



Everest Group PEAK Matrix® for Finastra IT Service Provider 2022

Focus on Infosys
January 2022



Background of the research

- Finastra has seen massive surge in demand since Misys and D+H joined hands in early 2017, owing to banks undertaking digital transformation initiatives to achieve resilient operating models and meet the ever-changing customer expectations. It has emerged as one of the largest BFS-focused core platform with a vast coverage of products across payments, treasury, risk and compliance, open banking, lending, and capital markets
- With traditional banks adopting platform-centric operating models, Finastra has been successful in differentiating itself from other product vendors by delivering componentized solutions and open platforms that can be on-premise/cloud and have microservice capabilities. It has also made significant investments in the form of acquisitions and strategic partnerships to broaden its capabilities in banking and capital markets
- There is an increasing shift in demand for Finastra products from Fusion Summit and Kondor to Fusion Global PAYplus (GPP) and Loan IQ
- The launch of Finastra's developer portal and addition of multiple non-competing platform vendors to this portal has allowed banks to continuously explore the breadth of solutions and innovations that system integrators have built around the Finastra product suite that they can leverage as part of their transformation journeys

The full report includes the profiles of the following 15 IT service providers featured on the Finastra IT Services PEAK Matrix:

- **Leaders:** Accenture, Capgemini, Cognizant, HCL Technologies, and Infosys
- **Major Contenders:** Interswitch, Luxoft – A DXC Technology Company , NTT DATA, Synechron, TCM Partners, and Wipro
- **Aspirants:** Anabatic Technologies, Be, Neoflex, and Sophos Solutions

Scope of this report:



Geography
Global



Service providers
15 leading Finastra IT service providers in BFS



Services
Platform IT services in BFS

Finastra IT Services PEAK Matrix® characteristics

Leaders:

Accenture, Capgemini, Cognizant, HCL Technologies, and Infosys

- Leaders have significantly grown their Finastra IT services practice and emerged as preferred partners for select geographies and products, driven by their expertise in advisory, domain-specific thought leadership, and joint GTM strategies with Finastra
- Players, such as Accenture, Capgemini and Cognizant, have built a diverse portfolio of cloud-enabled and as-a-service proprietary offerings for Finastra products across banking, payments, risk, and trade
- Players, such as Infosys and HCL Technologies, have invested in leveraging their other product partners to build added capabilities on Finastra platforms and developing a talent base of certified Finastra engineers and consultants
- Leaders have a significant client base in North America, Europe, and Asia Pacific and are now focusing on winning large-scale digital transformation deals in high-growth markets of Middle East, Africa, and Latin America

Major Contenders:

Interswitch, Luxoft – A DXC Technology Company, NTT DATA, Synechron, TCM Partners, and Wipro

- Major Contenders cover a spectrum of service providers – from large players with global consulting and technology capabilities to mid- and small-sized payers with regional focus
- Small players, such as TCM Partners and Interswitch, have built meaningful capabilities and specializations for a few Finastra products in their local regions of Latin America and Africa respectively, where other system integrators have minimal presence
- Players, such as Luxoft and Synechron, have made significant investments in developing a rich talent pool of Finastra-certified experts and ex-Misys consultants to support their clients on large-scale transformations and become an end-to-end partner
- SIs, such as Wipro and NTT DATA, have built expertise in Finastra services through acquisitions of Finastra specialist firms with a strong presence in the regions they operate in

Aspirants:

