

**\*iSG** Provider Lens™

# Digital Finance and Accounting Outsourcing Services

Procure-to-Pay (P2P) Services

Global 2021  
Quadrant  
Report



A research report  
comparing provider  
strengths, challenges  
and competitive  
differentiators

Customized report courtesy of:



October 2021

## About this Report

Information Services Group Inc. is solely responsible for the content of this report. Unless otherwise cited, all content, including illustrations, research, conclusions, assertions and positions contained in this report were developed by, and are the sole property of Information Services Group Inc.

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 June 2021, 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 lead author for this report is Amar Changulani. The editor is Ipshita Sengupta. The research analyst and contributing author is Venkatesh B and the data analyst is Sachin Chaturvedi. The quality and consistency advisors are Scott Furlong, Dave Houston, Gautam Saha, and Matt Shaheen.



## ISG Provider Lens™



ISG Provider Lens™ delivers leading-edge and actionable research studies, reports and consulting services focused on technology and service providers' strengths and weaknesses and how they are positioned relative to their peers in the market. These reports provide influential insights accessed by our large pool of advisors who are actively advising outsourcing deals as well as large numbers of ISG enterprise clients who are potential outsourcers.

For more information about our studies, please email [ISGLens@isg-one.com](mailto:ISGLens@isg-one.com), call +49 (0) 561-50697537, or visit ISG Provider Lens™ under [ISG Provider Lens™](#).

## ISG Research™


ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

For more information about ISG Research™ subscriptions, please email [contact@isg-one.com](mailto:contact@isg-one.com), call +49 (0) 561-50697537 or visit [research.isg-one.com](http://research.isg-one.com).



<b>1</b>	Executive Summary
<b>5</b>	Introduction
<b>16</b>	Procure-to-Pay (P2P) Services
<b>20</b>	Methodology

© 2021 Information Services Group, Inc. All rights reserved. Reproduction of this publication in any form without prior permission is strictly prohibited. Information contained in this report is based on the best available and reliable resources. Opinions expressed in this report reflect ISG's judgment at the time of this report and are subject to change without notice. ISG has no liability for omissions, errors or completeness of information in this report. ISG Research™ and ISG Provider Lens™ are trademarks of Information Services Group, Inc.



## EXECUTIVE SUMMARY

According to the [Q2 2021 ISG Index™](#) report, with COVID-19 accelerating digital transformation and the move to the cloud, the global demand for technology and business services has reached a new record for the third straight quarter. In the first half of 2021, the annual contract value (ACV) for business process outsourcing (BPO) reached US\$3.3 billion, up 48 percent from the first half of 2020. The BPO market was driven by strength in finance and accounting (F&A), industry-specific services and engineering and R&D services. Despite disruptions due to the COVID-19 pandemic, majority of the F&A services reported an average 8-10 percent annual growth in their F&A top-line during FY2020-21, and expect a minimum of growth of 15 percent in FY2022.

### COVID-19 Pandemic Fast-Tracks Enterprise Roadmap to end-to-end Digital Finance Transformation

The COVID-19 pandemic has highlighted the need for CFOs to have transparency and visibility into the areas that directly affect working capital and cash flow. Now more than ever, finance leaders across industries worldwide are prioritizing their digital transformation agendas to future proof their finance functions. The aim is to strategically use automation, advanced analytics and AI to reduce costs, improve accuracy, ensure compliance, maintain cash flow, increase workforce productivity and enhance customer experience.

The trigger for technology innovation and digital transformation is the need for companies to remain competitive, agile, resilient and effective in delivering value to customers, partners and stakeholders during and after COVID-19. However, inadequate knowledge and skills often derail this journey, driving enterprises to seek transformational sourcing options to reimagine finance operations.

