ISG Provider Lens™

Microsoft Cloud Ecosystem

Dynamics 365 Services

A study to offer potential customers the basis for decision-making regarding positioning and go-to-market

Customized report courtesy of:

DXC TECHNOLOGY

QUADRANT REPORT | MARCH 2023 | AUSTRALIA

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The Microsoft Cloud Ecosystem in Australia is characterised by both changes and opportunities.

The ecosystem of Microsoft-certified service providers continues to evolve in Australia and globally, in tandem with changes in the Microsoft product sets across Microsoft 365 Services Managed Services for Azure, SAP on Azure, Dynamic 365, and the Power Platform.

Enterprises are accelerating investments in digital transformation for rapid, measurable results. Large IT consulting practices are witnessing an industry shift from IT-centric to customer-centric approaches and are increasingly focussing on improving end-user experience to optimise business outcomes. Data-driven, industry insights are helping to personalise end-user experience. Concurrently, the Australian business sector and the Australian government are accelerating cloud implementations. Organisations are looking to leverage the potential of Microsoft's security capabilities within the Microsoft 365 suite of services.

Microsoft is responding to organisations' increasing focus on EX through Viva and is continuing to innovate in this area. At the same time, an increasing number of large consulting firms are noting that customers are keen on tapping into their data to enhance workplace experiences.

The Microsoft ecosystem is helping to empower employees to work from anywhere, enabling connectedness in the new hybrid working model. The growing trend of remote work and complex requirements of organisations wanting to collaborate internally and with clients is driving the widespread use of Microsoft's Teams and Viva platforms.

The global cloud market is becoming increasingly competitive as global MSPs are using high levels of automation to squeeze margin gains. In this scenario, investments must be increased to remain competitive. The Australian market is experiencing increasing competition from local providers, with many

Key Microsoft service providers in Australia are global, but able local names also exist.

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beginning to challenge their larger, global counterparts. This trend is expected to only gain momentum over the next five years, with competition intensifying further.

Microsoft continues to evolve its AI development and implementation strategy across Azure, with growing interest in its use to augment human productivity. This is beginning to result in some level of differentiation of Azure implementations offered by MSPs and will result in an acceleration in the use of AI in Microsoft Azure platforms over the next few years. In this context, the use of intelligent, conversational AI to augment human abilities in various tasks is predicted to grow strongly over the next five years.

Customer expectations and demands with regards to the broader IoT landscape and requirements for advanced data analytics continue to grow rapidly in Australia as in the rest of the world. Over the next few years, Australian MSPs need to increasingly invest in AI-related capabilities and training to retain high levels of Microsoft Azure certifications and foster related partnerships.

The SAP on Azure market is highly specialised, with providers requiring specific skills. Australian customers are demanding strong knowledge and relevant certifications from their cloud partners. Although Microsoft Azure entered the cloud space three years after AWS, Microsoft has been able to leverage its brand recognition and strong partnership with SAP to establish a strong foothold.

Concurrently, there is now much focus on app-driven modernisation of the cloud. It is taking centre stage amongst Australian Microsoft Azure implementations as organisations embark on the next wave of cloud. This is making it a challenge for cloud service providers to realign their offerings. It requires an amalgamation of IP and fit-for-purpose tools to address issues related to legacy systems. At the same time, the traditional cloud managed services model too is facing an increasing number of challenges. The market is becoming highly competitive as global providers are using high levels of automation to save their margins and capture market share, which requires continuous investments to remain competitive.

Over the next 1-2 years, a range of new value-adds is expected to enter the Australian Dynamics 365 market in areas such as cloud migration, micro-verticalized Dynamics solutions, customer analytics and insights offerings, and the PowerApps factory. MSPs are noting increasing opportunities around some traditional Dynamics 365 modules that are evolving with new technologies such as IoT and remote assist around field service, project operations, dynamic marketing, and omnichannel offerings in customer service.

COVID-19 saw the rapid scaling of some Azure projects due to the trend of remote working. It also accelerated the need for Australian clients to become more agile and focus on reducing costs, which has driven a greater adoption of a few cloud applications and seen more workloads move to the public clouds.

