

The WITCH Report: 2017 Annual Review

A review of the financial and market performance of global technology firms in healthcare



Introduction

This report is a detailed review of the financial and market performance of five major global technology consulting firms in their healthcare business segments. The companies are Wipro, Infosys, TCS, Cognizant Technology Solutions, and HCL (collectively referred to as the WITCH Group). Additionally, the report covers market and financial summaries for select global technology firms. All companies covered in the report are public companies.

The focus of the report is on the information technology consulting business for these firms in the healthcare segment. Aspects covered are financial performance, M&As, customer wins, strategic partnerships, new product initiatives, and leadership announcements. A listing of select transactions, company-wise, is included at the end of the report.

The report is based entirely on publicly available information about the companies covered. For consistency, timelines are referred to in calendar quarters, though the fiscal year periods are different for the companies covered here. All numbers are reported in USD currency.



Through the digital looking glass



Our second annual report on global technology consulting firms in the healthcare space tells us one thing: traditional technology consulting firms struggled in 2017 in the healthcare segment.

The WITCH companies (Wipro, Infosys, TCS, Cognizant, HCL) saw declines in growth rates for their healthcare businesses, with the exception of Cognizant, which is also the only company that saw the HLS business outgrow the company as a whole. At the other end of the spectrum, Wipro saw a decline in revenues in 2017 compared to 2016.

As all the companies try to figure out their next play in the healthcare markets, the policy uncertainties at the beginning of the year seem to have given way to anxieties about the overall demand environment for traditional consulting services.

Our latest [annual survey of healthcare IT demand](#) tells there is a clear shift towards value-based care in the markets and a focus on digital transformation led by patient engagement and care transformation initiatives, with data and analytics being key enablers for the transformation.

So how are the companies covered in this report addressing the market? In a word: digital. However, the term “digital” seems to cover pretty much everything in IT (and therefore, means nothing). At least one company, TCS, has effectively abandoned a vertical market strategy in favor of a horizontal strategy. On the other hand, Cognizant is deepening its vertical market strategy while maintaining its focus on digital.

Automation, AI, and cloud are disrupting the markets; the disruptors of yesterday are finding themselves disrupted today in ways no one can anticipate – be it market consolidation, emergence of non-traditional players, or technology-led shifts in computing paradigms.

In this high-flux environment, Infosys has seen its momentum drop off the cliff with its public boardroom battles leading to Vishal Sikka’s resignation, while Wipro has struggled to steady the ship that was rocked hard by the woes of its ill-timed HPS acquisition.

Among multi-national global tech firms, Accenture took a hit from healthcare policy uncertainties in 2017 while European firms CapGemini and Atos made aggressive M&A moves to consolidate their hold in the north American markets.

The wildcard for 2018 may well be healthcare industry consolidation (Aetna-CVS, Cigna-Express Scripts) and the emergence of a new category of healthcare player who could be technology buyers as well as sellers (Amazon, Apple). The digital health startup ecosystem continues to receive billions in VC money, but exits are not keeping pace. These are happy hunting grounds for global consulting firms looking to acquire their way into innovative platform solutions. However, valuations for successful digital health startups are high, and some global firms with high cash piles are choosing to return money to shareholders through buybacks (or are being forced into it by activist shareholders) than to risk losing it on misplaced bets.

As the title of this note implies, the global IT consulting industry is looking to enter a new fantastical world of digital transformation opportunities, much like Alice did in Lewis Carroll’s fantastical tale.

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March 20, 2018



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Glossary of terms used in this

- OM: Operating margin
- QoQ: Quarter on quarter
- YoY: Year over year
- \$: USD
- HLS: Healthcare and Life Sciences
- CTS: Cognizant Technology Solutions
- TCS: Tata Consultancy Services

