HFS Research

HFS Top 10 RPA Service Providers 2018

Excerpt for KPMG

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TOP 10

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“Despite signs of vibrant growth such as the latest billion+ valuations of the most prominent RPA software firms, RPA is still a nascent market with enterprise strategies continuing to percolate and a notable dearth of experienced talent. Service providers have a critical role to play in the evolution of the RPA market.”

– Elena Christopher, Research Vice President

What you'll read

Topic	Page

Introduction, methodology, and definitions

Introduction

- Robotic Process Automation (RPA) has emerged as a powerful change agent, with enterprises around the globe embracing it as a means to automate manual processes and create a bridge to a digital future. Despite signs of vibrant growth such as the latest billion+ valuations of the most prominent RPA software firms, RPA is still a nascent market with enterprise strategies continuing to percolate and a notable dearth of experienced talent.
- In a first of its kind report, the HFS RPA Services Top 10 report examines the role service providers are playing in the evolving RPA market. We assessed and rated the RPA services capabilities of 29 service providers across a defined series of innovation, execution, and voice of the customer criteria. The report highlights the overall ratings for all 29 participants and the top five leaders for each sub-category.
- This report also includes detailed profiles of each service provider, outlining their overall and sub-category rankings, provider facts, and detailed strength and weaknesses.
- While we may refer in passing to broader intelligent automation or elements of artificial intelligence as part of providers' capabilities, make no mistake, we focused this report squarely on RPA and assessed all providers only on their RPA services capabilities.

Service providers covered in this report

accenture
Atos
Capgemini
Cognizant
CONDUENT
Deloitte.
DXC.technology
EXL business process solutions
EY
genpact Transformation Happens Here
HCL
HEXAWARE
IBM
Infosys
KPMG
LTI
MINDFIELDS GROW FOR TOMORROW
Mphasis The Next Applied
NTT DATA
pwc
ROBOYO
SUTHERLAND
Symphony
SYNTEL Consider IT Done
TATA CONSULTANCY SERVICES
Tech Mahindra
VIRTUAL OPERATIONS
wipro
WNS Extending Your Enterprise

Research methodology

The RPA Services Top 10 report assessed and scored service provider participants across execution, innovation, and voice of the customer criteria. The inputs to this process were detailed RFIs we conducted with 29 service providers, reference checks with 58 RPA clients, briefings with leaders of RPA Services practices within service providers, HFS surveys with 659 Global 2000 enterprises, and publicly available information sources. Specific assessment criteria and weighting include:

33.3%

Ability to execute

- **Depth and breadth of RPA offerings** including capabilities across the HFS RPA services value chain, use case identification, change management, and governance expertise
- **Scale** including deployments, clients, RPA trained resources, and commercial traction and growth
- **Delivery of value** including the ability to drive value through end-to-end process approach rather than short-term cost-cutting

33.3%

Innovation capability

- **RPA strategy and roadmap** including vision and credibility of strategy, integration with broader intelligent automation strategy, and identifiable investments in RPA strategy
- **Focus on business outcomes and process transformation** including the ability to deliver outcomes, models for co-innovation around process transformation, and transformation consulting
- **Technology innovation** including depth and breadth of internal RPA-related IP and external partnerships for RPA

33.3%

Voice of the customer

- **Direct feedback from enterprise clients** via reference checks, surveys, and case studies critiquing provider performance and capabilities

RPA Definitions

- HFS uses the IEEE (Institute of Electrical and Electronics Engineers) definition of **Robotic Process Automation**: a preconfigured software instance that uses business rules and predefined activity choreography to complete the autonomous execution of a combination of processes, activities, transactions, and tasks in one or more unrelated software systems to deliver a result or service with human exception management. The primary value proposition of RPA is to increase efficiency and productivity through manual labor reduction by automating transaction-intensive activities. RPA implementations require human intervention for judgment-intensive tasks and to make changes and improvements. RPA tools can typically handle structured data and are user-interface-based (code free), application agnostic, non-disruptive to legacy IT, and business user-friendly. RPA excels at performing high-volume rules-based transactional tasks, including record maintenance, queries, calculations, and transactions.

