

# Everest Group PEAK Matrix™ for Talent Readiness for Next-generation IT Services 2020

Focus on HCL Technologies  
January 2020



# Introduction and scope

---

Everest Group recently released its report titled “[Talent Readiness for Next-generation IT Services PEAK Matrix™ Assessment 2020: Closing the Demand-Supply Gap](#)”. This report evaluates talent readiness of IT service providers from a point of view of the vision and capability as well as market impact generated in terms of building and transforming a diverse talent pool to deliver next-generation IT services.

As a part of this report, Everest Group updated its classification of 17 service providers on the Everest Group PEAK Matrix™ for talent readiness for next-generation IT services, into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of IT service providers with respect to their talent readiness for next-generation IT services, based on their absolute market success and delivery capabilities.

Based on the analysis, **HCL Technologies emerged as a Leader**. This document focuses on **HCL Technologies’** next-generation IT services talent capabilities and experience, and includes:

- **HCL Technologies’** position on the PEAK Matrix for talent readiness for next-generation IT services
- Detailed profile of **HCL Technologies** for talent readiness for next-generation IT services

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

---

With rapid adoption of digital technologies, war for talent is expected to accelerate for next-generation technology areas. As talent becomes a key determinant of success, the need for a hyper-productive, multi-skilled, and diverse talent pool has become critical. Shortage of internal talent is pushing enterprises to seek support of service providers who are investing in talent readiness for next-generation IT services and help clients move through their digital transformation journey.

In this research, we present an assessment and detailed profiles of 17 service providers featured on the PEAK Matrix for talent readiness in next-generation IT services. Each service provider profile provides a comprehensive picture of its talent capabilities, key Intellectual Property (IP) / solutions, partnerships and investments. The assessment is based on Everest Group's annual RFI process for calendar year 2019, interactions with leading 17 services providers, client reference checks, and an ongoing analysis of the market for talent readiness for next-generation IT services.

## Scope of this report

- **Services:** Talent Readiness for Next-generation IT Services
- **Geography:** Global
- **Service providers:** 17 leading IT services providers

**This report includes the profiles of the following 17 leading service providers evaluated in and featured on the PEAK Matrix for talent readiness in next-generation IT services**

- **Leaders:** Accenture, HCL Technologies, IBM, TCS, and Wipro
- **Major Contenders:** Atos, Capgemini, Cognizant, Infosys, LTI, Mphasis, Tech Mahindra, UST Global, and Virtusa
- **Aspirants:** CSS Corp, DXC Technology, and Zensar

# Talent Readiness for Next-generation IT Services PEAK Matrix characteristics

---

## Leaders:

Accenture, HCL Technologies, IBM, TCS, and Wipro

- Leaders have established diverse talent pools across next-generation IT service areas. These providers have made significant progress in transforming and reskilling their talent to build a differentiated talent pool

## Major Contenders:

Atos, Capgemini, Cognizant, Infosys, LTI, Mphasis, Tech Mahindra, UST Global, and Virtusa

- Major Contenders are focusing on developing talent capabilities in select next-generation IT service areas and continue to invest aggressively in talent transformation efforts