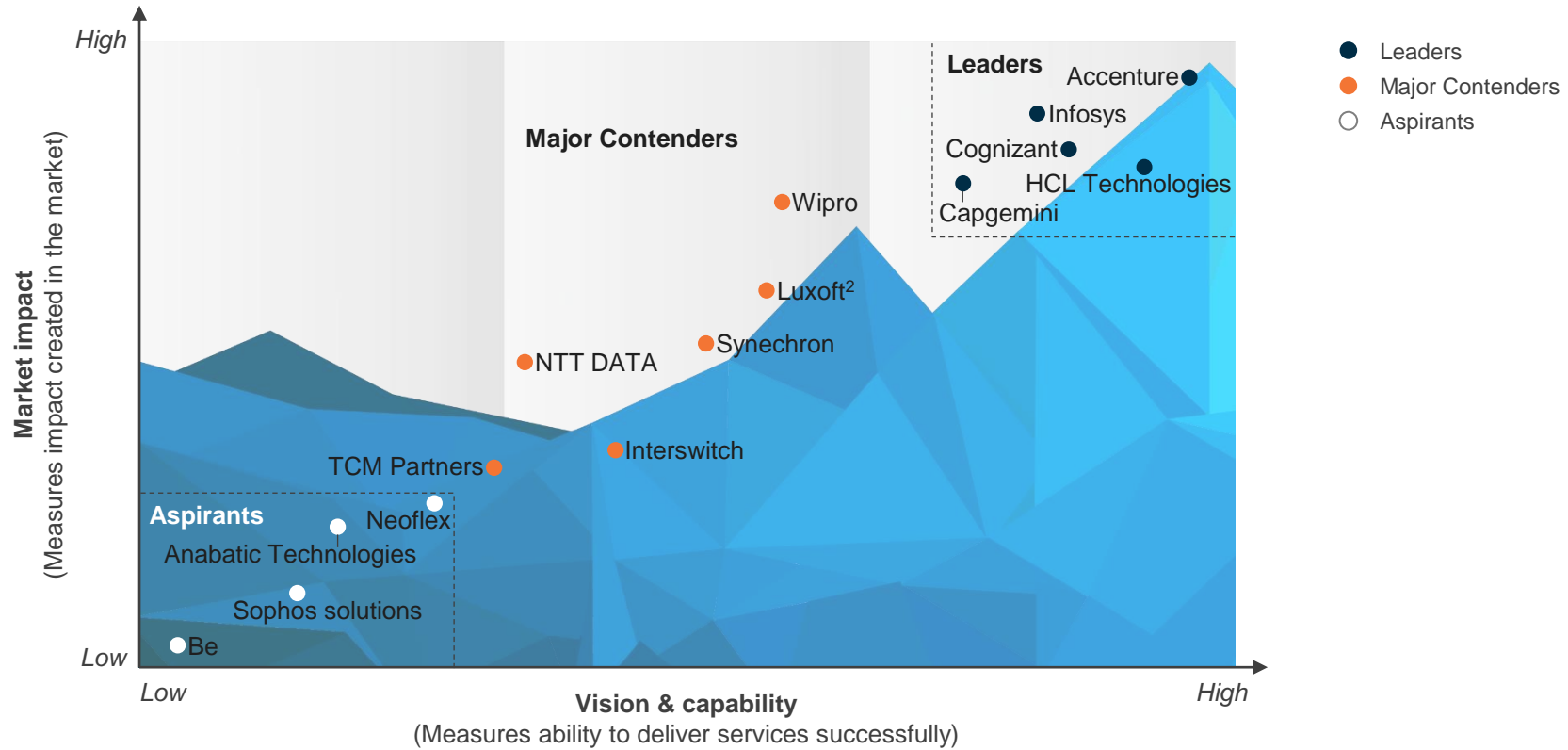
Anabatic Technologies, Be, Neoflex, and Sophos Solutions

- They are either focused on a region(s) or vertical(s), or currently have a relatively small Finastra practice
- Players, such as Neoflex, are investing in becoming challengers to the Leaders and Major Contenders in specialized products such as Fusion Risk
- Aspirants are continuously investing in acquiring ex-Finastra/ex-Misys resources, local sales, and domain experts, to differentiate themselves from its peers and offer better client servicing

Everest Group PEAK Matrix®

Finastra IT Services PEAK Matrix® Assessment 2022 | Infosys positioned as Leader

Everest Group Finastra IT Services PEAK Matrix® Assessment 2022¹



¹ Assessments for Anabatic Technologies, Be, Interswitch, Luxoft, Neoflex, NTT DATA, Sophos Solutions, Synechron, TCM Partners, and Wipro excludes service provider inputs on this study and are based on Everest Group's research, which leverages Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, their public disclosures, and interaction with buyers. For these companies, Everest Group's data for assessment may be less complete.

² Luxoft, A DXC Technology Company

Source: Everest Group (2022).