However, the challenge of an inadequate number of cloud-certified people and expertise in Australia persists related to certain technologies such as cyber security, IoT, and AI as client demands continue to rise. While it is still early days, Australian clients will increasingly focus on realigning legacy applications to leverage data, insights, ML, and AI. The growing proliferation of digital touchpoints and unprecedented growth in technologies related to consumer segments such as wearables will provide Australian MSPs with strong opportunities over the next few years.

Microsoft 365 services involve the design and application of processes to support personalised employee experience, workforce productivity, collaboration, and innovation. It comprises traditional Microsoft products such as Office, Excel, PowerPoint, and SharePoint and newer collaboration tools such as Teams, OneDrive, Power Automate, and Power BI, in addition to enterprise mobility and security and Azure Cloud for data storage and backup.

Many consulting firms are seeing a huge demand for security implementation services for Microsoft 365. This trend is providing a significant opportunity for the adoption of Microsoft 365 E5 with its enhanced security features. Clients are looking at maximising

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the use of their E5 license for advanced threat protection to displace legacy voice systems and migrate to Teams calls.

Clients are moving away from customised implementations, which are fragile and expensive to implement and maintain. With Microsoft offering starter templates and blueprints, consulting firms are able to implement complex solutions in a fraction of time and cost and move clients onto Microsoft 365 services more quickly than before.

Following the reshaping of Australian businesses because of COVID-19, many companies now have hybrid workplaces, with their workforce spread across office and work setups at home. Thus, collaboration solutions are needed to bridge the two environments. This requires revisiting the way meetings, information sharing, and application integration take place and ensuring that the integration of these aspects is done seamlessly. New virtual and virtual/physical hybrid teams and processes need agile technology deployments to function, and Modern Workplace 365 addresses these requirements by stitching together the Microsoft 365 tools with enterprise-wide applications and services to support the new post-COVID-19 normal.

The SAP on Azure market is highly competitive, with providers requiring specialised skills/knowledge to deliver high-quality services. Australian customers are demanding that their cloud partners attest this knowledge with related certifications, especially with the complex requirements of SAP on Azure.

COVID-19 and ransomware attacks have resulted in accelerated cloud adoption amongst some Australian organisations. Many are now willing to migrate their business-critical proprietary systems to the cloud, providing added opportunities for Australia-based Azure providers.

The market for SAP on Azure services in Australia continues to grow as more Australian clients look to migrate from their on-premises server environment to the cloud. Many have attained a relatively mature cloud adoption status due to the high use of cloud-based technologies.

Many Australian companies have already migrated low to medium-complex applications to the cloud and are now positioned to migrate the more complex ones such as SAP to the public cloud. At the same time, some Australian organisations are yet hesitant to migrate these high-impact critical business applications. Cloud providers in Australia need to continue to educate the market on how migrations of large complex workloads such as SAP on Azure cloud can be done with relative ease and involve low risk.

SAP has aggressively moved to embrace the cloud, driving the SAP on Azure market both in Australia and the rest of the world. It has undertaken the restructuring of its core business model, partnerships, development and support, much like other large-scale enterprise business management software providers such as Oracle and IBM. The rate of SAP on Azure implementations has recently accelerated as SAP has globally announced the end-of-life for legacy, on-premises development and support.

Microsoft's Dynamics 365 platform continues to evolve at a very rapid pace. The market has recently seen the introduction of new products and significant shifts in existing applications as the platform continues to evolve. MSPs are responding to the trend of an amalgamation of technologies across ERP, CRM, dataverse, and digital services on the periphery of the Dynamics 365 product set as it evolves to increasingly become modular and seamlessly connected.

Customer experience, and the need to personalise it, is a primary driver for Dynamics 365 initiatives as smart businesses seek to offer customers a variety of ways to connect (omnichannel CX), to capture customer data at every touchpoint, and leverage the same using AI and ML. Dynamics 365 service providers in Australia are now integrating technologies such as AI-powered chatbots and RPA to continually enhance CX.

