matrix™. Each service provider profile provides a comprehensive picture of its service focus, key Intellectual Property (IP) / solutions, domain investments, and case studies. The assessment is based on Everest Group's annual Request For Information (RFI) process for calendar year 2019, interactions with leading network service providers, client reference checks, and an ongoing analysis of the network services market.

Scope of this report

- **Services:** Network services
- **Geography:** Global
- **Service providers:** 13 leading network services providers

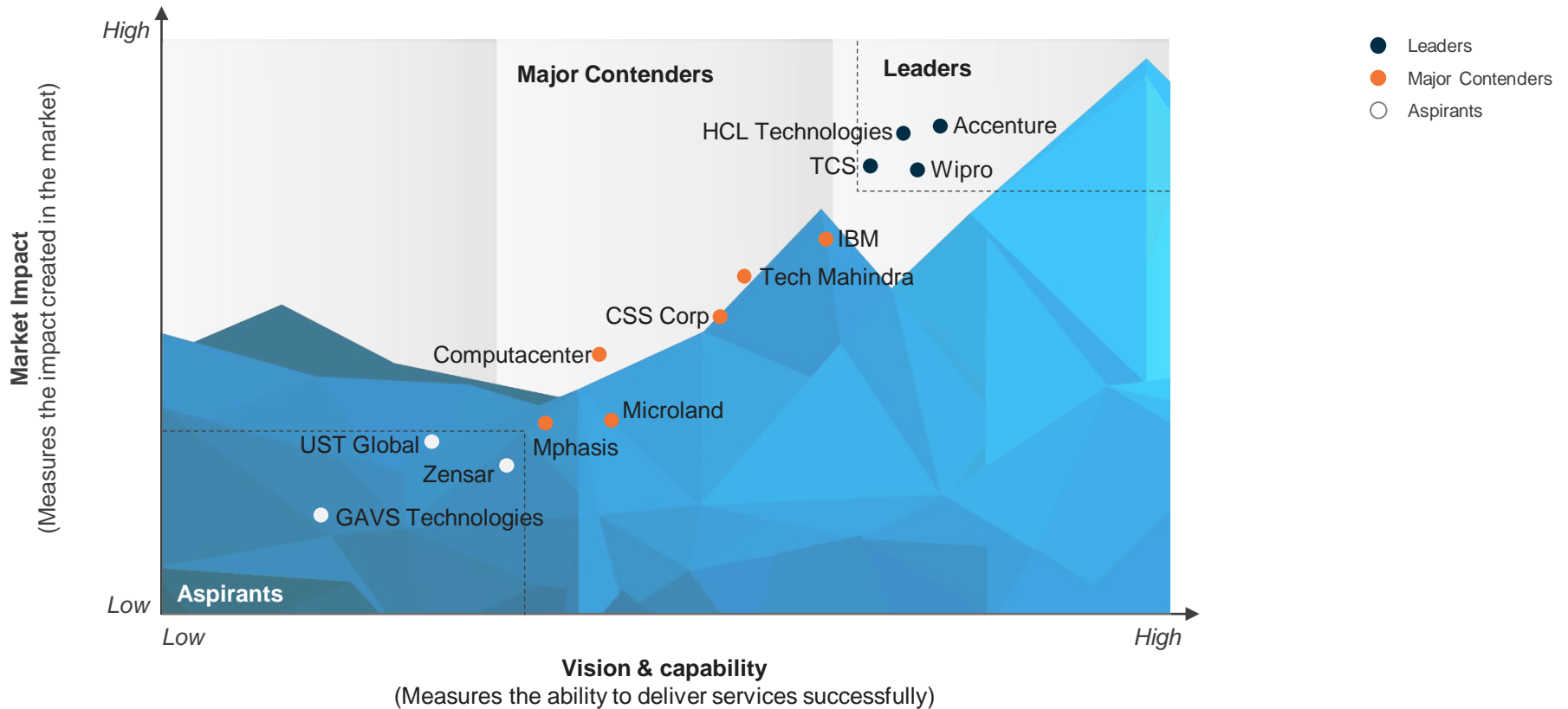
This report includes the profiles of the following 13 leading network services providers featured on the Network Transformation and Managed Services PEAK Matrix:

- **Leaders:** Accenture, HCL Technologies, TCS, and Wipro
- **Major Contenders:** Computacenter, CSS Corp, IBM, Microland, Mphasis, and Tech Mahindra
- **Aspirants:** GAVS Technologies, UST Global, and Zensar

Everest Group PEAK Matrix™

Network Transformation and Managed Services PEAK Matrix™ Assessment 2020 | HCL Technologies positioned as Leader

Everest Group Network Transformation and Managed Services PEAK Matrix™ Assessment 2020¹



¹ Assessments for Computacenter, IBM, and Tech Mahindra; excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with buyers

Source: Everest Group (2019)

