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2013 Nordics IT Outsourcing Service Provider Performance and Satisfaction Survey

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Who participated in this study?

More than 200 of the top IT spending organisations in the Nordics

- Size of IT spend estimated at more than €14 billion

Participants are CFO, CIO, CXO or their direct report

More than 350 unique client-provider relationships

- Amount of ACV evaluated estimated at more than €5 billion

20 service providers evaluated

Methodology

- IT survey on trends and satisfaction
- Survey reflects Perception from end-user clients only (i.e. not KPMG opinions)
- Focus on top IT spending companies in all sectors
- In order to be ranked in the report, service providers must have at least eight client evaluations with each a minimum annual contract value of €1 million
- KPMG uses its own outsourcing deals database, but asks service providers to update the outsourcing deals overview of previous years so that we are certain that all major deals are included
- Total confidentiality is guaranteed for participants
- Data collection via web based survey (clients are first contacted to approve their participation)
- Participants or CIO,CFO,CXO or direct reports

Assessment: General Satisfaction and Willingness to Recommend

Process: General Satisfaction

- Respondents rated each service provider on general satisfaction via a question (What is your general satisfaction level for these service providers?)
- On the general satisfaction question, respondents could indicate if they were (very) unsatisfied, through to (very) satisfied with their selected service providers on a six-point scale (please see legend on the right)
- Scores converted to percentages, where 100% represented the maximum score. 100% means that all the respondents involved in the survey were very satisfied with that service provider

Key to scores	
Very unsatisfied	0%
Unsatisfied	20%
Somewhat unsatisfied	40%
Somewhat satisfied	60%
Satisfied	80%
Very satisfied	100%

Process: Willingness to Recommend

- Respondents rated each service provider on their willingness to recommend via a question (Based on your experiences with the service providers, to what extent would you recommend them as a partner for outsourcing?)
- On the willingness to recommend question, respondents could indicate whether they would certainly not, through to certainly recommend their service provider on a six-point scale (please see legend on the right)
- Scores converted to percentages, where 100% represented the maximum score. 100% means that all the respondents involved in the survey would certainly recommend their service provider

Key to scores	
Certainly not	0%
Almost certainly not	20%
Possibly not	40%
Possibly	60%
Almost certainly	80%
Certainly	100%

Assessment: Key Performance Indicators (KPIs)

Process: Key Performance Indicators

- Respondents rated each service provider on ten KPIs via a series of statements (see the right call-out box). Against these they indicated if they (totally) disagreed, through to (totally) agreed with each statement on a six-point scale
- Scores converted to percentages, where 100% represented the maximum score. 100% means that all the respondents involved in the survey totally agreed with the statement

Key to scores

Totally disagree	0%
Disagree	20%
Somewhat disagree	40%
Somewhat agree	60%
Agree	80%
Totally agree	100%

Key Performance Indicators

- **Quality:** In general, the service provider meets the service levels as set out in the Service Level Agreement
- **Price:** The prices the service provider charges for its services are (still) in line with current market prices
- **Risk:** The service provider shoulders reasonable commercial risk and makes necessary investments to reduce that risk
- **Operational Relationship:** The service provider does a good job actively managing the relationship at the operational level
- **Strategic Relationship:** The service provider does a good job actively managing the relationship and the long term objectives of the contract at the strategic level
- **Innovation:** The service provider is active in bringing innovation or adapting their service offering when business or technological conditions change
- **Flexibility:** The service provider is flexible in bringing changes to the contract
- **Service provider governance:** The service provider has an efficient and effective governance model
- **Transition:** The service provider has completed the transition successfully, on time and budget and with the required functionality
- **IT security:** The service provider has a clear IT security policy and is successful in ensuring the quality of IT security

Screen shot of the actual survey tool

In most cases, providers will evaluate their service providers by comparing them relatively to each other

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☐ | References

In general, the service provider meets the service levels as set out in the Service Level Agreement.

	Totally disagree	Disagree	Somewhat disagree	Somewhat agree	Agree	Totally agree
BT	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Capgemini	<input type="radio"/>	<input type="radio"/>				
HCL	<input type="radio"/>	<input type="radio"/>				

The prices the service provider charges for its services are (sti

	Totally disagree	Disagree
BT	<input type="radio"/>	<input type="radio"/>
Capgemini	<input type="radio"/>	<input type="radio"/>
HCL	<input type="radio"/>	<input type="radio"/>

Ready

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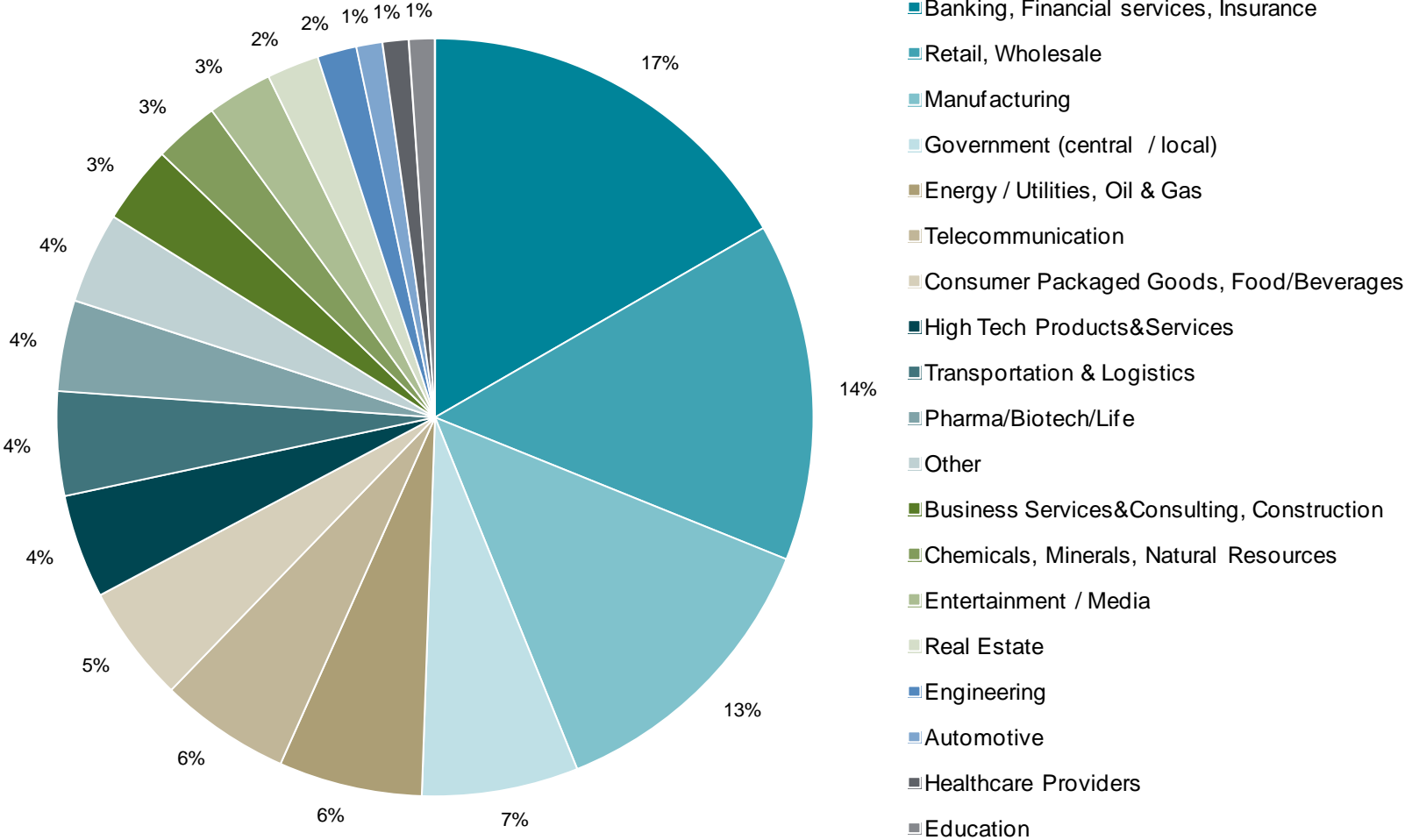
☐ | References

What is your general satisfaction level for these service providers?