The key providers in the Dynamic 365 landscape in Australia are global MSPs, however, more Australia-based providers are now emerging, and some are gaining global recognition. MSPs in Australia will need to innovate and develop custom solutions that will offer agile

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and flexible systems that empower companies to optimise resources with IoT integration and result in zero downtime in the back-office space. The addition of the Power Platform and customer insights requires staff to have new and different skill sets beyond traditional Dynamics 365 offerings.

Clients now are looking for secure networks that primarily support remote employees to work on Teams, backed up by collaboration tools and business applications that help deliver exceptional CX.

> As the Australian market moves into a true hybrid work-from-anywhere environment, the need for access to a safe, secure cloud environment, coupled with an increased demand for automation of applications, has led to growth across all five service offerings for Microsoft covered in this study.

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Provider Positioning

	Managed Services for Azure	Microsoft 365 Services	SAP on Azure Services	Dynamics 365 Services	Power Platform Services
AC3	Leader	Not In	Not In	Not In	Not In
Accenture & Avanade	Leader	Leader	Leader	Leader	Leader
Barhead Solutions	Not In	Not In	Not In	Leader	Leader
Capgemini	Leader	Leader	Product Challenger	Leader	Leader
Cognizant	Product Challenger	Product Challenger	Contender	Contender	Contender
Data#3	Product Challenger	Product Challenger	Not In	Not In	Not In
Datacom	Product Challenger	Product Challenger	Not In	Product Challenger	Product Challenger
Dicker Data	Product Challenger	Not In	Not In	Not In	Not In
DXC Technology	Leader	Leader	Leader	Leader	Leader
Engage Squared	Not In	Not In	Not In	Not In	Product Challenger
Eviden/Atos	Contender	Contender	Contender	Not In	Not In

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Provider Positioning

	Managed Services for Azure	Microsoft 365 Services	SAP on Azure Services	Dynamics 365 Services	Power Platform Services
EY	Not In	Not In	Not In	Contender	Contender
FiveP Australia	Not In	Contender	Not In	Not In	Not In
Fujitsu	Leader	Leader	Product Challenger	Product Challenger	Product Challenger
Fusion5	Not In	Not In	Not In	Contender	Contender
Generation-E	Not In	Contender	Not In	Not In	Not In
HCLTech	Rising Star ★	Leader	Leader	Leader	Product Challenger
Hexaware	Leader	Leader	Not In	Product Challenger	Contender
Hitachi Vantara	Not In	Not In	Not In	Contender	Not In
IBM	Market Challenger	Market Challenger	Contender	Market Challenger	Market Challenger
Infosys	Product Challenger	Product Challenger	Product Challenger	Leader	Product Challenger

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Provider Positioning

	Managed Services for Azure	Microsoft 365 Services	SAP on Azure Services	Dynamics 365 Services	Power Platform Services
Insight	Market Challenger	Not In	Not In	Not In	Not In
Kyndryl	Leader	Leader	Product Challenger	Leader	Leader
LAB3	Product Challenger	Not In	Not In	Not In	Not In
Logicalis Australia	Leader	Leader	Contender	Not In	Not In
LTIMindtree	Contender	Product Challenger	Market Challenger	Rising Star ★	Contender
Macquarie Cloud Services	Product Challenger	Not In	Not In	Not In	Not In
NTT DATA	Market Challenger	Market Challenger	Contender	Market Challenger	Market Challenger
Publicis Sapient	Product Challenger	Contender	Not In	Contender	Contender
PwC	Contender	Not In	Not In	Leader	Leader
Rackspace Technology	Not In	Not In	Market Challenger	Not In	Not In

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Provider Positioning

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	Managed Services for Azure	Microsoft 365 Services	SAP on Azure Services	Dynamics 365 Services	Power Platform Services
Rhipe	Not In	Not In	Product Challenger	Not In	Not In
SoftwareONE	Contender	Contender	Rising Star ★	Contender	Not In
Sonata Software	Not In	Not In	Not In	Product Challenger	Not In
TCS	Leader	Leader	Leader	Leader	Leader
Tech Mahindra	Product Challenger	Product Challenger	Leader	Product Challenger	Contender
Telstra	Leader	Leader	Market Challenger	Not In	Leader
Unisys	Leader	Leader	Not In	Not In	Not In
Velrada	Not In	Not In	Not In	Leader	Leader
Veritec	Not In	Not In	Product Challenger	Product Challenger	Not In
Wipro	Leader	Leader	Leader	Leader	Leader

