

Cybage leverages transition execution excellence as a differentiating advantage in the Product Engineering Services (PES) ▲

Cybage's personalized agile approach, comprehensive suite of service portfolio with machine learning led data -driven framework and predictive analytics bring "transition execution excellence".





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INTRODUCTION ▶

Cybage is disrupting the traditional product engineering services (PES) operating model. This whitepaper provides an in-depth analysis of Cybage's capabilities to help its clients transition outsourced product engineering services. It also explores how Cybage meets the expectations of independent software vendors (ISVs) when they move from an existing engineering service provider to a new one.



"Cybage carries the reputation for transition execution excellence in the PES outsourcing market. With its data-driven framework, Cybage uses the power of machine learning and predictive analytics to manage and execute transitions that will exceed its clients' expectations and differentiate itself in the market."

- Jan Erik Aase

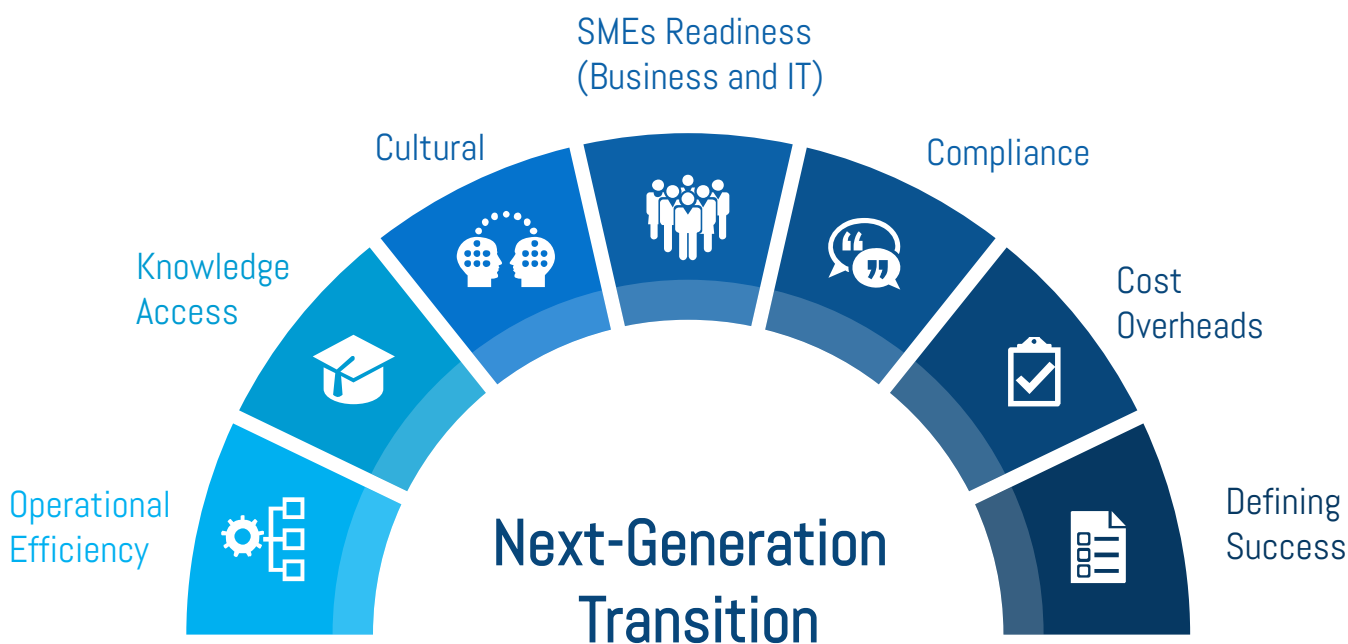
Director and Principal Analyst - ISG Research

Cybage Looks at Transitions with a Long-term View

ISVs often face documentation and business process challenges with their in-house product development and support effort. When an ISV chooses to outsource its product engineering and support services, they must choose a provider that is willing to invest in a long-term relationship. The practice and ability to consider everything as an asset to an incoming provider, during transition is the key to success. An effective PES provider will demonstrate strong transition capabilities, a robust transition framework and solid commitment from senior management to bring immediate and transformational value to the ISV.