ISG has observed the following trends in the global finance and accounting outsourcing (FAO) market:

#### **Increased usage of hybrid operating model for business continuity**

In 2020, the biggest development was enabling remote work worldwide as the only option to sustain in the F&A industry. Finance leaders continue to deliver productivity improvements with this new remote model of work. Clients concur with the new normal hybrid model, which is big shift from the conventional model of operations. Most clients are increasingly enquiring about the workforce strategy and hybrid operating model of providers that will drive business resiliency, while driving innovation within their F&A functions. Subsequently, due to the remote operating models, areas such as cybercrime, regulatory compliance and controls have gained prominence.

**High-end and judgement intensive F&A processes increasingly being included in new contracts**

Following the outsourcing of transactional finance processes such as procure-to-pay and order-to-cash, and acquiring sufficient trust in the service providers, many second and third-generation outsourcers are now engaging with service providers more holistically. High-end and judgement-intensive F&A processes such as budgeting, forecasting, management reporting and analysis, treasury and risk management and regulatory reporting and compliance, which were once retained in-house, are now being outsourced so that a CFO office can get meaningful data and actionable insights. They view providers as strategic partners that can empower them with real-time and meaningful insights to enable quick decision making and subsequently function more efficiently.

**Increased investments in onshore and nearshore capabilities**

As companies explore opportunities to outsource judgement intensive processes such as tax, treasury, financial planning and analysis, they prefer service providers in proximity and the ones with a skilled workforce that not only has strong domain expertise but also a sound understanding of local or regional financial, tax norms and regulations and statutory requirements. To better address the needs of clients, providers are increasingly making investments in expanding their onshore and nearshore capabilities — to ensure a better cultural fit and understand of regional nuances, operate in the same time zone to enhance productivity, and thus improve delivery timelines for high-end F&A projects.

**Growing adoption of outcome-based commercial constructs**

Companies have used F&A BPO services for many years, but new deals are seeking business-outcome-based services and service-level agreements (SLAs) rather than traditional input-based SLAs. CFOs want to move from a fixed-cost structure, they currently have, to a variable cost structure. They are not only looking for cost savings but also for a service partner that will offer a flexible commercial model, with focus on delivering better performance. Concurrently, providers are confident about promising higher productivity and better outcomes while negotiating sourcing engagements. Outcome-based pricing is particularly finding favor among companies in the mature stage of digital transformation.

**Small and midsize enterprises are gradually making a headway**

For several years, the F&A outsourcing market was led by large enterprises. But, of late, ISG advisors have been witnessing increasing interest from various small and midsize enterprises. These are particularly looking to engage third-party F&A service providers with modular point solutions and innovative pricing models that go beyond input-based pricing.

**Strong investments in partner ecosystem to support digital disruption**

With the growing adoption of automation, AI and machine learning, analytics, remote workplace, cash and liquidity management solutions among enterprises, many leading service providers are continuing to enhance their digital technology capabilities through partnerships with leading technology players across the finance value chain and deliver

improved business outcomes to enterprises. ISG clients consider quality partnerships as a critical part of their evaluation criteria for service providers — an aspect that ISG has standardized for its analysis of the leaders.

### **Inorganic route to enhance consulting competencies**

ISG observes a growing demand for consulting-led transformation services as an increasing number of enterprises are keen to transform their finance function and embrace digital technologies. To address this need, many leading service providers continue to pursue acquisitions to grow and strengthen their digital finance consulting capabilities. This strategy has not only helped service providers gain a competitive advantage, but also offers innovative and end-to-end transformative outcomes for enterprise clients across the F&A value chain.

### **Emphasis on change management**

Enterprises want to adapt to digital transformation but with minimal or no disruption to the existing finance functions. Organizational change management (OCM) plays a vital role in helping employees adapt to the introduction of advanced technologies into finance processes and allay fears about job loss. Companies are increasingly motivating employees to embrace automation and are fostering a culture of collaboration between them and digital workers for transactional tasks.

### **Process mining is key to proving automation opportunities and benefits**

One of the key reasons preventing enterprises from realizing return on investment (ROI) on automation, in finance functions, is the poor identification of use cases and the inclination to automate processes as-is. To gain the benefits of automation, finance processes must be assessed through multiple lenses with the help of process and task mining technologies. Of late, clients are willing to invest in process mining to identify opportunities for process improvement and automation. ISG advisors expect a strong demand for process mining solutions in the near future, particularly among large companies looking to optimize legacy processes and systems.

