



# HFS Top 10 Banking and Financial Services (BFS) Sector Service Providers – Excerpt for Infosys

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**T**<sup>HFS</sup>**P 10**

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“More than a decade after the global financial crisis, banking and financial services (BFS) firms continue to struggle with profit and revenue growth. The role of service providers has consequently shifted from support vendors to enablement partners, with a growing expectation to deliver a curated mix of IT capabilities and business domain knowledge that achieve business results and return on digital transformation investments.”

— *Elena Christopher, Research Vice President*

# What you'll read

Topic	Page
<a href="#">Introduction, methodology, and definitions</a>	<a href="#">4</a>
<a href="#">Executive summary</a>	<a href="#">10</a>
<a href="#">The HFS Top 10 banking and financial services (BFS) service provider results</a>	<a href="#">12</a>
<a href="#">BFS service provider profiles</a>	<a href="#">16</a>
<a href="#">About the authors</a>	<a href="#">18</a>

# Introduction, methodology, and definitions

# Introduction

- More than a decade after the global financial crisis, banking and financial services (BFS) firms continue to struggle with profit and revenue growth. The heady mix of disintermediation potential from new competitors, exciting technology change agents, and the quest for the ultimate customer experience has driven loads of digital transformation investment as firms seek to modernize. The role of service providers has consequently shifted from support vendors to enablement partners, with a growing expectation to deliver a curated mix of IT capabilities and business domain knowledge that achieve business results.
- The 2019 *HFS Top 10 Banking and Financial Services (BFS) Sector Service Providers* report examines the role service providers play in the evolving BFS industry. We assessed and rated the industry-specific service capabilities of 26 service providers across a defined series of innovation, execution, and voice of the customer criteria. The report highlights the overall ratings for all 26 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 strengths and weaknesses.
- The report focuses on industry-specific capabilities for the high-tech sector, as defined in our [BFS value chain](#). It does not focus on horizontal IT or BPS services such as application management or finance and accounting outsourcing, which may be delivered to BFS clients.

# Service providers covered in this report

TOP 10  
HFS

accenture

alorica

Capgemini

Cognizant

CONCENTRIX™

CONDUENT

DXC.technology

<epam>

EXL

FIS

genpact  
Transformation  
Happens Here

HCL

HEXWARE

IBM

Infosys®

Mphasis  
The Next Applied

NIIT  
technologies

sitel  
group

STARTEK

SUTHERLAND

Synechron  
Digital | Business Consulting | Technology

TATA  
CONSULTANCY SERVICES

Tech  
Mahindra

Teleperformance  
each interaction matters

wipro

WNS  
Extending Your Enterprise

# Research methodology

The Banking and Financial Services (BFS) Top 10 report assessed and scored service provider participants across execution, innovation, and voice of the customer criteria. The inputs to this process included a detailed RFI process conducted with 26 service providers, reference checks with 205 BFS clients, briefings with leaders of BFS practices within service providers, HFS surveys with 350 Global 2000 enterprises, and publicly available information sources. Specific assessment criteria and weighting include:



33.3%

## Ability to execute

- **Depth and breadth of industry-specific offerings and expertise:** Breadth and depth of capabilities across the BFS value chain, depth of industry knowledge, and level of sector experience.
- **Talent and service delivery excellence:** Ability to attract and retain qualified talent with relevant industry, process, and technical expertise; service delivery capabilities including best practices, focus on continuous improvement, and delivery footprint.
- **Relationship management:** Single face to the customer, formal relationship and governance structure, client centricity, scale.



33.3%

## Innovation capability

- **Industry vision and refinement of go-to-market strategy:** Clearly articulated vision for the future of the BFS sector, strong understanding of industry trends, and growth and refinement of industry-specific capabilities.
- **Transformation enabled by technology change agents:** Partnership ecosystem for best-of-breed capabilities, deployment of intelligent automation, and development of internal IP.
- **Co-innovation and collaboration:** Models for co-development and collaboration with clients and creative commercial models.

