



TCS

Key Vendor Assessment Report Abstract

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93 pages





Who Is This Key Vendor Assessment For?

NelsonHall's Key Vendor Assessment for TCS is a comprehensive assessment of the company's offerings and capabilities designed for:

- Marketing, sales and business managers developing strategies to target service opportunities within the BPO/IT Services markets
- Sourcing managers monitoring the capabilities of existing suppliers of IT outsourcing services and identifying vendor suitability for IT services
- Consultants advising clients on vendor selection
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the BPO/IT services sector.



Key Findings & Highlights

TCS revenues in FY19 approached \$21bn, representing market leading organic CC growth of 9.6%, while achieving an operating margin of over 25%. It is not putting pressure on margins in its pursuit of topline growth.

Topline growth in H1 FY20 has been impacted to some extent by pockets of softness in the financial services and retail sectors, though the order book is apparently strong and the pipeline remains healthy.

TCS is positioning around the theme of *'Business 4.0'*, highlighting its extensive capabilities in location independent Agile and its Machine First Delivery Model (MFDM) approach. With this positioning, TCS is targeting large scale, complex and transformational opportunities where it is the preferred partner, and which entail multiple service practices working with the Industry Solution Units (a full services play). This is an important play by TCS, as it lacks a strategy consulting capability and does not have extensive access to clients' C suites.

TCS remains dependent on developing new capabilities at scale through organic investments: unusually, FY19 saw two niche acquisitions (each firm having <50 employees) that will not in themselves make a material contribution to the topline but that do bring in specialist capabilities.

TCS has been aggressively transforming its new graduate assessment, recruitment, onboarding and initial training processes, enabling it to broaden the scope and accelerate the pace of onboarding and training: this is a competitive advantage in a tight supply market, also in resourcing for new engagements at speed.

In late FY19 TCS launched the TCS Pace umbrella brand that spans its research, innovation and business and technology transformation capabilities, one that is in alignment with the new "Experience Energy" tagline (an evolution from the former "Experience Certainty" tagline). As part of this initiative, TCS is starting to roll out a global network of Pace Ports.

Scope of the Report

The report provides a comprehensive and objective analysis of TCS' IT services and BPO offerings, capabilities, and market and financial strengths, including:

- Identification of the company's strategy, emphases and new developments
- Revenue estimates
- Analysis of the company's offerings and key service components
- Analysis of the profile of the company's client 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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Report Length

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