Cybage's Optimized View on Next-Generation Transition

Transition is much more than moving a workload from the current model to a new one. It requires preparation in seven key categories as illustrated below.

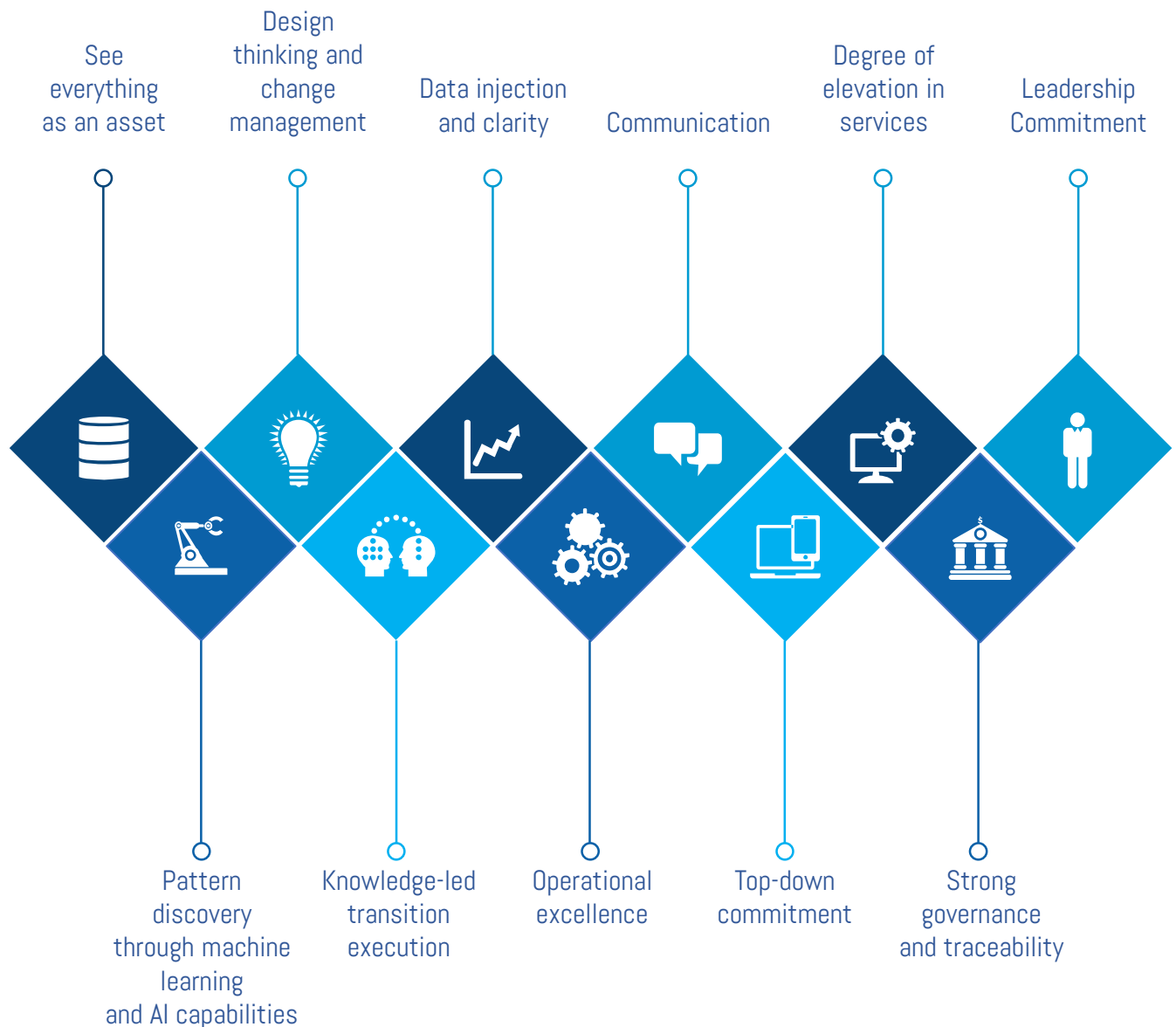


Cybage has executed more than 50 successful transition engagements across geographies and product line services in multiple verticals. In the last two decades, the firm has established a strong track record in executing transitions efficiently and successfully.

