



Capgemini SAP HANA and S/4HANA Services

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's SAP HANA and S/4HANA Services vendor assessment for Capgemini is a comprehensive assessment of Capgemini'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 services
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in SAP services sector.

Key Findings & Highlights

Founded in Grenoble in 1967, Capgemini is the largest European headquartered IT services provider, serving all major European markets. Following the completion of its IGATE acquisition in 2015, North America is now its largest market.

In January 2002, Capgemini launched Sogeti, a localized professional services specialist unit. Sogeti is a separate entity within Capgemini, with its own route to market and operating structure. It targets transaction based business in the form of T&M, very often as staff augmentation services in the areas of application, infrastructure, and R&D services. This enables Capgemini to pursue smaller engagements outside of its core business of large consulting, SI, or outsourcing engagements.

Capgemini is one of the largest four application management vendors in Europe, having grown from full IT outsourcing contracts with embedded application management work. Though it has won few of the large standalone contracts awarded in the U.K. and Netherlands in recent years, relying more on sub-€50m contracts, this is now changing.

In 2015, Capgemini acquired IGATE, significantly expanding its offshore delivery capability. Capgemini now has over 90k employees in India. It will also be able to use IGATE's corporate university in Pune to quickly onboard and train resources. The acquisition also helps drive growth in the BFSI sector, as IGATE brings in some large financial institutions including RBC, UBS, and Metlife.

Capgemini has had a partnership with SAP since 1993 and is a global strategic partner. It has ~17k SAP-related personnel globally, of which (a NelsonHall estimated) 40% are AM-focused. Acquisitions which have augmented its SAP capabilities include:

- June 2011: Praxis Technology, a Chinese vendor with 110 employees, and €5.4m in revenues (including 50% SI, 20% product development, 15% SAP distribution) prior to acquisition. Praxis services the local energy market, one of Capgemini's target sectors in China. It has developed SAP templates and is one of the founding members of the Electric Power Industry Solution Center of SAP's China Research Institute. This acquisition has expanded Capgemini's SAP E&U services capabilities in China

- May 2014: Strategic Systems & Products Corp. (SSP), a SAP VAR targeting U.S. mid-sized upstream oil and gas companies. SSP is headquartered in Irving, TX and has a headcount estimated by NelsonHall at below 50. SSP has a SAP READYUpstream template and add-on around production revenue accounting and joint venture accounting.

Capgemini began offering HANA services in 2013, primarily focused on analytics capabilities. As part of its partnership with SAP, it plays a role in testing all new S/4HANA releases.

Capgemini has developed two sets of offerings targeting clients, one of which is tailored to those migrating existing SAP environments to HANA and S/4HANA, and the other to clients implementing a new environment.

Capgemini has ~17k SAP employees. Of these, ~3k are focused on delivering HANA and S/4HANA services and ~1.5k are focused on S/4HANA opportunities (including both functional and technical resources), with ~70% of these functionally focused.

Scope of the Report

The report provides a comprehensive and objective analysis of Capgemini'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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