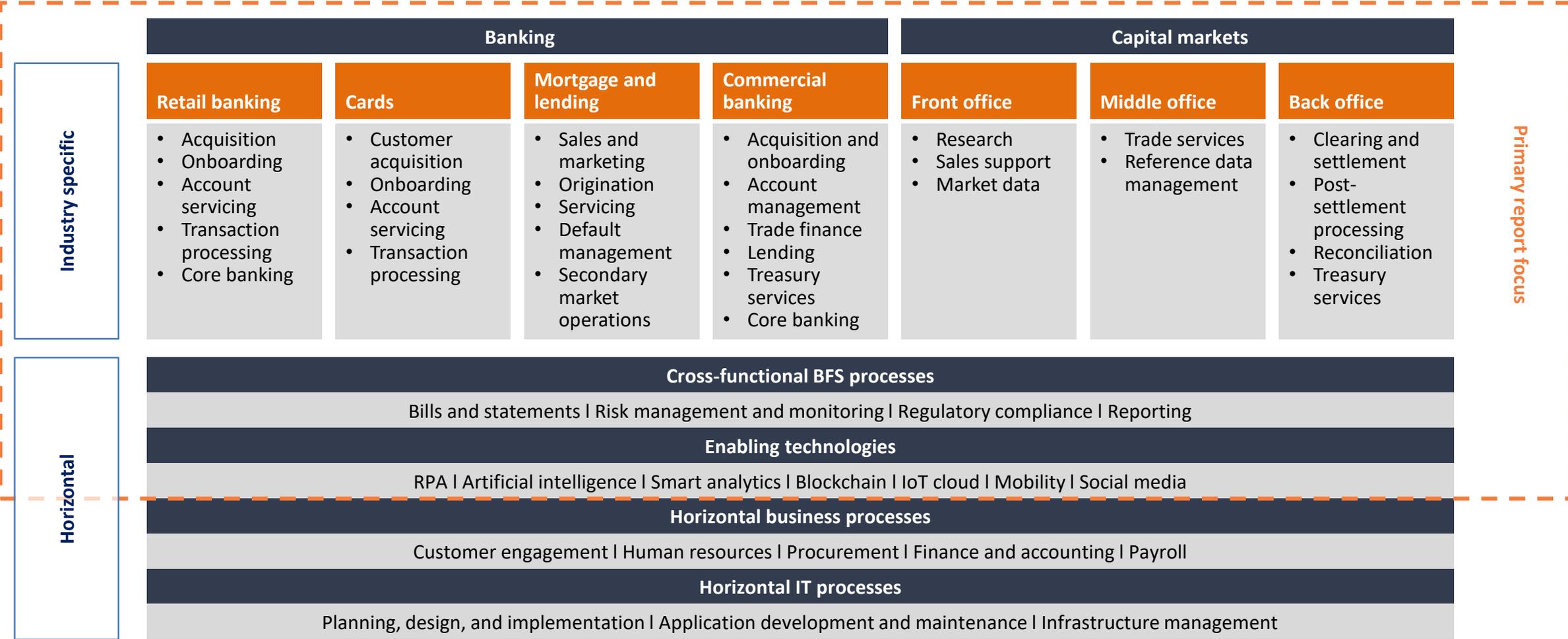


33.3%

## Voice of the customer

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

# The HFS banking and financial services value chain showcases the scope of services covered in our study



# The HFS banking and financial services operations value chain defined

- HFS developed the industry value chain concept to graphically depict our understanding of the processes and functions that specific industries engage in to operate their businesses.
- The industry value chain for BFS operations provides a comprehensive overview of services for the BFS industry with sub-sector coverage falling into two primary buckets:
  - **Banking**—Retail banking, mortgage and lending, commercial banking, and card services;
  - **Capital markets**—Investment banking, brokerage services, asset management, and wealth management.
- **Industry-specific processes:** These are categorized under banking or capital markets and include specific value chain functions such as retail banking and card services for banking or front office for capital markets. These functions represent the range of unique processes undertaken by BFS firms to conduct their core business. As BFS firms also have various functions that are industry-specific yet tend to run across all BFS businesses, such as regulatory compliance, we have called out these functions as cross-functional BFS processes.
- **Enabling technologies:** So much of the innovation and change taking place in BFS is driven by enabling technologies. They include elements such as RPA and AI, blockchain, and smart analytics. Our research on these topics will focus on how they are being utilized within BFS, which service providers are bringing them to the table, and what real business impact is being realized.
- **Horizontal IT and business processes:** Enterprises in all sectors have a range of consistent business and IT processes that are essential to running their businesses but are executed similarly regardless of industry. We refer to these as horizontal processes and have segmented them by IT and business functions. Our industry-specific coverage of these areas will focus on instances where something unique has been developed for the industry, such as cloud-based core banking applications or virtual bankers.

