The Magic Quadrant for Oracle ERP implementation service providers in North America presents the current vendor landscape for 17 leading companies in Oracle ERP initiatives.

WHAT YOU NEED TO KNOW
This document was revised on 1 December 2010. For more information, see the Corrections page on gartner.com.

The Magic Quadrant for Oracle ERP implementation service providers in North America analyzes the leading-vendor landscape for Oracle ERP implementation services. The relative positioning of vendors in this Magic Quadrant is based on factors determined by Gartner as relevant to this market. We analyze consulting and system integration projects that may require a blend of business, industry, technology, program and project management skills that must align with your objectives, institutional and business culture, and employees.

When you are considering service providers for a request for information or request for proposal, do not simply select service providers in the Leaders quadrant. All selection processes are enterprise-specific; consequently, vendors in the Challengers, Visionaries or Niche Players quadrants may prove to be more appropriate for your engagement. This analysis is for the consulting and system integration services required for discrete project work only. This analysis excludes multiyear contractual engagements typical for outsourcing agreements. This Magic Quadrant is a point-in-time analysis, and the view covers key competitors with the breadth and scale of offerings across a large array of criteria. An IT services provider may appear in a specific quadrant of the analysis, given its strategy, as compared with the full market criteria set in this evaluation. As a result, in any given deal, provider selection is best decided by a client’s needs; therefore, IT services providers should not underestimate any potential competitor because the inclusion criteria in the Magic Quadrant result in the analysis of the most-established providers in the ERP implementation market. Other IT services providers not evaluated in this Magic Quadrant may present equally compelling alternatives for your business and IT requirements.

MAGIC QUADRANT
Market Overview
Partners for Oracle are a diverse group that addresses various products across the portfolio. During the past 18 months, demand for edge applications aimed at corporate performance management issues and supply chain management issues have grown. Demand for core ERP (financial resources, human resources, assets and operations) was low, as organizations delayed upgrades, waiting for E-Business Suite R12.1 readiness, and made their IT operations more efficient. JD Edwards clients continue to update their process and are upgrading or reimplementing their ERP. PeopleSoft clients find specific ERP functionality valuable.
Going into the economic downturn, many organizations had already achieved high levels of process integrity and began to focus their efforts to establish data integrity of their application systems. At the same time that demand changed, external service providers (ESPs) shifted emphasis of resource supply to maintain high utilization in an effort to support strong profits. The shift in buyer demand of applications has changed the landscape for Oracle ERP implementation service providers.

The client base using Oracle E-Business Suite, PeopleSoft and JD Edwards applications for core ERP (financial resources, human resources, assets and operations) are a diverse group. This report is aimed at that group. ESPs quickly reacted to demand shifts, with a noticeable move of midtier Oracle partners away from core ERP to address the demand in edge applications. As a result, the number of ESPs that continue to have scale in core ERP resources is more limited today. Top-tier Oracle partners continue to invest in core ERP skills.

Today, E-Business Suite R12.1 looks to be ready for mass consumption, and ESPs are preparing for an uptake in upgrades and reimplementations. On balance, top-tier ESPs evaluated here each report a dozen or so R12.1 implementations under their belt, on average. ESPs continue to develop their methodology in line with the Oracle unified methodology. ESPs continue to develop frameworks and tools to increase quality and improve speed of implementations. ESPs are also investing in training of resources. To this end, Oracle just announced a new Diamond Partner level, in part to recognize this added investment in training of resources.