	Very unsatisfied	Unsatisfied	Somewhat Unsatisfied	Somewhat Satisfied	Satisfied	Very satisfied
BT *	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Capgemini *	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
HCL *	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

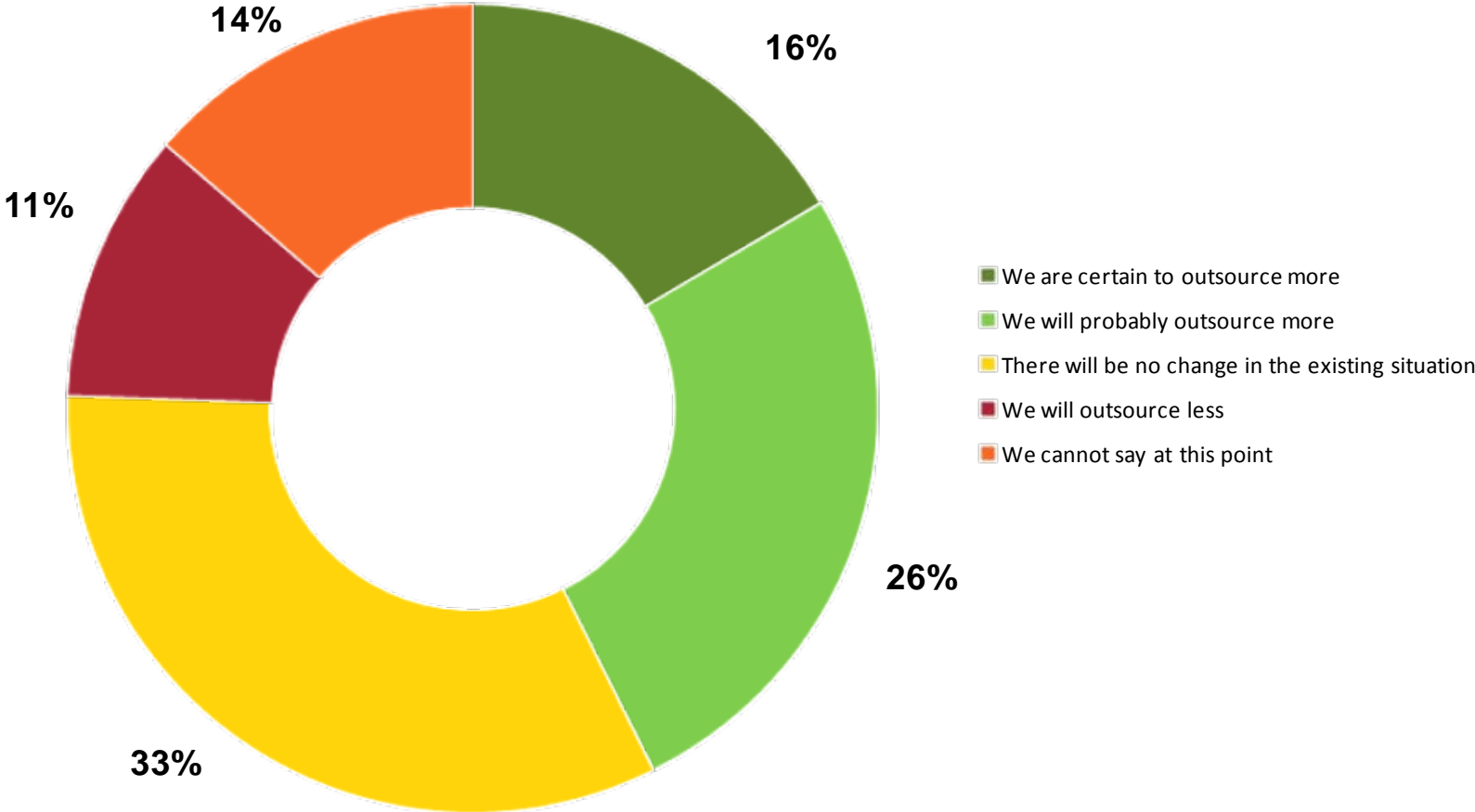
In which sector does your organisation operate?

N=183

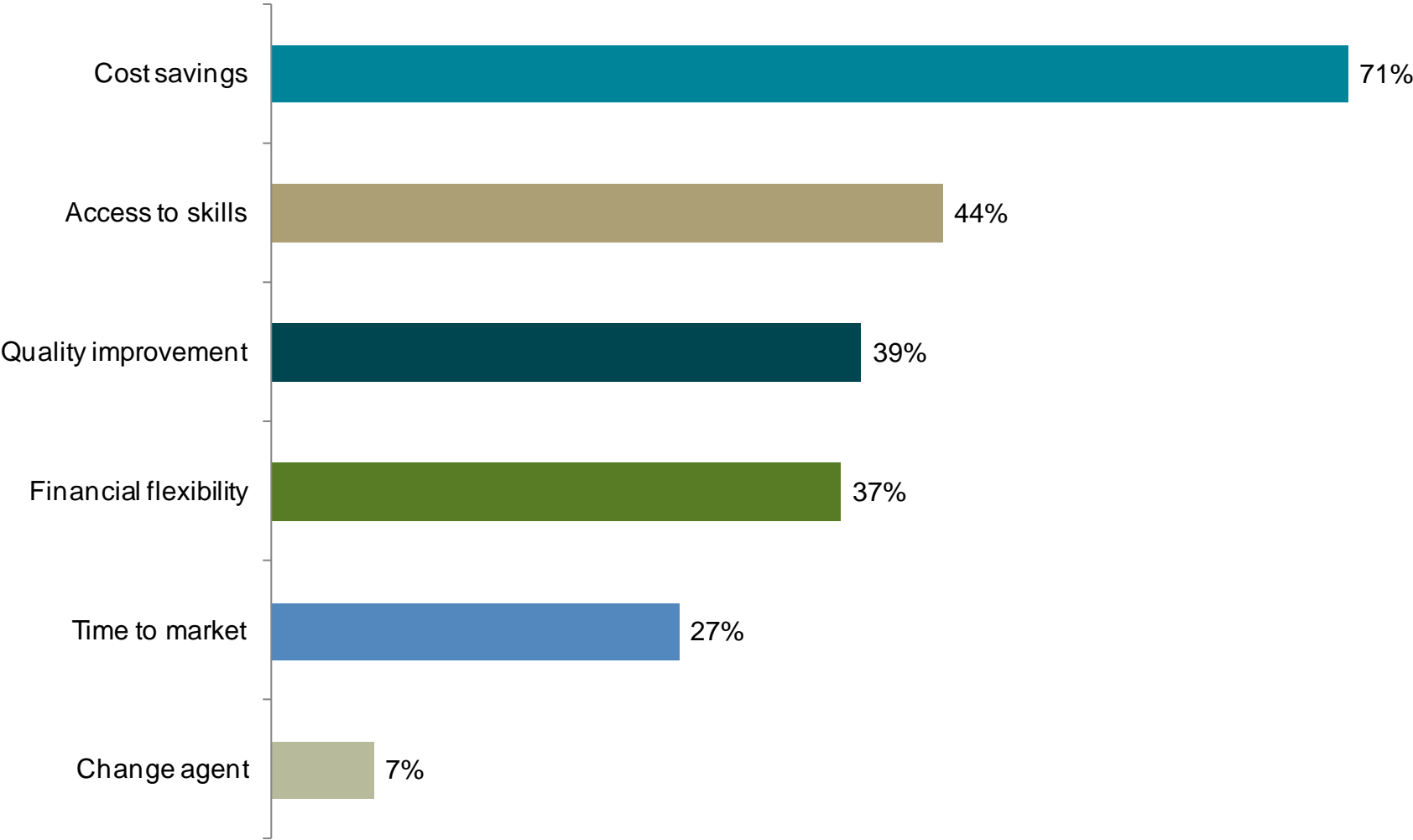


What are your organisation's outsourcing plans for the foreseeable future ALL NORDICS?

N=176

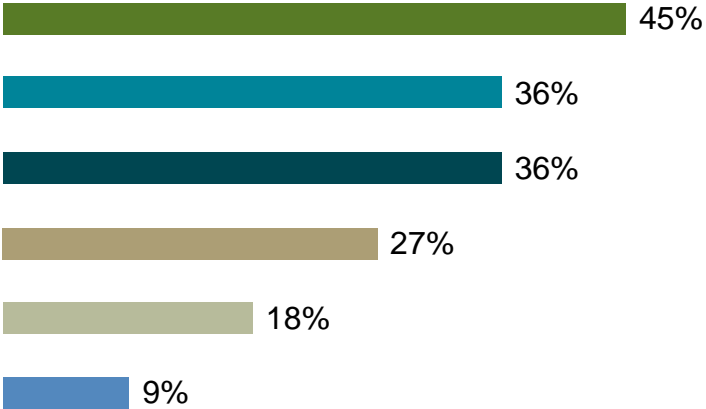


For what reasons are you considering increasing your existing levels of outsourcing? (Note, across all Nordic Region)

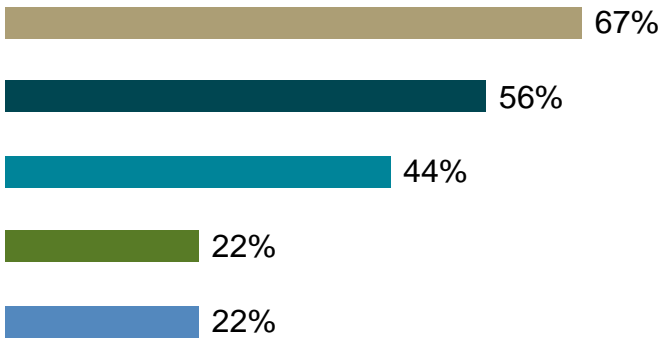


For what reasons are you considering increasing your existing levels of outsourcing in 2013 ? Note, main driver for Norway is dramatically different to other Nordic Countries

