



Mphasis Low Code Application Services

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's Low Code Application Services Vendor Assessment for Mphasis is a comprehensive assessment of Mphasis' low code application services offerings and capabilities designed for:

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

Key Findings & Highlights

Mphasis has ~26k employees across 16 countries globally. It maintains a focused set of target industries, including:

- Wealth management
- Insurance
- Retail banking
- Telecom
- Travel and logistics.

Its client base of large FSI enterprises includes six large global banks, eleven large mortgage lenders, and three global insurance companies.

From 2006 to 2013, EDS and then HPE (which acquired EDS in 2008) held a significant ownership interest in Mphasis, starting at 40% and rising to 60%. In April 2016, PE Blackstone acquired a 60.5% share of Mphasis from DXC for ~\$1bn. Blackstone-owned companies make up a proportion of Mphasis' client base today, helping companies transform in response to digital threats and opportunities.

Mphasis is placing significant corporate focus on enabling client digital transformations, aligning its offerings to help drive this. The core of Mphasis' digital service offerings is Anything to Cloud Powered by Cognitive (X2C2). As part of this, it undertakes a transformation approach called Front to Back Transformation (F2B).

Mphasis views low code application platforms as a key avenue to drive this transformation. It allows for significantly increased application delivery velocity, aligns the technology platform to business objectives, and pushes greater autonomy to the business units within centralized technical architecture principles. These applications also act as the foundation for improving intelligence and the engagement layer for core systems.

While Mphasis has delivered low code application services primarily focused on the BPM space for more than 15 years, it launched a Pega CoE in 2006 and followed this with an Appian partnership in 2013. In September 2014, Mphasis initiated a partnership with Mendix focused on mobile application development.

Mphasis is pursuing the expansion of its client base through three channels:

- PE Channel: leveraging its parent company and relationships with other private equity firms, Mphasis offers services in support of activity by PE firms such as acquisitions and divestitures. For example, as part of acquiring a divested business unit, a PE firm can use Mphasis to carve-out the relevant portion of the SAP environment of the former parent company
- DXC/HPE: due to the historical relationship with HP, Mphasis continues to provide services in support of DXC and HPE
- Direct channel: in addition to leveraging relationships, Mphasis also pursues new clients directly and through partnerships.

NelsonHall estimates that CY 2020 revenues for Mphasis were ~\$1,515m. NelsonHall estimates that ~68% (~\$786m) of these revenues are associated with application development and management services, and ~2% of these revenues are associated with low code application services (~\$23m).

Mphasis offers services across seven low code platforms, including: Pega, Mendix, OutSystems, Appian, ServiceNow, Salesforce, and Microsoft Power platforms. These services span the application lifecycle including consulting, R&D services, implementation, and support.

As of June 30, 2020, Mphasis has a total of ~26.1k employees globally, including ~2.5k across low code, RPA, business process consultants, data scientists, architects, developers, and admins. The low code application team is weighted toward Asia-Pacific, with most employees based in Mphasis' India delivery centers (NelsonHall estimates that 70% of the Mphasis low code application teams are located in India).

Mphasis' low code services span a broad set of low code applications. It possesses partnerships with seven low code platforms, building out specific use cases for different industry sectors. It also brings a level of depth in a shortlist of platforms, beginning with Pega, which it has partnered with since around 2005, and Appian, which it has worked with since 2013. These long term partnerships are also reflected in its long term client base, which has provided Mphasis opportunities to leverage these platforms multiple times across business lines within a single client, both building their capabilities and improving their client relationships.

Mphasis has also augmented these commercial partnerships by building out its low code platform, Autocode.ai, which uses machine learning to translate handwritten drawings of screens into code. This provides Mphasis a differentiated capability to further enable the business employees within its client base.

While Autocode.ai and other low code application platforms enable clients to develop their applications, Mphasis is still investing in building its capabilities that provide organization, process and change management support to help clients on this journey. Continuing to grow its consulting capabilities can help inculcate the governance structures, processes, and change management to ensure clients maximize the investment in low code applications.

Scope of the Report

The report provides a comprehensive and objective analysis of Mphasis' low code application 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
2.	Revenue Summary
3.	Key Offerings
4.	Delivery Capability and Partnerships
5.	Target Markets
6.	Strategy
7.	Strengths and Challenges
8.	Outlook

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