

Next-Gen ADM Services

A research report comparing provider strengths,
challenges and competitive differentiators

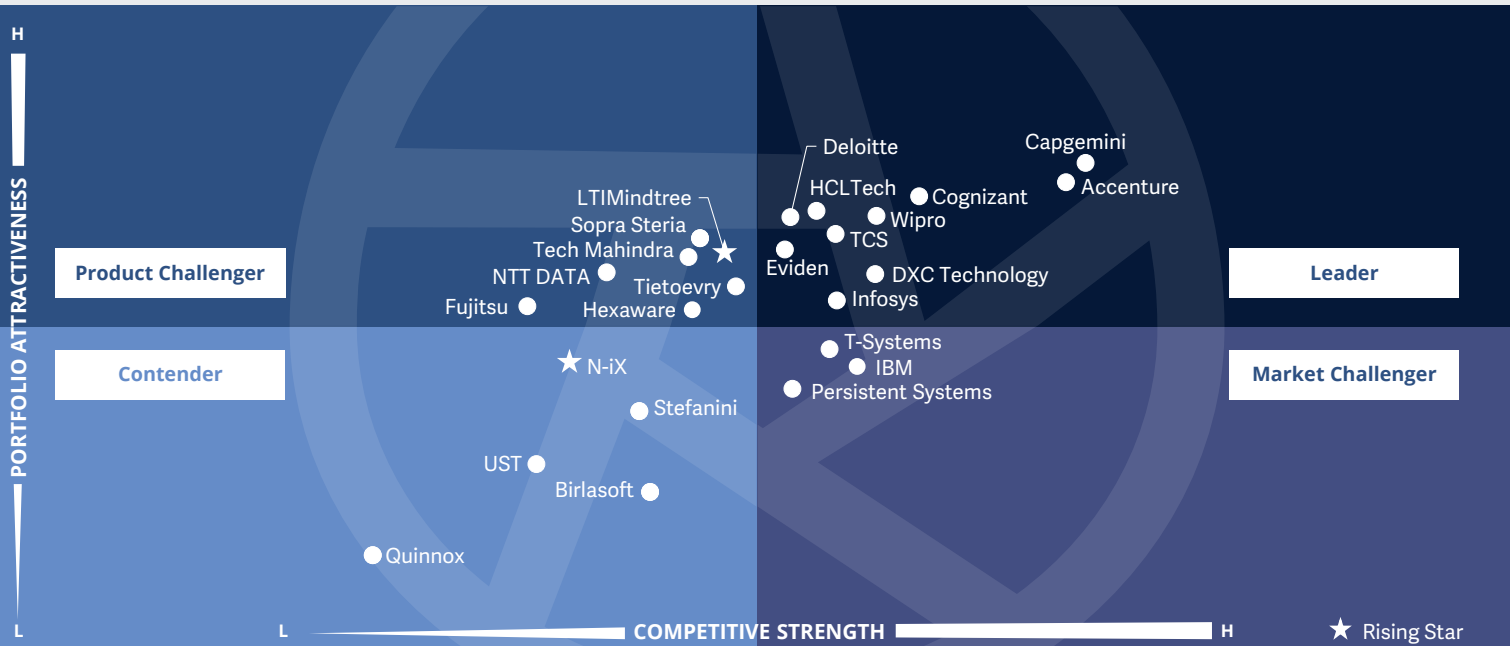
QUADRANT REPORT | SEPTEMBER 2023 | EUROPE

Customized report courtesy of:



Next-Gen ADM Services
Agile Application Development Outsourcing

Europe 2023



This quadrant assesses **pan-European** application outsourcing service providers that take over the responsibility for the **strategic planning and execution, business integration, outcomes and risks** of an **entire** application services **organization**.

Oliver Nickels



“Capgemini excels in application development outsourcing with its unique collaborative approach, agility and deep focus on harnessing emerging technologies for client success.”

Oliver Nickels

Capgemini

Overview

Capgemini is headquartered in Paris, France and operates in 50 countries. It has more than 359,600 employees worldwide. In FY22 the company generated €21.9 billion in revenue, with Applications and Technology as its largest segment.

With more than 94,000 full-time employees (FTEs) in the application development space and over 2,000 clients in Europe, Capgemini is one the largest European application development outsourcing services providers

The company covers projects of all sizes and industries with complex application development needs, underlined by many client references and case studies.

Strengths

A suite of tools: Capgemini’s ADMnext is a full stack of application development and maintenance (ADM) services supported by a suite of organizational tools. It focuses on delivering increased business value, enriched CX and operational efficiency. With ADMnext^Data, Capgemini offers a suite of tools and services to manage data as a strategic asset and build a data- and I-powered organizational framework.