# Executive summary

**The top 10 leaders in BFS services are** Infosys, TCS, HCL, Wipro, Accenture, Mphasis, Cognizant, Capgemini, IBM, and Genpact. 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 BFS study.

## BFS industry trends

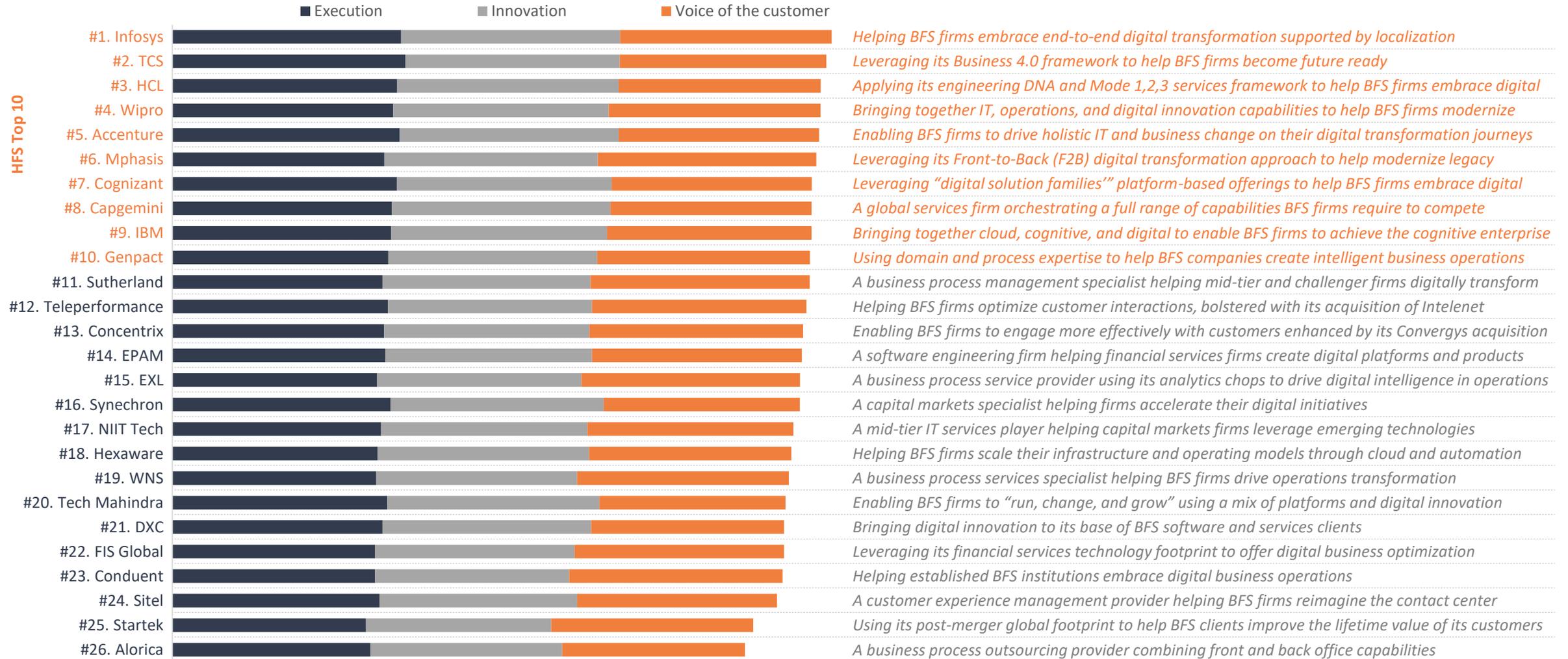
- More than a decade after the global financial crisis, BFS firms continue to struggle with profit and revenue growth
- Loads of investment in “digital transformation” but impactful results are slow coming
- Fintechs are disruptive, but they are increasingly partners or M&A targets (or clients)
- Massive continued investment in core modernization
- Cloud strategies tied to data and application initiatives are increasingly gaining traction in BFS
- Seamless digital interactions have become the expected standard across all channels led by retail banking
- Regulatory enforcement actions continue while new regulations come into effect
- Mid-tier and regional players are hungry for a piece of the digital pie
- Capital markets are ripe for digital CX