Oracle claims more than 370,000 customers for its full portfolio of products and services. This Magic Quadrant evaluation focuses on situations that a fraction of those customers may face, requiring the breadth of capability from an ESP for an ERP implementation. For example, manufacturing and operations applications, as defined within ERP, are subsets of the applications used by companies to manage those functions in many instances, and retailers use applications that are outside the Oracle ERP suites for these processes. In fact, many industry processes can fall outside this core base of functionality. Only 17 providers are included in this evaluation out of the many ESPs that may implement Oracle products. Of those, nine providers are listed as Leaders, four are listed as Challengers, and four are listed as Niche Players that specialize in an industry, a buyer segment or a product segment of Oracle. Because this analysis is focused on the ERP area, the low number of Challengers describes a gap in the market. This gap is filled by many capable providers that are not included in this study due to our inclusion criteria and methodology. For example, other Oracle partners, such as Beacon, Bristlecone, Edgewater Ranzal, Hackett/Archstone, Knowledge Base (KBase), KPMG, © 2010 Gartner, Inc. and/or its affiliates. All rights reserved. Gartner is a registered trademark of Gartner, Inc. or its affiliates. This publication may not be reproduced or distributed in any form without Gartner’s prior written permission. The information contained in this publication has been obtained from sources believed to be reliable. Gartner disclaims all warranties as to the accuracy, completeness or adequacy of such information and shall have no liability for errors, omissions or inadequacies in such information. This publication consists of the opinions of Gartner’s research organization and should not be construed as statements of fact. The opinions expressed herein are subject to change without notice. Although Gartner research may include a discussion of related legal issues, Gartner does not provide legal advice or services and its research should not be construed or used as such. Gartner is a public company, and its shareholders may include firms and funds that have financial interests in entities covered in Gartner research. Gartner’s Board of Directors may include senior managers of these firms or funds. Gartner research is produced independently by its research organization without input or influence from these firms, funds or their managers. For further information on the independence and integrity of Gartner research, see “Guiding Principles on Independence and Objectivity” on its website, http://www.gartner.com/technology/about/ombudsman/omb_guide2.jsp
Mahindra Satyam, Perficient, Idhasoft, Sierra Atlantic and Zensar Technologies may be included in Vendor Guides and Hype Cycle reports. These providers specialize in areas of business consulting, integration technology, business intelligence or other process areas beyond the ERP section reviewed in this Magic Quadrant. These other reports feature some smaller and/or specialist Oracle service providers beyond just ERP products that may be a better fit for specific Oracle implementation projects, depending on resourcing objectives, size of project and other factors.

Methodology and Process
Gartner evaluates service providers on their ability to execute and their completeness of vision. Evaluation is informed by:

- A total of 130 client references supplied by Oracle service providers
- Service provider’s representation of its organization through briefings, press releases, annual reports and other publicly available information
- Gartner clients with whom Gartner analysts have discussions throughout the year

Market Definition/Description
This Magic Quadrant focuses on the Oracle ERP implementation services that include consulting, system integration and implementation for North America. This study covers these types of professional services related to all forms of on-premises Oracle ERP application software. Implementations of Oracle applications may be first-time implementation, upgrades, rollouts, consolidations or any combination thereof for any version.

This study does not cover services related to application outsourcing, managed services, staff augmentation, software as a service (SaaS) or business process outsourcing (BPO) — but these capabilities are considered in so far as they influence the choice and ability of the vendor to provide project implementation services.

We evaluate the comprehensive set of offerings for Oracle ERP programs that include:

- Ability to provide consulting services for Oracle ERP environments for E-Business Suite, PeopleSoft and JD Edwards
- Ability to provide a comprehensive set of system integration and implementation services across the Oracle ERP domains, products and technologies
- Ability to service multiple industries
- Note that the definition for core ERP excludes Oracle products, such as PeopleSoft SCM Siebel CRM, and other products, such as Agile, Demantra, Hyperion, etc.

The following is a definition of consulting and system integration and ERP:

- Consulting and system integration — Consulting services are advisory services designed to help companies analyze and improve the effectiveness of business operations and technology strategies. Gartner divides consulting into two subsegments: business consulting and IT consulting. For Gartner, the term “system integration” is roughly synonymous with development and integration services. Development and integration services include application development, deployment and integration services. These are the service areas of focus for project-based ERP service delivery.

- Enterprise resource planning — Gartner defines ERP as a business strategy in which ERP improves business processes and the use of information across an organization by integrating functions into a set of interconnected modules. These include implementation of any version of modules related to financials, human capital management, manufacturing and operations, and enterprise asset management (EAM). Other modules, extensions and integration may be implemented as part of an ERP project, but for the purpose of this study, implementation of ERP must be the central objective of these projects.

Inclusion and Exclusion Criteria
The criteria for inclusion of service providers for this Magic Quadrant are based on a combination of qualitative and quantitative measures.

Quantitative Criteria
- ESPs with consulting and system integration service revenue derived from clients in North America (United States and Canada)
- A minimum of US$20 million (estimated for fiscal year 2009) in enterprisewide Oracle ERP project service revenue in North America

Qualitative Criteria
- Client interest in specific Oracle service providers, as revealed by Gartner analysts’ interactions with enterprise buyers
- Overall market interest in and visibility of the provider
- Ability to provide consulting and solution implementation services across multiple industries and Oracle products for ERP, such as Oracle E-Business Suite, PeopleSoft and JD Edwards modules

Gartner evaluates service providers on their ability to execute and their completeness of vision — as per the definitions below. When the two sets of criteria are evaluated together, the resulting North American analysis provides a view of how well the provider performs a spectrum of services compared with its peers and how well it is positioned for the future.
Added
This is a new Magic Quadrant.