## Aspirants:

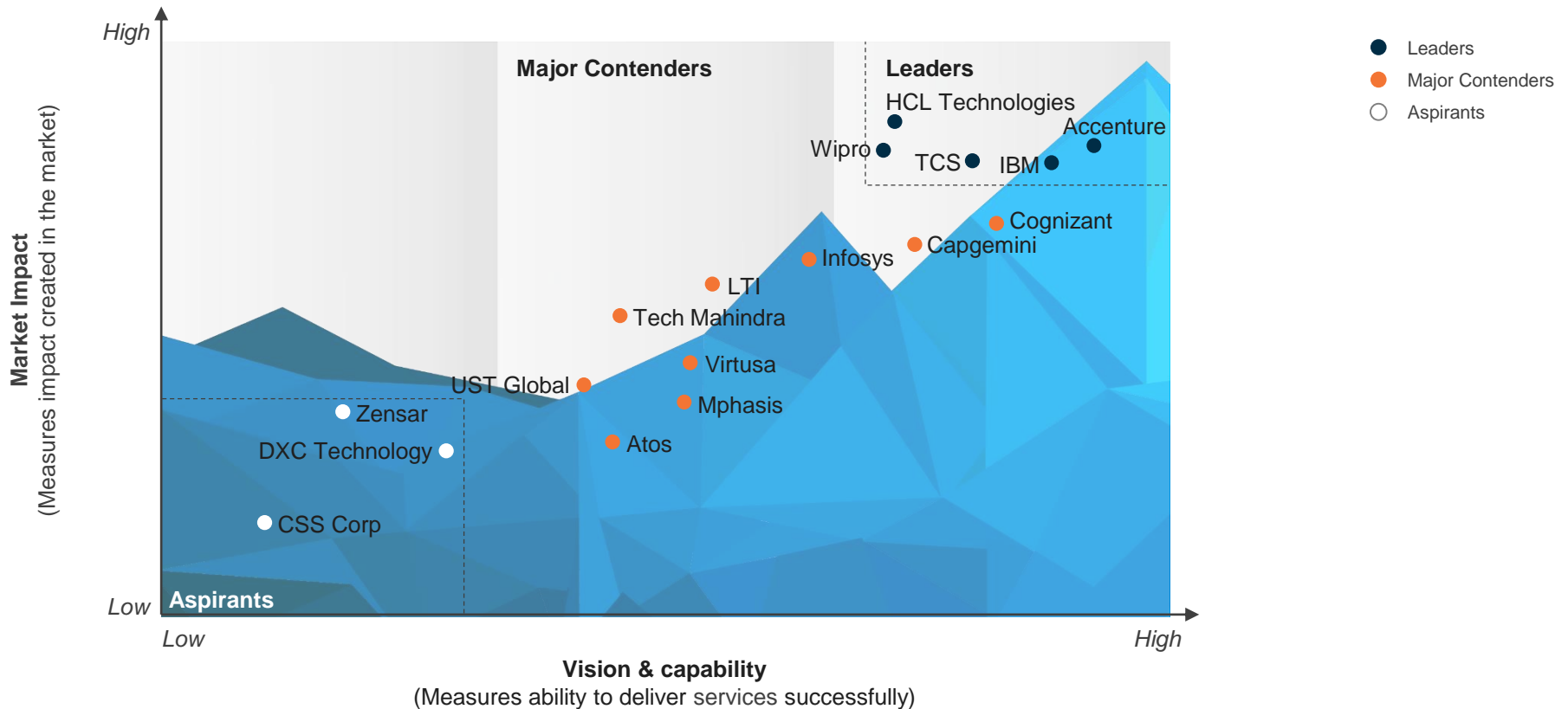
CSS Corp, DXC Technology, and Zensar

- Aspirants are in the initial stages of building talent capabilities in the next-generation IT service areas. While these providers are making investments for building talent capabilities, they need to develop a well-defined roadmap for talent transformation

# Everest Group PEAK Matrix™

## Talent readiness for next-generation IT services PEAK Matrix™ Assessment 2020 | HCL Technologies positioned as Leader

Everest Group Talent Readiness for Next-generation IT Services PEAK Matrix™ Assessment 2020



Note 1: PEAK Matrix specific to talent readiness for next-generation IT services

Note 2: Assessment for Accenture, Atos, Capgemini, Cognizant, DXC Technology, IBM, Infosys, Tech Mahindra, and Virtusa excludes service provider inputs on this particular study and is based on Everest Group's estimates that leverage Everest Group's proprietary talent and skills database, ongoing coverage of these service providers, their public disclosures, and interaction with buyers. For these companies, Everest Group's data for assessment may be less complete








Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information that is contract-specific will be presented back to the industry only in an aggregated fashion

Source: Everest Group (2019)

# HCL Technologies | Talent readiness for next-generation IT services

## 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

- Structured go-to-market and branded offerings for talent-related themes makes HCL Technologies stand-out from its peers
- Clients appreciate HCL’s openness to experiment with new talent onboarding initiatives and showing skin in the game. A good example is their “hack to hire” program or the adoption of Dreyfus model of talent acquisition. The firm’s push towards moving away from a factory-based pyramid model also resonates broadly as clients look at the next-generation IT skills
- Investments in building agile workspaces and investments in the full employee lifecycle to enhance their experience has helped HCL attract better talent as compared to performance in 2018
- Continuous investments in identifying the relevant next-generation IT skills and ensuring they get disproportionate focus to be future-ready from a training and acquisition perspective has helped HCL get ranked amongst the top-10 services providers for talent readiness across competency areas examined in this research