## Impact on service providers

- A need for outcomes beyond cost and efficiency
- Digital OneOffice: the convergence of front and back offices to focus on the customer
- Triple-A Trifecta of automation, analytics, and AI: increasingly used in combination to solve specific problems
- Requirements for onshore delivery (secdevops), consulting, and advisory services
- Options for plug-and-play BPaaS and platform-based solutions
- Blockchain to bring new ecosystems together
- The rise (again) of the best-of-breed partner focused on curating end-to-end digital capabilities including ecosystem partners
- BFS decision makers are increasingly business leaders not from the office of the CIO
- Creative funding models are needed to help fund transformation

# The HFS Top 10 banking and financial services (BFS) service provider results

# HFS Top 10 BFS sector service providers, 2019



# HFS top five banking and financial services sector service providers by individual assessment criteria

**TOP 10**  
HFS

HFS ranking	Ability to execute			Innovation capability			Voice of the customer
	Depth and breadth industry-specific service offerings	Talent and service delivery excellence	Relationship management	Industry vision and refinement of go-to-market strategy	Transformation enabled by technology change agents	Co-innovation and collaboration	
#1							
#2							
#3							
#4							
#5							

Source: HFS Research 2019

# BFS industry-specific services capabilities heatmap

HFS BFS Top 10 rank	Service provider	Banking				Capital markets			Cross-functional BFS processes	
		Retail banking	Card services	Mortgage and lending	Commercial banking	Front office	Middle office	Back office	Risk management and monitoring	Regulatory compliance
		<span style="background-color: #d9e1f2;">Not a focus</span> <span style="background-color: #4f81bd; color: white;">Emerging</span> <span style="background-color: #0056b3; color: white;">Mature</span>								
1	Infosys									
2	TCS									
3	HCL									
4	Wipro									
5	Accenture									
6	Mphasis									
7	Cognizant									
8	Capgemini									
9	IBM									
10	Genpact									
11	Sutherland									
12	Teleperformance									
13	Concentrix									
14	EPAM									
15	EXL									
16	Synechron									
17	NIIT Tech									
18	Hexaware									
19	WNS									
20	Tech Mahindra									
21	DXC									
22	FIS Global									
23	Conduent									
24	Sitel									
25	Startek									
26	Alorica									

- We asked **leaders within BFS companies** to identify the strengths of service providers across the BFS value chain.
- We then asked **service providers** to rate their BFS-specific offerings on a maturity scale.
- The heatmap provides a **combined view** of buyer experience with providers and provider-identified capabilities rolled up for each segment.
- **Banking** has the greatest depth of providers with mature offerings, with services for retail banking as the most mature segment.
- **Cross-functional BFS services** had the next greatest depth of mature offerings with high levels of maturity across **compliance** and **risk offerings**.
- **Capital markets** is the least mature services segment, and front office services as the least mature capital markets subsegment.
- Please refer to our [BFS value chain](#) for more detail on the offerings in each segment.

# BFS service provider profiles

# Infosys: Helping BFS firms embrace end-to-end digital transformation supported by a growing cadre of localized resources



