

Quarterly Research Summary – Q2 2012

A review of research Reports and AnalystViews notes from TechMarketView – Q2 2012

Welcome

This quarter has seen the launch of *Infrastructure Views* our latest in a series of specialist research programmes, further expanding our in-depth coverage of the UK SITS (software and IT/BP services) scene. Like our *PublicSector Views*, *BusinessProcess Views* and *ESAS Views* programmes, *Infrastructure Views* offers unique insights into the market and supplier landscape. With its focus on the £14bn market for infrastructure services in the UK, *Infrastructure Views* gives vendors, advisors and investors a close-up view of the growth of the fast-evolving infrastructure space. Topics include the move to cloud, BYOT, mid-market opportunities and the changing infrastructure supplier landscape.

And as you would expect from TechMarketView analysis, the emphasis is not just on what is happening and what will happen, but also on the implications of market trends and disruption for those attempting to grow their share.

With no less than 20 reports and notes published this quarter across our different research streams, our analysts have been busy ensuring you have enough reading material, spanning myriad topics, to keep you going through this rainy season. Just creeping into Q3, our latest [UK SITS Market Trends and Forecasts](#) report is also hot off the press and a must-read for anyone with skin in the UK SITS market. Enjoy!

[Industry Views Corporate Activity Review – Q1 2012](#)

29th June 2012

It's been a weak start to the year for UK SITS M&A. UK Buyer numbers fell in this quarter to the lowest since Q3 2010 and there were fewer sales of UK SITS companies too. On the PE side financial buyer numbers stayed constant and it seems that buyers have a strong appetite for SITS firms. Check out the latest corporate activity in this new report.

[UK public sector outsourcing: heading for a boom or a trickle?](#)

21st June 2012

When Cabinet Office Minister Francis Maude launched his report on Civil Service reform in which he emphasised the Government's support for joint ventures, employee-owned mutuals and partnership within the private sector, we suspected much excitement in outsourcing companies. But is it warranted? Digest our opinions in this latest *AnalystViews* from the *PublicSector Views* stream of research.

[Offshore Views Q1 2012](#)

14th June 2012

In the latest edition of *Offshore Views*, we summarise how the major India-based players fared during the quarter and how they see their prospects for the year. Plus of course you can see our summary table for the players' key operational metrics, and we have an interview with Shankar Narayanan, as he approaches his first anniversary as head of TCS UK.

[The Cabinet Office's message to technology suppliers](#)

13th June 2012

In this recent *PublicSector Views* research note we distil the Cabinet Office's messages to suppliers and provide an update on key elements of the government's ICT strategy.

[UK SITS rankings - 2012](#)

6th June 2012

We can't provide the Fluff Freeman voiceover but click [here](#) for the famous background music '[At the sign of the swinging cymbal](#)' and relax whilst reading our latest UK SITS rankings. Find out if there were any new entries, who went up and who went down in the UK's Top 60. Not 'arf!

Independent SIAM: What's it all about?

24th May 2012

The appointment of a Service Integration & Management (SIAM) provider is now viewed by many within UK central government as the best way to handle a multi service provider environment. What does the role entail? How does it differ from the traditional prime contractor model? And which suppliers might be willing to step into the mould? This *PublicSectorViews* research note discusses recent developments and considers the implications.

Social media: the business imperative

23rd May 2012

Social media is conquering the consumer world at breakneck speed but an image problem is preventing it doing the same in the business environment: it is just not perceived as a business tool. But as the latest social media research from the *ESASViews* stream shows, that is a naive view.

SMEs in Government: the ICT picture

23th May 2012

It has been an ongoing debate for many years: how to make it easier for SMEs to do business with UK Government. In February last year, Prime Minister, David Cameron, put a stake in the ground: to have 25% of Government spend with SMEs. This note examines the viability of such a target and the challenges to meeting it.