Dedicated DevOps and DevSecOps: DevSecOps, Agile architectures and strong engineering practices enable the speed and quality of Capgemini’s delivery. Its Agile@Scale offering is tool agnostic, and the Capgemini Agile Framework (CAF) includes several Scrum and scaled Agile frameworks. The company has invested in building

dedicated DevOps expert centers across Germany, Poland and India. Capgemini has also invested in building a European hub for Agile and product-centric services, supporting transformation from traditional projects into product-based delivery.

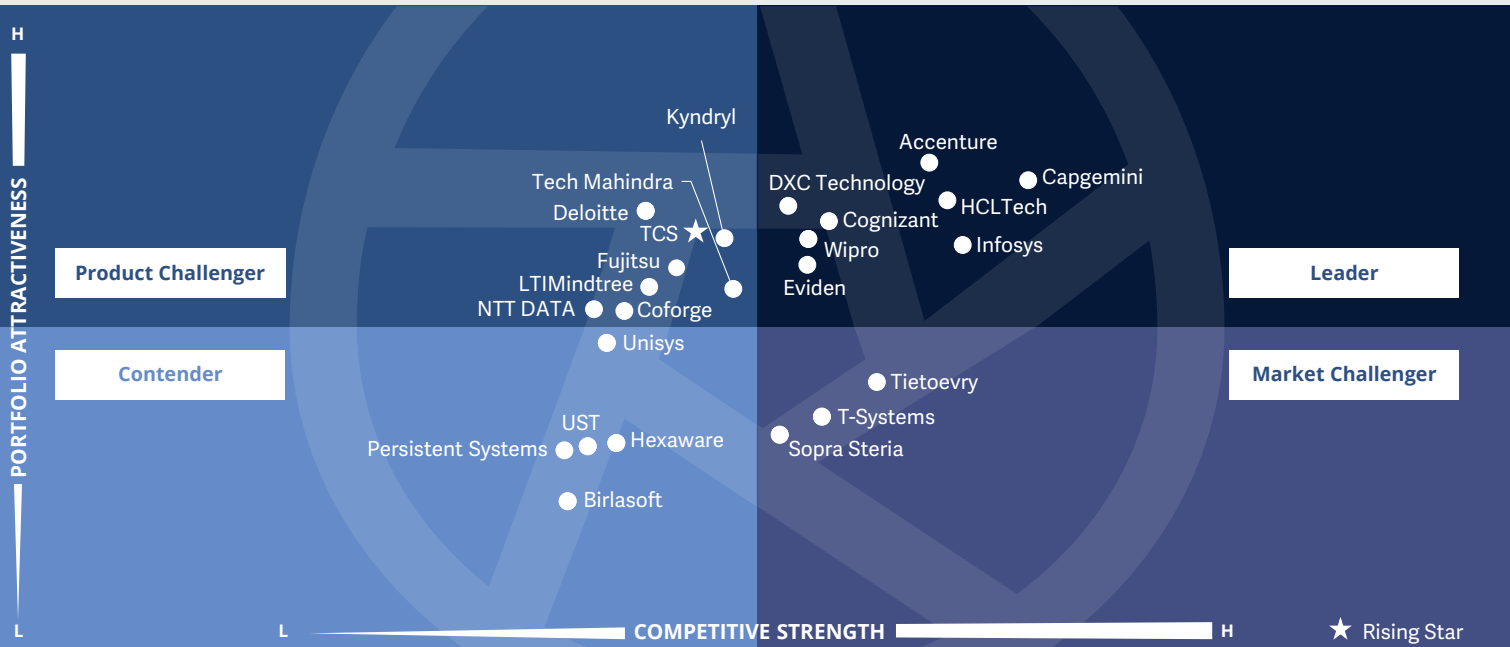
High technology expertise: Capgemini has a reputation for technological expertise and a strong focus on integration and standardization. It has a long history of providing end-to-end application development services that span strategy, design, implementation and management. Capgemini’s value-centric transformation and delivery approach goes beyond frameworks and tools to focus on delivering business outcomes.

Caution

Whilst there is still a legacy of T&M engagements in this area, Capgemini is pushing both fixed fee and output-based contracts to forward-looking clients. The company should continue to aggressively expand its outcome-based pricing models.

**Next-Gen ADM Services
Application Managed Services**

Europe 2023



This quadrant assesses AMS service providers that **seamlessly** integrate **agile, flexible and customer-centric** application development, maintenance and QA services into a **comprehensive end-to-end solution** that supports **legacy and modern** technologies alike.

Oliver Nickels

Capgemini



“Capgemini leads in Europe’s application managed services, expertly aligning IT with business objectives through its unique combination of automation, lean processes and a deep understanding of client businesses.”