### **Analytics helping finance managers evolve into strategic partners**

A lack of actionable business insights from data prevent finance functions from strategically contributing to business goals. Analytics plays a crucial role in bringing insights to a CFO's table, allowing them to make quicker decisions and providing greater visibility into future events. Today, analytics is an essential element in every contract signed for finance and accounting outsourcing (FAO) services. ISG notes that enterprises are leveraging analytics in areas such as collections, inventory forecast and demand planning, pricing and contract compliance, supplier risk and performance, closing cycle times, balance sheet risk, revenue assurance, fraud analytics, forecasting and budgeting.

## Reskilling and upskilling workforce for jobs of future

With the nature of client engagements shifting from transactional to strategic, and the increasing automation of back-office functions such as F&A, the workforce skills and capabilities that enterprises need to deliver these F&A services are evolving. Consequently, enterprises are facing talent-management challenges with their existing staff, many are equipped with skills that may become obsolete in the near future. Therefore, training and upskilling is critical. Progressive organizations are collaborating with providers to upskill their workforce across various areas, including F&A, design thinking, automation, AI, blockchain, machine learning and advanced analytics to empower them to focus on high-value tasks.

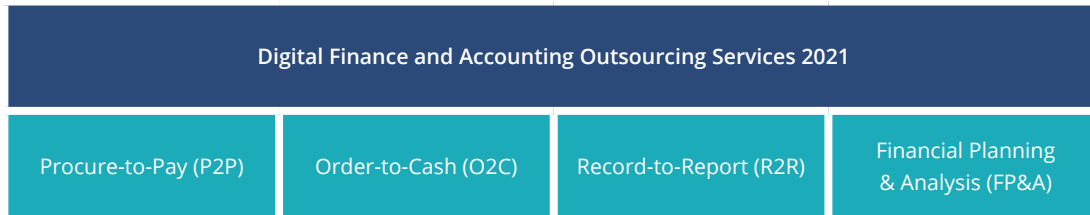
## Vertical-specific F&A expertise

Industry centric F&A value chain services and solutions aim to prepare future finance operations with desired agility and value. Companies are on the lookout for providers with vertical-specific F&A services such as actuarial accounting, claims bill payment in insurance, royalty management in media, entertainment and publishing and airline revenue recovery. Providers that bring in extensive F&A knowledge and rich understanding of vertical nuances in the F&A space, alongside intelligent automation and analytics technologies, are head and shoulders above the others.



# Introduction

Simplified illustration



Source: ISG 2021

## Definition

The nature of FAO engagements is evolving from transactional to a more holistic function, in keeping with growing business and technological needs. Enterprises are keen to transform their F&A operations and embrace digital technologies to make processes more efficient, increase productivity, improve data accuracy, reduce costs and enhance customer experience. Automation and analytics have been an integral part of every contract signed for F&A outsourcing services in the last two years, thereby empowering CFOs with real-time and meaningful insights for quick decision-making and, subsequently, help finance departments function more efficiently. This study on Digital Finance and Accounting Outsourcing Services is aimed at understanding enterprise requirements and provider capabilities to meet their demands.



## Definition (cont.)

The ISG Provider Lens™ study offers the following to enterprise finance leaders and IT decision-makers:

- Transparency on the strengths and weaknesses of relevant providers
- A differentiated positioning of providers by segments based on their competitive strengths and portfolio attractiveness
- A view of the global services market

This study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential engagements.