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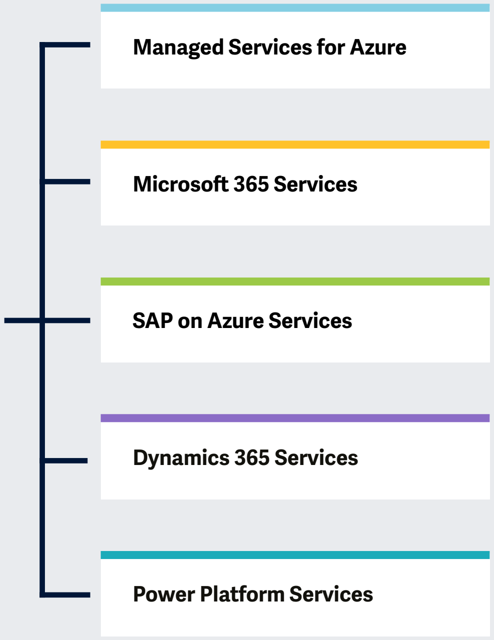
This study focuses on what ISG perceives as most critical in 2023 for **Microsoft Cloud Ecosystem**.



Simplified Illustration Source: ISG 2023

Definition

Microsoft is one of the most established technology providers in the world. It has a network of thousands of partners, which augments its capabilities to aid enterprises in adopting its technologies. This network has been through a series of shifts in the past five years, as Microsoft changed itself as part of a massive cloud transformation. In the same period, digital transformation has become a priority in the enterprise technology landscape, requiring a new generation of software and services from Microsoft and its partners.

To address these needs, Microsoft has honed its focus on three core areas: the Azure cloud platform; the Microsoft 365 suite of productivity experiences, which includes Windows 10 and 11 and Office 365; and the Dynamics 365 suite of business applications. Partners are now evaluated on their ability to drive the use of Microsoft cloud services that comprise these core product lines. To succeed, service providers must offer enterprises a robust set of services that are complemented by forward-thinking capabilities and backed by a strong relationship with Microsoft. Providers should demonstrate a keen awareness of future developments in the Microsoft clouds and show an ability to drive innovation and client business opportunities using the Microsoft suite of products and services.

ISG's analysis focussed on how providers in Australia, Brazil, Germany, Singapore and Malaysia, Switzerland, the U.K. and the U.S. are positioned based on the strength of their respective portfolios and their competitiveness in the market. While there are thousands of providers delivering services for Microsoft products in each of these regions, this report will only focus on the top competitors, both global firms and local providers, for each of the quadrants studied by region.

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Scope of the Report

In this ISG Provider Lens™ quadrant study, ISG includes the following five quadrants: Managed Services for Azure; Microsoft 365 Services; SAP on Azure Services; Dynamics 365 Services; and Power Platform Services.

This ISG Provider Lens™ study offers IT decision makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments
- Focus on regional market

Our study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their existing vendor relationships and potential engagements.

Provider Classifications

The provider position reflects the suitability of ICT providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the IT service requirements from enterprise customers differ and the spectrum of IT providers operating in the local market is sufficiently wide, a further differentiation of the IT providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions IT providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between $20 million and $999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with 5,000 or more employees or revenue above $1 billion, with activities worldwide and globally distributed decision-making structures.

Segmentation into Midmarket and Large accounts was not conducted for Australia due to the smaller scale of the market.

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product Challenger, Market Challenger and Contender), and the providers are positioned accordingly. Each ISG Provider Lens™ quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star.

Number of providers in each quadrant: ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

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Provider Classifications: Quadrant Key

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in products/services and a follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

★ **Rising Stars** have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not in means the service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

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Dynamics 365 Services

Who Should Read This Section

This quadrant report is relevant to enterprises in Australia that are evaluating providers of Dynamic 365 services. This quadrant highlights the current market positioning of these providers and addresses key challenges enterprises in this region face.

