



# Cognizant Agile Development & DevOps Services

Vendor Assessment  
Report Abstract

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## Who Is This Vendor Assessment For?

NelsonHall's Agile Development and DevOps Services Vendor Assessment for Cognizant is a comprehensive assessment of Cognizant's Agile Development and DevOps services offerings and capabilities designed for:

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

## Key Findings & Highlights

Cognizant has been more focused on North America and application services than other Indian oriented service providers, although in recent years it has made some tuck-in acquisitions to expand its onshore capabilities in Europe. The company has a strong vertical focus in the BFSI and healthcare sectors and also has some specialization in smaller sectors such as information services.

The company overall has positioned as an “integrated service provider” combining insight and advisory consulting services, deep industry skills & knowledge, a culture of innovation and agility, and at-scale IT and service operations.

In 2017 Cognizant realigned its offerings into three broad practice areas, each headed by a President, all positioning on helping clients with their digital transformation agendas:

- **Digital Business:** includes the Digital Works unit set up in 2015. Key investments were in design, analytics and data scientists; expanding the number of ‘Collaboratories’ globally
- **Digital Systems & Technology:** focused on modernizing, securing, and scaling legacy technology environments (e.g., migrating to AWS), and in the use of automation/AI
- **Digital Operations:** includes cloud-based offerings and platforms businesses such as TriZetto.

Cognizant Business Consulting (CBC), was woven into all three practice areas, with a view to providing ‘tip of the spear’ activities.

To expand its engineering capabilities and drive broader agile and DevOps capabilities, in November 2018, Cognizant acquired Softvision for ~\$550m. The largest acquisition in 2018 (indeed its largest since TriZetto), brought in 2,800 personnel, specialist capabilities and scale in software engineering, including an extensive nearshore capability in Romania that Cognizant can use to serve European clients.

Softvision had just acquired Arrow Digital, which added some RPA expertise and experience in the FS sector. The combined entity will be branded as Cognizant Softvision for agile and product engineering services.

For CY 2018, Cognizant had total revenues of ~\$16.1bn. NelsonHall estimates that Cognizant's 2018 application services revenues accounted for ~\$10.8bn. NelsonHall estimates that Cognizant Softvision's agile and product engineering services account for ~5% of the total application services revenues (~\$542m).

Cognizant uses the Cognizant Softvision brand name for its agile development and product engineering services, focusing on three specific target areas:

- Digital product design and development: focusing on developing digital products to improve customer experience
- Application transformation: transform legacy applications to modern technologies
- Build digital culture: enable clients to transform culture and mindset to embrace modern, digital delivery approaches.

Cognizant's headcount at end 2018 was ~281.6k. The total Cognizant Softvision product engineering team is ~10k employees.

Cognizant's product engineering team is located in 10 countries across ~30 studios.

The 2018 acquisition of Softvision has provided Cognizant with a strong, dedicated agile development capability for new product development and application modernization. This acquisition helped expand Cognizant's client footprint in sectors such as retail and helps mature its agile development capabilities and provides Softvision with broader global scale to support its services. The process of integrating the capabilities between Softvision and the broader legacy Cognizant is still in process. Softvision's capabilities have been demonstrated to be effective in product development and application modernization and over the next year, expect that these approaches will be further reverse integrated into the broader Cognizant to deliver agile development services for other areas.

Softvision's delivery model is designed for scalability and to take advantage of distributed delivery. One area it can continue to focus on, in addition to building out its delivery resource pool and methodologies, is continuing to expand its DevOps and automated toolsets. While it offers the flexibility to tailor specific DevOps toolchains to client needs now, expanded pre-configured pipeline and automated development offerings will further strengthen and support the capabilities being built in Cognizant Softvision.

## Scope of the Report

The report provides a comprehensive and objective analysis of Cognizant's Agile Development and DevOps 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

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2. Revenue Summary

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3. Key Offerings

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4. Delivery Capability and Partnerships

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5. Target Markets

---

6. Strategy

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7. Strengths and Challenges

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8. Outlook

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11 pages

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