Crafting Transition Plans

Increasing the level of services offered during the transition exercise is critical. While the world often sees transition as a “lift and shift” exercise with the goal of maintaining things “as is,” Cybage uses a disruptive transition program that aims for the future state. This enables ISVs to revisit their outsourcing strategy and consider working in a joint partner ecosystem rather than working with providers who are only driven by a set of KPIs and SLAs. Cybage leverages its “smart think force” for transition by bringing a horizontal layer of architects and domain consultants to ensure a successful transition.

The 11 pillars that are defining the next-generation transition include the following:



For ISVs, a successful outsourcing engagement requires the right ecosystem, technology tool stacks and processes to perform a customer-centric transition. Cybage shifts ownership using a federated model that creates a deeper level of accountability and establishes itself as a trusted partner, not just a PES provider. Successful transitions are not about moving committed services “as is” from the outgoing provider to the new service provider(s). They are about planning and executing on a plan that includes change management and design thinking, so the end result is an improvement in services.

The CXO Commitment Sets the Tone of the Relationship

PES providers must bring agility and flexibility, along with leadership commitment to an outsourcing engagement. While some providers supply CXOs in a plug-in and plug-out type model, Cybage’s CXO team remains consistent, persistent and committed throughout the relationship, serving as a true partner to ISV clients as they write their success story. Cybage is redefining the PES model by delivering beyond the contract.

IKEA Model - Cybage's Important Transition Machinery

Cybage uses the continuous improvement/knowledge/evaluation/adoption (IKEA) model during the transition pursuits. Cybage performs early due diligence and planning based on carrying out transitions with minimal impact on business, people and process to avoid value leakage. Subsequently, the team acquires the business and technical knowledge of services to be outsourced and performs the transition activities needed to enable a seamless takeover and running of the operations. The IKEA model is made up of the following four components:

1. **Continuous Improvement:** Organization has a deeper mechanism to ensure constant self-corrective plan to continuously predict and improve the overall engagement health. It also implements best engineering and business practice (CI-CD-CT), agile methodology, etc.
2. **Continuous Knowledge:** The fundamental believe of Cybage is to have a deeper focus on continuous knowledge accumulation during transition to build a much stronger relationship with ISVs. Also, Cybage focus on machine learning and human machine learning centricity to create knowledge documents and standard operating procedures.
3. **Continuous Evaluation:** Cybage has developed a toll gate centric model wherein each transition milestone must go through an evaluation criterion to ensure team has captured and documented the right volume of details. This leads to unleash the watermelon impact and risk mitigation plan.
4. **Continuous Adoption:** The tailor-made template model enables Cybage to adapt the existing process, define, execute and baseline the execution methodology and process to strengthen the knowledge transition and stakeholder’s integration.

Cybage Transition Capabilities at a Glance

1. **Leadership investment:** The sales leader continues to serve as a relationship manager to ensure the success of the transition and post-transition engagement cycle.
2. **Niche SMEs alignment:** Core architects remain flexible so they can bring clarity during transition and avoid the watermelon effect.
3. **Innovation hub:** Many of the innovation hub “think force” participate in key consulting-led transition and post-transition engagements. The intent of the exercise is to build business alignment.
4. **Transition assurance:** Cybage is actively engaged with ISVs to create an architectural view and audit before transition kicks off. This creates a natural workload that can be transitioned to an offshore model.
5. **DecisionMines™:** This is a real-time dashboard that applies data science along with human judgment to help companies capitalize on their data and insights. The platform enables clients to perform pattern-analysis mapping and group classification to discover automation opportunities and operation excellence.
6. **Prototype as strategic investment:** Cybage believes in building and setting expectations by submitting a prototype along with transition capabilities. ISV clients recognize this as a unique characteristic of a strategic PES provider.
7. **DNA to do more:** The team involved in the transition continues with the operation to drive the client’s success. Cybage activates its niche domain consultants and architects right from the pre-sales cycle, through transition and then throughout the engagements.
8. **Wave-centric transition model:** Cybage moves the activities from onshore to offshore resources, in a phased manner in order to enable process improvements within each phase. As Cybage moves ahead, its clients are witnessing a reduction in operational expenditure right from the transition phase.
9. **Digital engineering ecosystem:** Cybage’s centers of excellence (COE), DecisionMines and Digital Agile Engineering Services, accelerate the transition and maintain accuracy. Its fusion multilayer with a ready to use automation framework and functions, comprise the larger ecosystem that helps accelerate the transition with a higher degree of knowledge transfer quality.
10. **Generations of experience:** Cybage has over two decades of experience in managing ISVs across the globe in multiple verticals. It has more than 200 clients and 650 projects that are being seamlessly transitioned and managed with a greater than 90 percent offshore-resourcing model.