Oliver Nickels

Overview

Capgemini is headquartered in Paris, France and operates in 50 countries. It has more than 359,600 employees worldwide. In FY22 the company generated €21.9 billion in revenue, with Applications and Technology as its largest segment.

Capgemini has multiple competence hubs in Europe to link innovations with industry expertise. The company pushes its vision of the Renewable Enterprise: simplified core, differentiation with intelligent technologies on the cloud, enriched with end-to-end offerings, industry-specific assets and benchmarks.

Strengths

Automation-first approach: Capgemini’s Enterprise Automation Fabric (EAF) is a cornerstone of its AMS delivery, supporting its automation-first approach. It is an integrated platform incorporating automation, AI and ML to optimize IT operations (AIOps). The automation-first approach fosters enhanced operational efficiency, reduced downtime and improved service quality across the enterprise, thus driving strategic transformation and business value.

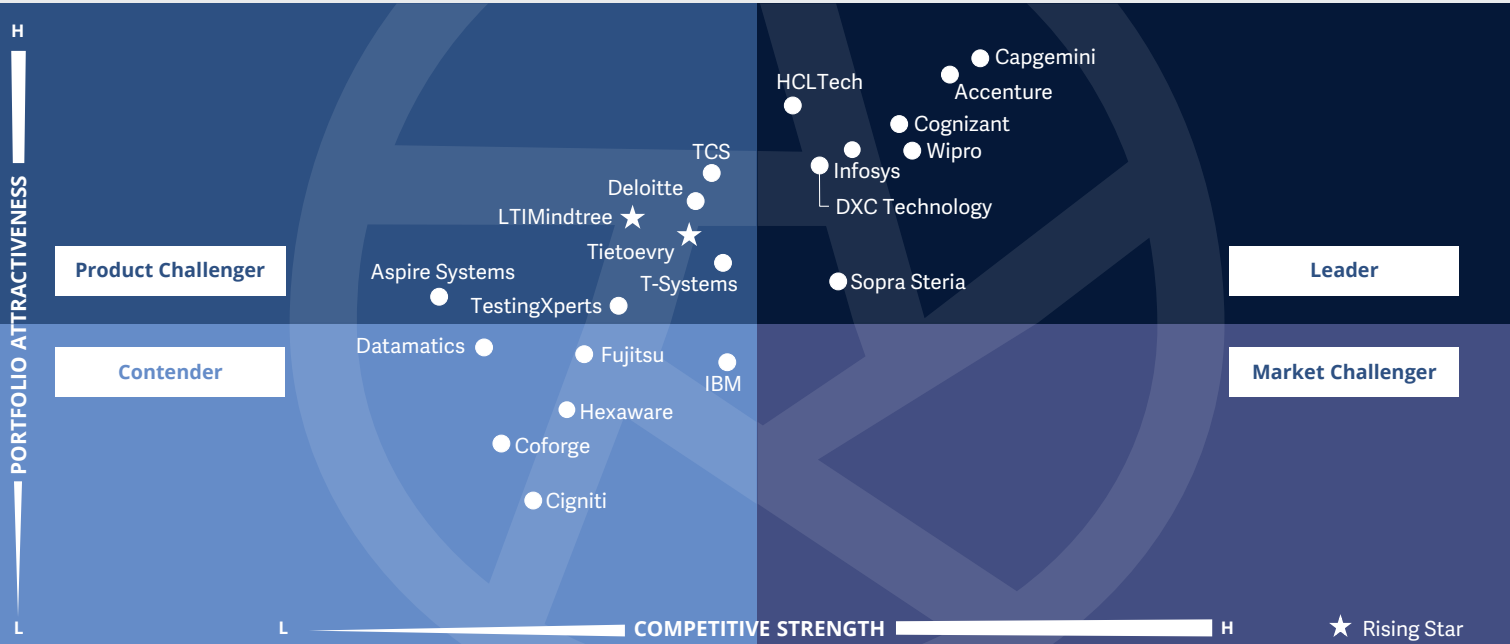
ADMnext platform: Capgemini’s ADMnext is an innovative offering in the application managed services (AMS) domain, designed to comprehensively manage, enhance and evolve the application landscape. It leverages automation, AI, analytics and cloud technologies and aligns IT with strategic

business objectives. Capgemini considers ADMnext a horizontal priority; it is deeply integrated into its strategic framework and interconnected with other strategic offers and industries.

Aligning IT and business: Capgemini’s managed application services approach typically involves deeply understanding the client’s business processes and aligning IT with business objectives. It is driven by automation and lean processes that enhance efficiency and reduce costs. It offers a full spectrum of services, from application development, maintenance and support to modernization.