Australian businesses, across industries such as banking, insurance, retail, and the public sector, have access to a full range of Dynamics 365 products and ready-made solutions. The Dynamic 365 landscape is witnessing increasing AI use in auditing procedures and for maintaining data integrity.

To improve UX, solutions (off the shelf or bespoke) are also being augmented with third-party software, virtual/digital assistants and conversational AI bots.

Australian enterprises are increasingly focussing on sustainability and are looking for ways to reduce the carbon footprints of their IT assets and related services. Because the cloud is a major part of every IT landscape, cloud providers have created dashboards and APIs to measure the carbon footprint on their client's overall digital investment. Leveraging both Dynamic 365 capabilities and the Microsoft ecosystem, MSPs are evolving their industry-specific offerings to enable clients to achieve their ESG goals.

Technology professionals should read this report to understand how service providers can help with Microsoft technologies adoption and offer support for advanced ERP and CRM solutions and business integration.

Strategy professionals should read this report to understand how service providers can help with Microsoft technologies adoption to support overall enterprise operations, including ERP functions.

Marketing & sales professionals should read this report to understand how service providers can help with Microsoft technologies adoption. These leaders leverage the CRM functions of Dynamics 365.

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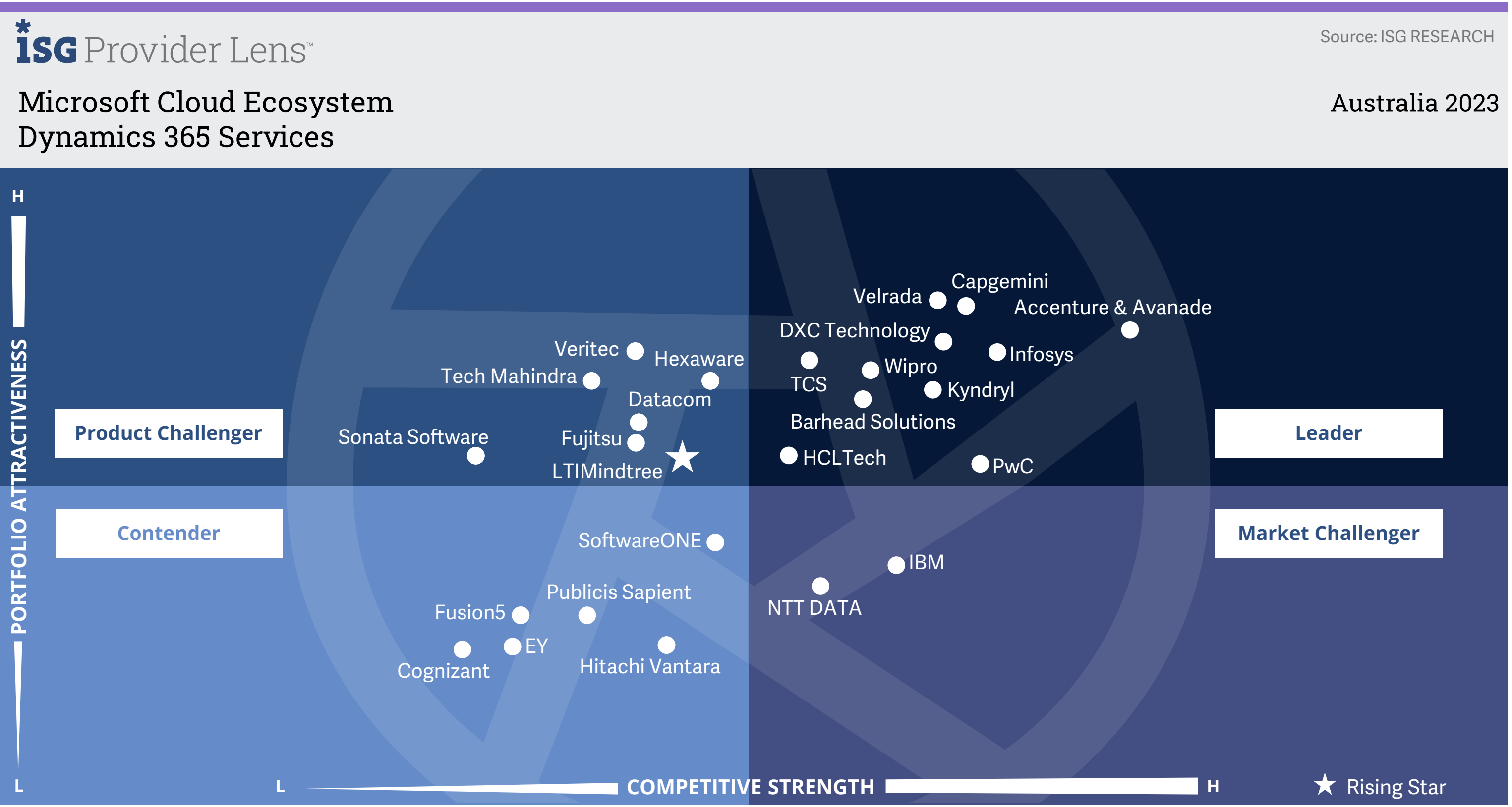

