

# Everest Group PEAK Matrix™ for Enterprise QA Service Providers

Focus on Cognizant  
July 2018



# Introduction and scope

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Everest Group recently released its report titled “[Enterprise QA Services PEAK Matrix™ Assessment 2018: Quality Assurance to Brand Assurance: AI Driving the Evolution](#).” This report analyzes the changing dynamics of the QA landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 23 service providers on the Everest Group PEAK Matrix™ for enterprise QA into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of QA service providers based on their absolute market success and delivery capability. Everest Group also identified five service providers as the “2018 Enterprise QA Market Star Performers” based on the strongest forward movement demonstrated on the PEAK Matrix year-on-year.

Based on the analysis, **Cognizant emerged as a Leader and Star Performer**. This document focuses on **Cognizant’s** QA experience and capabilities and includes:

- Cognizant’s position on the Enterprise QA PEAK Matrix
- Detailed Enterprise QA profile of Cognizant

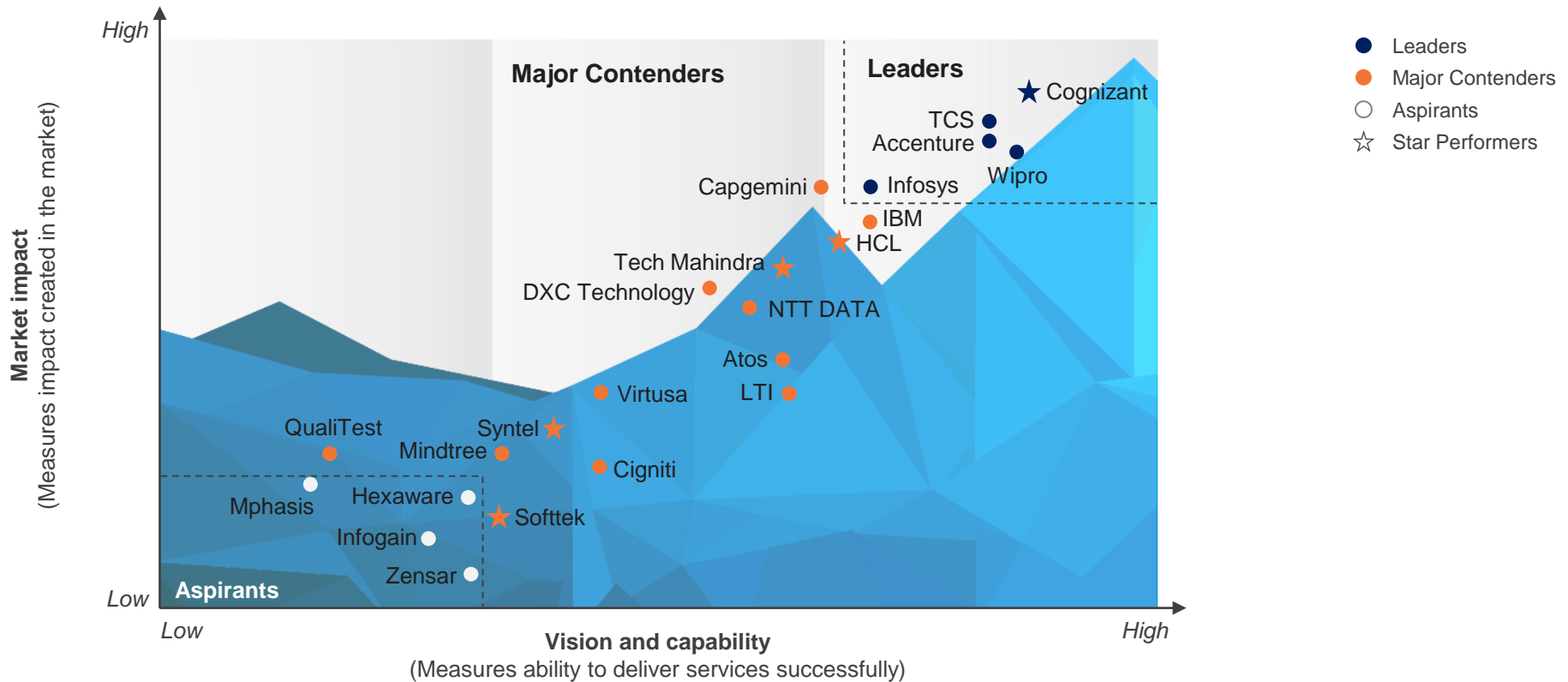
Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

# Everest Group PEAK Matrix™

## Enterprise QA Services PEAK Matrix™ Assessment 2018: Quality Assurance to Brand Assurance: AI Driving the Evolution

### Assurance to Brand Assurance: AI Driving the Evolution | Cognizant positioned as Leader

#### Everest Group Enterprise QA Services PEAK Matrix™ Assessment 2018: Quality Assurance to Brand Assurance: AI Driving the Evolution