## Scope of the Report

As part of this ISG Provider Lens™ quadrant study, we are introducing the following four quadrants on Digital Finance and Accounting Outsourcing Services:

The quadrant descriptions are as follows:

### **Procure-to-Pay (P2P) Services**

This quadrant will assess providers that offer P2P services covering the complete range of accounts payable processes, including capturing purchase orders, processing invoices, vendor queries, master data management and claims management and ensuring on-time payment, while minimizing value leakages and enhancing vendor and employee satisfaction. The nature of these transactions requires an understanding of the domain and relies on effectively leveraging automation and analytics. The automation journey is not limited to robotic process automation (RPA) but goes a step further to enable decision-making and managing an enterprise's finances more efficiently. Service providers offer AI with natural language processing (NLP) capabilities and machine learning. They also provide advanced optical character recognition (OCR) technology to facilitate electronic processing of both paper and digital invoices.

## Definition (cont.)

### **Order-to-Cash (O2C) Services**

Most first-generation outsourcers begin their transformation journey by outsourcing less complex finance functions, including O2C, that are repetitive and transactional in nature. This quadrant will assess providers that offer end-to-end O2C services, supporting the entire customer-to-cash lifecycle, driving more efficient process, improving working capital performance and reducing days sales outstanding (DSO). Additionally, this provides enterprises with more flexibility to fix price on products and services competitively and gain a market advantage. Service providers in this space would not only be required to have domain expertise to clients, but also show active use of automation and analytics.

### **Record-to-Report (R2R) Services**

Digital-native companies and second-generation outsourcers are open to outsourcing high-end and complex finance functions such as R2R, and they seek insights that are actionable and in real time. This quadrant will assess providers that offer end-to-end R2R services such as general ledger accounting and reconciliation; inter-company accounting; fixed assets accounting; regulatory compliance and

taxation; and treasury and risk management using a mix of automation, intelligent data and workflow solutions, and advanced business analytics. These are aimed at empowering CFOs to focus on core business and leverage technology to get real-time insights for making decisions quickly and enabling their finance departments to function more effectively, and with greater accuracy.

### **Financial Planning and Analysis (FP&A) Services**

High-end and complex F&A services such as FP&A that were usually retained by companies are now being outsourced, allowing them to get more complete, meaningful data and insights from service providers. They are viewing providers as strategic partners that can offer real-time insights and support faster decision-making. This quadrant will assess providers that offer FP&A services such as budgeting, forecasting, financial planning, decision support and financial analysis, management reporting, and merger and acquisition and divestiture analysis, providing CFOs with timely, reliable financial insights and reports for effective decision-making.

## Provider Classifications

The provider position reflects the suitability of IT 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 US\$20 million and US\$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 US\$1 billion, with activities worldwide and globally distributed decision-making structures.

## Provider Classifications

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly.

### Leader

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.

### Product Challenger

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.

### Market Challenger

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.

### Contender

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 follow sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

## Provider Classifications (cont.)

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).

### Rising Star

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

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.

## Digital Finance and Accounting Outsourcing Services - Quadrant Provider Listing 1 of 2

	Procure-to-Pay (P2P) Services	Order-to-Cash (O2C) Services	Record-to-Report (R2R) Services	Financial Planning and Analysis (FP&A) Services
Accenture	● Leader	● Leader	● Leader	● Leader
Arvato	● Product Challenger	● Product Challenger	● Contender	● Not In
Capgemini	● Leader	● Leader	● Leader	● Leader
Cognizant	● Leader	● Leader	● Leader	● Leader
Conduent	● Rising Star	● Product Challenger	● Product Challenger	● Contender
Datamark	● Contender	● Contender	● Not In	● Not In
Datamatics	● Product Challenger	● Product Challenger	● Product Challenger	● Contender
DXC	● Product Challenger	● Product Challenger	● Product Challenger	● Product Challenger
Exela Technologies	● Product Challenger	● Product Challenger	● Product Challenger	● Contender
EXL	● Leader	● Leader	● Leader	● Leader
Genpact	● Leader	● Leader	● Leader	● Leader
HCL	● Leader	● Leader	● Rising Star	● Product Challenger
Hexaware	● Rising Star	● Rising Star	● Not In	● Not In
IBM	● Leader	● Leader	● Leader	● Leader