Dropped
This is a new Magic Quadrant.

Evaluation Criteria

Ability to Execute
Gartner analysts evaluate technology providers on the quality and efficacy of the processes, systems, methods or procedures that enable IT provider performance to be competitive, efficient and effective, and to positively impact revenue, retention and reputation. Ultimately, technology providers are judged on their ability and success in capitalizing on their vision. Our assessment of a vendor’s ability to execute consisted of these criteria.

Product/Service — Core services offered by the provider that competes in and serves the defined market. This category includes current service capabilities, quality, feature sets, skills, and so on. Subcategories include: assessment of specific services in the key ERP areas of financials, HR, order management, EAM, delivery processes and methodologies, and knowledge, skills and project management; and assessment of knowledge and partnership with respective ERP vendor. This category also includes vertical, industry, process expertise, project management and application knowledge, as revealed by client feedback, industry or software vendor awards and recognition.

Overall Viability (Business Unit, Financial, Strategy, Organization) — Financial viability includes an assessment of the overall organization’s financial health, the financial and practical success of the business unit, and the likelihood of the individual business unit to continue to invest in the service and continue to offer the service, advancing the state of the art within the organization’s portfolio of services. Subcategories include: assessment of service provider’s practice area profile (for example, financial strength, number of dedicated resources, growth, utilization and attrition); and analysis of strategy and organization.

Table 1. Ability to Execute Evaluation Criteria

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product/Service</td>
<td>high</td>
</tr>
<tr>
<td>Overall Viability (Business Unit, Financial, Strategy, Organization)</td>
<td>standard</td>
</tr>
<tr>
<td>Sales Execution/Pricing</td>
<td>standard</td>
</tr>
<tr>
<td>Market Responsiveness and Track Record</td>
<td>standard</td>
</tr>
<tr>
<td>Marketing Execution</td>
<td>no rating</td>
</tr>
<tr>
<td>Customer Experience</td>
<td>high</td>
</tr>
<tr>
<td>Operations</td>
<td>standard</td>
</tr>
</tbody>
</table>

Source: Gartner

Sales Execution/Pricing — The service provider’s capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support and the overall effectiveness of the sales channel, as well as customer feedback on value for the money.

Market Responsiveness and Track Record — Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve, and market dynamics change. This criterion also considers the provider’s history of responsiveness and track record in offering different pricing mechanisms.

Customer Experience — Overall customer satisfaction with provider. Included are ease of working with and flexibility in responding to changes, as well as delivering on time, within budget and to scope with a system that meets business needs.

Operations — The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis. Subcategories include:

- Investments in and with software vendor
- Applied use of methodologies and other assets
- Global delivery model

Completeness of Vision
Gartner analysts evaluate technology providers on their ability to convincingly articulate logical statements about current and future market direction, innovation, customer needs, and competitive forces and how well they map to the Gartner position. Ultimately, technology providers are rated on their understanding of how market forces can be exploited to create opportunity for the provider. Our assessment of a vendor’s completeness of vision consisted of these criteria.

Market Understanding — Ability of the provider to understand buyers’ needs and translate these needs into products and services. Vendors that show the highest degree of vision listen and understand buyers’ wants and needs, and can shape or enhance those wants with their added vision. Subcategories include: service providers’ knowledge and articulation of key market direction and trends; and the analysis of the service providers’ executive leadership (including thought leadership, continuity, operational capabilities, and so on).

Marketing Strategy — A clear, differentiated set of messages that are consistently communicated throughout the organization and are externalized via the communication, advertising, customer programs and positioning statements.
Sales Strategy — The strategy for selling services, which uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base. Subcategories include: service providers’ strategies for partnerships and alliances; and vision for creating new and/or additional ERP business.

Offering (Product) Strategy — A technology provider’s approach to product development and delivery that emphasizes differentiation, functionality, methodology, and feature set as they map to current and future requirements. Includes vision on improving business and process design, implement, test, change management, and training.

Vertical/Industry Strategy — The technology provider’s strategy to direct resources, skills, and offerings to meet the specific needs of individual market segments, including verticals. Vertical, industry and process investments as revealed by dedicated resources, training and related intellectual property (IP) development in selected verticals, industries and processes.