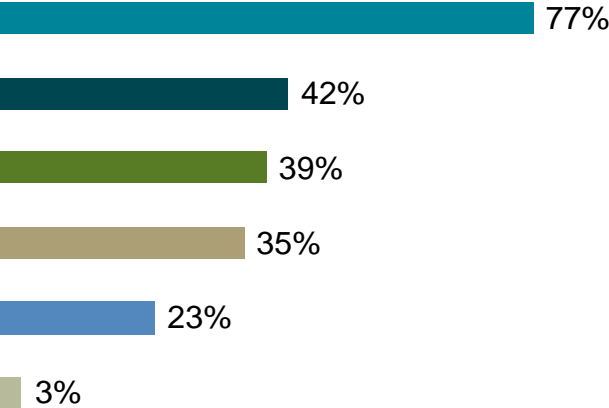
FINLAND



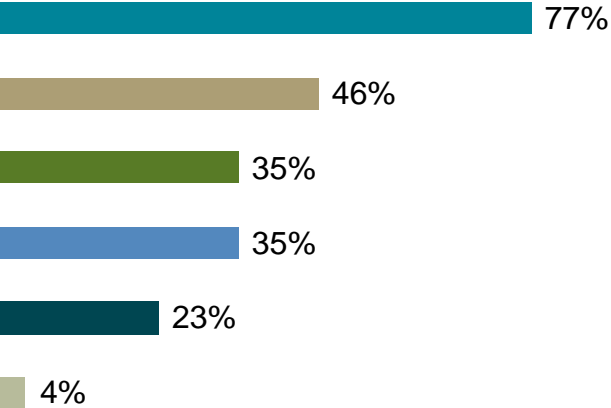
NORWAY



SWEDEN

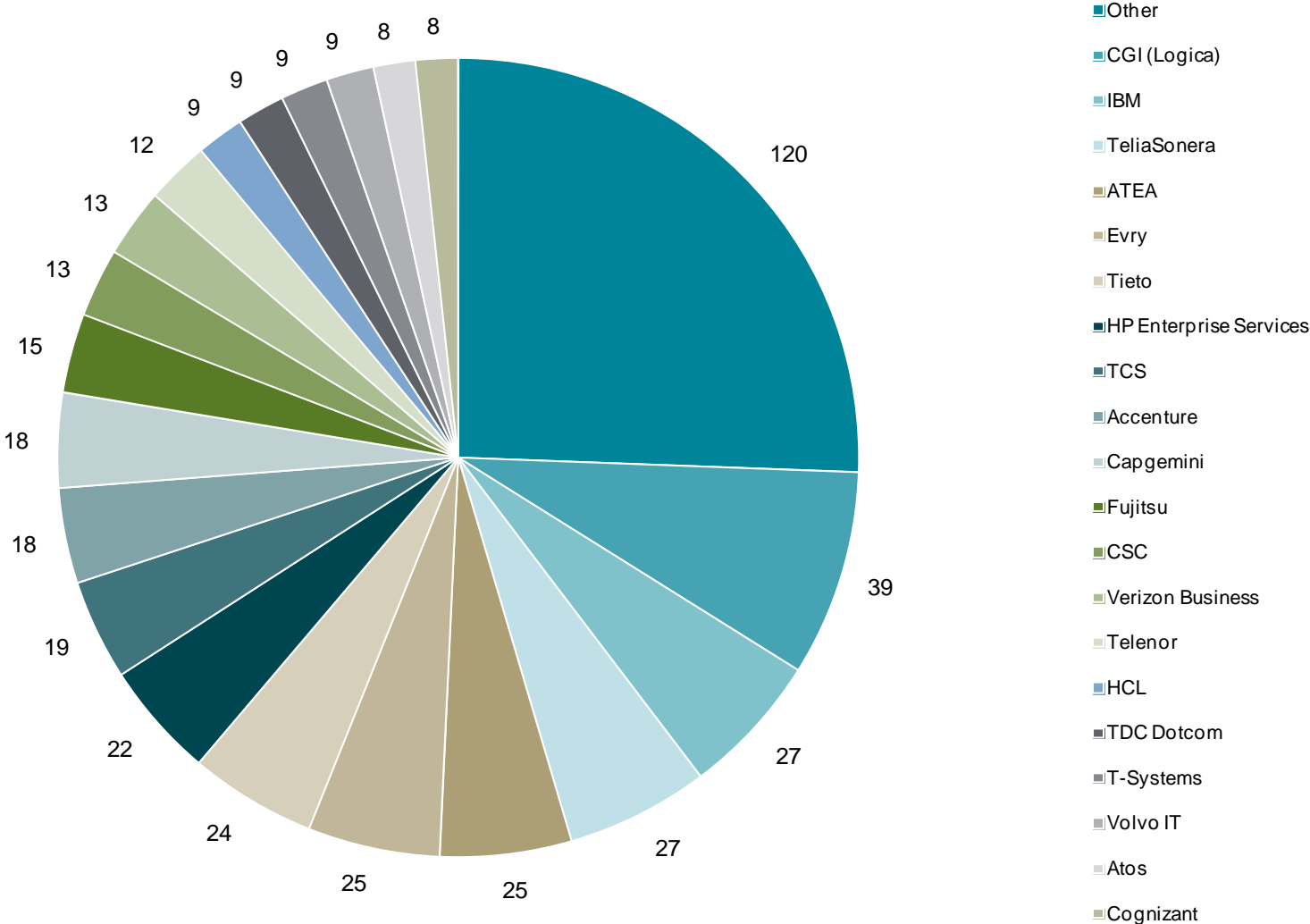


DENMARK

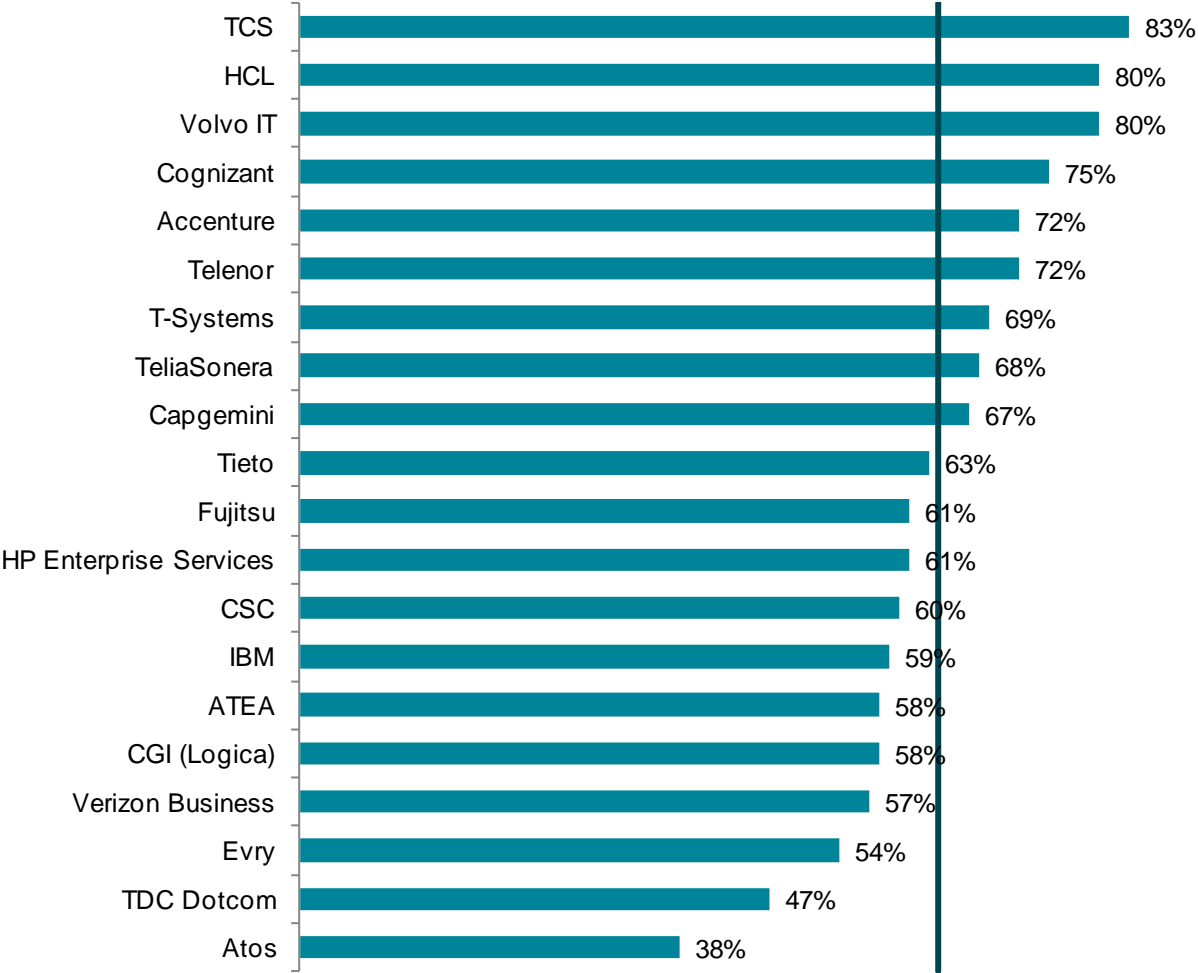


Service Providers in terms of number of evaluated contracts

N=469



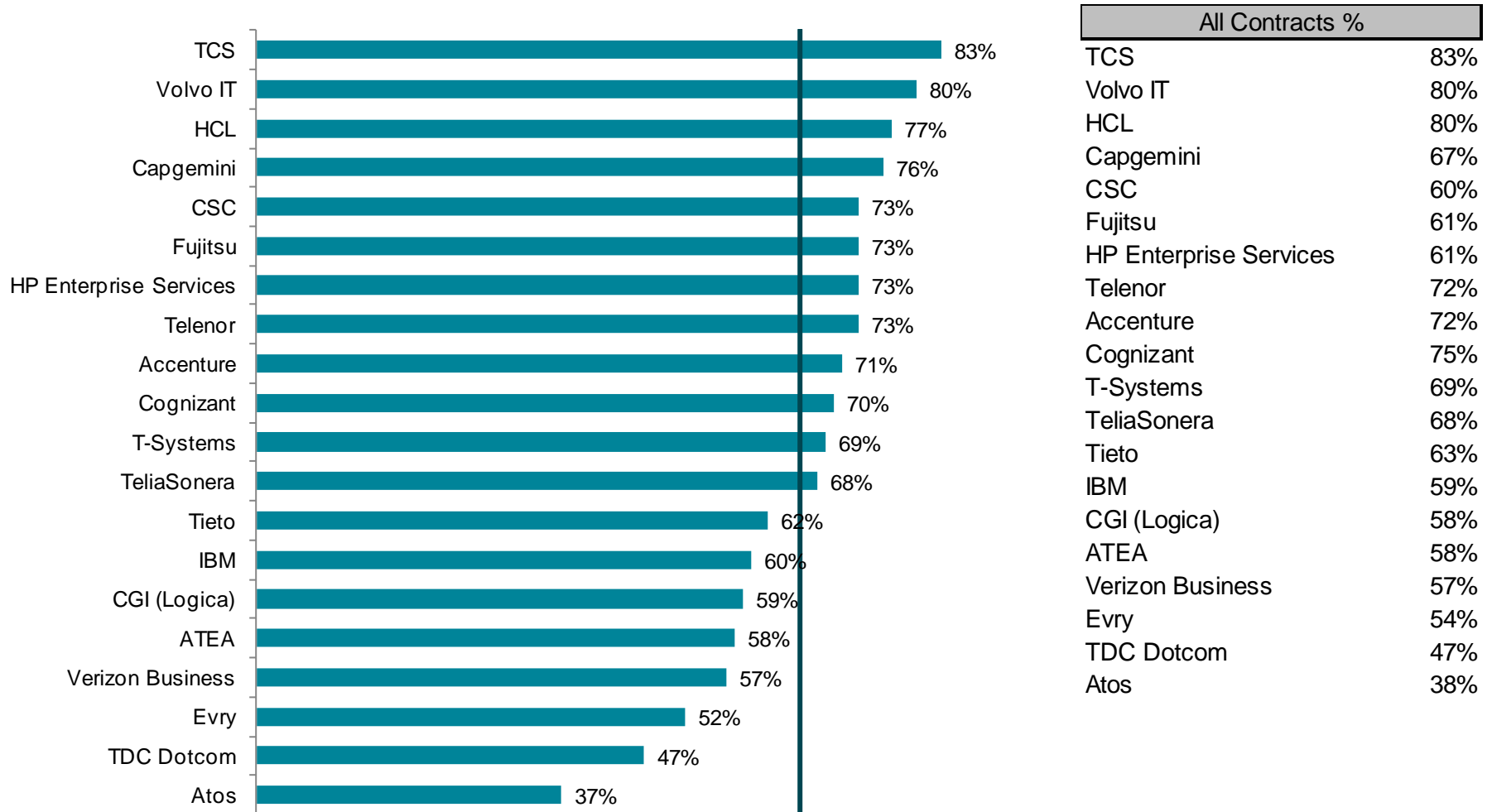
What is your general satisfaction level for these service providers?



Key to scores	%