Note: Assessment for Atos includes partial inputs from the service provider, and is based on Everest Group's estimates that leverages its proprietary data assets, service provider public disclosures, and interaction with buyers

Assessment for IBM and Mindtree excludes service provider inputs on this particular study, and is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, service provider public disclosures, and interaction with buyers

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information that is contract-specific will be presented back to the industry only in an aggregated fashion

Source: Everest Group (2018)

# Cognizant | Enterprise QA services profile (page 1 of 2)

## Overview

### Strengths

- Cognizant has positioned its QA services in a more holistic QA orchestration model, which is resonating with clients
- Cognizant has invested heavily in building its cognitive and automation solutions, which are cited by its clients as its key strengths

### Areas of improvement

- It needs to further fine-tune some aspects of its workforce including skills, availability, and scalability in large engagements to ensure consistency in delivery to the clients
- Cognizant should venture beyond its core geographies to expand its market share

### Enterprise QA services revenue

<US\$200 million

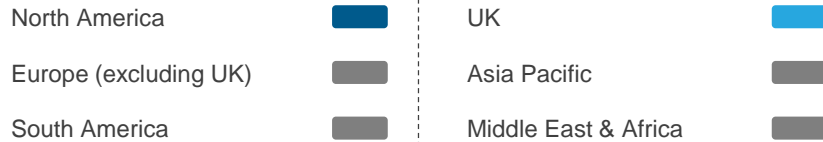
US\$200-  
US\$500 million

US\$500 million-  
US\$1 billion

>US\$1 billion

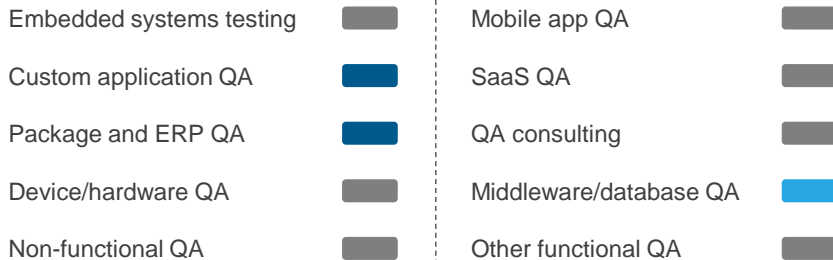
### Revenue by geography

■ High (>20%) ■ Medium (10-20%) ■ Low (<10%)



### Revenue by segment

■ High (>20%) ■ Medium (10-20%) ■ Low (<10%)

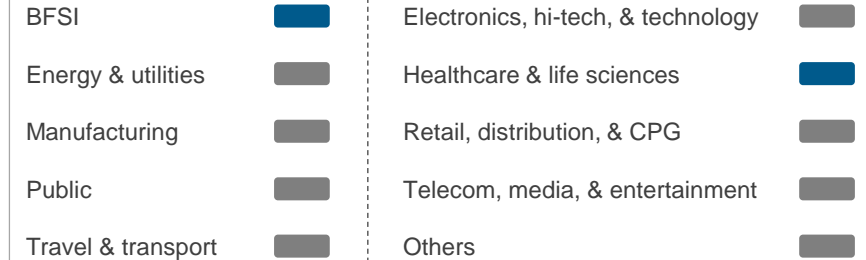


### Scope of coverage

End-to-end QA, functional, non-functional testing, test automation, security & usability testing, IoT & CX testing, professional services & advisory, and cognitive testing

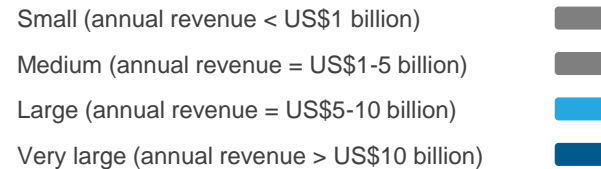
### Revenue by Industry

■ High (>20%) ■ Medium (10-20%) ■ Low (<10%)



### Revenue by buyer size

■ High (>20%) ■ Medium (10-20%) ■ Low (<10%)



# Cognizant | Enterprise QA services profile (page 2 of 2)

## Offerings

**Vision:** Cognizant aims to assure success in digital for clients, driving quality at speed and first time right through its deep industry and technology expertise.

### Proprietary solutions (representative list)

Investment name	Details
Assurance for digital assistants	The solution assures response and also validates it across multiple accents and utterances for customer experience. It provides automated assurance for conversational AI-based digital assistants
Quality insight bots	It is a complete suite of AI-based bots for intelligent QA
TEBOT	A robotic test solution for automation at the human-machine interface

### Enterprise QA services partnerships (representative list)

Partner name	Details
Amazon	Training and testing of Alexa conversational AI and for on-demand test infrastructure with Amazon AWS on platform
CA Technologies	Agile and DevOps enablement with CA Rally and Lisa, and self-healing service virtualization using CA's automic solution
Worksoft	Technology provider for Cognizant's Business Process Assurance (BPA) platform for enterprise apps – SAP and Oracle

Cognizant has also established partnerships with IBM, Microsoft, Microfocus, CAST, Delphix, SmartBear, Dynatrace, Synopsis, SAP, and Oracle to offer QA solutions.