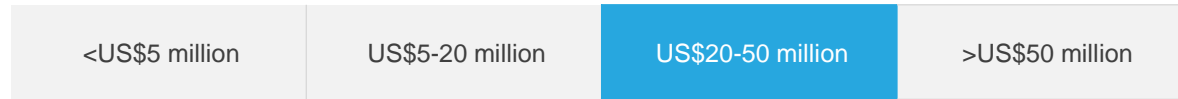
Infosys | Finastra IT services profile (page 1 of 5)

Practice overview¹

Company mission/vision statement

To become a leading partner in the payments and lending space by supporting products development, providing implementation and support services, and building a 360-degree relationship with Finastra.

Finastra services – revenue mix (CY 2020)¹

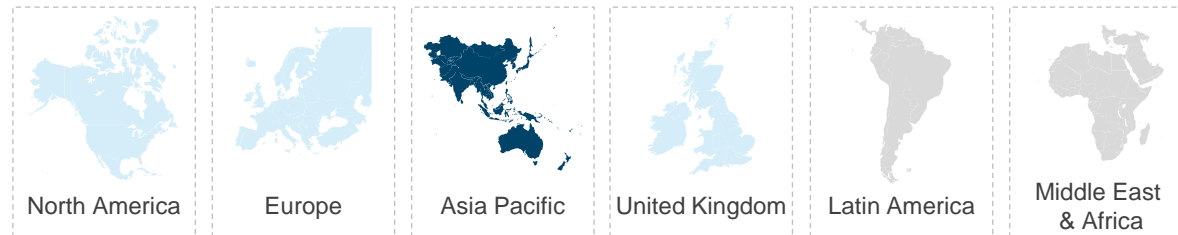


Number of Finastra services clients being served in CY 2020



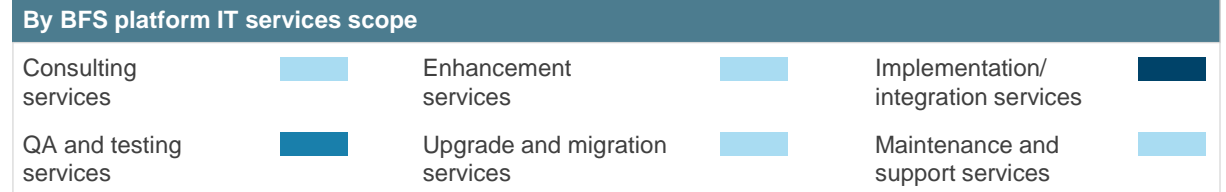
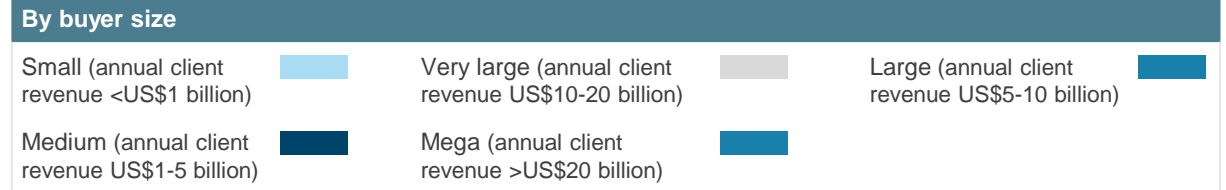
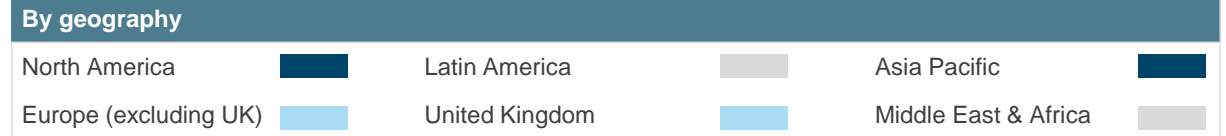
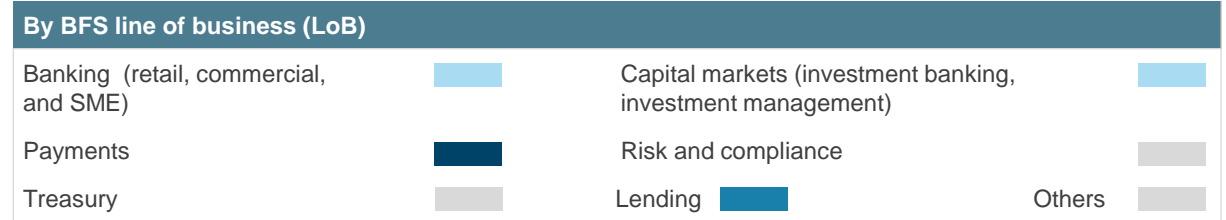
Ranges for FTEs