Dimension	Rank	Strengths	Development opportunities						
HFS Top 10 position	#1	<ul style="list-style-type: none"> <li><b>Go to market approach based on sub-segments:</b> Infosys' BFS business is organized by banking and capital markets with sub-segment focus areas within each. Its Edgeverve subsidiary additionally offers digital banking products (Finacle).</li> <li><b>Navigating your next through localization:</b> When INFY's new CEO started in 2018, he refreshed its strategy with a strong investment in localized resources cultivated in new Innovation Hubs. BFS clients are heavy consumers of this localized approach to enabling digital transformation. This is also aiding INFY's expansion to mid-tier firms.</li> <li><b>BFS is of strategic importance:</b> BFS is INFY's largest industry segment, representing an estimated 25% of revenue. It supports this critical sector with one of the largest talent pools and a massive global footprint, ranking in the top three for this study.</li> <li><b>Strong expertise across the BFS value chain:</b> INFY has a deep and mature array of offerings across the BFS value chain. Its recent acquisition of Stater is beefing up its European mortgage support services capabilities.</li> <li><b>Building deep client relationships:</b> References value INFY's focus on building long-term relationships and willingness to invest.</li> </ul>	<ul style="list-style-type: none"> <li><b>Better coupling of IT and BPS capabilities:</b> There is a gigantic need for business-led transformation. INFY needs to ensure its BPS capabilities are a strong part of the solution mix for BFS clients.</li> <li><b>Availability of resources:</b> Demanding BFS clients cite occasional slowness in resource deployment and communication issues.</li> </ul>						
Ability to execute									
Depth and breadth of industry-specific offerings and expertise	#5								
Talent and service delivery excellence	#2								
Relationship management	#2								
Innovation capability		<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;"> <p><b>Client mix by BFS segment</b></p> </div> <div style="text-align: center;"> <p><b>BFS revenue mix – IT vs. BPS</b></p> </div> </div>	<p><b>Maturity of capabilities across the BFS value chain</b></p> <table border="1"> <thead> <tr> <th>Banking</th> <th>Capital markets</th> <th>Risk and compliance</th> </tr> </thead> <tbody> <tr> <td>Not a focus</td> <td>Emerging</td> <td>Mature</td> </tr> </tbody> </table>	Banking	Capital markets	Risk and compliance	Not a focus	Emerging	Mature
Banking	Capital markets	Risk and compliance							
Not a focus	Emerging	Mature							
Industry vision and GTM strategy	#7	<p><b>Relevant acquisitions and partnerships</b></p> <p><b>Acquisitions:</b></p> <ul style="list-style-type: none"> <li><b>2019:</b> Stater; <b>2018:</b> Temasek JV, Wongdoody; <b>2017:</b> Brilliant Basics</li> </ul> <p><b>Partnerships:</b></p> <ul style="list-style-type: none"> <li><b>BFS:</b> Whoop, Tidal Scale, SkyTree, Trifacta, Nova, Vertex, Unsilo, SAS, Empower, Experian, FIS, Empower, Finastra, FICO, SunTec, Vision Plus, Temenos, Golden Source, Calypso, Charles River, Tibco, WireCard, DoveTAIL, MetricStream, Axiom, Backbase, Liferay, SiteCore, Knockout, Open Text</li> <li><b>Fintech:</b> Open AI, Tone Tag, Niki. AI, Artoo, Simility, Uniken, Whatfix, EZMCOM, Gieom</li> <li><b>Strategic:</b> Microsoft, SAP, Oracle, IBM, AWS</li> </ul>	<p><b>Key clients</b></p> <p><b>Number of BFS clients:</b> 429</p> <p><b>Client size:</b> 64% of clients have revenue of \$10 billion+</p> <p><b>Key clients:</b></p> <ul style="list-style-type: none"> <li>Large bank headquartered in NC</li> <li>A leading American credit card and financial services corporation</li> <li>Leading banking and financial services provider in Australia and New Zealand</li> <li>A Swiss global financial services company</li> <li>British multinational banking and financial services company</li> </ul>	<p><b>Global operations and resources</b></p> <p><b>BFS headcount:</b> ~64,000</p> <p><b>Delivery and innovation resources:</b></p> <ul style="list-style-type: none"> <li>71 delivery centers that support BFS clients across Australia, Asia, Europe, Middle East and Africa, North America, South America</li> <li>Growing network of Innovation Hubs around the globe to support localization strategy</li> </ul>	<p><b>BFS IP</b></p> <p>Infosys has developed an array of BFS-specific IP. Examples include:</p> <ul style="list-style-type: none"> <li>AssistEdge, Finacle, EdgeVerve Blockchain Framework, Calypso Utilities, Finastra Summit Upgrade/Implementation Framework, Infosys Transaction Reconciliation System (ITRS), Murex, Sophis Risk and Control Framework, Infosys Cyber Security Platform (iCSP)</li> </ul>				
Technology-enabled transformation	#3								
Co-innovation and collaboration	#2								
Voice of the customer	#10								



**Elena Christopher**  
Research Vice President

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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Mayank Madhur is a Senior Research Analyst at HFS Research, supporting different practice leads in the areas of Industry Research, IoT, and Blockchain.

Mayank holds a Master's in Business Administration from Birla Institute of Technology and Science College, Pilani (BITS, Pilani University) and a Bachelor of Engineering in Electrical and Electronics from Jawaharlal Nehru National College of Engineering (Visvesvaraya Technological University), Karnataka.

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