Very unsatisfied	0
Unsatisfied	20
Somewhat unsatisfied	40
Somewhat satisfied	60
Satisfied	80
Very satisfied	100

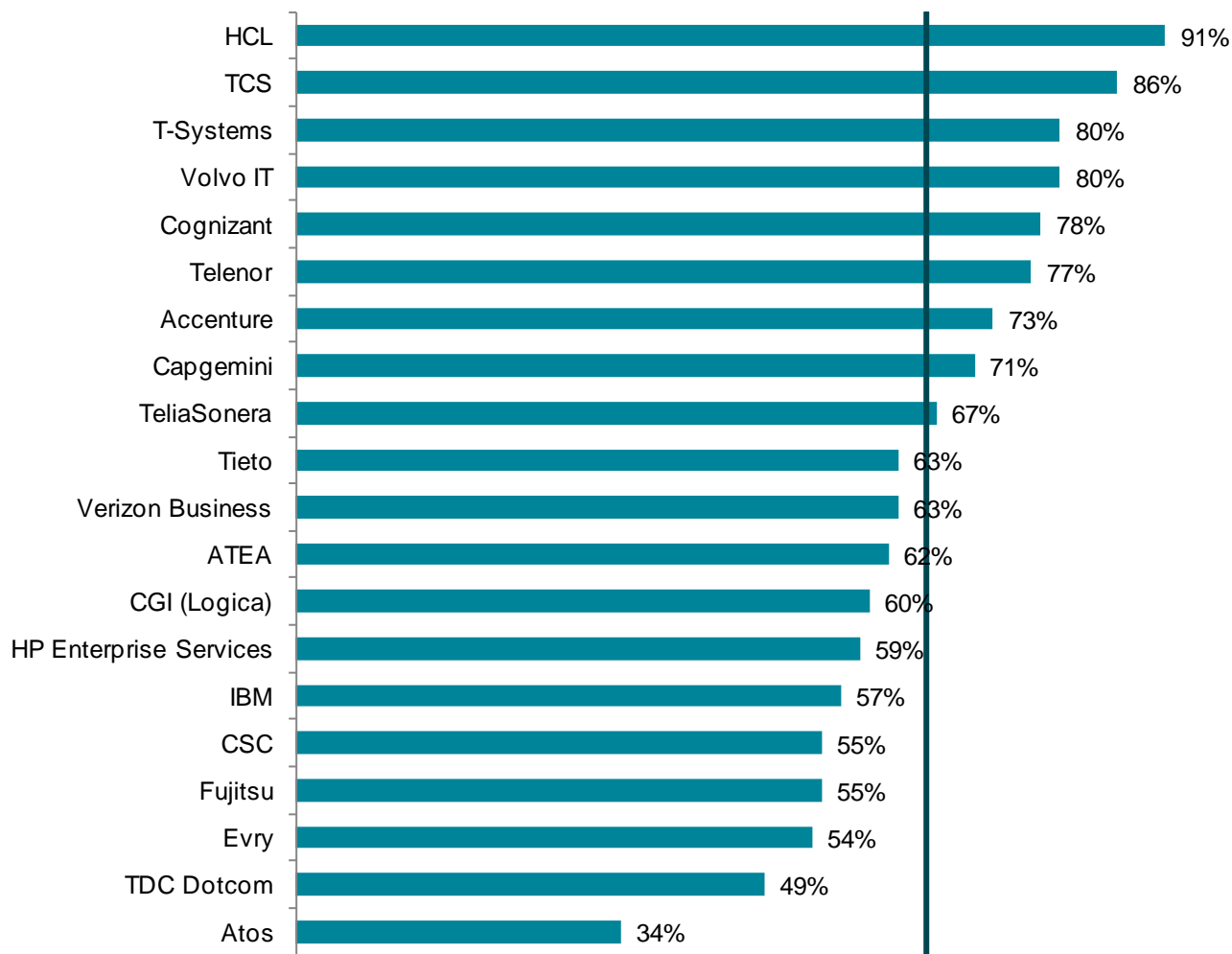
→ **Average 2013: 64%**
Average (2012): 67%

General Sat by contract value (deals less than €10 million ACV)



Only vendors with at least six contract evaluations associated with an annual contract value lower than €10 million have been included