## Digital Finance and Accounting Outsourcing Services - Quadrant Provider Listing 2 of 2

	Procure-to-Pay (P2P) Services	Order-to-Cash (O2C) Services	Record-to-Report (R2R) Services	Financial Planning and Analysis (FP&A) Services
Infosys	● Leader	● Leader	● Leader	● Leader
Invensis	● Product Challenger	● Product Challenger	● Product Challenger	● Contender
IQ BackOffice	● Contender	● Contender	● Contender	● Not In
NTT DATA	● Market Challenger	● Market Challenger	● Market Challenger	● Market Challenger
OneSource Virtual	● Contender	● Not In	● Not In	● Not In
Quattro	● Contender	● Contender	● Contender	● Contender
Sutherland	● Product Challenger	● Product Challenger	● Product Challenger	● Product Challenger
TCS	● Leader	● Leader	● Leader	● Leader
Tech Mahindra	● Product Challenger	● Rising Star	● Product Challenger	● Product Challenger
Teleperformance	● Product Challenger	● Product Challenger	● Product Challenger	● Contender
TMF Group	● Contender	● Contender	● Contender	● Not In
Wipro	● Leader	● Leader	● Leader	● Leader
WNS	● Leader	● Leader	● Leader	● Rising Star
Worxpertise	● Contender	● Contender	● Contender	● Contender



# Digital Finance and Accounting Outsourcing Services Quadrants



## ENTERPRISE CONTEXT

### Procure-to-Pay (P2P) Services

This report is relevant to enterprises across industries globally for evaluating providers of digital procure-to-pay (P2P) outsourcing services.

In this quadrant report, ISG highlights the current market positioning of digital P2P outsourcing service providers to enterprises across the globe and how each provider addresses the key challenges faced globally.

Globally, finance leaders are under constant pressure to optimize costs and increase profitability. They face challenges of being associated with decentralized and fragmented processes across various countries with multiple ERPs. Some enterprises are manually performing all the rules-based P2P processes. The ever-changing regulatory environment results in inadequate controls and compliance risks. Also, poor data quality leads to lack of adequate visibility and insights to support future planning. It has become imperative for clients to make P2P processes more efficient. This is achieved by eliminating manual processes, improving vendor compliance, automating PO creation and quotes, digitizing invoices, minimizing errors, and performing intelligent analysis.

Enterprises are seeking service providers that can help them deploy bots to automate processes such as purchase requisition and ordering and invoice approvals. They are adopting intelligent optical character recognition (OCR) to capture and process invoices. They are also investing in digital process mining to identify process improvement

opportunities. With the ongoing COVID-19 pandemic, enterprises are evaluating their workforce strategy and adopting a hybrid operating model to drive business resiliency and innovation within their organization. They are increasingly implementing trifecta automation, artificial intelligence (AI), analytics, along with natural language processing (NLP) and machine learning, to accelerate their digital transformation. They are also providing self-service by enabling accessibility from any mobile device.

Service providers are automating all the rule-based P2P processes to eliminate manual intervention and achieve zero errors. Most of their contracts deploy cognitive technologies such as AI and machine learning and leverage advanced analytics to deliver real-time insights. Many of them have key strategic alliances with third-party technology platforms to enhance system integration capabilities. Some service providers leverage their strong onshore and nearshore presence and outcome-based pricing model to deliver customized and localized P2P solutions. Enterprises can use the report findings to know the state of the market and explore new capabilities with existing providers. The report can also help them choose new providers to digitalize their P2P services.

**The organization of the chief financial officer (CFO)** should read this report to understand how service providers can help them make significant changes in the process workflows and enhance efficiencies across the P2P cycle. The report can also help CFOs better evaluate the potential service providers that offer digital P2P services.

**IT and technology leaders** should read this report to understand how providers of digital P2P services develop proprietary solutions by integrating emerging technologies into their offerings and partnering with third-party platform vendors, and how these capabilities enable faster time-to-market.