11. **Art of domain and technology alignment:** SMEs are trained to work in various cultures and work styles to map to each of the ISV stakeholder roles.
12. **Multi-geography transition:** Large-scale multi-geography transitions can risk value leakage throughout the engagement. Cybage offers a multi-pronged value proposition, beginning with execution excellence, relying on innovation at the center of the transition, and looking ahead to the future mode of operation (FMO) to drive a successful transition across geographies.
13. **Reverse transition:** Inviting a new provider to an engagement can present some challenges. Cybage applies a next-generation, white-glove transition model to align business commitment and knowledge transition between the parties and avoid a delay in the transition timeline.
14. **Hostile transitions:** When a PES provider exits abruptly without a formal transition, Cybage can help an enterprise overcome the difficulties by deploying its management and integration teams to handle such engagements in a seamless manner.
 - **Integration scenarios:** Cybage expedites the integration process by crafting an integration scenario. It builds the integration team before the transaction is signed.
 - **Aligned leadership:** Cybage's leadership communicates sensitive information to employees on a timely basis through multiple communication channels that leverage existing media and managers.
 - **Strong focus:** Cybage recognizes and addresses the team integration challenges that arise in hostile transitions much earlier and more efficiently. This helps the integration teams to remain focused on the main objectives throughout the hostile takeover.



"ISVs have recognized Cybage as a day 1 operational excellence PES provider"

- Manoj Chandra Jha
Lead Research Analyst - ISG

PES Providers Transition Capabilities Define Success or Failure of Relationship with ISVs

ISVs experience various challenges especially in the digital era. This requires PES providers to become domain experts and a willingness to offer proof of concept programs to deliver meaningful output to ISVs as a strategic outsourced service provider. In such instance, the transition becomes much more critical, pushing the PES provider to offer deeper capabilities during and post transition phase.

This typically requires two modes of value demonstrations from PES providers.