This quadrant evaluates service providers that **assist enterprises with the selection, integration, customisation, and operation of Microsoft's cloud-based Dynamics 365** ERP and CRM software.

Craig Baty

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Definition

This quadrant evaluates service providers that assist enterprises with the selection, integration, customisation and operation of Microsoft's cloud-based Dynamics 365, an enterprise resource planning (ERP) and customer relationship management (CRM) software.

These services focus on the digitalisation of business processes through the use of ERP and CRM software. In this context, service providers and system integrators should support user companies in the analysis of processes that have not been digitally mapped and the IT implementation of these processes via solutions from Dynamics 365.

Beyond providing infrastructure and cloud services, providers to be considered in this quadrant should show long-term industry and domain expertise, from shop floor to warehousing; from manufacturing to delivery; and from procurement to the provisioning of consumer goods, tools, semi-finished products, machinery, raw materials, food, energy and utilities. Industry-specific approaches will become more relevant due to the specialisation of markets and emerging trends.

Furthermore, this study considers topics such as data integration with and transfer from legacy systems. Furthermore, it examines the way providers handle software lifecycle and user support. It also covers areas such as escalation handling, change management, optimisation and reporting. Providers included in this quadrant also demonstrate a strong understanding of the way their services and the Dynamics 365 solution impact enterprise clients' business outcomes and financial performance.

Eligibility Criteria

1. Scope and depth of the provider's service portfolio in terms of the **implementation, customization, provisioning and support of Microsoft Dynamics 365**, with special consideration for industry-specific services and capabilities
2. Ability to understand clients' workloads, for the **transformation of ERP or CRM**
3. Strength of the provider's **partnership with Microsoft**, measured by the **number and category of relevant certifications**, duration of **relationship with Microsoft** and evidence of **strategic cooperation between the provider and Microsoft**
4. Support of **digital transformation processes** in user companies as a part of Dynamics 365 adoption
5. **Variety and maturity of pricing and payment** models that match the needs of enterprises adopting and using Dynamics 365
6. **Robustness of the provider's process** for implementation, including the use of **Agile and DevOps** methodologies, as well as relevant **automation for service delivery** and quality

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Observations

Microsoft's Dynamics 365 platform continues to evolve at a very rapid pace. The market has recently seen the introduction of new products, and significant shifts to existing applications as the platform as a whole continues to evolve. MSPs are seeing a trend towards an amalgamation of technology across ERP, CRM, Dataverse, and digital services on the periphery of the Dynamics 365 product set as it evolves to become more modular and seamlessly connected.

CX is a primary driver for Dynamics 365 initiatives as smart businesses seek to offer clients a variety of ways to connect (Omnichannel CX), to capture customer data at every touchpoint, and leverage that data using AI and ML to increasingly personalise CX.