### Recent activities / other investments (representative list)

Development	Details
Acquisitions in human sciences space	Strengthened human-centric capabilities for digital through acquisitions in digital CX and the design thinking space – Red Associates, Mirabeau, Idea Couture, Netcentric, and Zone
Applied AI and digital assurance labs	State-of-the art applied AI labs to incubate use cases for AI including intelligent QA and digital assurance labs for clients
Nurturing open source communities	Accelerating pace of innovation in QA by open sourcing Cognizant Intelligent Test Scripter – a nifty tool that helps automate on the go, without the need for scripting know-how

# Appendix

# This report focuses on QA services and provides insights into leading service providers

NOT EXHAUSTIVE

This report focuses on “**enterprise QA services**” defined as quality assurance services for IT systems, which are delivered by career QA professionals across different types of engagements with enterprises.

■ Focus of research

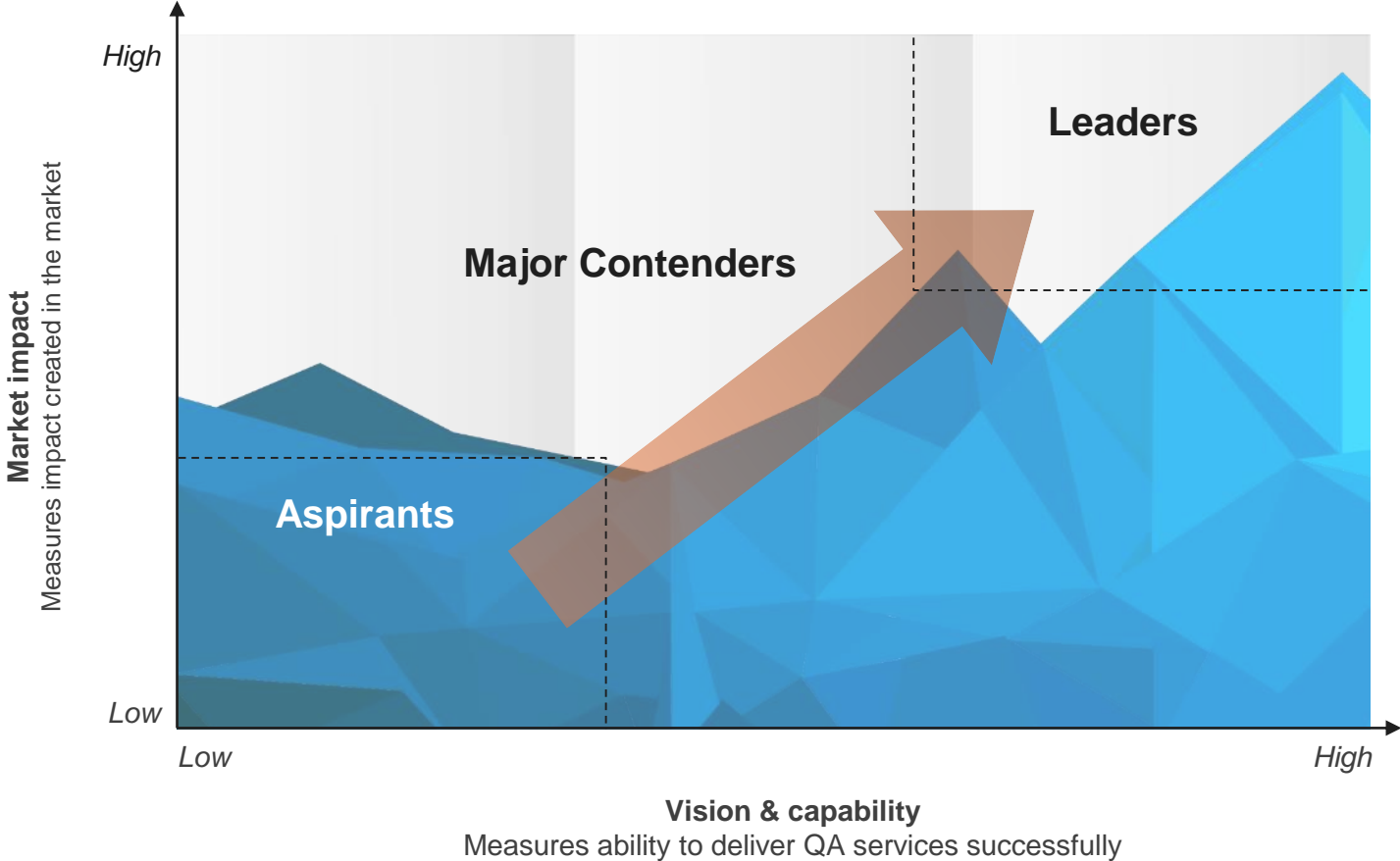
## Enterprise QA services

- Advisory services (QA assessment and framework, test processing consulting, etc.)
- Domain-based QA (domain-specific functional testing, compliance testing, etc.)
- Test data management and tool services
- Manual testing (functional system testing, System integration (SI) testing, User Acceptance Testing (UAT), etc.)
- Enterprise application QA (SAP testing, Customer Relationship Management (CRM) testing, etc.)
- Performance QA
- Specialized QA (service virtualization, Service Oriented Architecture (SOA) testing, etc.)
- Cloud-based QA (testing-as-a-service)
- Mobile apps QA
- Infrastructure QA services

This report also provides insights into delivery capabilities, scale, domain investments, focus on verticals, type of QA services, and partnerships of these service providers.

# Everest Group PEAK Matrix™ is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix





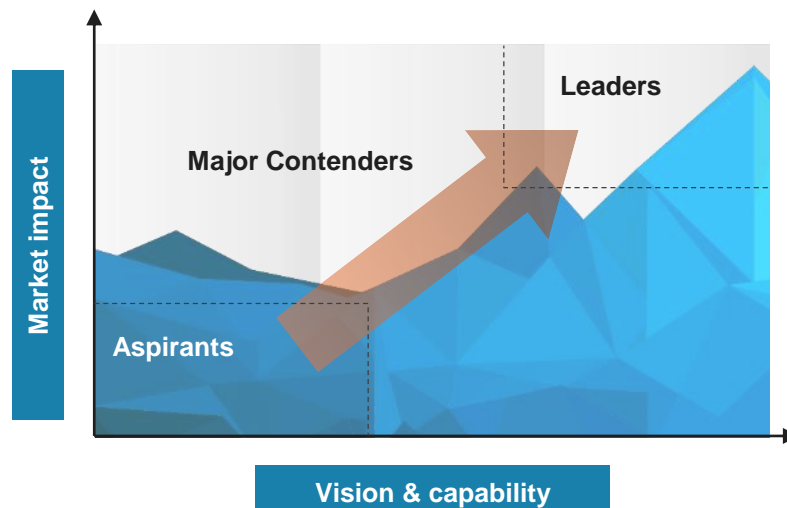
# Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

**Market adoption**  
No. of clients, revenue base, and YOY growth, deal value/volume

**Portfolio mix**  
Diversity of client/revenue base across geos and type of engagements

**Value delivered**  
Value delivered to the client based on customer feedback and transformational impact