**Sourcing and vendor management professionals** should read this report to understand the provider ecosystem for digital P2P services globally and gain insights into how providers compare to one another.



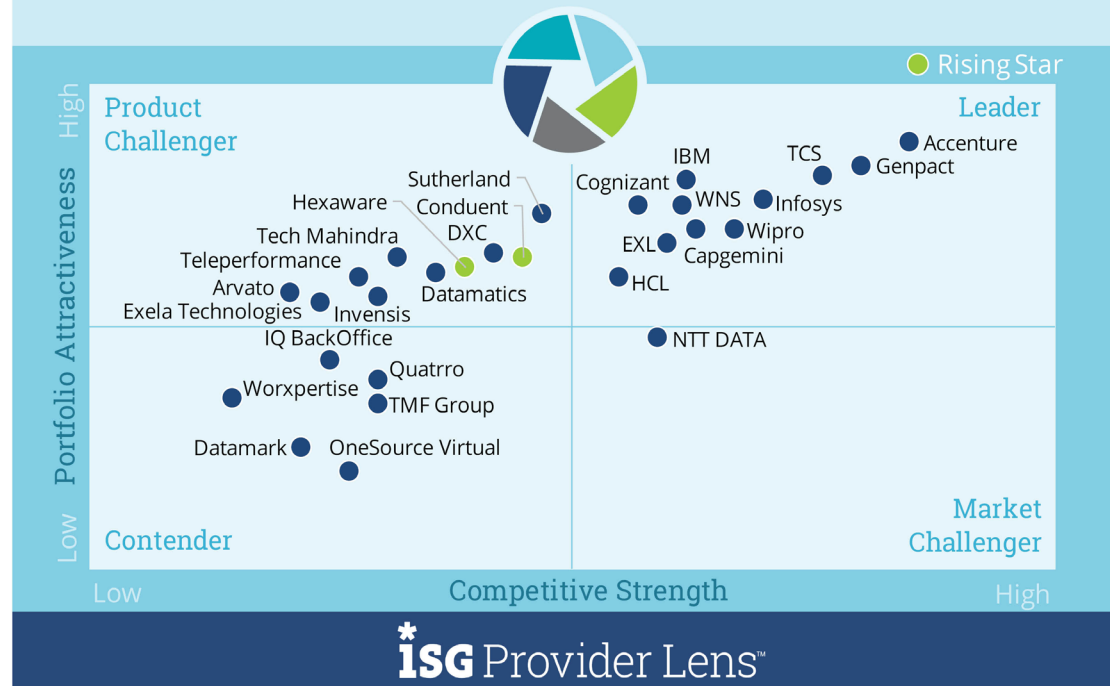
## PROCURE-TO-PAY (P2P) SERVICES

### Definition

This quadrant will assess providers that offer P2P services covering the complete range of accounts payable processes, from capturing purchase orders, processing invoices, vendor queries, master data management and claims management to ensuring on-time payment, while minimizing value leakages and enhancing vendor and employee satisfaction. The nature of these transactions not only requires an understanding of the domain, but also relies on effectively leveraging automation and analytics. The automation journey is not limited to robotic process automation (RPA) but goes a step further to enable decision-making and managing enterprise's finances more efficiently. Service providers offer artificial intelligence (AI) with natural language processing (NLP) capabilities and machine learning (ML). They also provide advanced optical character recognition (OCR) technology to facilitate electronic processing for both paper and digital invoices.

