



# **DXC Technology Digital Transformation Services**

**Vendor Assessment  
Report Abstract**

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## Who Is This Vendor Assessment For?

NelsonHall's Digital Transformation Services Vendor Assessment for DXC Technology is a comprehensive assessment of DXC Technology's digital transformation services offerings and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of IT services and identifying vendor suitability for digital transformation services
- Vendor marketing, sales and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the digital transformation sector.

## Key Findings & Highlights

In May 2016, Tysons, Virginia based CSC announced that it was acquiring the Enterprise Services (ES) division of HPE. As of April 1, 2017 when the merger was completed, CSC and HPE Enterprise Services re-branded as DXC Technology. DXC Technology will operate 31 strategic delivery centers and 91 data centers in over 70 countries, servicing ~6k clients. 55% of its labor force will be operating in low cost geographies in 21 global delivery centers. Of CSC and HPE's top 200 accounts, there is a less than 15% overlap in the revenue streams.

In preparation for this alliance, CSC combined its consulting and apps businesses into a new 'Digital Applications' group. DXC Technology's digital transformation practice is primarily targeted at consulting on and implementing solutions concentrating on the following offerings:

- Proprietary industry solutions
- Enterprise applications including SAP and ServiceNow
- Big data and analytics.

In part, DXC Technology is using partnerships to expand the capabilities it possesses. This includes partnering with PwC consulting to deliver digital strategy consulting and HCL to deliver SAP HANA services.

As part of the merger integration process, DXC Technology has looked to rationalize the offerings of its predecessor firms. HPE ES had 270 offerings across nine practice areas. CSC had 230 offerings in 14 families.

The merged entity is now targeting 84 offerings across nine families of offerings.

DXC Technology has ~170k FTEs globally. NelsonHall estimates that ~10% of these (~17k FTEs) are focused on delivering digital transformation services.

DXC Technology has also focused on migrating its headcount to lower cost delivery locations. Approximately 55% of its application and infrastructure services headcount is now in low cost countries. DXC Technology is hiring in low cost countries (India and Vietnam). It recently acquired an application services delivery center in Puerto Rico from client UTC.

One key focus for DXC Technology is to expand its consulting capabilities to enable engaging with clients, particularly business executives, earlier in the development lifecycle. A key goal of this early engagement is the development of a quickstart initiative, a developed prototype that demonstrates the vision laid out and its potential value.

The desire for increasing relationships on the business side, as well as engaging early, drove CSC to develop a partnership with PwC that is expected to continue

with DXC Technology. The partnership enables PwC to marry its process and strategy skills with DXC Technology's technology capabilities.

From a technology perspective, the key capabilities which DXC Technology is focusing on across verticals are big data and analytics and mobility. DXC Technology is focusing less on application migration and replacement, but more on application augmentation; adding mobility and big data capabilities on top of existing applications.

Adding these capabilities has led DXC Technology to focus on building out capabilities in API-development and microservices.

## Scope of the Report

The report provides a comprehensive and objective analysis of DXC Technology's digital transformation 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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## Report Length

10 pages

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