Measures ability to deliver services successfully. This is captured through four subdimensions

**Vision and strategy**  
Vision for the client and itself; future roadmap and strategy

**Scope of services offered**  
Depth and breadth of services portfolio across service sub-segments / processes

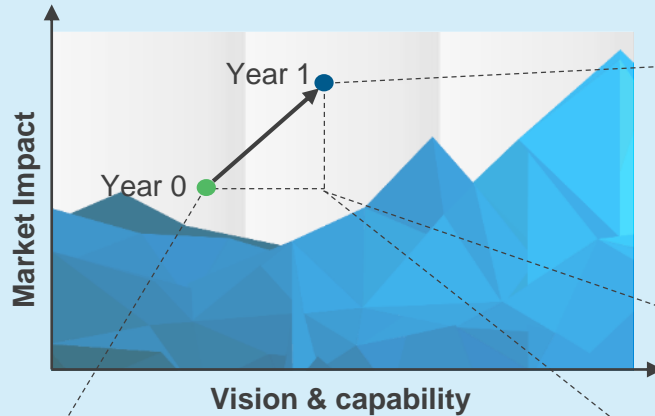
**Innovation and investments**  
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

**Delivery footprint**  
Delivery footprint and global sourcing mix

# Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix™

## Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix



In order to assess advances on **market impact**, we evaluate each service provider's performance across a number of parameters including:

- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each service provider's performance across a number of parameters including:

- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service providers with:

- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

**Star Performers are identified by top quartile performance improvement on the X and Y axes for each segment**

*The Star Performers title relates to YOY performance for a given service provider and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.*

## **Does the PEAK Matrix™ assessment incorporate any subjective criteria?**

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

## **Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?**

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

## **What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?**

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

## **What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?**

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

## **What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?**

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
  - Issue a press release declaring their positioning. See [citation policies](#)
  - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  - Quotes from Everest Group analysts could be disseminated to the media
  - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

## **Does the PEAK Matrix evaluation criteria change over a period of time?**

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



## About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com).

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