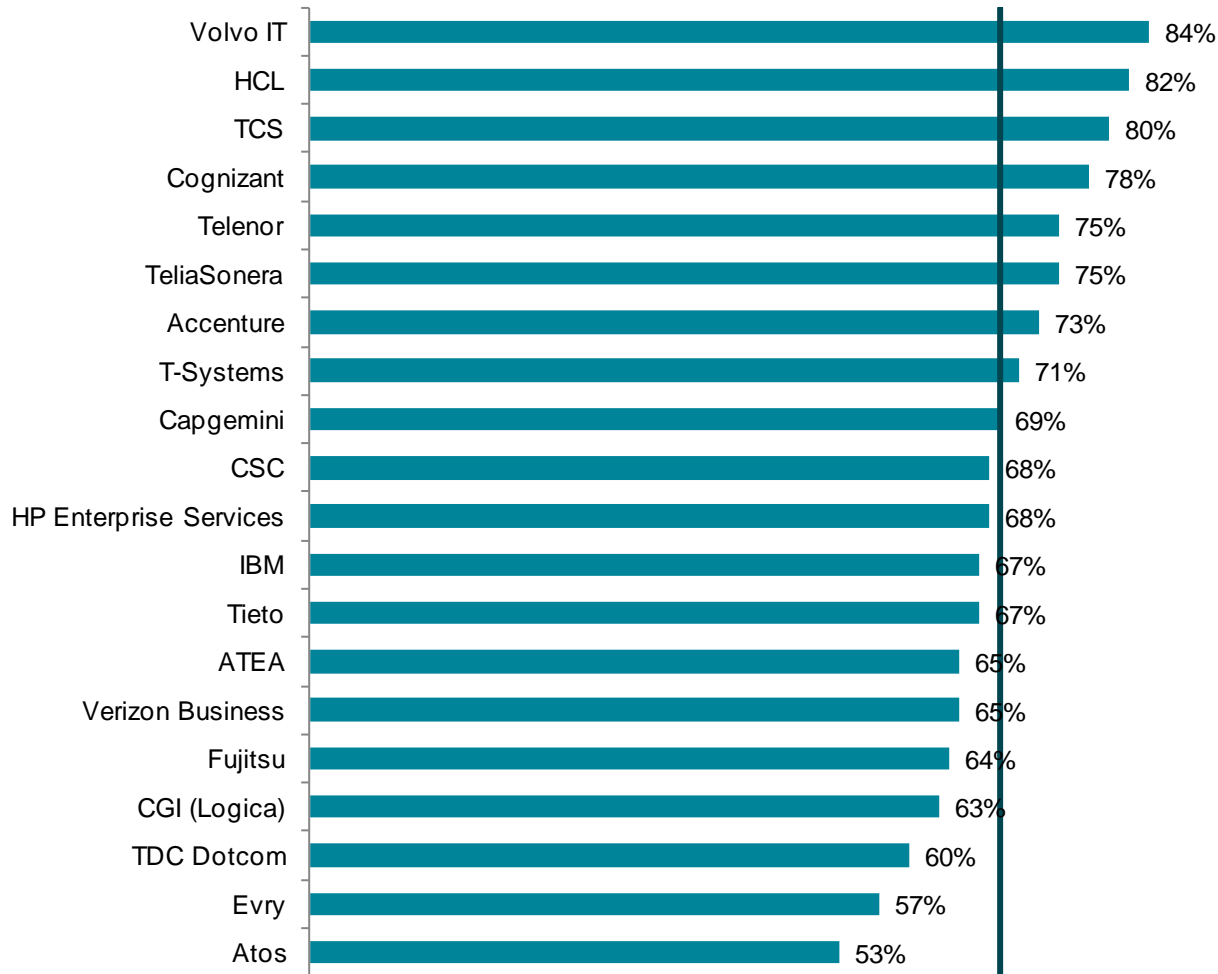
Based on your experiences with the service providers, to what extent would you recommend them as a partner for outsourcing?



Key to scores	%
Certainly not	0
Almost certainly not	20
Possibly not	40
Possibly	60
Almost certainly	80
Certainly	100

→ **Average 2013: 66%**
Average (2012): 67%

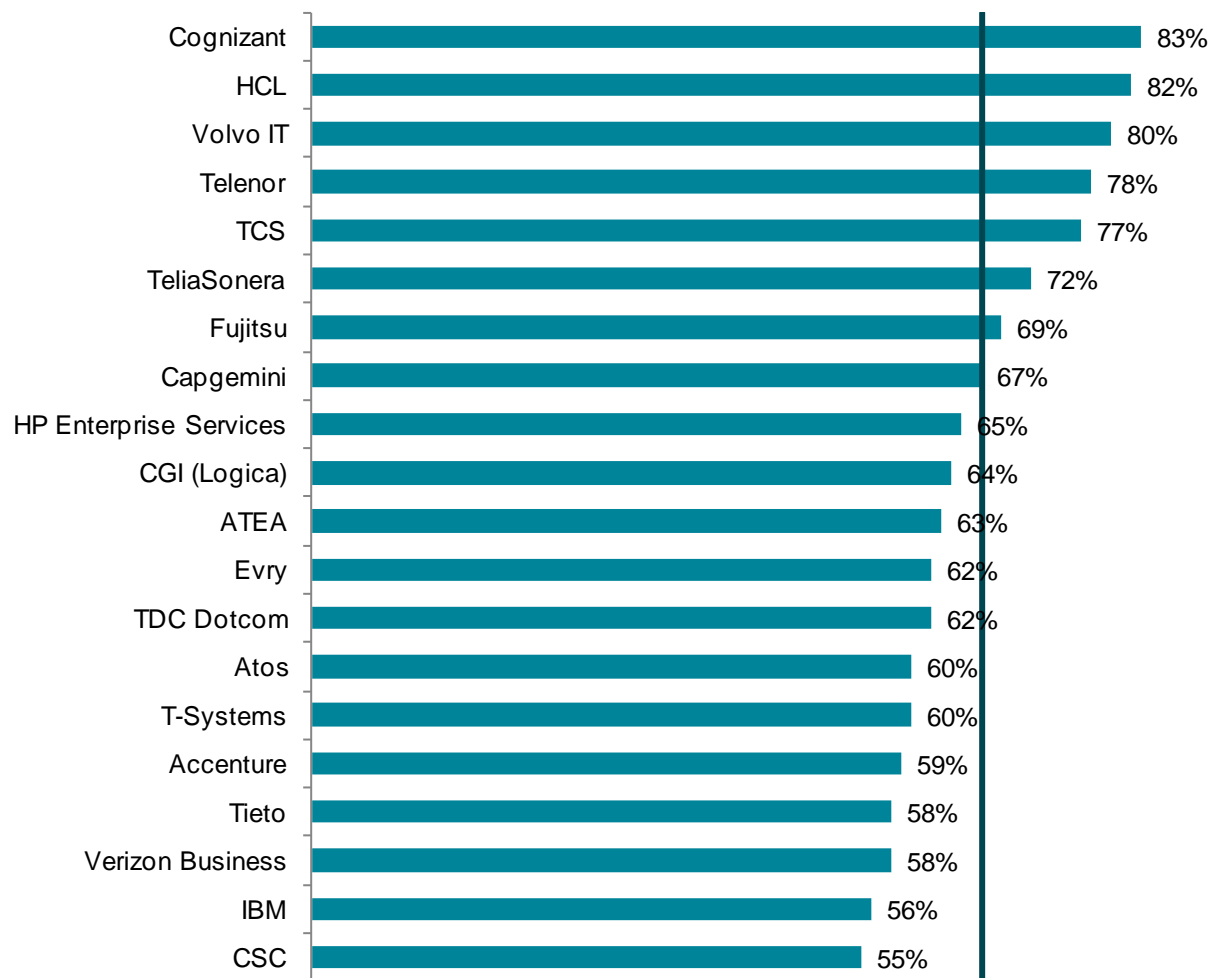
'In general, the service provider meets the service levels as set out in the Service Level Agreement'



Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 69%**
Average (2012): 73%

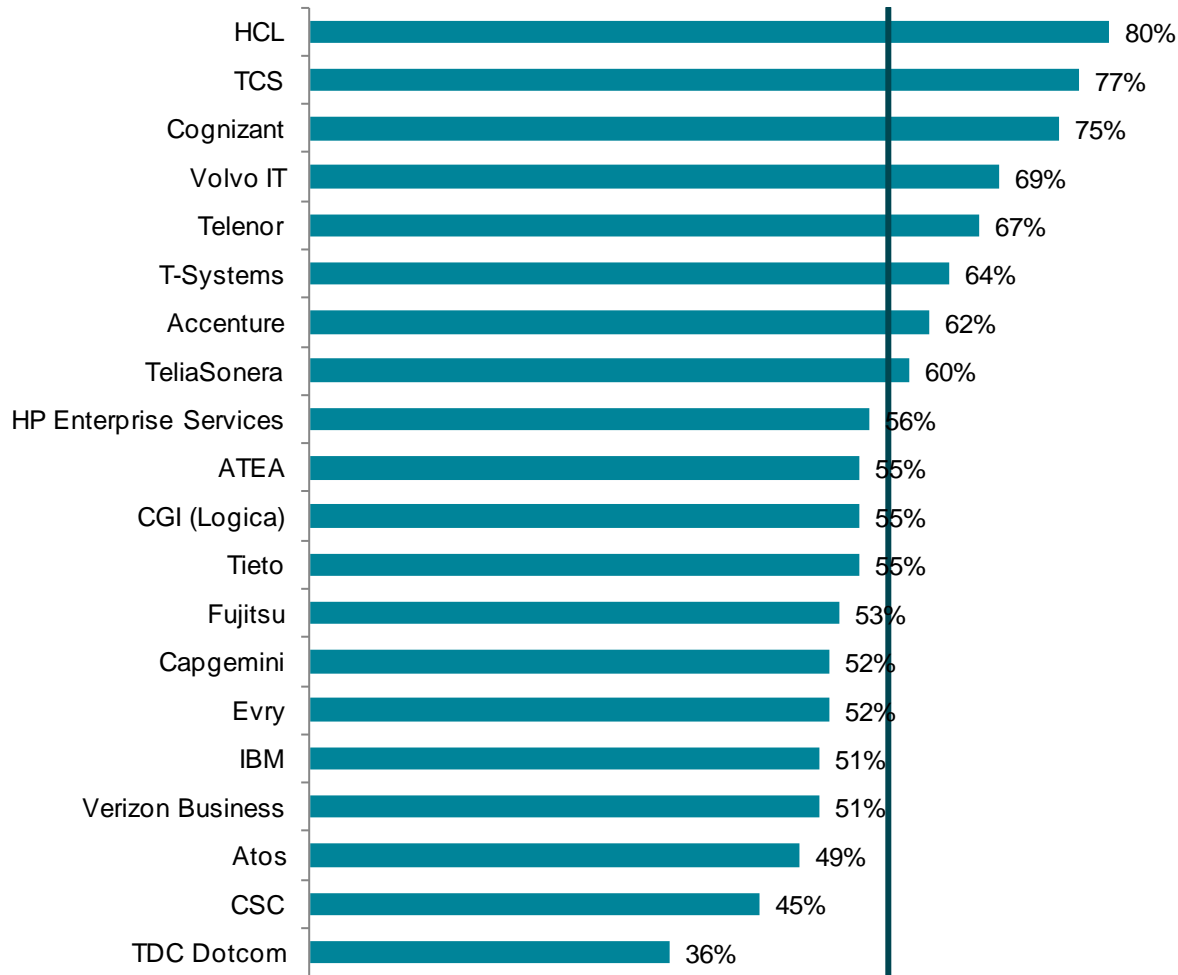
'The prices the service provider charges for its services are (still) in line with current market price'



Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 67%**
Average (2012): 68%

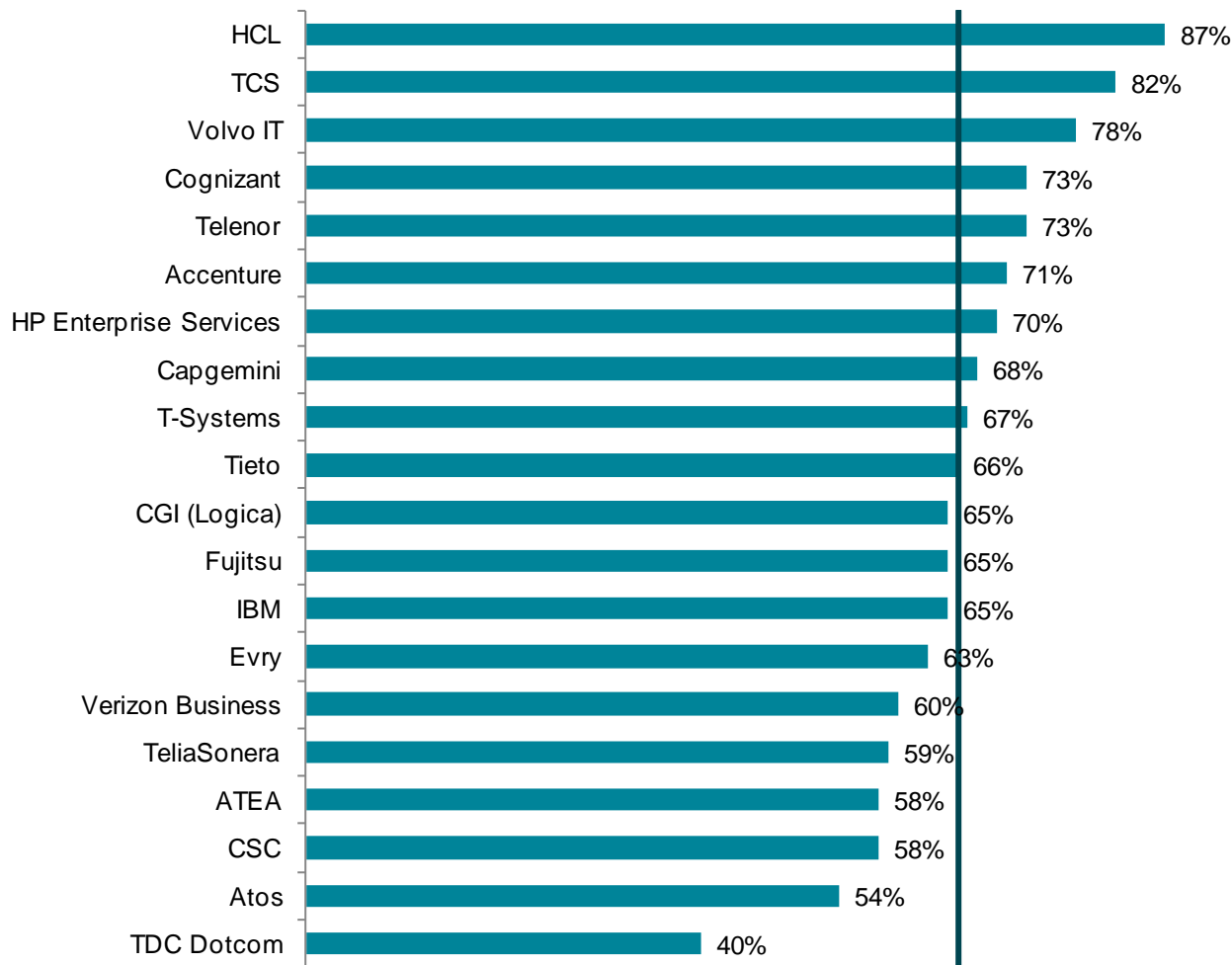
'The service provider shoulders reasonable commercial risk and makes necessary investments to reduce that risk'



Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 58%**
Average (2012): 58%

'The service provider does a good job actively managing the relationship at the operational level ...'

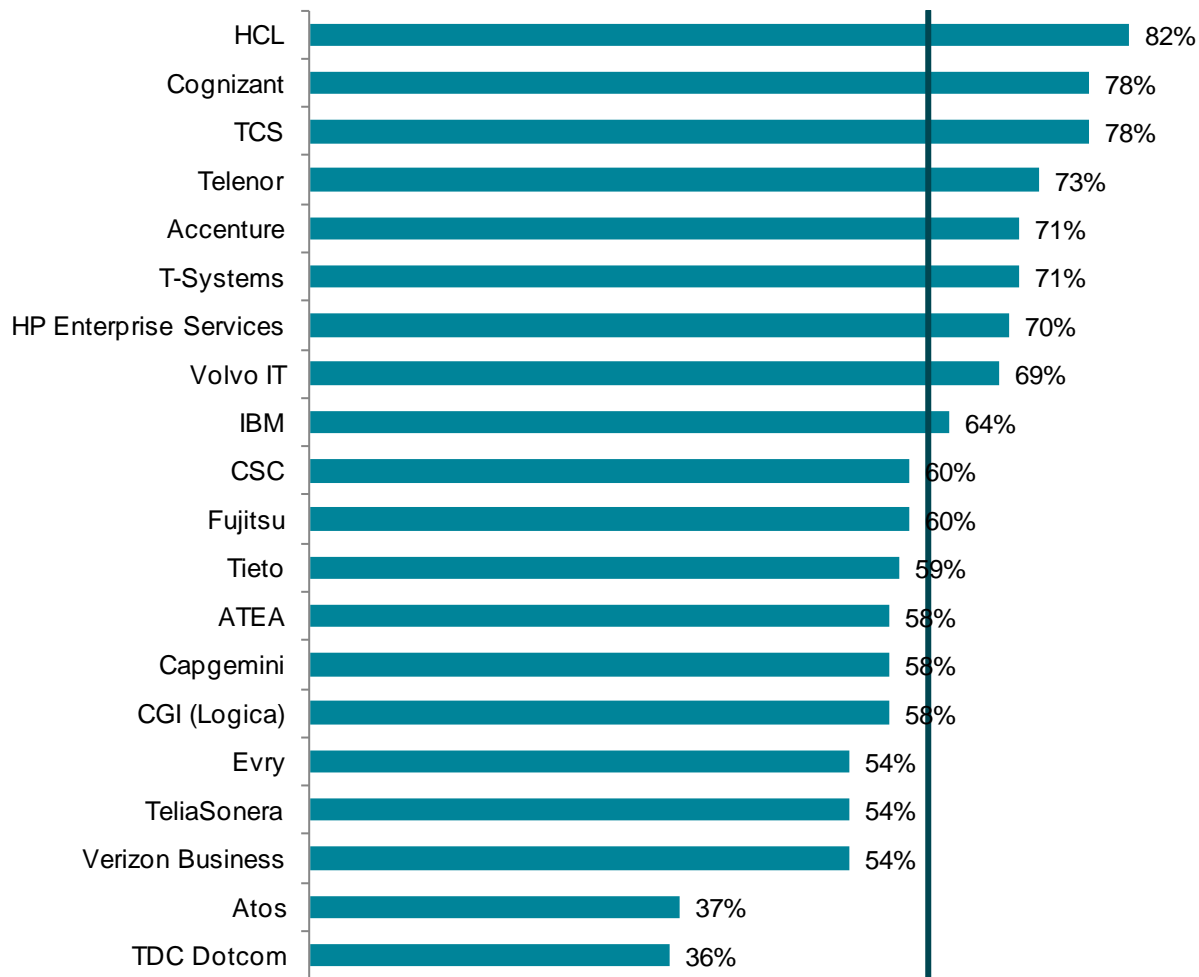


Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 66%**
Average (2012): 70%

Relationship management (Strategic)

