



Accenture

Quarterly Update
Report Abstract

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12 pages





Who Is This Quarterly Update For?

NelsonHall's Quarterly Update on Accenture provides a snapshot of developments at the company in the last quarter. It accompanies NelsonHall's more comprehensive Key Vendor Assessment program.

Both programs are designed for:

- Marketing, sales and business managers developing strategies to target service opportunities within the BPO/IT Services markets
- Sourcing managers and execs monitoring the capabilities of existing suppliers of IT and BPO services and identifying vendor suitability for these 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.



Highlights

Q2 FY17: slowdown in topline growth. Double digit growth in 'The New' offset by headwinds in three verticals slowing down Consulting. Anticipates stronger H2

Revenues were up 6% y/y in CC. While revenues were at the mid-point of guidance, this was the lowest rate of CC growth for some time.

Management highlights double-digit growth in all three components of 'The New', which in H2 represented ~45% of overall revenues.

In terms of service line, the revenue engine continues to be Operations, delivering a fifth consecutive quarter of double-digit growth.

However, there was a continuing slowdown in Consulting (which a year ago was delivering double digit growth). Consulting was disproportionately impacted by headwinds in three industry practices: Energy; Chemicals & Natural Resources; Communications (in Europe; essentially Nokia).

Anticipates return to growth for Energy and C&NR in H2, while Comms will continue to be challenged. Expects also a return to growth for its U.S. Health business, which has been flat.

Further tuck-in acquisitions. Increases FY17 capital allocation for M&A by \$500m

- Continued investments in Cyber
- Two more ServiceNow specialists
- Continues to expand capabilities of Accenture Digital
- Other acquisitions adding industry-specific specialist consulting

Training and reskilling; expanding onshore presence in U.S.

This Quarterly Update on Accenture is available to subscribers of NelsonHall's Quarterly Update program.

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Scope of the Report

The report provides a quarterly update on Accenture, looking at financial performance and key developments during the period.

It accompanies NelsonHall's Key Vendor Assessment program which looks at Accenture's IT and BPO offerings, capabilities, and market and financial strengths, including:

- Identification of the company's strategy, emphases and new developments
- Revenue breakdowns
- 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.

Report Length

12 pages

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