- **RPA Services** is the provision of planning, implementation, management, operations, and optimization services in support of enterprise utilization of RPA software, processes, and resources to achieve digital transformation and defined business outcomes. HFS depicts RPA Services in a value chain, as detailed on page 9.

The HFS RPA Services Value Chain

Plan	Implement	Manage	Operate	Optimize
• Technology advisory • Vendor selection support • Automation use case identification and assessment • Business case development for automation deployment • Operating model evaluation • Automation roadmap • Compliance and risk assessment • Security implications • HR and talent strategy management • Change management • Governance policy • Rollout strategy	• Program management for process automation • Process automation and customization • Exceptions identification • Solution and technical design • Process recording, mapping and updating • Data extraction from heterogenous systems • Leverage repository of pre-built components and utilities • Intelligent automation integration • Enterprise systems integration	• Governance management • Maintenance of automated processes • Optimization of BPO contracts and shared service centers • Upgrade support • Help desk • Support and maintenance • Testing and QA • New releases and update coordination • Training and certification • Acceptance testing • Change management • CoE management	• Infrastructure management • Application management • IT help desk • BPO • RPA-as-a-Service • Real-time analytics • Identify changes in service delivery to support changing business requirements (e.g., M&A, new IT) • Mandatory regulatory adjustment ramification and resolution	• New feature value identification and benefit analysis • Ongoing adds, upgrades, migrations and consolidation • Integration of AI and smart analytics • Best practice documentation and curation • User community participation

Executive summary

Executive summary (page 1 of 3)

- **A first-of-its-kind comprehensive study of 29 RPA service providers:** The HFS Research RPA Services Top 10 report is a first of its kind study where we rated 29 service providers across elements of service execution, innovation, and voice of the customer.
- **No single type of services firm stood out as the de facto leader for RPA services**: Our resultant Top 10 leaders are a mixed bag of consultants, global system integrators, and RPA services pure play firms—all supporting customers across the RPA Service Value Chain. The broad roles of the services players reflect a growing but still nascent market with limited talent resources and services firms jockeying to secure their role as the service provider of choice as enterprises scale RPA.
- **The overall Top 10 leaders are** EY, Capgemini, KPMG, TCS, Accenture, IBM, Deloitte, Symphony Ventures, Cognizant, and Infosys. These firms exhibited a strong mix of service execution excellence, applied innovation and vision, and verified customer satisfaction to rise to the top of our RPA services study.
- **Being adept at provision of AI-focused services does not make a provider an RPA expert**: RPA and the various building blocks of AI are different technologies requiring distinct skills. Many services firms who fared well in our AI Services Blueprint have not necessarily cultivated deep capabilities in RPA. While they complement one another in the intelligent automation context of our Triple A Trifecta, it is critical to ensure your provider has actual RPA chops.
- **Trained RPA talent is growing, but experience is thin:** The average number of trained RPA resources across the 29 providers in our study is 1,160, with the median at 675 and total resource base at 32,474. However, HFS estimates that at least 80% of these have less than two years of direct RPA experience.

Executive summary (page 2 of 3)

- **Enterprise satisfaction with RPA services is squarely mediocre:** Customers have spoken! The average satisfaction score for our study was 77% out of 100%, with many firms that usually achieve high satisfaction scores receiving lower than typical ratings from both their hand-picked references and HFS' survey-based ratings. We believe part of the causality lies in enterprise frustration with time to benefits. Transformation takes time. While many small RPA initiatives at a single process or function level can be quickly implemented and proven to show benefits, broader scaling and movement to a hybrid digital and human workforce takes time. The market hype, often from RPA software vendors, continues with its mantra of "RPA is quick and easy," thus continuing to obscure the reality that RPA and broader intelligent automation is not a quick-hit lever but part of broader scaled digital transformation.
- **Change management and governance capabilities are lacking**: Service providers' ability to provide change management capabilities and assist with setting up and ensuring solid ongoing governance were the lowest rated execution criteria, reflected as an element of depth and breadth of RPA capabilities. Enterprises and service providers alike need to implement these capabilities as ongoing elements of their automation strategies and not just pay them lip service.
- **High satisfaction is tied to focused RPA engagements:** The providers that scored well in the voice of the customer metric generally had a very focused approach to how they are offering and delivering RPA—as part of optimizing business processes as with BPO firms or as their sole focus as with the RPA services pure plays. As one enterprise executive put it "the focused approach helps us achieve targeted benefits and then move on without the pressure and expectation of a visible center of excellence and loads of expenditure on licenses." This belies the lack of scaled RPA initiatives.
- **The biggest gap in RPA services capabilities is in post-implementation**: Service providers have built strong depth of capabilities in RPA planning and implementation services. They are less experienced at supporting clients after go-live for management, operations and optimization services. As enterprises continue to scale RPA and broader intelligent automation, HFS expects clear needs to emerge in line with supporting in-house implementations versus managed services.