Caution

About seventy percent of Capgemini’s AMS engagements operate on a fixed-price basis. These already include different flexible commercial models such as Application-centric, Output-based and Business Outcomes where appropriate. The company should expand its adoption of flexible, value-based pricing models.



This quadrant evaluates providers of **software quality assurance** services meeting a **growing quality demand** by integrating strategic **quality and security** measurements with technology-based execution and **automated, intelligent** and continuous testing techniques.

Oliver Nickels

Capgemini



“Capgemini stands out in application quality assurance in Europe with its recognized TMap methodology, offering value-centric testing services that leverage emerging technologies for high-quality software delivery.”

Oliver Nickels

Overview

Capgemini is headquartered in Paris, France and operates in 50 countries. It has more than 359,600 employees worldwide. In FY22 the company generated €21.9 billion in revenue, with Applications and Technology as its largest segment.

Capgemini and Sogeti, the subsidiaries of the Capgemini Group, have a substantial footprint in the European market. Sogeti is enhancing the group’s application quality offering. With 14 delivery centers and many offices across the region, they offer a wide range of IT services, leveraging local expertise and global capabilities to serve clients across diverse sectors. Together, they provide robust and innovative digital assurance and testing solutions.

Strengths

Leading methodology: Capgemini’s approach is centered on its robust TMap® (Test Management Approach) methodology, which is widely recognized in the industry. Capgemini offers a comprehensive range of testing services and solutions, including automation, AI and cloud-based platforms. It has significant experience in managing large and complex testing environments.

A suite of services: Sogeti and Capgemini offer a suite of cutting-edge digital assurance and testing services: Managed Testing Services oversee and enhance testing and quality assurance processes; DevOps Services introduce solutions to accelerate IT operations; Digital Testing Services ensure optimal operations, performance and user experience across various devices

and channels; and Specialized Testing Services offer an expansive foundation for client-specific solutions.

Embedded Quality Engineering in ADMnext:

Embedded Quality Engineering is a vital component of Capgemini’s ADMnext platform. It integrates quality assurance and testing into the development process, enabling early defect identification and fostering seamless collaboration among development, operations and testing teams. It implements Agile and DevOps quality engineering in intelligent and connected testing ecosystems with readily available test environments and a real-time production experience.

Caution

Capgemini’s services are more suited towards large businesses; hence, the comprehensive offerings across Capgemini and Sogeti may appear overwhelming to some midmarket or small businesses.



Appendix

The ISG Provider Lens™ 2023 – Next-Gen ADM Services study analyzes the relevant software vendors/service providers in the European market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research™ methodology.

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research™ programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of August 2023, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars (\$US) unless noted.

The study was divided into the following steps:

1. Definition of Next-Gen ADM Services market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
 - * Strategy & vision
 - * Tech Innovation
 - * Brand awareness and presence in the market
 - * Sales and partner landscape
 - * Breadth and depth of portfolio of services offered
 - * CX and Recommendation

Author & Editor Biographies

Author



Oliver Nickels
Lead Analyst

Oliver Nickels has in-depth technical and business knowledge and more than 25 years of experience as management consultant, IT-analyst, marketing manager, and start-up entrepreneur to contribute to ISG customer projects. His focus areas are Organizational Change through digital & AI-based technologies, Internet of Things and the Digital Customer Journey.

Oliver works as free-lance consultant to help ISG customers with all issues related to the digital customer journey and digital marketing. Before, Oliver worked many years in various national and international roles for a leading global IT company, in his last position as digital marketing manager

with responsibility for the digital customer communications of a business unit and as advisor for the management board.

Oliver holds a degree in computer sciences of the University of Bremen and is a certified marketing assistant and business model developer.

Enterprise Context and Global Overview Analyst



Maharshi Pandya
Research Analyst

Maharshi Pandya is a Research Specialist at ISG and is responsible for supporting and co-authoring ISG Provider Lens™ studies on SAP HANA Ecosystem & Next-Gen ADM Solution and Services. He supports the lead analysts in the research process and authors the global summary report. Maharshi also develops content from an enterprise perspective and collaborates with advisors and enterprise clients on ad-hoc research assignments as well. Prior to this role, he has been associated with several syndicated and custom market research firms, in which he has worked on both, secondary and primary interaction centric research projects around market sizing & forecasting, competitive benchmarking,

pricing analysis vendor profiles and market share analysis for several industry verticals such as information and communication technology, media & information services, and automotive. His area of expertise includes analytics, application development and maintenance, and enterprise resource planning.



IPL Product Owner

Jan Erik Aase
Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

***ISG** Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this [webpage](#).

***ISG** Research™

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ISG offers research specifically about providers to state and local governments (including counties, cities) as well as higher education institutions. Visit: [Public Sector](#).

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***ISG**

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Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

For more information, visit isg-one.com.