Innovation — Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes. Investment in tools, methods, prebuilt assets, industry/process maps, etc., to assist in improving speed and/or quality of implementation, reducing total cost of ownership (TCO) or accelerating ROI of solution.

Geographic Strategy — The provider’s strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the “home” or native geography, either directly or through partners, channels and subsidiaries, as appropriate for that geography and market. Includes geographic scope to assist in global rollouts as well as appropriate global delivery centers around the world.

Leaders
Leaders are performing well today, gaining traction and mind share in the market; they have a clear vision of market direction and are actively building competencies to sustain their leadership position in the market.

Challengers
Challengers execute well today for the portfolio of work selected, but they have a less-defined view of market direction. Consequently, these service providers may be the “up and comers” of the future, or they may not be aggressive and proactive enough and “in decline” because they are failing to prepare for the future.

Visionaries
Visionaries articulate important market trends and direction. However, they may not be in a position to fully deliver and consistently execute. They may need to improve their optimization of service delivery.

Niche Players
Niche Players focus on a particular segment of the market, such as vertical industry, client size, functional area (e.g., human capital management, order management and others), or project complexity. Their ability to execute is limited to those focus areas and, therefore, is assessed accordingly. Their ability to innovate may be affected by this narrow focus.

Vendor Strengths and Cautions
Accenture
Accenture is a global firm ranked fifth in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $4.1 billion. This reflects a revenue change of negative 14% for 2009 compared with 2008. Accenture has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have about 12,000 associates skilled on Oracle applications and technology globally.

Strengths

- Accenture has breadth across the Oracle ERP product set of E-Business Suite, PeopleSoft and JD Edwards, and it brings its industry, functional and technical skills to implement large, complex transformational ERP initiatives for the largest organizations.

- Accenture is one of two Diamond partners with Oracle, which signals its investment in training, influence of software sales and involvement with Oracle innovation.

- Accenture is making additional investments in key industries of banking, communications, public sector and utilities to create Oracle-based platforms or extend ERP functionality in a strategic way. The company continues to maintain its industry rigor in the other vertical markets it serves.

Table 2. Completeness of Vision Evaluation Criteria

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Understanding</td>
<td>standard</td>
</tr>
<tr>
<td>Marketing Strategy</td>
<td>standard</td>
</tr>
<tr>
<td>Sales Strategy</td>
<td>standard</td>
</tr>
<tr>
<td>Offering (Product) Strategy</td>
<td>standard</td>
</tr>
<tr>
<td>Business Model</td>
<td>no rating</td>
</tr>
<tr>
<td>Vertical/Industry Strategy</td>
<td>high</td>
</tr>
<tr>
<td>Innovation</td>
<td>high</td>
</tr>
<tr>
<td>Geographic Strategy</td>
<td>low</td>
</tr>
</tbody>
</table>

Source: Gartner
Cautions

• Accenture performs best with ERP engagements that leverage its breadth of capabilities; projects at organizations looking for more discrete services, particularly midmarket organizations (Gartner defines midmarket as below $1 billion in annual turnover), need additional due diligence, as Accenture solutions are not aimed at this segment.

• Accenture’s clients in some instances cite that engagements are priced at a premium compared with the market and that its total value proposition, including items such as assets and global sourcing strategy, is difficult to measure.

Strengths

• Capgemini is a global firm ranked 15th in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $1.3 billion. This reflects a revenue change of negative 13% for 2009 compared with 2008. Capgemini has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have about 9,000 associates skilled on Oracle applications and technology globally.

• Capgemini is an Oracle Platinum partner, with breadth of capability across the ERP product set of E-Business Suite, PeopleSoft and JD Edwards. This Oracle expertise was developed from its long-term investment in this area for industry and technical depth.

• Capgemini has developed strategic Oracle-based platform solutions in communications, education, media and wholesale distribution, with continued focus on energy, financial services and the public sector.

• Capgemini leverages Oracle accelerators and tools to refine its offerings for upgrades and testing services.

Cautions

• Capgemini has strong methodologies, but clients sometimes find difficulty uniting seamlessly its full service offerings — from business advisory through implementation.

• Capgemini’s clients sometimes cite challenges getting staff with the highest level of subject matter expertise or thought leadership to support project goals.

CedarCrestone

CedarCrestone is a privately held specialist professional services firm, which Gartner estimates to have approximately $120 million in North American revenue for consulting and system integration services in 2009. CedarCrestone has more than 600 associates skilled on Oracle applications and technology.