Legend: Data not available (grey), Very Low (<50) (light blue), Low (50-100) (medium blue), Medium (100-200) (dark blue), High (>200) (darkest blue)



Legend: Data not available (grey), Low (<15%) (light blue), Medium (15-30%) (medium blue), High (>30%) (darkest blue)

BFS platform IT services – revenue mix (CY 2020)



Finastra partnership type (as of July 2021)



¹ Everest Group estimates (2021).

Infosys | Finastra IT services profile (page 2 of 5)

Case studies

NOT EXHAUSTIVE

Case study 1	A top super-regional US-based bank
Business challenge	
<p>The bank previously leveraged AFS and Loan-Trak for its sales and trading functions; however, platforms were not fit for purpose as they lacked the functionality and scalability to support this critical business.</p>	
Solution	
<ul style="list-style-type: none"> • Infosys executed the Loan IQ transformation program in two phases • Phase 1: soft go-live without converted deals and phase 2: with the conversion of deals along with the agency and trades followed by member-bought deals • Activities included the collating of solution requirements, design and development, data conversion, and migration reporting • Loan IQ provided functions such as syndicated and bilateral, loan trading and sales, and collateral management 	
Impact	
<ul style="list-style-type: none"> • Allows the bank to handle five times higher volumes of transactions than the legacy app without increasing resource count • Reduced 30% operational risk that hampered the trading, servicing, and accounting teams from working efficiently and aggressively growing the business • Eliminated the LoanTrak Trading desk system to save more than US\$350,000 annually • Real-time integrations of crucial trading systems at the MarkIT vendor (e.g., ClearPar) helped the bank in enabling STP and brings efficiency in the whole process 	

Case study 2	A global leading bank based out of the US
Business challenge	
<p>The bank wanted to implement a new payment processing engine using Global PAYplus to address the following critical gaps in its in-house legacy payment engine:</p>	
<ul style="list-style-type: none"> • Best-in-class payment capability • Compliance with new regulations • Improvement of STP rates • Addressing of legacy engine gaps in core business & scalability 	
Solution	
<ul style="list-style-type: none"> • Infosys created a multi-year release strategy and functional test approach, test program management, preparation of release test plans, and run plans • Analyzed more than 40,000 business, functional, and interface requirements and created 20,000+ functional test cases • Enabled innovative daily management reporting including data such as planned vs. actual, run rates, key defect blockers, workarounds, and key risk and mitigations • Fully automated sanity, system regression pack, and development of stubs, utilities, and macros for early and accelerated execution 	
Impact	
<ul style="list-style-type: none"> • Significant cost savings due to 95% STP • Improvement by 40% in defect turnaround time to process improvement • More than 1,500 person-days of effort saved using the regression pack • Enabled 100% requirement coverage and test case traceability 	

Infosys | Finastra IT services profile (page 3 of 5)

Investments and product-level details

NOT EXHAUSTIVE

Top investments to enhance Finastra services delivery capabilities	
Investment	Details
Loan IQ data migration solution	Data migration utility to move data from legacy systems to target Loan IQ systems. This significantly improved the time-to-market of Loan IQ implementation programs.
Loan IQ automated configuration solution	Automated Loan IQ configuration table updates accelerating Loan IQ program implementation.
GPP toolkit	Set of GPP Fusion Accelerators, for example, prime DB migration script utility, reusable test automation framework, GPP business configuration profiler, etc. This helps in faster GPP implementation and reduces the cost of change.
GPP Classic to Fusion solution	Use best practices, quality frameworks, tools, and accelerators to accelerate GPP classic to the Fusion platform.
Finastra Loan IQ/GPP product certification	Partnered with Finastra for getting the associates certified on Finastra Products (GPP/LIQ) on a continuous basis. This is a huge financial commitment from Infosys to enrich the partnership.
Finastra joint innovation centers	Has two joint innovation centers in London and Raleigh NC, where Finastra product SMEs and Infosys domain and technology experts co-create solutions to meet customer needs in an accelerated fashion. It has developed multiple solutions such as Infosys Global Payments Solution (iGPS)) with this co-creation model.
Finastra product Centers of Excellence (CoEs - GPP, LIQ, etc.)	Has Finastra product CoEs who drive training academies, focused recruitment, tools and accelerator development, quality process, and methodology development, etc.
Otoma competency center	Has set up the competency center for Otoma, which is a product-specific testing tool for GPP products. Infosys has undergone training on the tool and has leveraged it for multiple clients.