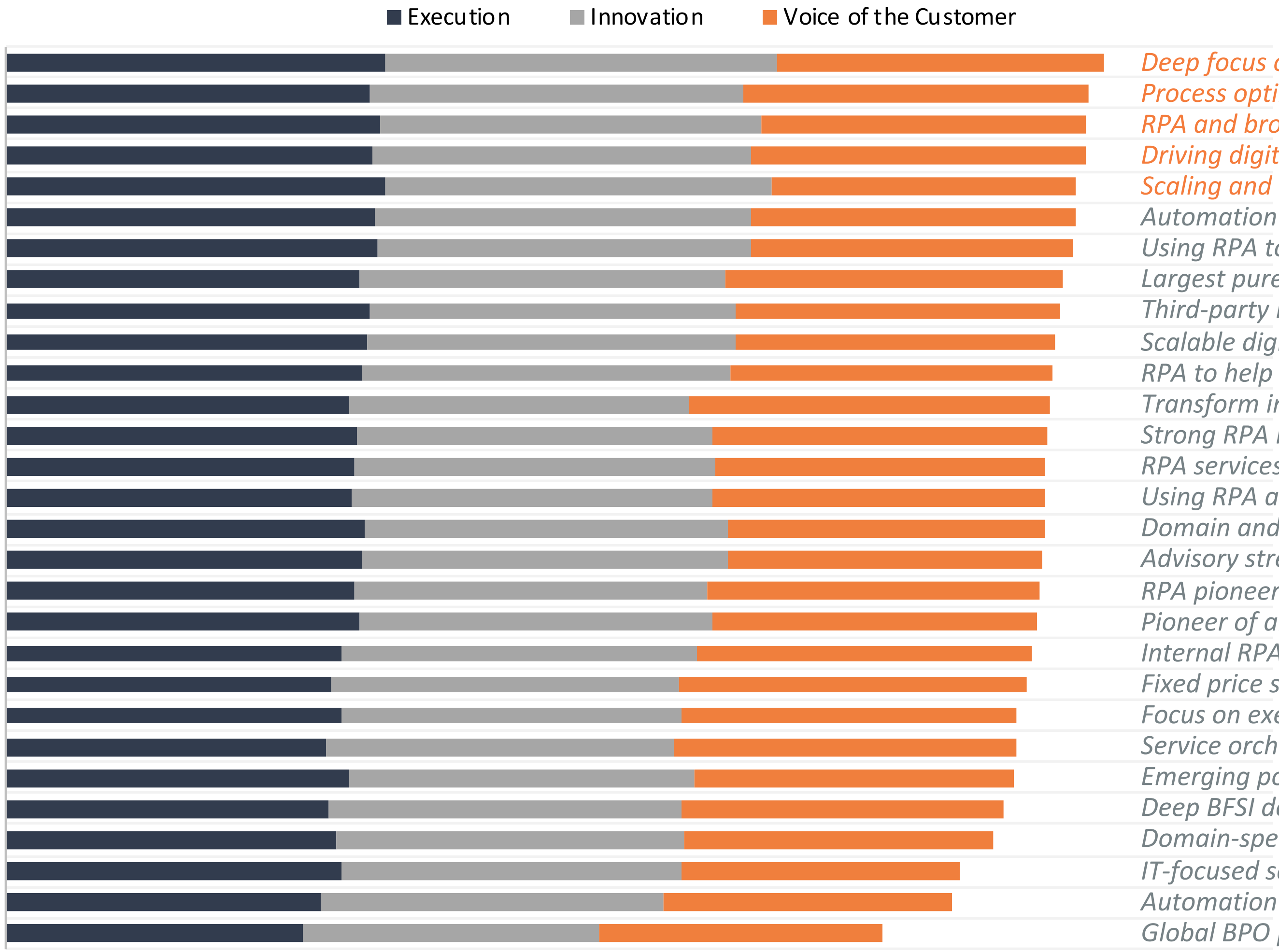
Executive summary (page 3 of 3)