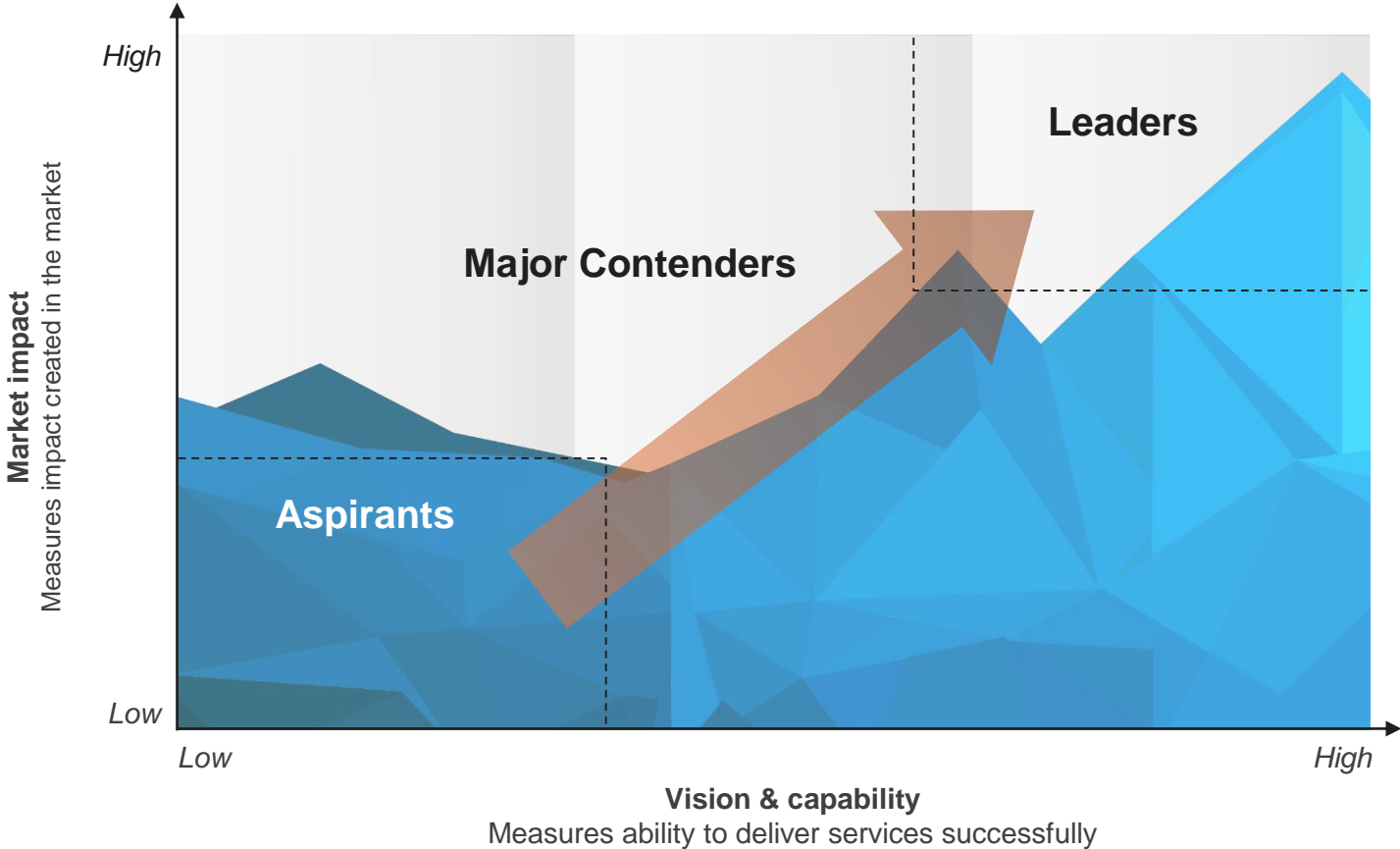
### Areas of improvement

- Needs to better manage attrition rates for next-generation IT skills by investing in aggressive retention plans as well as increasing focus on career development programs and skilling initiatives
- Opportunity to expand coverage, both in terms of depth and breadth, for exponential technology areas such as AI, blockchain, connected devices, and IoT, and mixed reality among others to compete better with other Leaders on this assessment
- Another area to invest would be to expand the delivery footprint in onshore and nearshore locations for next-generation IT skills and follow it up with accelerated investments in setting up co-creation spaces to engage with startups and clients on emerging themes
- Lags behind other Leaders in the rotation of the firm’s resource strength for next-generation IT skills, which creates pockets of skills obsolescence and risks for constraining growth of the firm. This can be avoided by accelerating reskilling efforts and business portfolio realignment