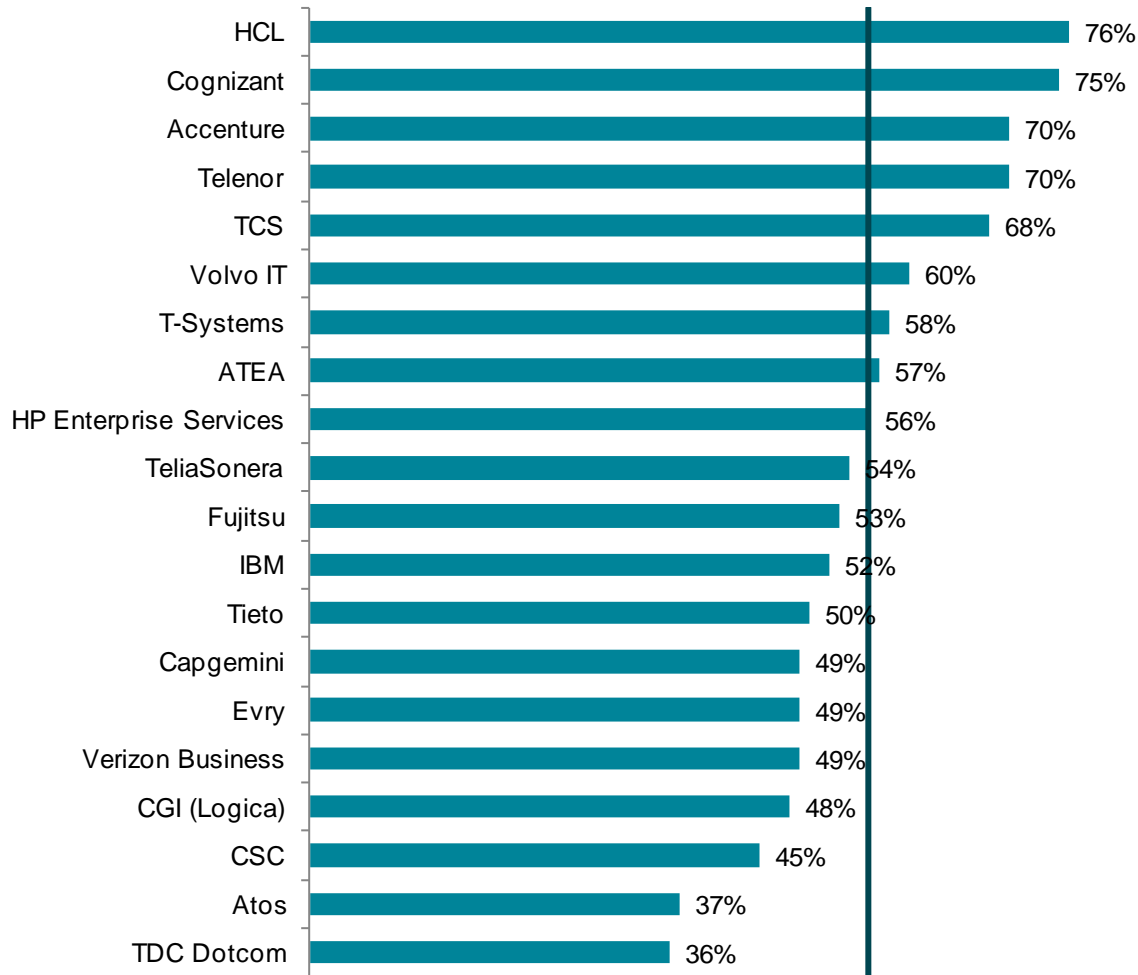
'The service provider does a good job actively managing the relationship and the long term objectives of the contract at the strategic level'



Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 62%**
Average (2012): 64%

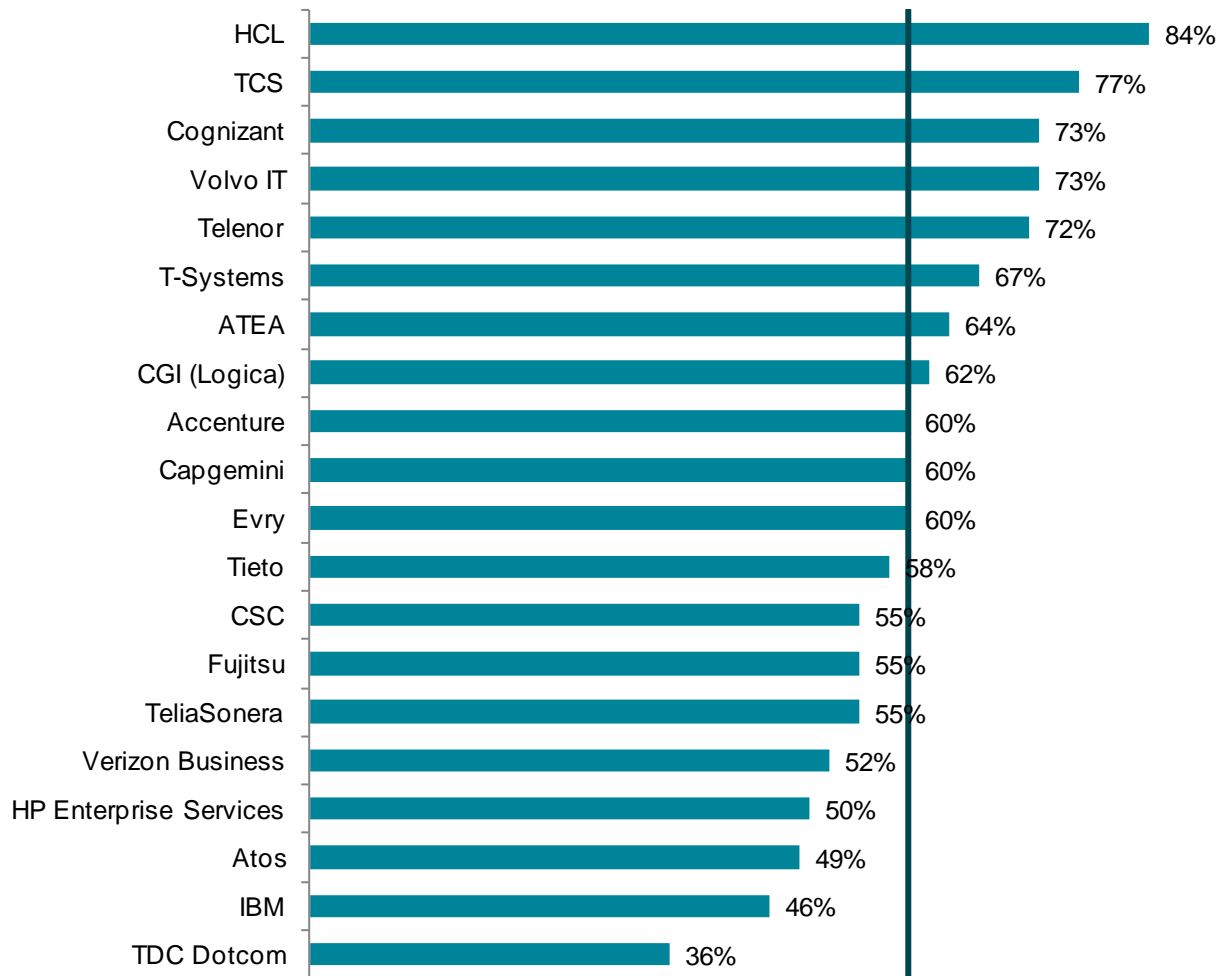
'The service provider actively identifies innovation opportunities'



Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 56%**
Average (2012): 56%

'The service provider is flexible in bringing changes to the contract'

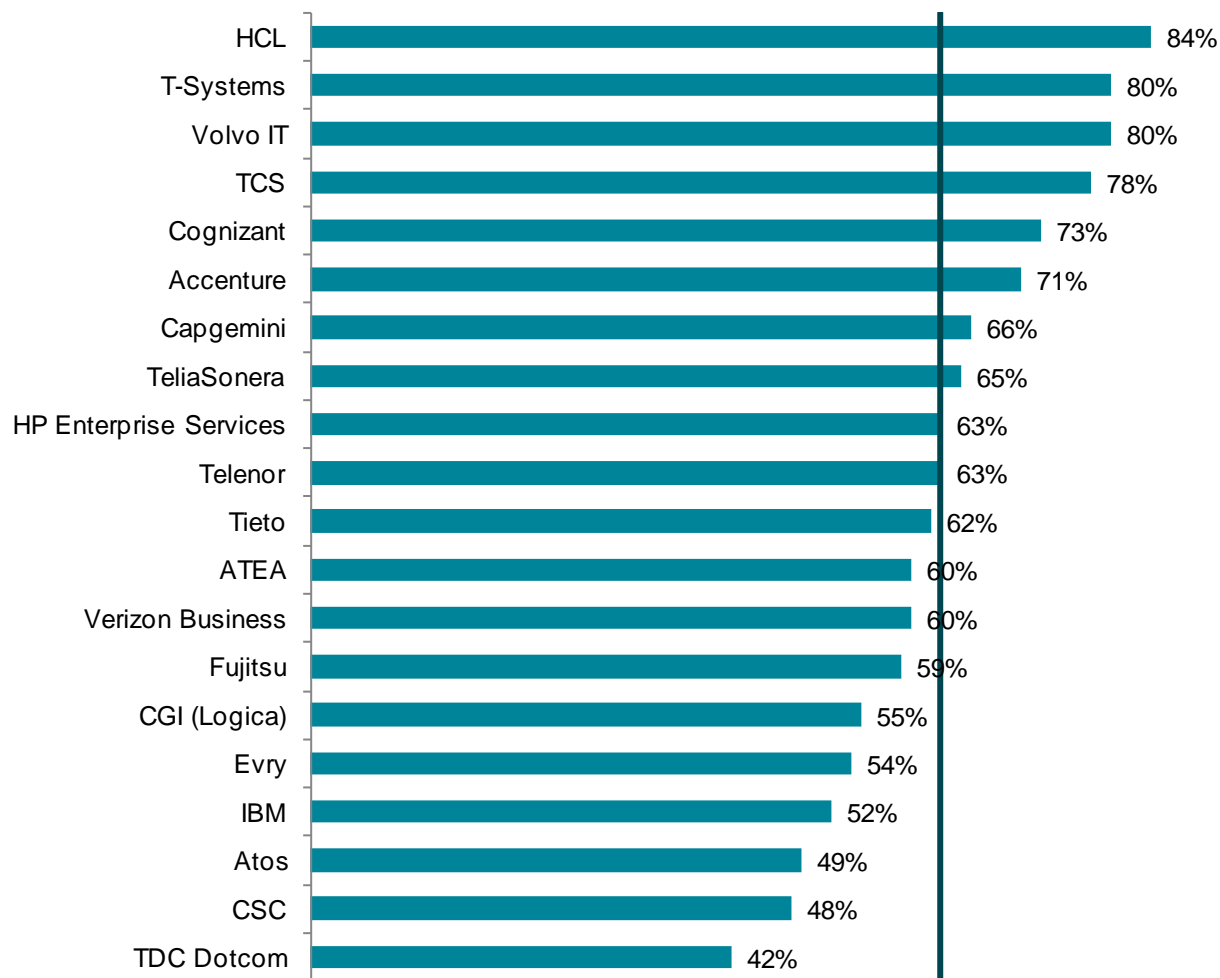


Key to scores		%
Totally disagree		0
Disagree		20
Somewhat disagree		40
Somewhat agree		60
Agree		80
Totally agree		100