Network services overview

Strengths

- Has developed multiple automation use-cases and Proof of Concepts (POCs) using its network automation tool NetBot
- HCL's ability to identify niche players such as NetBrain and ScienceLogic and develop partnerships at an early stage to solve unique client issues. This has helped it differentiate itself in the market
- Clients have appreciated HCL's client management and flexible pricing models

Areas of improvement

- Despite having the necessary capabilities, HCL needs better articulation in terms of aligning those capabilities to enterprise digital transformation initiatives
- Needs to enhance its network services consulting capabilities to be seen as an end-to-end transformation partner by clients
- While clients appreciate HCL for L1 and L2 support, they expect more innovative problem solving for complex L3 and L4 issues

Scope of coverage

HCL's dedicated network practice falls within the broader "Digital enterprise" vertical with more than 7,500 professionals. HCL has six global delivery centers in the Americas, with multiple delivery centers and points of presence across Europe, Asia Pacific, and the Americas.

Network services revenue

<US\$200 million

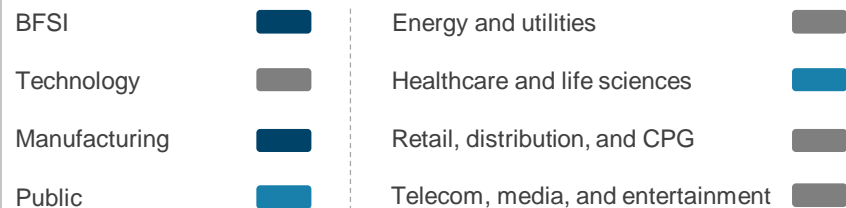
US\$200-
US\$500 million

US\$500 million-
US\$1 billion

>US\$1 billion

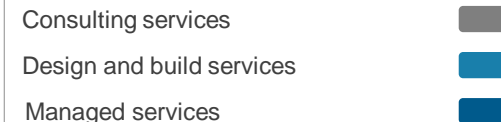
Adoption by industry

High (>20%) Medium (10-20%) Low (<10%)



Adoption by service segment

High (>40%) Medium (10-40%) Low (<10%)



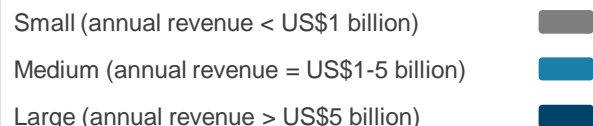
Percentage of projects by geography

High (>25%) Medium (10-25%) Low (<10%)



Adoption by buyer groups

High (>20%) Medium (10-20%) Low (<10%)



Offerings

Vision

HCL aims to help enterprises embrace digitalization as a business model for their network infrastructure, through continuous innovation and development on new-age technologies, thus helping customers future-proof their network infrastructure and applications.

Proprietary solutions (representative list)

Solution	Details
NetAssess	Helps clients in undertaking an automated network assessment for a vendor-agnostic ecosystem to provide faster recommendations
NetBot	Network automation framework that automates the complete lifecycle of network devices, from provisioning to policy-based change management, compliance, and security administration
Sensus	SDN framework that claims to cover end-to-end datacenter network transformation through automated policy enforcement, intelligent abstraction, and hybrid interconnects across multi-cloud and on-premise environments

Network services partnerships (representative list)

Partner name	Type of partnership	Details
Cisco	Technology partnership	Across technology solutions including SDN(ACI)/SDWAN (Viptela,Meraki), wireless (Meraki), and DNA controller
AT&T	Technology partnership	NFV orchestration solution
NetBrain	Technology partnership	Real-time topology mapping
Zscaler	Technology partnership	For secure internet and web gateway delivered from the cloud
Extreme networks	Technology partnership	Wireless network control capabilities

HCL also has partnerships with VMware, Aruba, Telstra, Dell, F5, InfoBlox, Riverbed, SilverPeak, Fortinet, CheckPoint, and Arista.

