



Atos Application Outsourcing

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Application Outsourcing Vendor Assessment for Atos is a comprehensive assessment of Atos' application outsourcing offerings and capabilities designed for:

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

Key Findings & Highlights

Atos has through the integration of SIS grown its AM revenues by a third and also renewed its focus on application outsourcing services, and expanded its Indian presence. Through the acquisition, Atos has also secured a series of application management contracts for a TCV of €1bn over 8 years.

In 2012, Atos introduced its Right-Fit application management offering to target application outsourcing contracts that combine maintenance & support as well as consulting and integration projects.

Services offered under Right-Fit include:

- Core maintenance & support services with delivery efficiency, industrialization and standardization
- A consulting approach to application portfolio analysis, application roadmap, rationalization, modernization, governance and controlling,

Atos is also aiming to verticalize its offering in the short-term. Such verticalization goes beyond application maintenance and support to build services and process improvement. The unit intends to provide build services and consulting services in long-term evolutionary engagements, rather than large in standalone systems integration contracts.

Atos AM has a headcount of 10,000 working for both external and internal clients, of which 3,000 in low-cost delivery units countries.

A priority is relocating AM basic services (e.g. support & defect resolution; administration, maintenance & monitoring) to low-cost countries. Atos AM expects its Indian headcount of ~2,000 to double in the 2012-2013 period. In the mid-term, Atos AM plans to have 90% of basic activities delivered from low-cost countries.

An ongoing priority for AM is aligning its delivery in terms of tools and processes from the legacy AM practices of Atos Origin and of SIS.

Atos highlights that all new contracts, except for large ones with specific requirements, are now using standard Atos tools and processes.

AM estimates that by the end of 2012 it will have finished migration work. The move is intended to facilitate internal efficiency and reduce costs to the client.

This NelsonHall vendor assessment analyzes Atos' offerings and capabilities in Application Outsourcing. Atos is one of a number of

Application Outsourcing companies analyzed in NelsonHall's comprehensive industry analysis programs.

Atos' Right-Fit application management offerings include:

- Core maintenance & support services with delivery efficiency, industrialization and standardization
- A consulting approach to application portfolio analysis, application roadmap, rationalization, modernization, governance and controlling,

One of Atos' priority is relocating AM basic services (e.g. support & defect resolution; administration, maintenance & monitoring) to low-cost countries. Atos AM expects its Indian headcount to double. In the mid-term, Atos AM plans to have almost all of basic activities delivered from low-cost countries.

Atos' top targeted verticals are:

- Public sector, healthcare and transportation
- Manufacturing and retail
- Telecom, media and technology

Scope of the Report

The report provides a comprehensive and objective analysis of Atos' application outsourcing 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

8 pages

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Application Outsourcing Vendor Assessments Also Available for:

Amdocs, Capgemini, Cognizant, HP, IBM, Infosys, Steria, TCS and Wipro.