# Appendix

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

Everest Group PEAK Matrix

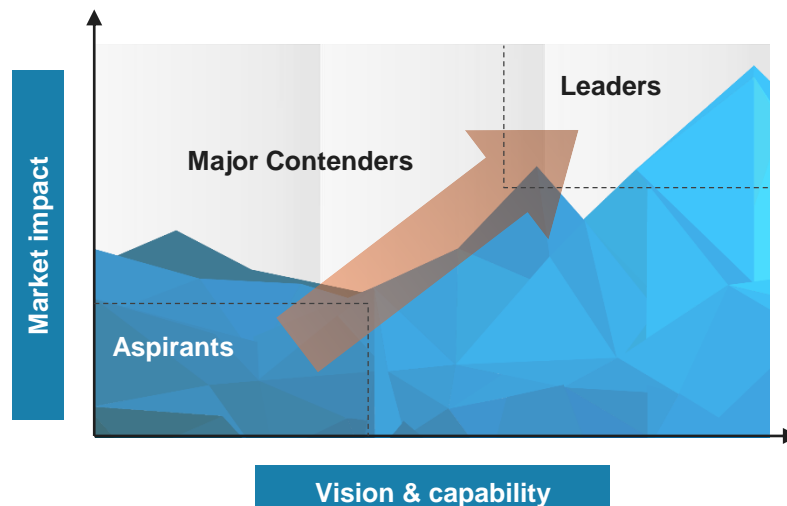
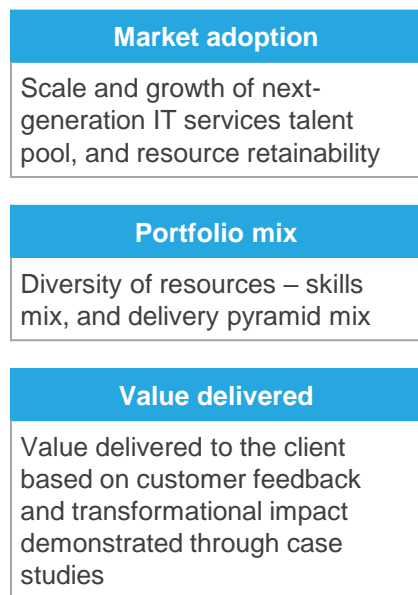




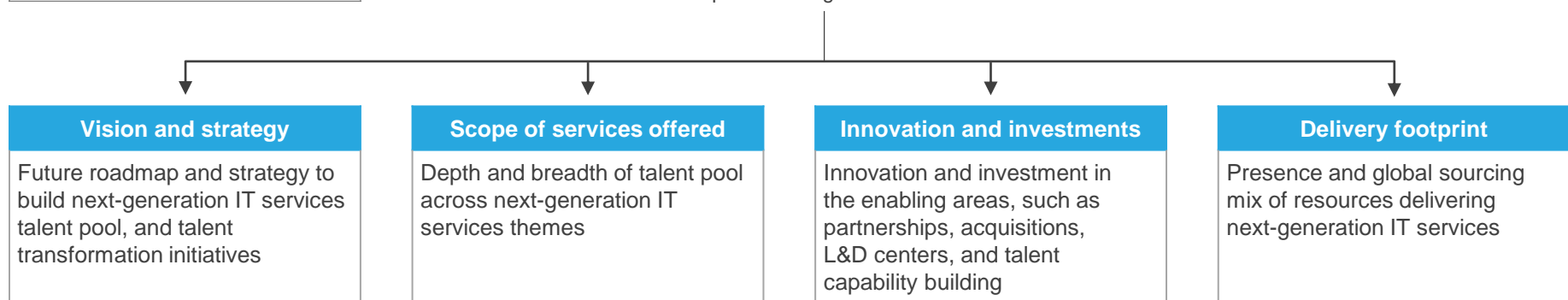
# Talent readiness for next-generation IT services

## PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions



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



## **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](http://www.everestgrp.com).

### Dallas (Headquarters)

info@everestgrp.com  
+1-214-451-3000

### Bangalore

india@everestgrp.com  
+91-80-61463500

### Delhi

india@everestgrp.com  
+91-124-496-1000

### London

unitedkingdom@everestgrp.com  
+44-207-129-1318

### New York

info@everestgrp.com  
+1-646-805-4000

### Toronto

canada@everestgrp.com  
+1-416-388-6765

## Stay connected

### Website



[www.everestgrp.com](http://www.everestgrp.com)

### Social Media



@EverestGroup



@Everest Group

### Blog



[www.everestgrp.com/blog/](http://www.everestgrp.com/blog/)

*This document is for informational purposes only, and it is being provided "as is" and "as available" without any warranty of any kind, including any warranties of completeness, adequacy, or fitness for a particular purpose. Everest Group is not a legal or investment adviser; the contents of this document should not be construed as legal, tax, or investment advice. This document should not be used as a substitute for consultation with professional advisors, and Everest Group disclaims liability for any actions or decisions not to act that are taken as a result of any material in this publication.*