Strengths

• CedarCrestone is an Oracle Platinum partner with specialization in PeopleSoft, which is its core strength, and expertise in the E-Business Suite, ramping up its product depth.

• CedarCrestone continues to develop its specialization in healthcare, higher education, and state and local government. Notably, CedarCrestone has jointly partnered with Oracle and Accenture to bring the Oracle Total Pension solution to a broader client base than CedarCrestone has the ability to reach.

• CedarCrestone is a standout in its technical ability for PeopleSoft categories spanning human capital and talent management, in which it enjoys a solid track record for successful implementations.

Cautions

• CedarCrestone has not invested aggressively enough in global delivery, partly because of its target industries, but this has also limited its off-site capabilities and reduced its ability to lower costs of an engagement.

• CedarCrestone closely follows the Oracle application strategy, and clients sometimes cite challenges when more system integration is required for a heterogeneous system environment.

Ciber

Ciber is a publicly traded U.S. company. Gartner estimates its consulting and system integration service revenue at $489 million in 2009. This reflects a revenue change of negative 15% for 2009 compared with 2008. Ciber has an Oracle practice estimated at more than 300 associates skilled on Oracle applications and technology globally.

Strengths

• Ciber is an Oracle Platinum partner and an Oracle University Education partner, with depth in technical capability for the ERP product set of E-Business Suite, PeopleSoft and JD Edwards.

• Ciber’s clients appreciate the reliable services the company offers, the professional and knowledgeable consultants it staffs, and the full-service project solutions it has developed.

• Ciber has focus in higher education and the public sector, and it has solutions aimed at midmarket organizations (Gartner defines midmarket as below $1 billion in annual turnover) in the food and beverage, healthcare, and manufacturing industries.
Cautions

- Ciber is limited in business consulting and organizational change management offerings required of transformational ERP engagements.

- Ciber’s program management is experiencing growing pains, as clients sometimes express concerns with staff turnover on an engagement.

Cognizant

Cognizant is a U.S.-based firm ranked 14th in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $1.4 billion. This reflects a revenue growth of 8% for 2009 compared with 2008. Cognizant has an Oracle practice with more than 4,000 associates skilled on Oracle applications and technology globally, and it reported positive growth for this period.

Strengths

- Cognizant is an Oracle Platinum partner and a codevelopment vendor for Oracle, with technical and functional capabilities for the ERP product set of E-Business Suite, PeopleSoft and JD Edwards.

- Cognizant has established industry practices for banking and financial services, life sciences and healthcare, insurance, high tech, manufacturing and retail, and these practices are premised on a broad set of tools and frameworks to enhance implementation services.

- Cognizant advocates a diversity of pricing frameworks with clients so that it can be both price-competitive and value-driven, and clients view this as positioning for a long-term relationship and commitment, leading to high levels of satisfaction.

Cautions

- Cognizant’s clients sometimes indicate that its centralized solution development limits its on-the-ground innovation in situations that require more responsiveness.

- Cognizant’s clients sometimes cite the need for broader business advisory capability in ERP engagements.

CSC

CSC is a global firm ranked seventh in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $3.4 billion. This reflects a revenue change of negative 4% for 2009 compared with 2008. CSC has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have about 4,000 associates skilled on Oracle applications and technology globally.

Strengths

- CSC is an Oracle Platinum partner, with industry, technical and functional capabilities for the ERP products of E-Business Suite and PeopleSoft, and it is often engaged in transformational ERP initiatives for large organizations.

- CSC is focusing innovation on differentiated solutions for organizations in the aerospace and defense, energy, financial services, life sciences, manufacturing, petroleum, and public-sector industries.

- CSC’s clients cite project management and resource experience as key strengths, resulting in a satisfied client base.

Cautions

- CSC’s growth in its global delivery has been limited, partly because of its target industries, making it a laggard in streamlining its offshore delivery capability and establishing tools necessary to increase predictability.

- CSC’s clients sometimes cite its high proportion of time-and-materials contracting as leading to expensive engagements.

Dell Services

Dell Services is a U.S.-based company ranked 16th in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $1.3 billion. This reflects a revenue change of negative 9% for 2009 compared with 2008. Dell Services has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have more than 1,100 associates skilled on Oracle applications and technology globally.

Strengths

- Dell Services is an Oracle Platinum partner, with technical and functional capabilities for the ERP product set of E-Business Suite, PeopleSoft and JD Edwards. Dell is also the largest software reseller of Oracle software.