→ **Average 2013: 60%**
Average (2012): 62%

Transition

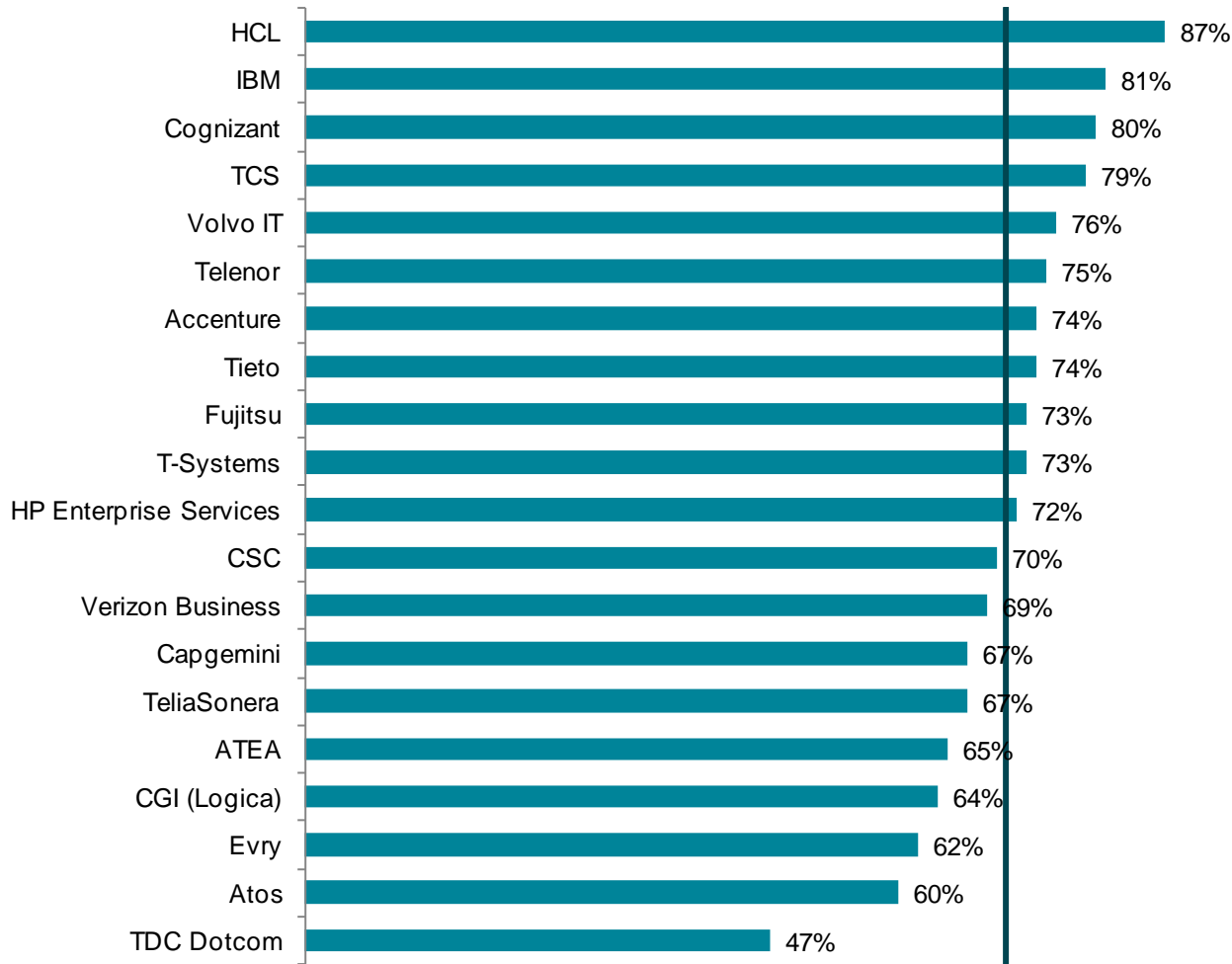
‘The service provider has completed the transition successfully on time and budget and with the required functionality.’



Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 63%**
Average (2012): 66%

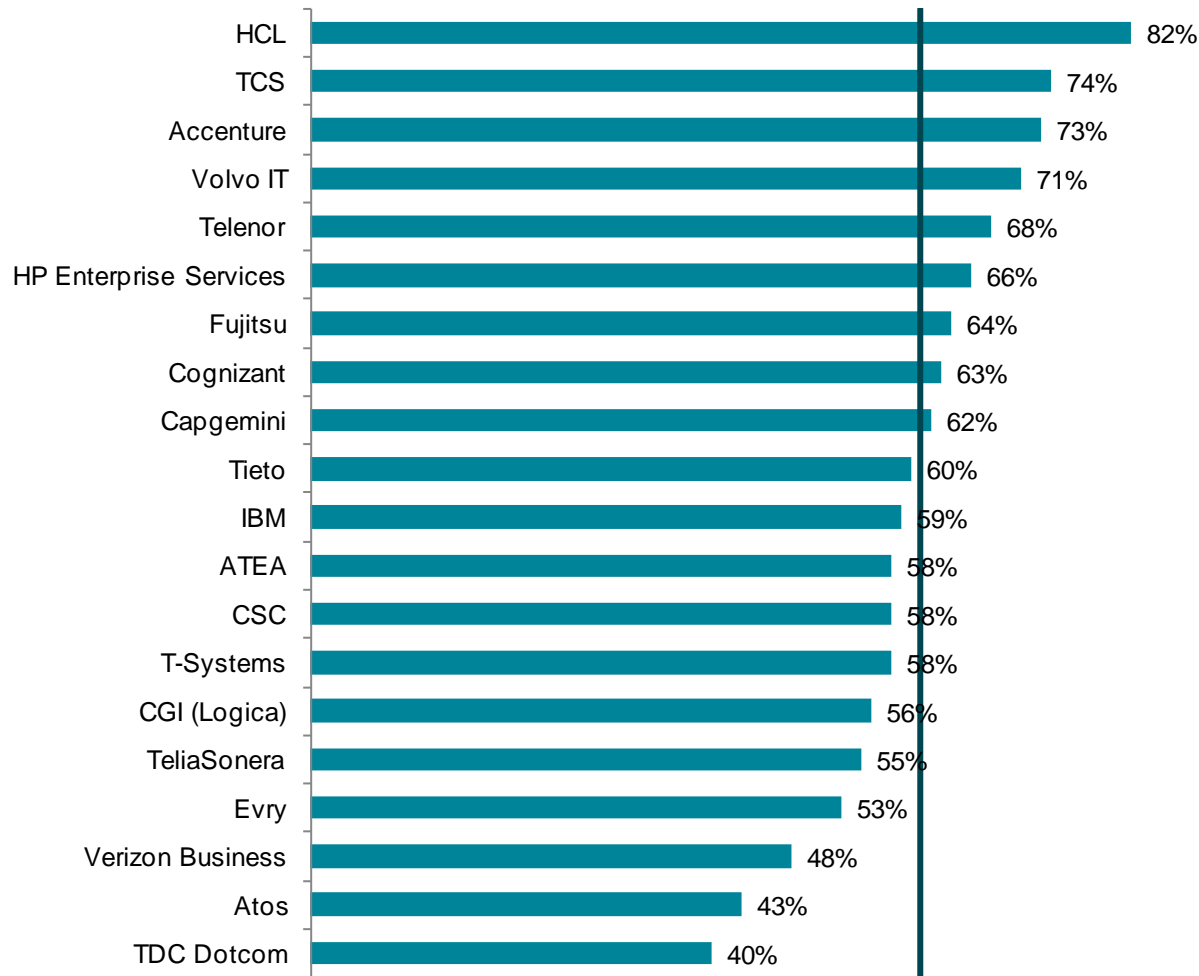
‘The service provider has an efficient and effective governance model.’



Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 71%**
Average (2012): n/a

‘The service provider has an efficient and effective governance model.’



Key to scores	%
Totally disagree	0
Disagree	20
Somewhat disagree	40
Somewhat agree	60
Agree	80
Totally agree	100

→ **Average 2013: 61%**
Average (2012): 64%



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