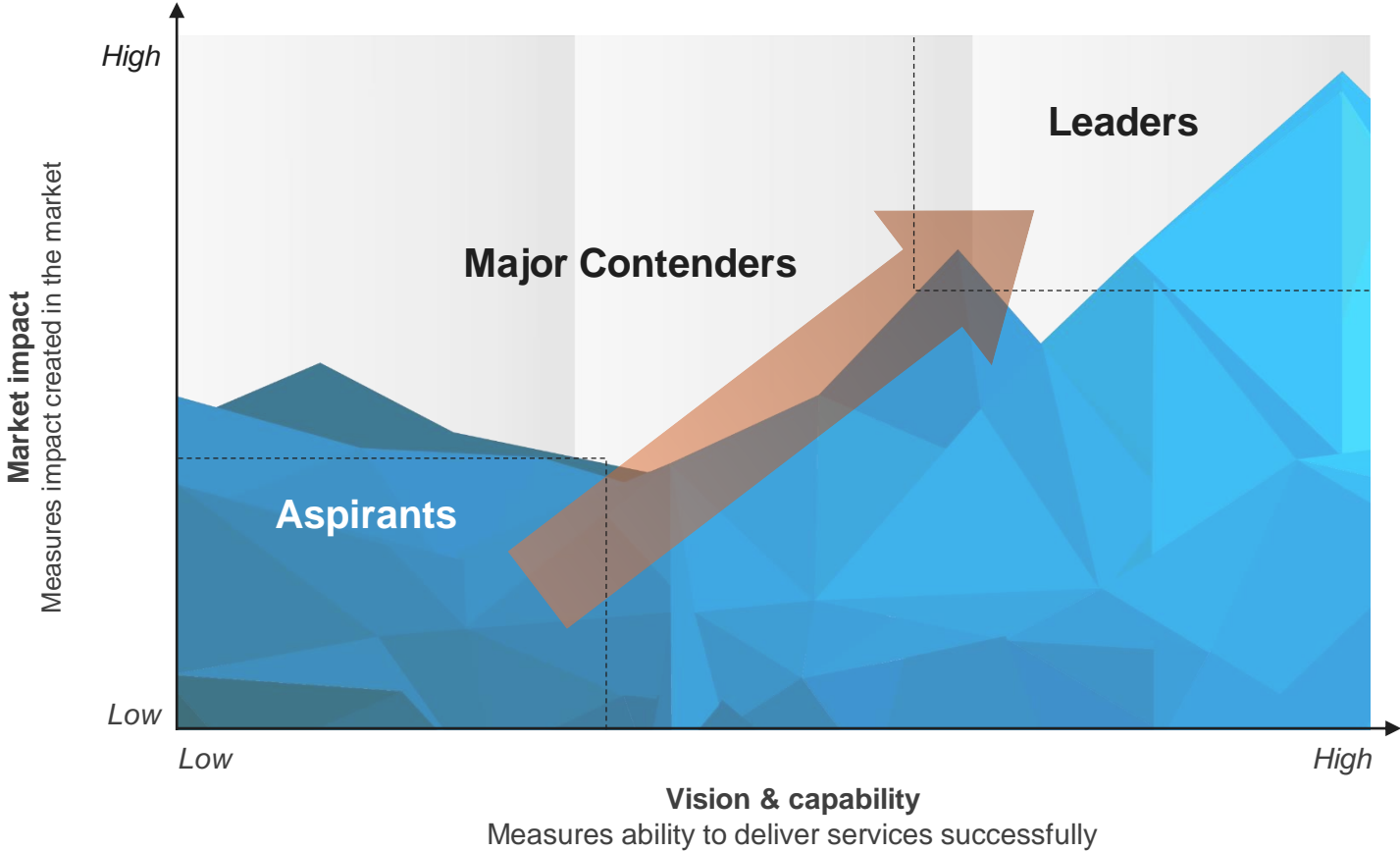
Investment activities (representative list)

Investments	Details
IP investment	Invested in several IPs such as NetBot , Sensus, Nucleus (software-defined access), TIS (SD-WAN), and NetAssess

Appendix

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

Everest Group PEAK Matrix



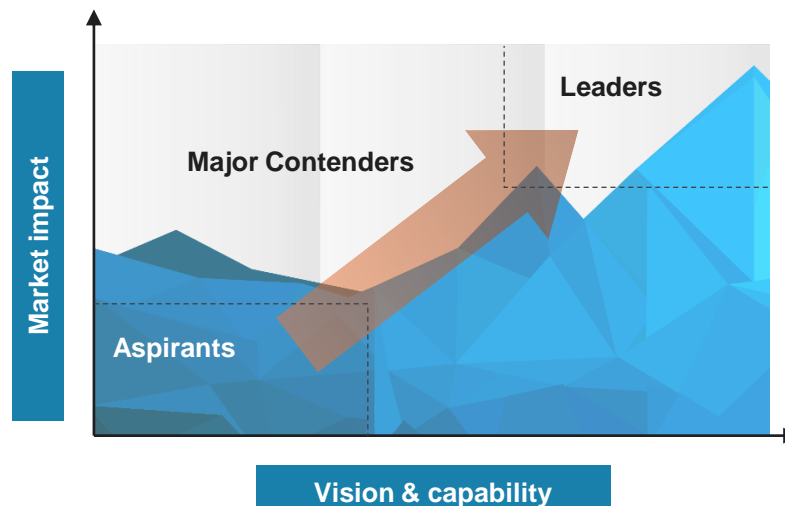
Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption
No. of clients, revenue base, and YOY growth, deal value/volume

Portfolio mix
Diversity of client/revenue base across geos 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 sub-segments / 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

Does the PEAK Matrix™ assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / 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 service providers / 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 service provider / 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



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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