Infosys and advertising giant WPP partner for business platforms

11th May 2012

We recently attended Infosys' launch of its new BrandEdge business process platform (BPP), in partnership with Fabric Worldwide, a 'big data' technology player and division of advertising giant WPP. Read the full analysis of Infosys' plans and prospects in this research note.

Steria: the value of infrastructure services

8th May 2012

This new analyst note asks what role infrastructure capabilities and assets play for a mid-sized player like Steria, and particularly one with ambitions to play a leading role in the transformation of government administration across Europe. The answer lies in the increasingly critical role that infrastructure plays.

MyCSP 'mutual' attraction

8th May 2012

Following the announcement that BPS provider Equiniti Group has been selected to administer the Principal Civil Service Pension Scheme as part of myCSP, we spoke with Paul Bingham, MD of Xafinity Paymaster, and non-exec of myCSP. Read about the challenges and opportunities facing myCSP, and other BPS suppliers targeting this new area of 'mutual' opportunity.

IndustryViews – Advent International

4th May 2012

The European tech industry has changed considerably over the past decade and with it the private equity scene. That has certainly been the experience of the European TMT practice at global private equity firm, Advent International. Find out about Advent's views on the local PE scene in this research note.

IT: just what the doctor ordered?

2nd May 2011

The NHS IT market holds more promise now than it has done for many years. In this *PublicSectorViews* research note we examine what lies behind the activity in the sector and consider the likely impact on the market and its suppliers.

Cognizant: The challenge of breaking into the UK public sector

1st May 2012

Cognizant launched its government practice in 2011. By the end of that year it had recruited Peter Gill (previously Head of UK Central Government at TCS) to head up the new business unit. Having met with Gill, we consider Cognizant's chances of success. .

Second generation BPS deals: supplier challenges and opportunities

20th April 2012

The UK business process services (BPS) market is reaching a point of inflexion in 2012, where we are now seeing more second and even third generation deals coming to market. However rather than renewing with incumbent providers, they are increasingly changing hands to new suppliers. This note from our *BusinessProcessViews* stream of research, looks at what this means for the UK BPS market.

BYOT: opportunities and threats from disruption

18th April 2012

This major piece of research from our newly launched research stream, *InfrastructureViews*, provides a new perspective on the “bring your own” trend, with analysis of both the opportunities that it will offer for many and the threats it will bring. It shows how BYOT is set for dramatic growth, with organisations forecast to spend £2bn over the coming five years to get BYOT working securely and effectively.

UK Government CIO Agenda April 2012

10th April 2012

In this note we do a reality check. What’s really happening within the Government departments and agencies? Read our findings in this note following meetings with Andy Nelson, CIO at the UK Ministry of Justice, and Robin Pape, CIO at the Home Office.

IndustryViews Quoted Sector – Q1 2012

9th April 2012

March was a relatively quiet month on the markets but the big leaps forward in January and February helped push some of the key indices into double-digit rises during the first quarter of 2012. The quarter also saw the highest number of UK software and IT services exits from the London markets since Q4 2008 – and there are more to come! Don’t miss this report from the Foundation Service.

Services-backed software: a new dynamic for services providers

2nd April 2012

As the impact of technology developments and enterprises’ demand for business agility causes the boundaries between software and services to splinter, it is becoming harder to differentiate one type of asset from another. This is generating a new class of software – services-backed software. And that is bringing another wave of disruption to the SITS market as IT service suppliers develop more of their own software IP and go to market with services-backed software portfolios in which line of business applications feature heavily. From our *ESASViews* research stream, enjoy this fascinating report which explores the new dynamics that are impacting the IT services market and analyses where the opportunities and risks lie.

European SI profitability

1st April 2012

Operating margins at the leading European SIs seemed trapped in mid-single digits, less than half the level of global majors and a fraction of the Indian offshore services firms. UK margins are little better. Management are mostly confident that they will be able to improve profitability in 2012. But we wonder if they can do so without relying on further ‘restructuring’.