- **Service providers' greatest contribution to the RPA market is their IP**: While RPA technology skills are valuable, the various frameworks, accelerators, libraries and enabling tools that are being developed by the service provider community to facilitate RPA adoption are their greatest contribution. Much of this IP has been focused on process automation identification and feasibility studies, quantifying potential ROI, and fast tracking implementations. This is now shifting to enablement of RPA extension (RPA+cognitive or AI elements), building industry and domain-specific accelerators, and vendor neutral (and multi-tool) management platforms for integrated human and digital workforces.
- **The prevailing approach to RPA software by services firms is best-of-breed agnostic**: All 29 service providers included in our study refer to themselves as RPA software agnostic. This list includes the seven firms that have developed their own RPA software. These firms will generally defer to client choice or existing investments in other tools, but do position their own tools as powerful greenfield options.
- **Of the "big three" RPA software products, service providers have the most experience with UiPath:** All service providers in our study have built their RPA services capabilities around some variation of the RPA software big three of Automation Anywhere, Blue Prism, and UiPath. UiPath ranks as the RPA software product that service providers have the most experience with, followed by Blue Prism and then AA.
- **Beyond the big three, Pega, Nice, WorkFusion, and Softomotive rose to the top**: Service providers have complemented their big three RPA focus with various other firms. Many global service providers already have Pega or Nice practices based on their broader platform capabilities, and RPA is an add-on. This has helped propel Pega and Nice into the fourth and fifth slots, respectively, for depth of use by service providers. WorkFusion was noted as a viable option for BFSI clients, and Softomotive was noted as cost-effective.

The HFS Top 10 RPA service providers results

HFS Top 10 RPA service providers 2018

TOP 10



#1 EY	*Deep focus on RPA to scale end-to-end process transformation*
#2 Capgemini	*Process optimization and RPA industrialization*
#3 KPMG	*RPA and broader IA to solve business problems and deliver tangible value*
#4 TCS	*Driving digital transformation through its machine-first approach*
#5 Accenture	*Scaling and industrializing RPA as part of broader digital transformation*
#6 IBM	*Automation at scale with differentiating assets around Watson ecosystem*
#7 Deloitte	*Using RPA to transform how humans and machines work together*
#8 Symphony Ventures	*Largest pure play driving scaled workforce transformation, acquired by SYKES*
#9 Cognizant	*Third-party RPA expertise and internal IP to deliver business outcomes*
#10 Infosys	*Scalable digital transformation with internal RPA IP and external expertise*
#11 Wipro	*RPA to help enterprises optimize and transform operations*
#12 WNS	*Transform industry-specific business processes and domain functions*
#13 NTT DATA	*Strong RPA IP to optimize processes and deliver committed outcomes*
#14 Virtual Operations	*RPA services pioneer enabling scaled automation*
#15 LTI	*Using RPA and its Mosaic platform to deliver business outcomes*
#16 Genpact	*Domain and industry knowledge to drive end-to-end automation*
#17 PwC	*Advisory strength to enable client automation journeys*
#18 Sutherland	*RPA pioneer focused on transforming business processes*
#19 Syntel	*Pioneer of an integrated approach to IA, now part of Atos*
#20 Tech Mahindra	*Internal RPA IP plus best of breed external tools*
#21 Mindfields	*Fixed price solutions emphasizing development of in-house capabilities*
#22 Roboyo	*Focus on execution excellence and client enablement*
#23 HCL	*Service orchestration of intelligent automation to deliver business outcomes*
#24 DXC	*Emerging post-merger with a strong focus on automation as a service*
#25 Mphasis	*Deep BFSI domain expertise*
#26 EXL	*Domain-specific automation enhanced with analytics*
#27 Atos	*IT-focused service provider using RPA to enable industrialized automation*
#28 Hexaware	*Automation to re-engineer business processes and impact CX*
#29 Conduent	*Global BPO provider bringing internal automation expertise to clients*