### Digital Finance and Accounting Outsourcing Services Procure-to-Pay (P2P) Services

2021  
Global



Source: ISG Research 2021

## PROCURE-TO-PAY (P2P) SERVICES

### Eligibility Criteria

- Have a strong vision to grow the F&A practice and must offer P2P services
- Bring in deep domain and technology expertise, including automation, analytics, AI, ML, cloud and blockchain
- Strong partnership ecosystem across the F&A service lines to drive innovation and digital transformation
- Ability to provide vertical-specific and platform solutions and offer advice and guidance on process optimization to deliver tangible benefits
- Employ design thinking or alternative methodologies to involve the customer in designing products and services or the transformation roadmap
- Demonstrate industry and domain expertise to deal with core finance functions and lead digital implementation of roadmap design
- Referenceable case studies

### Observations

- **Accenture** is a clear leader, delivering end-to-end digitalization, at scale, for the P2P value chain by harnessing the power of intelligent automation and cloud strategy.
- **Capgemini** has proprietary digital frameworks and partner ecosystems to deliver digitally enabled P2P services.
- **Cognizant** brings in strong domain expertise and digital capabilities with industry centricity to deliver digitalized P2P services and be a leader in this quadrant.
- **EXL** is one among the leaders in the P2P landscape focusing on investments to strengthen its data and insights driven finance services.
- **Genpact** provides end-to-end services in the P2P value chain through its well-established centers of excellence and global delivery centers.
- **HCL** has strengthened its investments in emerging technologies, chalking out domain-intensive and process-led transformation roadmaps for its clients.
- **IBM** is well known for its global scale, technological prowess across emerging technologies, and a robust partner ecosystem to deliver value across the P2P value chain.

## PROCURE-TO-PAY (P2P) SERVICES

### Observations (cont.)

- **Infosys** has proprietary P2P platforms, APOC and ProcureEdge, in infusing RPA, AI and machine learning across transactional process workflows and the entire value chain.
- **TCS** has been scoring high on client satisfaction and driving time-to-value for customers through its domain specific solutions.
- **Wipro** has crowdsourced its talent pool of developers, data scientists, quality assurance specialists and automation experts through its subsidiary, Topcoder, to build innovative solutions for large transformation deals.
- **WNS** has expertise in transactional P2P processes, with focus on digital intellectual property stack and key strategic partnerships to drive end-to-end transformation.
- **Conduent** provides a robust portfolio of P2P services by leveraging technology through proprietary and third-part relationships, making it a Rising Star in this quadrant.
- **Hexaware's** deployment of intelligent automation through cloud-based technology and point solutions makes it a Rising Star in the Procure-to-Pay (P2P) Services quadrant.

## RISING STAR: HEXAWARE

### Overview

Headquartered in Mumbai, India, Hexaware has been offering its services to multiple engagements across the P2P value chain, for more than 15 years. Its offerings under this function are: P2P management, including p-card maintenance, and accounting and purchasing helpdesk; supplier management, including vendor master and queries; invoice processing, including invoice entry, EDI, exceptions handling and query resolution; and payment processing, including payment proposal, reconciliations and memo adjustment. It has around 390 FTEs spread across 10 delivery centers, providing support in 17 languages.

### Strengths

**Intelligent Automation:** Hexaware leverages Tensai™, its proprietary automation platform that offers a robust and financially sustainable solution with enhanced capabilities such as RPA, natural language processing (NLP), AI, machine learning, computer vision, BPM, etc. Hexaware has a robust resource base in digitalizing accounts payable processes in alignment with its Automate Everything™ strategy. This has helped it to deliver up to a 90 percent straight-through processing (STP) rate in invoice processing, minimized risk of invoice loss, reduced duplicates, maximized discounts and improved supplier relationships.

**Digital Managed Services:** Hexaware delivers smart operations via its Digital Managed Services model, thereby combining manual operations with automation in the right blend and committing to outcomes, viz., enhanced cost savings, higher STP levels and key metrics improvement. Typical use cases of automation being deployed are automated invoice processing, smart workflows, bot enabled vendor setup and maintenance, automated vendor reconciliation, payments proposal, and vendor portal.

**Robust Partnerships:** Hexaware has strategic partnerships with leading platform providers such as Tradeshift, Taulia, Xelixa, Basware, Concur, Wax Digital, Jaggaer and Contract Sifter. In May 2021, it announced a partnership with global cloud platform and AI-driven process automation company, Esker, to strengthen its digital managed services business and finance transformation capabilities.

