



Accenture SAP HANA and S/4HANA Services

Vendor Assessment
Report Abstract

February 2019

By David McIntire
IT Services
Research Director
NelsonHall

13 pages

research.nelson-hall.com





Who Is This Vendor Assessment For?

NelsonHall's SAP HANA and S/4HANA Services Vendor Assessment for Accenture is a comprehensive assessment of Accenture'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

Accenture became a public company in July 2001, having separated from Andersen Worldwide in the January of that year. Accenture provides management consulting, technology, and outsourcing services and solutions, targeting Fortune 1000 organizations and large public-sector agencies. While much of its activity remains focused on consulting and projects, outsourcing now contributes 46% of its total revenues.

Accenture is focusing heavily on next-generation capabilities or "The New", as Accenture calls it, which is digital, cloud, and security-related services, supported by new technology. This includes expanded use of automation capabilities internally. In FY18, Accenture invested ~\$660m in acquisitions, on top of ~\$1.6bn in FY17. Approximately 70% of these investments in acquisitions have been to support Accenture Digital capabilities.

In November 2018, Accenture acquired Intrigo Systems, a U.S. based provider of advisory, systems integration and managed services for SAP enterprise and cloud solutions in e-commerce, supply chain, and procurement.

Founded in 2009, Intrigo Systems brings to Accenture:

- Expertise in SAP APO, SAP IBP, and SAP Ariba SCC
- Around 250 employees
- 30+ referenceable clients, including Albemarle (cut over \$300m in WC in a year), NVIDIA (reduced its planning cycle time by >50%), Microsoft (\$250m in WC reduction, 98% reduction in new supplier onboarding time), Broadcom, Dolby, Nike, Clorox, and ASR.

NelsonHall estimates the revenues of Accenture in the calendar year 2018 to be approximately \$40.7bn.

NelsonHall estimates that SAP HANA and S/4HANA services representing 3.8% of that, ~\$1.54bn.

Accenture offers a full lifecycle of SAP HANA and S/4HANA services across strategy and planning, implementation and management. It positions its technology services in support of its broader business transformation services.

At the core of its key offerings is myConcerto, a digitally integrated, unified platform intended to support clients across the entire adoption

lifecycle. Formally, introduced in October 2018, Accenture myConcerto is an evolution of the Accenture Intelligent Enterprise Platform.

Accenture's recently established SAP Business Group, a unified business group that cuts across multiple Accenture entities, is a cross-functional, geographically broad team intended to enable Accenture to deliver the broad set of skills required to deliver SAP engagements, including strategy, business process, organization and change management, technology and operations. Building this dedicated business group enables Accenture to reinforce learnings in each area from one engagement to the next.

Accenture has ~50k employees with SAP skills. NelsonHall estimates that ~85% possess some level of HANA or S/4HANA skills, as training programs were put in place in 2014 to re-skill them for HANA, S/4HANA, and other SAP Cloud Platform capabilities such as Fiori, Hybris, Concur, and Ariba.

NelsonHall estimates that, of this team, ~11.0k are dedicated HANA and S/4HANA employees actively supporting new engagements. It is also in the process of recruiting another ~11k S/4HANA skilled employees in 2019.

Accenture has ~40 global delivery center locations that offer SAP services. This includes:

- Global delivery centers
- Regional delivery centers
- Innovation centers for SAP solutions
- Accenture SAP solution factories
- Industry SAP capabilities.

In addition to these delivery centers, Accenture houses SAP Leonardo skills at a subset of its Liquid Studio network.

Accenture's long partnership with SAP and broad delivery footprint have positioned it well to build out its HANA and S/4HANA capabilities, including acting as co-development partner. This experience has enabled Accenture to build a large client delivery footprint and significant experience in the early stages of S/4HANA market growth.

Accenture's myConcerto offering uses this experience to automate and accelerate the S/4HANA migration for clients, allowing Accenture to augment its skilled workforce as it continues to invest in expanding this workforce. Offering clients automated tools that simplify the complex task of migrating from legacy systems to S/4HANA is critical in helping address client migration concerns.

In addition to building out myConcerto, Accenture has invested in developing industry-specific functional offerings and incremental capabilities leveraging Leonardo. These also are critical in spurring client S/4HANA adoption and the one area where Accenture could further invest. While Leonardo is a key investment area, continuing to build a broader portfolio of industry-specific functional offerings will enhance its position as those industries that have lagged in adoption to date, accelerate their migration pace as 2025 nears.

Scope of the Report

The report provides a comprehensive and objective analysis of Accenture'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.



Contents

1.	Background
2.	Revenue Summary
3.	Key Offerings
4.	Delivery Capability and Partnerships
5.	Target Markets
6.	Strategy
7.	Strengths and Challenges
8.	Outlook

Report Length

13 pages

Report Author

David McIntire

david.mcintire@nelson-hall.com

Forthcoming Profiles

Atos, Cognizant, DXC Technology, EPAM, IBM, Infosys, LTI, NTT DATA, TCS, Tech Mahindra, Tieto, Wipro, Virtusa and Yash.