- Dell Services acquired Perot Systems in November 2009 and restructured the teams at Perot to serve as the core of its Oracle practice. Perot clients often cite the commitment and seniority of associates as key strengths.

- Dell Services is moving away from being opportunistic to being programmatic in its approach to Oracle clients, which means greater investment in framework and asset development to increase quality and accelerated deployment for ERP solutions.
Cautions

- Dell Services is working to streamline its Oracle practice. Dell Services is evolving from an opportunistic to a solution-led practice and is expanding its expertise in education, healthcare, manufacturing, and state and local government, which means its tools and methods are in development.

- Dell Services has a strong brand for hardware products, but clients do not understand its growing services breadth, leading to lost client opportunities for more-integrated hardware and software solutions.

- Dell Services’s clients sometimes indicate a desire for greater business advisory and change management offerings for complex ERP engagements.

Deloitte

Deloitte is a global firm and provides audit, tax, consulting, and financial advisory services. It ranked sixth in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $4.1 billion. This reflects a revenue growth of 0.4% for 2009 compared with 2008. Deloitte has an Oracle practice with more than 10,000 associates skilled on Oracle applications and technology globally, and it reported positive growth for this period.

Strengths

- Deloitte is an Oracle Platinum partner, with industry, technical and functional capabilities for the ERP product set of E-Business Suite, PeopleSoft and JD Edwards.

- Deloitte is a large Tier 1 firm that provides a breadth of services to all ranges of clients, and clients, regardless of size, express a similar level of success and satisfaction.

- Deloitte is consistently the service provider with the largest volume of Oracle projects, in part due to its differentiated offerings for merger and acquisition solutions and human capital transformation.

- Deloitte has established industry experience in consumer products, energy, financial services, insurance, life sciences and healthcare, manufacturing and the public sector. Deloitte’s acquisition of the BearingPoint Public Sector business in May 2009 significantly boosted its capability in that market.

Cautions

- Deloitte’s clients and prospects sometimes cite challenges evaluating a proposal response, as the scope of the proposal may be broader than requested or the pricing may be unfamiliar.

Fujitsu

Fujitsu operates as Fujitsu America in North America and is a subsidiary of Fujitsu Ltd. Gartner estimates Fujitsu’s consulting and system integration service revenue in North America at $486 million in 2009. This reflects a revenue change of negative 12% for 2009 compared with 2008. Fujitsu America has an Oracle practice, with more than 2,500 associates skilled on Oracle applications and technology.

Strengths

- Fujitsu is an Oracle Platinum partner, with technical and functional capabilities for the ERP product set of E-Business Suite, PeopleSoft and JD Edwards. In North America, it has a focus on midmarket clients (Gartner defines midmarket as below $1 billion in annual turnover).

- Fujitsu has focused investments in the industries of food and beverage, high tech, retail, and wholesale and distribution. For global Fujitsu clients doing business in North America, Fujitsu’s offerings extend to the communications, manufacturing and media industries.

- Fujitsu’s clients sometimes cite its technical skills and responsiveness to client issues as key strengths.

Cautions

- Fujitsu has a vision to offer clients business advisory services that it is starting to develop, but clients have not yet derived measurable value from these services.

- Fujitsu’s clients sometimes cite inconsistent knowledge transfer and project management capabilities.

Hitachi Consulting

Hitachi Consulting is part of the larger Hitachi Corp. and is ranked 21st in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $938 million. This reflects a revenue growth of 7.7% for 2009 compared with 2008. Hitachi Consulting has more than 1,000 associates skilled on Oracle applications and technology globally.

Strengths

- Hitachi Consulting is an Oracle Platinum partner, with technical and functional capabilities for the E-Business Suite, as well as experience in JD Edwards.

- Hitachi Consulting is a top Oracle partner in the oil and gas industry, and it works with a breadth of clients for the engineering and construction, industrial distribution, retail, and communications industries.
• Hitachi Consulting’s clients indicate that its working style is flexible and responsive, which allows for clients to execute dynamic projects.

Cautions

• Hitachi Consulting has limited scale in its Oracle practice for programs requiring large teams.

• Hitachi Consulting’s clients, in some instances, indicate staff turnover as a challenge.

• Hitachi Consulting has limited depth in human capital management.