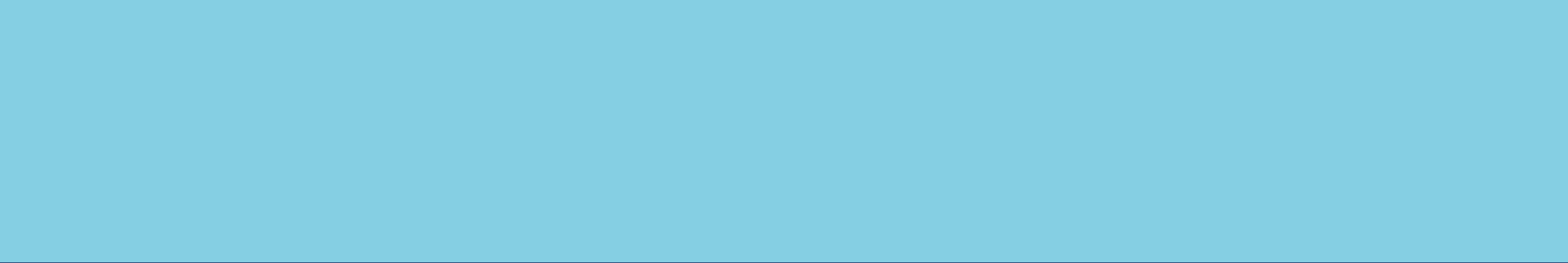
### Caution

Hexaware has showcased multiple case studies related to automation of accounts payable and other sub-processes across P2P. It has also partnered with a change management partner to orchestrate change well; however, demonstration of a large number of change management use cases will help it to garner more customers and increase its market share.



## 2021 ISG Provider Lens™ Rising Star

Automation and cloudification is intrinsic to Hexaware's functioning, where it leverages proprietary digital solutions and partner platforms by taking an outcome-based approach.



# Methodology

## METHODOLOGY

The research study “ISG Provider Lens™ 2021 Digital Finance and Accounting Outsourcing Services” analyzes the relevant software vendors/service providers in the Global market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

The study was divided into the following steps:

1. Definition of 2021 Digital Finance and Accounting Outsourcing Services, Global 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. Detailed analysis & evaluation of services & service documentation based on the facts & figures received from providers & other sources.
6. Use of the following key evaluation criteria:
  - Strategy & vision
  - Innovation
  - Brand awareness and presence in the market
  - Sales and partner landscape
  - Breadth and depth of portfolio of services offered
  - Technology advancements





# Authors and Editors



**Amar Changulani, Author**  
Senior Lead Analyst

Amar Changulani is the Senior Lead Analyst at ISG and responsible for authoring Provider Lens™ studies on Finance and Accounting Outsourcing and Intelligent Automation. He covers key areas around digital transformation, business process automation, intelligent document processing, process mining and RPA. Additionally, Amar works with enterprise clients and service providers on custom research engagements. He has also authored various provider briefing notes as well as a research report - Enterprise Automation Capability Improves but RPA Wall Still Looms, which explores the typical automation adoption profile, the most common obstacles, and best practices for accelerating adoption, helping enterprises understand where they are relative to others and how they can scale automation initiatives across the business.



**Venkatesh B – Co-Author and Enterprise Context Analyst**  
Research Specialist

Venkatesh is a Research Specialist with ISG Research. He is responsible for assessing the industry and technology trends and developments across the BPM sector including Procurement, Finance and Accounting and Contact Center industries and providing key insights for business decision makers in the enterprise clients and service provider ecosystem. He brings in more than a decade of experience in research, advisory, presales and other go-to-market initiatives across multiple geographies.

# Authors and Editors



## Jan Erik Aase, Editor

Partner and Global Head – ISG Provider Lens/ISG Research

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.

# ISG Provider Lens™ | Quadrant Report October 2021

© 2021 Information Services Group, Inc. All Rights Reserved



ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including more than 75 of world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,300 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data. For more information, visit [www.isg-one.com](http://www.isg-one.com).