Infosys | Finastra IT services profile (page 4 of 5)

Investments and product-level details¹










Number of engagements and certified FTEs across Finastra products (CY 2020)					
Finastra product	Number of engagements (>10, 5-10, 2-5, <2)	Number of certified FTEs (>100, 50-100, 25-50, <25)	Finastra product	Number of engagements (>10, 5-10, 2-5, <2)	Number of certified FTEs (>100, 50-100, 25-50, <25)
FusionBanking	>10	>100	CreditQuest	NA	NA
FusionCapital	<2	NA	Encore Suite	NA	NA
FusionRisk	NA	NA	LaserPro	NA	NA
FusionInvest	2-5	NA	NetCapture	NA	NA
ActiveView	NA	NA	Others	5-10	<25

¹ Everest Group estimates (2021).

Infosys | Finastra IT services profile (page 5 of 5)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
								

Strengths

- Infosys has invested in leveraging its broad portfolio of FinTech partners to identify gaps in Finastra’s offerings and customize the solution as per the clients’ needs, for instance, integration of Ncino with Loan IQ for a major lender
- It has established joint innovation centers to co-invest in products where Finastra product SMEs and Infosys domain and technology experts co-create solutions
- Aligning itself with Finastra’s overall vision, Infosys aims to become a leading partner in payments and lending. It has made credible investments in creating IPs for GPP and Loan IQ, which has allowed it to increase its revenue share from the UK and Europe
- Clients have highlighted Infosys’ strength in delivering a good mix of onshore/offshore talent and the knowledge of the GPP product