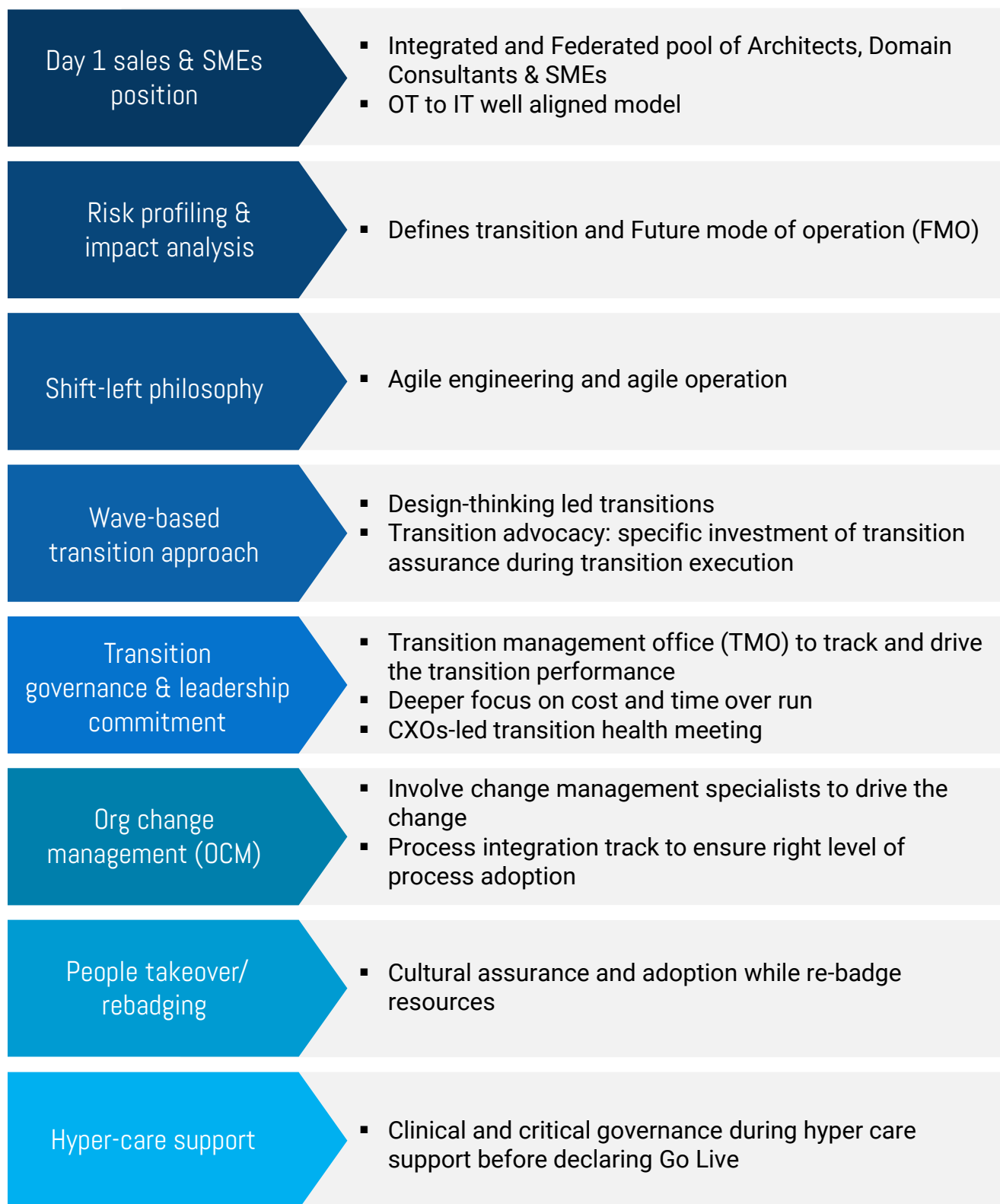
1. Higher value proposition and KPIs' commitment to ISVs right from the day 1
2. Advanced tools, deeper transition capabilities, accelerators and frameworks to ensure zero leakage during transition

The Cybage Transition Framework Philosophy

For a successful transition engagement, Cybage believes that it is important to identify the key design tenets on which the framework will be based. Below are the key design tenets, which enables ISVs to execute transition with excellence.

1. **Transparent:** A transition framework provides a high degree of transparency to the entire stakeholder's ecosystem. This includes information related to stakeholder's integration mechanism, design-thinking model transition process, execution strategies, key risks, resourcing, etc.
2. **Accountable:** A transition process without identified responsibilities is a recipe for chaos and failure. Cybage's customized transition framework is designed with a defined responsibilities (RACI) matrix, equipped with Sprint and design-thinking led workshops and an established transition management office (TMO). More importantly, Cybage deploys an experienced leader and coach to ensure the transition execution is as per the agreed plan. This tracks the cost and time, which builds trust amongst ISVs.
3. **Predictable:** The outcome of transition engagements must be certain and subject to the notions of a given situation. Cybage's transition framework, accelerators and customized templates provide and improve the degree of predictability of success of outcomes. This approach helps identify the risk, impact and mitigation plan well in advance before it leads to cost and time overruns.
4. **Adaptable:** Cybage considers each transition as unique to cater to ISVs different business dynamics. Thus, Cybage crafts a new template per engagement. The transition process is flexible enough to adapt to the specifics of a given transition engagement, keeping the transition framework actionable. Cybage's tailor-made templates, six state of the art COEs, accelerators and frameworks ensure the success of transitions.
5. **Structured:** The transition framework be structured and broken down into logical phases.

