



Wipro 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 Wipro is a comprehensive assessment of Wipro'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

Wipro is the third largest of the India-headquartered IT services vendors. The company had FY 2018 (the year ending March 31, 2018) revenues of \$8.1bn with a headcount of 164k.

Wipro has been an SAP Global Services Partner since 2007. It has delivered SAP services to ~600 clients globally and possesses ~11k SAP consultants.

. Its relationship with SAP includes the following:

- Partner of SAP, both going to market as well as a joint product development partner
- A client of SAP, using SAP S/4HANA and Cloud products like Ariba and SuccessFactors
- Supplier of SAP, running SAP infrastructure and supporting HR payroll
- Value-added reseller (VAR) in Germany, India, LATAM and Middle East.

Wipro has been investing in its SAP HANA capabilities over the last few years and says it has ~90 S/4HANA projects either completed or in process.

In 2016, Wipro acquired cellent AG, an IT services company in the DACH region for €73.5m. Cellent was part of Landesbank Baden-Wuerttemberg (LBBW). It is an SAP specialist with 800 employees and generated €87m in revenue in 2014. Clients include in the:

- Automotive sector, Bosch, Daimler, MAN, Porsche, Knorr Bremse Mann + Hummel
- Manufacturing sector, Siemens, ZF Lenksysteme, Andreas Stihl, Bosch und Siemens Hausgeräte, Festo, Roto Frank, Wieland-Werke AG, Alfred Kärcher.

Cellent brings in local proximity to clients in DACH and help strengthen Wipro's client engagement model.

For CY 2018, NelsonHall estimates that Wipro had total revenues of ~\$8.1bn and estimates total SAP revenues as ~\$1.25bn. NelsonHall estimates that Wipro's SAP HANA and S/4HANA services revenues account for 20% of total SAP revenues (\$250m).

Wipro has shaped its offerings to aid clients in achieving two key objectives:

- How to maximize the value of existing SAP investments: simplifying, standardizing and building the foundation for digital transformation
- How to accelerate the adoption of emerging digital capabilities.

It is seeking to support clients through these transformations by focusing on the following capabilities:

- Industry-tailored offerings: including functional extensions and industry Model Company
- Accelerators and tools: including a breadth of rapid deployment solutions
- Business solutions: integrating new capabilities with S/4HANA.

Wipro has ~164K IT services FTEs, with 82% located in India and 18% in other locations.

Wipro possesses ~11k SAP specialists and estimates ~40% of its employees (~4.4k) have SAP HANA and S/4HANA training, and ~1.5k are dedicated to delivering S/4HANA services.

Wipro has eight SAP Co-innovation labs to enable collaborative sessions to refine client business cases as well as develop solutions meeting specific client needs, that can then be productized, these eight include locations in:

Wipro also has six digital delivery centers for SAP S/4HANA services. In addition to Co-innovation labs and digital delivery centers, Wipro has Application Excellence (APEX) centers, based on Agile Infrastructure and DevOps model to deliver SAP S/4HANA services in a shared and factory model

Wipro's long-standing relationship with SAP and experience acting as co-development partner for HANA and S/4HANA capabilities has provided it early insight into the capabilities being offered. This not only enabled Wipro to develop insight into the capabilities of HANA and S/4HANA but also understand the capabilities not included in the core offering which gave it a head start on building its complementary offerings. These tailored solutions specifically targeting industry needs complementing HANA and S/4HANA represent Wipro's greatest strength in its HANA and S/4HANA practice. AS S/4HANA matures, it is looking to stay ahead of the competition by building solutions that incorporate Leonardo's emerging capabilities, having seven certified already by SAP.

Wipro has been able to leverage these solutions in targeting SMB clients and emerging markets within its target verticals. Its primarily large enterprise client base, while slower to adopt S/4HANA, is beginning to assess the value and effort of adopting S/4HANA, primarily to simplify and standardize processes or adding new emerging capabilities. Wipro's proprietary sector-specific offerings position it well to deliver value for its target markets. However, it needs to continue to grow its business process and consulting capabilities to provide guidance to its clients. While it has consulting capabilities, in some cases it works with consulting partners like EY and KPMG, putting it at risk of losing this work to other IT service vendors or the consulting firms themselves.

Scope of the Report

The report provides a comprehensive and objective analysis of Wipro'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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