Some significant changes took place in the market in 2022, and these are reflected in the quadrant. Of particular note is the successful spin off of Kyndryl from IBM; the former now appears in a similar (but slightly lower) position compared with IBM's position last year. IBM has, as a result, moved to the Market Challenger position. Capgemini strengthened its leadership position in the region by acquiring local service provider Empired. NRI, a multinational, technology and consulting firm that includes companies such as SMS and ASG, acquired Velrada, strengthening the latter's portfolio and competitive strength. LTIMindtree, the new entity formed with the merger of LTI and Mindtree, has the potential to increase its market share in the next 12 months and has been rated as a Rising Star. Local provider Barhead Solutions also enhanced its competitive strength with a Microsoft award for its significant contributions to the Australian community.

From the 175 companies assessed for this study, 26 have qualified for this quadrant, with 11 being Leaders and one Rising Star.

accenture

Accenture & Avanade is a leading provider of innovative digital and cloud services, business solutions and design-led experiences in the Microsoft ecosystem. Avanade won seven Microsoft Partner of the Year awards in Southeast Asia in 2022, including the Country Partner of the Year recognition.

Barhead Solutions

Barhead Solutions is an Australia-based consulting firm that specialises in Microsoft Dynamics 365 and Power Platform business applications. It is one of the nine organisations with a certified Microsoft Business Applications ISV Development Centre globally.

Capgemini

Capgemini recently acquired Australia-based MSP, Empired, significantly strengthening its local presence. The company's key differentiators include its industry value-first approach, Microsoft CX of the Future offering, and on-premises to cloud accelerators.

DXC TECHNOLOGY

DXC Technology provides a full range of services, including consulting, advisory, transformation, integration, and operational management in Australia. It has a strong Power Platform roadmap and an innovative citizen developer offering.

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HCLTech

HCLTech is an Indian multinational IT services and consulting technology company that has had a strong presence in Australia for more than 20 years. It is a member of the Microsoft Intelligent Security Association (MISA) that reinforces its commitment to Microsoft's partner ecosystem.

Infosys

Infosys provides business consulting, IT, and outsourcing services across 50 countries, including Australia. It has a comprehensive approach to the adoption of Dynamics 365 and an innovative digital transformation strategy.

Kyndryl

Kyndryl is the new name for IBM's managed infrastructure services business, which spun off as a separate company in 2021. It claims to be the world's largest IT infrastructure services provider. Kyndryl offers an advanced Dynamics 365 Value Assessment model and a broad range of flexibly priced solutions.

PwC

PwC is a network of firms in 152 countries (688 cities) with nearly 328,000 people who are committed to delivering quality in assurance, advisory and tax services and has a strong and growing presence in Australia.

TCS TATA CONSULTANCY SERVICES

TCS is one of the world's leading global IT services, consulting, and business solutions companies, headquartered in India. TCS Australia has more than 40 Microsoft 365 and Dynamics 365 clients and is currently the fastest-growing GSI Partner for Microsoft Dynamics 365, globally.

Velrada

Velrada is a private Australia-based, global Microsoft business and technology integrator, headquartered in Perth, Australia. Velrada has considerable expertise in the Modern Workplace and Dynamics 365 Field Solution segment.

wipro

Wipro is a global IT, consulting and business process services provider that has had a relationship with Microsoft for more than two decades. Its hybrid agile methodology for Dynamics 365 includes a set of accelerators and productivity tools to fast track a Dynamics 365 implementation.

LTIMindtree

LTIMindtree operates in 31 countries, including Australia. It has a strategic, multilevel 360-degree relationship with Microsoft as a customer, supplier, and GTM partner.

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Leader

"DXC Technology extends Dynamics 365 by building add-on solutions to expand any system using Power Platforms."

Craig Baty

DXC Technology

Overview

DXC Technology is headquartered in Virginia, U.S. and operates in 70 countries. It has more than 130,000 employees across over 130 global offices. In FY22, the company generated $16.3 billion in revenue, with Applications as its largest segment. DXC has a staff of more than 10,000 in Australia and a regional delivery centre in Adelaide. DXC's solutions for Microsoft Dynamics 365 in Australia span advisory and consultancy services, including migration and implementation.

Strengths

Advanced security procedures around Dynamics 365: DXC is focussed on security and considers it, alongside compliance, as a top priority. This includes role-based access control (identity and access management [IAM]), strong authentication (multi-factor authentication [MFA]), and secure communications and compliance regulations with tools such as Compliance Manage.