Cybage Uses Multiple Levers to Achieve a Highly Tailored “White Glove Transition”



Selecting the Right Service Provider Partners with Key Differentiators

The success of a product depends on selecting a true PES provider. The first step in choosing an engineering service provider is to identify the objectives of outsourcing the work. The following are key areas that define the success of product delivery while maintaining high-product quality standards.

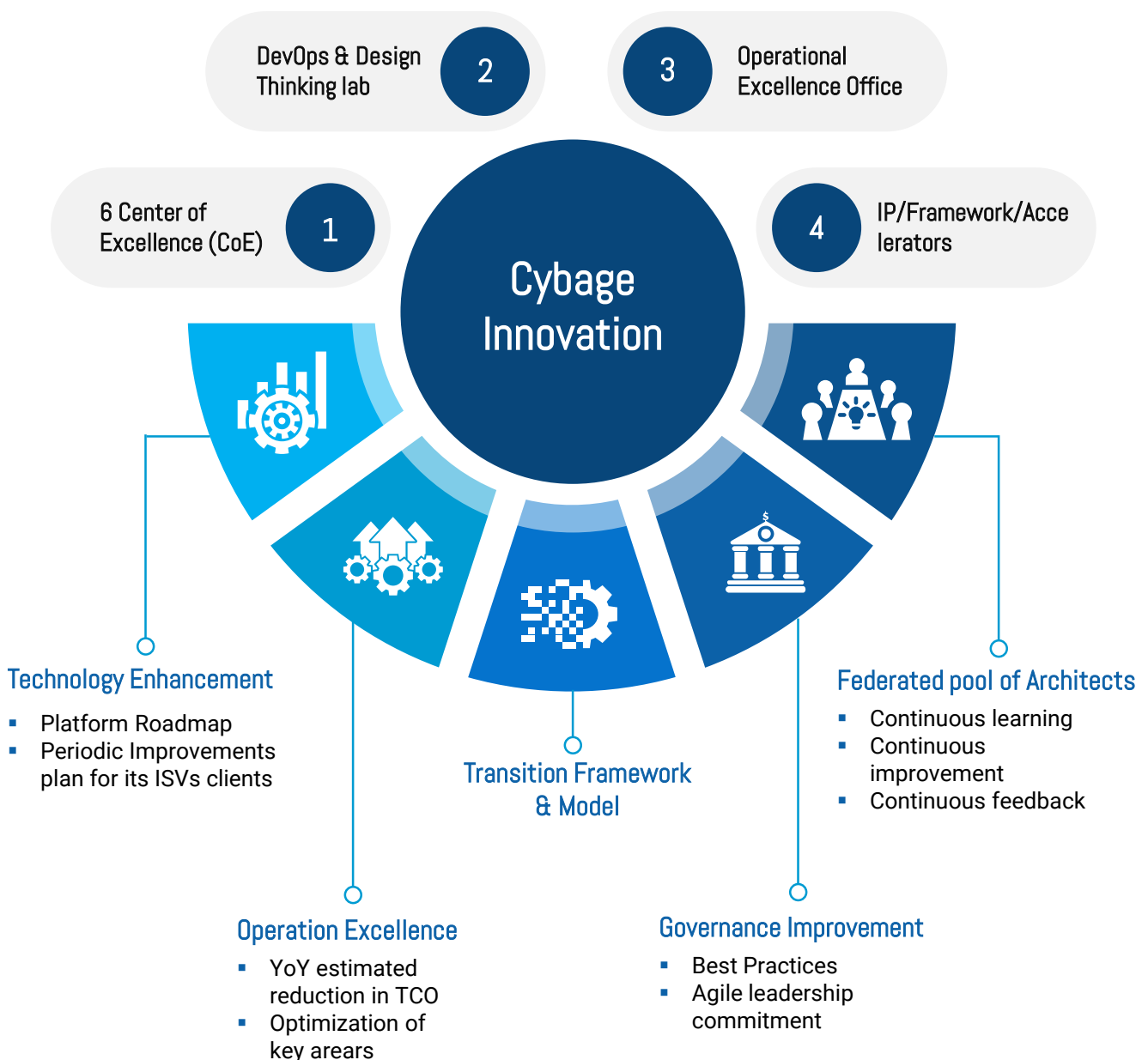
- 1. Investment:** ISVs are seeking PES providers that have started investing in cutting-edge platforms (i.e. AI and ML-led platforms) to offer predictive and prescriptive analysis. With these investments, PES providers are gaining the confidence of ISVs as the product lifecycle needs a quick defect identification, predictive and prescriptive analysis.
- 2. Process compliance:** One of the key elements while selecting a service provider is to ensure that PES providers are also compliant with agile, scrum, ISO, CMMI and ITIL and consider these as standard processes.
- 3. Cultural adoption:** It is been observed that ISVs were not initially comfortable with the offshore outsourcing model as it demands a different work culture in order to deliver high-quality products. PES providers that are diversified in nature and are continuously investing in cultural training and language certifications are seeing the greatest success.
- 4. Become a success partner and not just a service provider:** ISVs are looking for providers who are willing to be a partner during the product journey that doesn't consider itself as just a code provider or staff augmentation service provider. They need a partner that is willing to invest in the ISVs' vision and is interested in becoming a co-partner to define the success of ISVs.