**IBM GBS**

IBM Global Business Services (GBS) is the consulting group of IBM. IBM is ranked third in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $6.6 billion. This reflects a revenue change of negative 9.5% for 2009 compared with 2008. IBM GBS has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have about 12,000 associates skilled on Oracle applications and technology globally.

**Strengths**

• IBM GBS is an Oracle Platinum partner, with industry, technical and functional capabilities for the ERP product set of E-Business Suite, PeopleSoft and JD Edwards. It also has solutions to address complex engagements for all segments of organizations — from midsize to large.

• IBM GBS is expanding the Oracle unified method with industry standard practices and IBM best practice content, through its solution workbench for project management and application configuration.

• IBM GBS is strategically investing in solutions for telecommunications, public-sector and financial services clients, in addition to its already established solution portfolio for high-tech, manufacturing, energy and utilities, and retail industries.

**Cautions**

• IBM GBS’s clients and prospects occasionally cite challenges in resourcing projects (getting the right skills at the right time), which has led to a disconnect in expectations of IBM capability that may stem from execution challenges, such as dealing with change order approvals.

• IBM GBS’s prospects sometimes indicate that the role of global sourcing is unclear, especially when considering a value proposition of total costs and contract type (e.g., time and materials versus fixed price).

**Infosys Technologies**

Infosys Technologies is a global firm that is ranked ninth in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $1.8 billion. This reflects a revenue growth of 1.4% for 2009 compared with 2008. Infosys has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have about 8,000 associates skilled on Oracle applications and technology globally.

**Strengths**

• Infosys has a portfolio of offerings across the Oracle ERP product set of E-Business Suite, PeopleSoft and JD Edwards, with functional and technical skills to implement transformational ERP initiatives. It also offers a balanced portfolio for financial management, human capital management, asset management and order management.

• Infosys is one of two Diamond partners with Oracle, which signals its investment in training, influence of software sales and involvement with Oracle innovation.

• Infosys is expanding its breadth of process expertise in the industry areas of banking, communications, consumer products, energy and utilities, healthcare, high tech, insurance, life sciences, logistics, manufacturing, and retail, with increasing focus on subsegments of these industries.

**Cautions**

• Infosys is developing business consulting and advisory offerings, though it still has not integrated the individual expertise into the institutional delivery for all its Oracle projects.

• Infosys’s clients and prospects sometimes indicate that price points for specific skills are higher than expectations, and clients seek to achieve higher value from Infosys’s experts.

**Oracle Consulting**

Oracle Consulting is the professional services unit of Oracle and is ranked 13th in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $1.4 billion. This reflects a revenue change of negative 18% for 2009 compared with 2008. Oracle Consulting provides services for the breadth of its products. Gartner estimates it has about 13,000 associates skilled on Oracle applications and technology globally in its consulting group.

**Strengths**

• Oracle Consulting has a portfolio of offerings for E-Business Suite, PeopleSoft and JD Edwards, and it uses its functional and technical skills to both supplement and lead initiatives with subject matter experts for Oracle products.
• Oracle Consulting has a range of capabilities and works with its field sales organization with presales efforts, such as Oracle’s Insight offering for business strategy to supplement its business consulting offerings to help in business case development.

• Oracle Consulting goes to market by region, and its industry expertise follows its client footprint in financial services, telecommunications, utilities, public sector, life sciences and healthcare, retail, manufacturing and distribution.

Cautions

• Oracle Consulting focuses on the Oracle portfolio of products, as Oracle Consulting does not staff experts to address the needs of clients with a heterogeneous vendor portfolio.

• Oracle Consulting’s clients and prospects often cite prices as higher than those of its implementation partners.

• Oracle Consulting focuses on “out-of-the-box implementations,” and clients sometimes cite lack of process and industry understanding as a challenge in an engagement.

PricewaterhouseCoopers

PricewaterhouseCoopers (PwC) is a network of member firms in more than 151 countries and provides audit, tax, consulting, and financial advisory services. It ranked 12th in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $1.5 billion. This reflects a revenue change of negative 0.9% for 2009 compared with 2008. PwC has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have about 2,000 associates skilled on Oracle applications and technology.

Strengths

• PwC is a Platinum partner, with technical and functional capabilities for the ERP product set of E-Business Suite and PeopleSoft. PwC brings a value-added approach by going to market by industry, in which it has an established position.

• PwC acquired the majority of BearingPoint commercial assets in the U.S., China, India, and Japan in June 2009, which increase the maturity of its methodologies and tools for implementation, while the Indian assets of BearingPoint contribute to its scale for global delivery. These acquisitions are part of a broader growth strategy at PwC, which continues to bring in consultants to the Oracle practice.

