EPAM
SAP HANA and S/4HANA Services

Vendor Assessment
Report Abstract

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8 pages

Who Is This Vendor Assessment For?

NelsonHall's SAP HANA and S/4HANA Services vendor assessment for EPAM is a comprehensive assessment of EPAM's SAP HANA and S/4HANA services offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of IT services and identifying vendor suitability for SAP HANA and S/4HANA services

- Vendor marketing, sales and business managers looking to benchmark themselves against their peers

- Financial analysts and investors specializing in the SAP services sector.

Key Findings & Highlights

EPAM Systems (EPAM) is headquartered in Newtown, PA (U.S.), It was founded in 1993 in New Jersey, with its first offshore development center located in Minsk, Belarus. In 1995, EPAM began targeting technology vendors and ISVs in a product engineering role, initially working for SAP and for ISVs including Hyperion, Oracle and Brio Software. This product engineering heritage evolved to include offering technology services and software.

EPAM now has ~20k FTEs across 25 countries and is aiming to maintain its 20%-25% growth rate, in part fueled by acquisitions; since 2012, it has completed 11 acquisitions. None of these are considered major acquisitions and have not had a significant direct impact on revenues; they are tuck-in acquisitions to fill out gaps in capabilities, which has driven EPAM's ability to create new offerings and enter new markets.

Its 2015 $50m acquisition of Alliance Global Services provided it with an India based delivery function, initially with ~1.1k resources, which has helped EPAM to expand beyond its Central and Eastern European delivery heritage.

While none of these acquisitions were targeted at growing EPAM's SAP or HANA capabilities specifically, its 2016 acquisition of Infomatix expanded its big data and analytics capabilities including using SAP HANA.

EPAM has worked with SAP since 1997 and in 2000 SAP became a client of EPAM's product development services. SAP has engaged EPAM in the development of new technologies; through 2006 that primarily consisted of Java development. Today, EPAM is a SAP Platinum partner and primarily provides support through the re-use of assets initially created for clients. Examples include search functionality and Hybris-related offerings. Approximately 15% of EPAM's SAP-related revenues are still derived from services delivered to SAP itself.

EPAM focuses on enabling client migrations through two offering groups: the first are tailored accelerators and rapid deployment solutions (RDS), and the second are internal tools and processes specifically designed to deliver SAP projects in a distributed agile model.

Scope of the Report

The report provides a comprehensive and objective analysis of EPAM's SAP HANA and S/4HANA service offerings, capabilities and market and financial strength, including:

- Analysis of the company's offerings and key service components

- Revenue estimates

- Identification of the company's strategy, emphasis and new developments

- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts

- Analysis of the company's strengths, weaknesses and outlook.

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