



WNS-Denali Sourcing & Procurement

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Sourcing & Procurement Outsourcing Vendor Assessment for WNS-Denali is a comprehensive assessment of WNS-Denali's sourcing and procurement offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of sourcing and procurement and identifying vendor suitability for outsourcing services
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the F&A BPO sector.

Key Findings & Highlights

WNS began operations as an in-house unit of British Airways providing passenger revenue accounting services. It spun off as an F&A BPO provider and became a public company in 2003 providing offerings in the full purchase to pay cycle.

WNS had been under increasing pressure from some of its P2P clients to expand services upstream and began working with Denali Services in 2014. In one example, the companies jointly won an S2P BPS contract in the U.S. The client was previously using another BPS provider for accounts payable, with source-to-contract activities being kept 100% in-house. Within this contract, Denali Sourcing Services provides category management, sourcing, and contracting with WNS providing procure-to-pay services. The contract started with all indirect categories, including professional services, construction, travel, IT and marketing covering spend of ~\$2.5bn; over an 18-month period, this has expanded to include direct spend around some raw materials, including logistics and MRO, taking the spend under management to ~\$5bn.

In January 2017, WNS acquired Denali Sourcing Services, making a \$40m investment funded primarily with long-term debt and paying over 2x Denali revenues. Denali immediately boosted WNS' revenues in the U.S. which is fast becoming as significant a revenue producer for WNS as the U.K. and it brings access to clients in sectors such as E&U, high-tech, retail, HC, and FS. Denali also brought in category management, strategic sourcing, contract and supplier management and spend analytics skills to WNS.

WNS set up an independent sourcing business unit based on Denali Sourcing Services, headed up by Denali founder Alpar Kamber. The business unit is being branded as WNS-Denali and is looking to grow the S&P business by >20% per year, with strong emphases on doing "large" deals combining S&P and P2P services and expanding the WNS-Denali footprint in Europe and APAC.

This group is now integrated fully into WNS with the same IT, finance, and HR shared services. It has a sales and delivery team called Global Procurement Services that operates in the the same way as the other WNS sales and delivery teams.



Scope of the Report

The report provides a comprehensive and objective analysis of WNS-Denali's sourcing and procurement offerings, capabilities, and market and financial strength, including:

- Analysis of the company's offering 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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Report Length

10 pages

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