• PwC is growing its Oracle practice, developing solutions opportunistically in its primary industries of financial services, healthcare, products and services, and public sector.

Cautions

• PwC’s clients and prospects may find barriers to working with the firm when there is an existing audit relationship because SEC independence rules mandate restrictions on the consulting services that the audit/test industry can provide.

• PwC’s clients sometimes express a disconnect in value between expectation and execution, which is indicative of an evolving Oracle practice that is integrating global delivery capability.

• PwC’s ability to provide full life cycle services in Oracle ERP is still low, and client acceptance of PwC as an implementation partner is still tentative, although growing.

Systime

Systime is a privately held specialist professional services firm, which Gartner estimates to have approximately $60 million in North American revenue for consulting and system integration services in 2009. Systime has about 1,100 associates skilled on Oracle applications and technology.

Strengths

• Systime is an Oracle Platinum partner and the largest specialist provider for the Oracle product of JD Edwards, and it achieved advanced specialized certification. It is also a codevelopment partner for JD Edwards.

• Systime has developed frameworks for implementations and is focused on select industries of retail, medical devices and pharmaceutical, oil and gas, and manufacturing.

• Systime clients often praise the company for its responsiveness and commitment to the success of an engagement.

Cautions

• Systime is evolving its practice from a staffing-led to a solution-led model, but it has yet to fully engage all clients in this fashion.

• Systime’s clients sometimes indicate deficiencies in consulting areas including business advisory and change management offerings for complex ERP engagements.
**Tata Consultancy Services**

Tata Consultancy Services (TCS) is a global firm ranked 10th in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $1.6 billion. This reflects a revenue change of negative 3% for 2009 compared with 2008. TCS has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have about 9,000 associates skilled on Oracle applications and technology globally.

**Strengths**

- TCS is an Oracle Platinum partner, with technical and functional capabilities for the ERP product set of E-Business Suite, PeopleSoft and JD Edwards.
- TCS has invested in process maps, data models and solution accelerators for its banking, financial services, insurance, energy and utilities, retail, telecommunications and media, travel and transportation industries, as well as for implementation and upgrades of Oracle products.
- TCS’s clients often cite the technical excellence of its consultants and their dedication to the success of an engagement as differentiators.

**Cautions**

- TCS has a model of high growth that requires the company to continuously hire, train and mentor associates, which clients sometimes cite as resulting in skills mismatch when more-experienced consultants are desired to deal with business process issues or provide business advice.
- TCS’s clients sometimes cite limits with its on-site consulting base to solve novel challenges in a complex implementation.

**Wipro Technologies**

Wipro Technologies is a global firm ranked 18th in market share revenue by Gartner for the North American consulting and system integration service market in 2009, with $1.2 billion. This reflects a revenue growth of 8% for 2009 compared with 2008. Wipro has an Oracle practice that is a unit of the firm that reported positive growth for this period. Gartner estimates it to have about 6,500 associates skilled on Oracle applications and technology globally.

**Strengths**

- Wipro is an Oracle Platinum partner, with technical and functional capabilities for the ERP product set of E-Business Suite, PeopleSoft and JD Edwards, and it is one of Oracle’s largest partners for codevelopment of industry solutions.
- Wipro has invested in solutions to accelerate upgrades for customers in the banking, communications, consumer products, energy and utilities, pharmaceutical, and retail industries.
- Wipro is shifting dialogue with clients to “business value” solutions as a replacement of traditional Oracle implementation contracts, increasing its risk and requesting a share in the gains of the implementation, which results in greater commitment to success.

**Cautions**

- Wipro’s clients sometimes cite issues with communication and project management for traditional time-and-materials projects.
- Wipro has a very proactive and assertive business development approach that some clients find difficult to navigate.

**Vendors Added or Dropped**

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.
Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets and skills, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability (Business Unit, Financial, Strategy, Organization): Viability includes an assessment of the overall organization’s financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization’s portfolio of products.

Sales Execution/Pricing: The vendor’s capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support and the overall effectiveness of the sales channel.

Market Responsiveness and Track Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor’s history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization’s message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This “mind share” can be driven by a combination of publicity, promotional initiatives, thought leadership, word-of-mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers’ wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers’ wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor’s approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor’s underlying business proposition.

Vertical/Industry Strategy: The vendor’s strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor’s strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the “home” or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.