Convergence Innovation and Investment - Cybage Continues to Invest and Innovate

Cybage has discovered over the years that its ISV clients seek a PES provider as a joint development and support partner rather than a traditional service provider in an outsourcing strategy to ensure a deeper level of commitment.

Cybage's Investment for Continuous Innovation and Transformation

Cybage's continuous investment in innovation has been a great advantage for ISVs clients. DecisionMines™, an in-house prescriptive analytics decision-making platform, is a classic example where existing ISV clients have benefited in various aspects. Cybage has developed six world-class centers of excellence (COEs) and multiple accelerators/frameworks to cater to the needs of its existing and prospective clients, across various verticals. The firm helps its clients in realizing their bold ideas and visions and converting them into working prototypes.





EXECUTIVE SUMMARY ▶

In the era of the customer-driven economy, where the business ecosystem and customer expectations are increasing every year, ISVs confront unique business opportunities and critical challenges. ISVs need to fast track the innovation and modernization of their traditional product portfolios to address the untapped business opportunities in the global market.

Cybage's niche PES and development, processes and domain experiences have enabled ISVs to accelerate engineering services and go-to-market strategy as well as improve the customer experience.

- **Sell your transition success stories in well-crafted case studies:** ISG observes that Cybage is emerging as one of the few organizations to disrupt the traditional time-and-materials (T&M) model in the ISV segment. Cybage is redefining the product engineering service outsourcing model by investing, innovating and demonstrating strong leadership commitment. Proof of differentiation is always strongest when it comes directly from clients. Cybage has strong customer support and continues to increase its footprint and its willingness to share their success stories. Most of Cybage's clients have cited that responsiveness, collaboration and know-how have been positive and productive forces. The firm is continuing to enhance their development and coding environments through high-value proposition services.