Advanced integrated end-to-end-security solutions: DXC's security advisory and consultancy practice focusses on cyber resilience and zero-trust principles to deliver comprehensive workplace security, encompassing security risk management, secured infrastructure, cybersecurity, and digital identity.

Strong expansion plans for sustainability offering: DXC is evolving to become a unique end-to-end partner with industry-specific capabilities, services, and solutions for ESG. It will focus on its business transformation strategy and roadmap for sustainable growth and innovation, with an optimal change management approach. It will also focus on analytical and data-driven decision making, based on compliance and performance frameworks, enabled by monitoring and reporting tools.

Caution

DXC Technology continues to show leadership in the Australian Dynamics 365 market. Although it has been making much progress since last year in the area of vertical focus, more effort is needed to become successful in this kind of diversification.

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Appendix

The ISG Provider Lens™ 2023 – Microsoft Cloud Ecosystem report analyzes the relevant software vendors/service providers in the Australian market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this report includes research from the ISG Provider Lens program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of February 2023, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars ($US) unless noted.

The study was divided into the following steps:

1. Definition of Microsoft Cloud Ecosystem market
2. Use of questionnaire-based surveys of service providers/ vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities & use cases
4. Leverage ISG's internal databases & advisor knowledge & experience (wherever applicable)
5. Use of Star of Excellence CX-Data
6. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
7. Use of the following key evaluation criteria:
   * Strategy & vision
   * Tech Innovation
   * Brand awareness and presence in the market
   * Sales and partner landscape
   * Breadth and depth of portfolio of services offered
   * CX and Recommendation

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Distinguished analyst and author Craig Baty has extensive research and thought leadership experience in the Asia Pacific and Japan ICT markets. Craig is Principal and Founder of DataDriven an Asia/Pacific based research and advisory firm. Craig has over 30 years of executive and board level experience in the ICT industry, including as a Group VP and Head of Gartner Research AP/J, CEO of Gartner Japan, Global VP Frost & Sullivan, and more recently as VP Global Strategy and VP Digital Services in Fujitsu Tokyo HQ. As a well know ICT commentator and analyst, Craig has written more than 200 research pieces, and presented at over 1500 events globally.

He is also regularly quoted in regional media. Craig is actively involved in the ICT community as a board member of the Australian Information Industry Association (AIIA) and Immediate Vice Chair of the Australian Computer Society NSW (ACS).

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Phil Harpur
Principal Analyst

Phil Harpur is an Australia-based technology analyst and consultant with over 25 years of experience across telecommunications, the cloud, data centres and digital media. His expertise spans over 35 countries across Asia. He also works as an analyst and writer in the financial services industry, with a focus on the technology sector.

Phil is currently part of the DataDriven team, which is the Asia Pacific research partner for ISG, and has contributed to the creation of tens ISG Provider Lens™ reports. Prior experience includes Gartner, Frost & Sullivan, and BuddeComm. He has been quoted in multiple global publications and appeared on business TV programs including Bloomberg, CNBC, Fox Business, and ABC. He has also presented at numerous local and international conferences. Phil has a bachelor of science degree, with majors in computing and statistics from Macquarie University and holds a graduate certificate in applied finance and investment from the Securities Institute of Australia.

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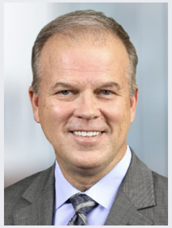
Research Analyst

Angie Kho
Regional Support Analyst

Angie Kho is a regional support analyst at ISG and is responsible for supporting and contributing to Provider Lens™ studies for the APAC markets.

Angie is part of the DataDriven team, which is the Asia Pacific research partner for ISG and has contributed to tens IPL reports.

Her areas of expertise lie in IT services management and enterprise planning services. Angie develops content from an enterprise perspective and writes Global Summary reports for Provider Lens studies. She also supports the lead analysts in the research process and ad hoc research assignments.



IPL Product Owner

Jan Erik Aase
Partner and Global Head – ISG Provider Lens™

Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a research director, principal analyst and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.

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ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this webpage.

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