Source: HFS Research 2018

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HFS Top 5 RPA service providers by individual assessment criteria

	Ability to execute			Innovation capability			
HFS Ranking	Depth and breadth of RPA service offerings	Scale	Delivery of value	RPA strategy and roadmap	Focus on business outcomes and process transformation	Technology innovation	Voice of the customer
#1	accenture	EY	Symphony	accenture	EY	EY	WNS
#2	KPMG	accenture	KPMG	EY	KPMG	accenture	MINDFIELDS
#3	EY	Deloitte.	EY	IBM	TATA CONSULTANCY SERVICES	KPMG	Capgemini
#4	Deloitte.	IBM	accenture	KPMG	accenture	Capgemini	HCL
#5	Cognizant	KPMG	VIRTUAL OPERATIONS	TATA CONSULTANCY SERVICES	Deloitte.	TATA CONSULTANCY SERVICES	Symphony

Source: HFS Research 2018

RPA services value chain heatmap

- Provider capabilities across the RPA Services value chain are based on depth of experience.
- The depth of experience scale levels are as follows: (1) no experience; (2) emerging with fewer than 10 engagements; (3) intermediate with 10 to 25 engagements; (4) expert with more than 25 engagements

No experience	1	2	3	4	Expert

	Accenture	Atos	Capgemini	Cognizant	Conduent	Deloitte	DXC	EXL	EY	Genpact	HCL	Hexaware	IBM	Infosys	KPMG
Plan	4	4	4	4	3	4	4	3	4	4	4	4	4	4	4
Implement	4	3	4	4	4	4	4	4	4	4	4	4	4	4	4
Manage	4	4	4	4	2	4	4	4	4	4	4	3	4	4	4
Operate	4	4	4	4	2	4	4	3	4	4	4	3	4	3	4
Optimize	4	4	4	4	4	3	4	2	4	4	3	3	4	4	4

	LTI	Mindfields	Mphasis	NTT DATA	PwC	Roboyo	Sutherland	Symphony	Syntel	TCS	Tech Mahindra	Virtual Ops	Wipro	WNS
Plan	4	4	4	4	4	4	4	4	4	4	3	4	4	4
Implement	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Manage	4	3	4	4	4	4	4	4	4	4	3	4	3	4
Operate	3	3	3	4	4	4	4	4	4	4	2	4	2	3
Optimize	4	3	4	4	3	3	3	4	4	4	2	4	2	2

Source: HFS Research 2018

Service provider depth of capability by RPA software

TOP 10

No experience | <10 engagements | 10-25 engagements | >25 engagements

	Antworks	Automation Anywhere	Blue Prism	Contextor	Datamatics	Jidoka	Kofax	Kryon	NICE	PEGA	Redwood Software	Softomotive	Thoughtonomy	UiPath	WorkFusion	Internal RPA tool
Accenture																NA
Atos																NA
Capgemini																NA
Cognizant																HPA
Conduent																CAS
Deloitte																NA
DXC																NA
EXL																NA
EY																NA
Genpact																NA
HCL																NA
Hexaware																NA
IBM																NA
Infosys																AssistEdge
KPMG																NA
LTI																NA
Mindfields																NA
Mphasis																NA
NTT DATA																AFTE
PwC																NA
Roboyo																NA
Sutherland																SmartRPA
Symphony																NA
Syntel																SyntBots
TCS																NA
Tech Mahindra																Uno-R
Virtual Ops																NA
Wipro																NA
WNS																NA

Source: HFS Research 2018

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RPA service provider profiles

KPMG: Global professional services firm focused on RPA and broader intelligent automation to solve business problems and deliver tangible value

HFS TOP 10

Dimension	Rank
HFS Top 10 position	**#3**
Ability to execute	
Depth and breadth of RPA offerings	#2
Scale	#5
Delivery of value	#2
Innovation capability	
RPA strategy and roadmap	#4
Focus on business outcomes and process transformation	#2
Technology innovation	#3
Voice of the customer	**#15**