- **Become a joint success partner and not a service provider:** Cybage's vision and principal of getting into engagements with ISVs is to deliver PES with a high satisfaction rate. Its leadership commitment throughout the engagement cycle remains the same. To ensure that Cybage becomes a part of the customer success journey, they have taken the traditional time and material (T&M) engagement model and "turned it on its head". T&M engagements are most common in the ISV world for software product development and support. But unlike traditional models of T&M, Cybage invests an entire ecosystem of people (COEs, Architects, project management, mentoring and other support) behind each hour billed. So the hours spent with Cybage have significantly more value than a typical hourly T&M resource. This actually proves a much deeper level of commitment and ownership to its ISVs clients base.
- **Redefining T&M model of engagement:** While the world still sees time and material (T&M) as resource augmentation, Cybage has become one of the first organizations to disrupt and redefine the definition of this model. It has gone beyond T&M engagements along with conscious investment in terms of tools, technology and accelerators. Beginning with the pre-sale cycle to transition until engagement hits the production floor, Cybage has positioned its strong ecosystem to ensure that clients get the expected outcome. ISG believes that is the need of the customer-driven economy. With this depth and breadth of portfolio services, Cybage is well positioned to enter the leader segment.
- **Shadow and backend support the success of the Cybage team, making them more transparent with a positive impact on ISVs:** Cybage's federated and integrated team structure bring a deep and positive impact in the relationship with ISVs. While there is a set of SMEs who gets involve from the daily transaction front, there is team of experts, domain consultants and architects who ensure that proactive identification of issues or problems should be highlighted to ensure that ISVs product or releases execute on time. The level of committed investment has always been appreciated by its existing customer base, which leads to a long-term relationships and business augmentation with 40-50% growth rate.
- **Word of mouth is the most powerful way to get new clients as it's not about fancy presentation but about conscious execution:** With its commitment to operation and delivery excellence along with building high credentials, Cybage is benefiting in many aspects. Which has resulted its client's retention rate of 90 percent and 90 percent of existing new and net new ISVs clients come from word of mouth. The average duration of engagement is more than.
- **Platforms can continue to be a differentiator if providers are committed to continuous investment:** ISG has found that Cybage is committed to continuous investment of their COEs, frameworks, accelerators and re-skilling their in-house talent to ensure that the vision and business statements of existing and prospective clients are addressed on time. The firm has made continuous investments in their platform DecisionMines® and has mapped out its next phase of growth to tap the global addressable market. The investment and innovation of the platform has given an additional advantage to Cybage for IP-led nonlinear growth. Cybage has decided to pivot its product portfolio. As the platform is getting matured, the company has seen a great level of acceptance from its existing ISV client base.



Manoj Chandra Jha, Author
Lead Analyst at ISG

At ISG, Manoj is primarily responsible for research projects and working on the ISG Provider Lens™ (IPL) program. He actively contributes in gathering service provider intelligence through both primary and secondary research. He is responsible for writing thought leadership reports and papers on briefings provided by the service providers. In addition to these, Manoj also writes blogs on trending topics, specifically in the Cutting-Edge IT technology. Manoj has executed several client requests for research and consulting assignments across industries, predominantly in the IT, manufacturing and insurance. He has handled client communication for the team, managing the client right from on boarding to understanding their custom research requests to scheduling briefing calls. Along with this, he has been closely involved with the quadrant studies around cloud services and data centre outsourcing market.



Jan Erik Aase, Author
Director of ISG

Jan Erik Aase is a director and principal analyst for ISG. He has more than 35 years of collective experience as an enterprise client, a services provider, an ISG advisor and analyst. Jan Erik has overall accountability for the ISG Provider Lens™ reports, including both the buyer-centric archetype reports and the worldwide quadrant reports focused on provider strengths and portfolio attractiveness. He sets the research agenda and ensures the quality and consistency of the Provider Lens™ team.



Amit Gajwani, Editor

Executive Vice President at Cybage

Amit is the Executive Vice President and part of the core leadership team at Cybage. His role as the Global Head of Sales and Business Development and has curated a selection of leading Fortune 500 customers and alike. His sound technical background has enabled him to execute substantial roles such as Account Manager and Delivery Manager before instating himself into the arena of Sales and BD.

Amit is an award-winning marketer; recipient of multiple honors in Leadership, Marketing, and IT Excellence, some of which are , '100 Most Innovative MARTECH Leaders'; the 'Young Achiever Award' at the National Award in I T Excellence; and 50 Most Talented CMO's in India. By virtue, Amit is data-driven and a strategist and believes in leveraging data to make strategic and informed decisions. This has yielded winning and long-term partnerships with clients at Cybage.

Debasis Ray, Editor

Senior Vice President – Technology
at Cybage



Debasis is the Sr. Vice President of Technology and heads the Product Engineering practice with multi-vertical OPD engagements at Cybage. He has spearheaded competency-building initiatives, engagement planning, implementation, and management for multiple engagements with collocated and virtual teams.

Debasis achieves delivery excellence by leveraging Cybage's scientific approach towards creating value for its clients. With more than two decades of experience in the industry, he is an expert in packaged CRM-focused solutions, security-based product development, Telecom OSS/BSS, and market research.



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