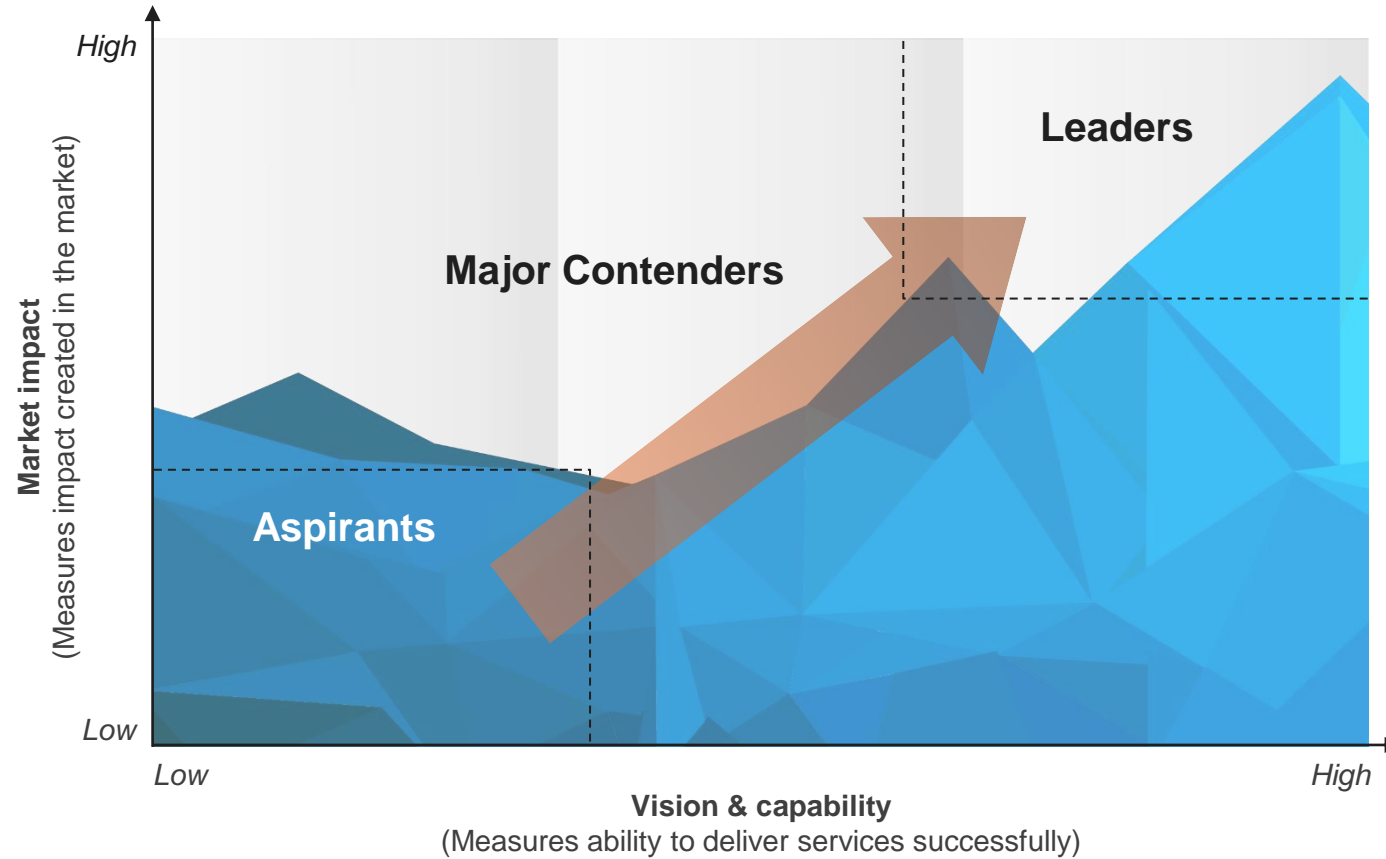
Limitations

- Infosys has not displayed significant Finastra-specific deal wins in high-growth markets such as Latin America and Middle East. High concentration in select accounts in the Asia Pacific region is a major risk for Infosys
- Its current offerings are not suited for small and medium-sized businesses in markets such as North America and Continental Europe
- It lags peers in terms of IPs/accelerators/solutions on fusion fabric for areas such as open banking, payments, and lending
- Clients have mentioned that Infosys needs to improve flexibility in commercial constructs and resource management

Appendix

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

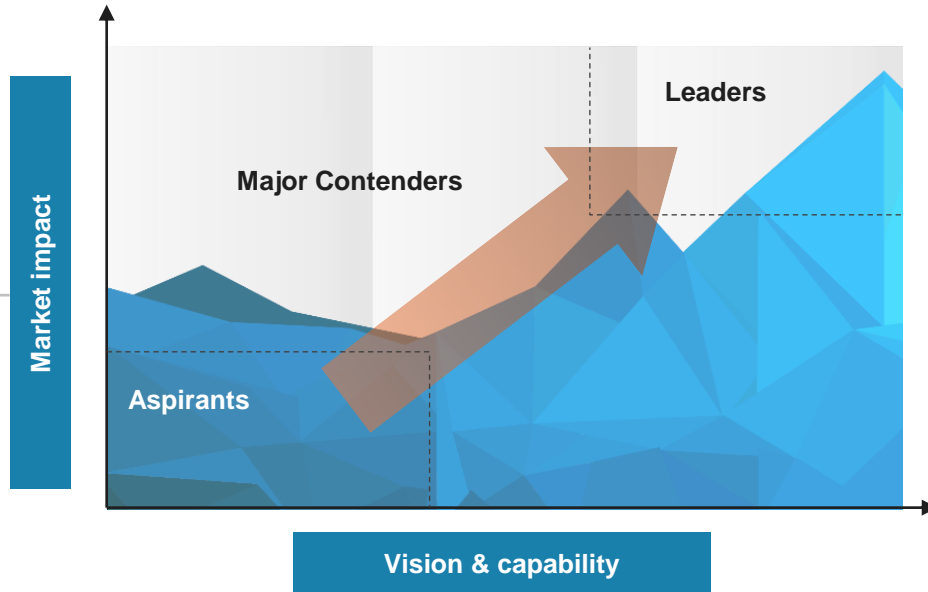
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YOY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies 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 subsegments/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

FAQs

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



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