Strengths

- **Global integration of RPA and cognitive capabilities under its Lighthouse center of excellence:** KPMG has aligned its RPA and cognitive capabilities as well as its cognitive tax capabilities with its existing data and analytics Lighthouse. The Lighthouse CoE is an internal hub between its member firms worldwide. This alignment brings together the HFS Triple A Trifecta change agents to create a powerful hub for service orchestration.
- **Early adopter with a clear vision of transformation potential:** KPMG was an early adopter of RPA, starting in late 2012 as a transformation tool for its global business services outsourcing. It has grown its capabilities since then by building advisory expertise, process knowledge, and technology skills. This relatively early start has enabled the firm to develop a strong experience basis, especially around advisory and long-term vision. It also has a growing number of clients that are well down the path towards scaled and industrialized RPA and intelligent automation.
- **Internal use of RPA:** KPMG is applying RPA internally to both enhance service delivery in knowledge domains like tax and audit and its own internal functions like HR, payroll, and IT support.
- **Broad footprint of innovation and collaboration centers:** The firm has a strong network of intelligent automation labs and innovation centers around the globe to support collaboration with clients as well as partners.
- **Strength in governance:** KPMG's depth of RPA experience has educated it on the need for strong and enduring governance process for RPA and broader intelligent automation transformation. While this is still an area in flux as enterprises continue to come to grips with what it means to manage a hybrid digital and human workforce, KPMG's clients lauded the company for its strong governance skills
- **Development of internal IP:** KPMG has developed a number of internal tools, accelerators, and frameworks to accelerate RPA adoption. It is also applying RPA to drive process optimization into back-office solutions such as Finance ERP< Procurement ERP and HR functions through its Powered Enterprise solutions.

Development opportunities

- **Increasing its client base in Europe:** While KPMG has an ample footprint in Europe, where enterprise adoption of RPA is somewhat further along, the majority of its clients are US based.
- **Change management:** While the firm was lauded by clients for its broader governance capabilities, change management capabilities leave something to be desired. While some of this challenge likely also lies with clients who actually need to make and manage change especially with its human workforce, KPMG can certainly redouble its efforts to support this critical success factor.
- **Depth of experience with third-party RPA tools**: Clients noted that there is still a distinct learning curve for some resources around code quality and development and use of reusable scripts. KPMG's continued focus on employee education will help.

Relevant acquisitions and partnerships

Acquisitions include:
- 2015-18: Acquired several RPA teams from other consultancies, technology companies, start-ups, etc.
- 2014: Acquired Safira for BPM and Intelligent Automation, including RPA

Partnerships include:
- Blue Prism: silver delivery partner
- Automation Anywhere: platinum business partner
- UiPath: strategic partner
- Pega Robotics (OpenSpan): advisory partner
- WorkFusion

Key clients

120+ enterprise RPA clients, including:
- Fortune 100 US telecom company
- Fortune 100 global insurance company
- Fortune 100 global bank
- Large US utility
- Fortune 100 global automotive company
- Fortune 500 global pharmaceutical company
- Fortune 500 global healthcare company
- Major UK bank
- Major German bank
- Fortune 500 global telecom company

Operations

Headcount: 2,000

Locations:
- North America: 40% (split across 90+ US offices)
- LATAM: 10% (mostly in Brazil and Columbia)
- UK: 10% (19 offices across the UK)
- EMEA: 20% (split across 10+ countries including COE in Portugal)
- India: 10% (includes COE in India)
- Other APAC: 10% (mostly in Japan and Australia)

Internal IP and technologies

- **IGNITE:** Proprietary platform bringing RPA and AI tools together.
- **RPA Workbench**: Includes accelerators across cognitive automation patterns to help teams quickly develop PoCs for clients.
- **Powered Enterprise:** Multiple "powered" solutions for the back-office across platforms (WorkDay, Oracle, ServiceNow, etc.) that have RPA bots built on top to further drive process optimization.

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About the authors

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Elena Christopher drives the industry-specific research agenda for HFS, digging into the major trends impacting each in-scope industry and the implications for business process and IT services. Elena's industry coverage areas are High-Tech, Banking and Financial Services and Telecommunications.

As a complement to her vertical focus, she leads HFS' coverage of automation with an emphasis on robotic process automation (RPA) helping to identify and articulate the value proposition for this important change agent and its intersection with other emerging value levers.

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