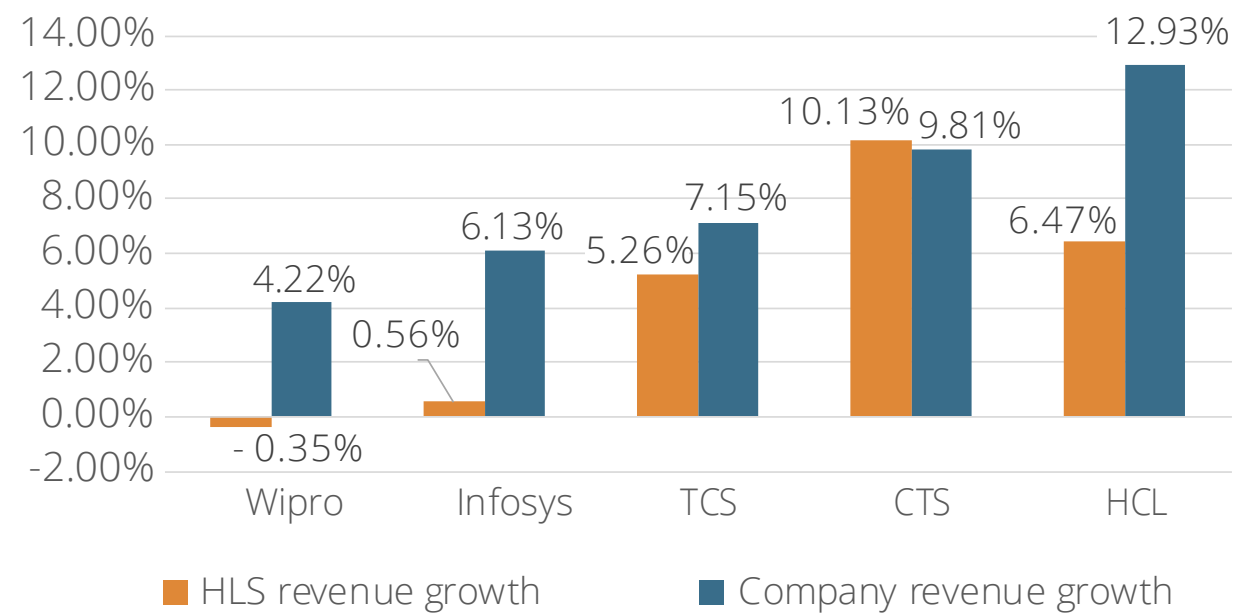


Financials and Market Performance: The WITCH Companies

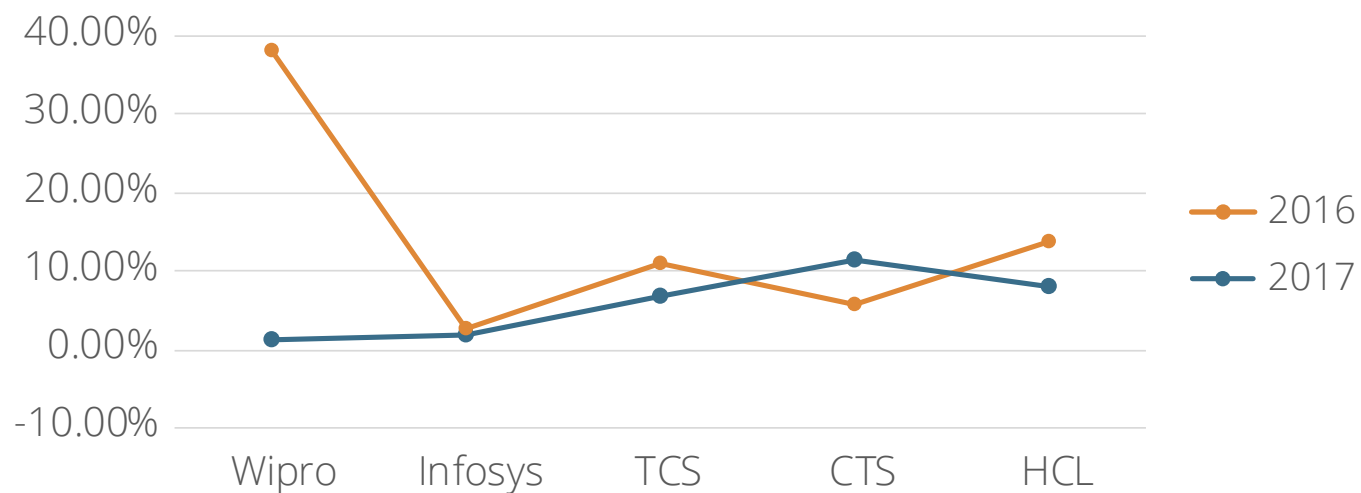
The WITCH group: Healthcare financials

HLS Vs Overall Company Revenue Growth % Comparison

For 4 quarters ending Dec 31, 2017



HLS Revenue Growth Rate 2016 Vs 2017



Performance Highlights

- HLS revenue growth in 2017 trailed behind company revenue growth for all companies, except Cognizant, which continues to have the highest revenue in the HLS business among the peer group, as well as the highest OMs.
- HCL has seen the best incremental performance in terms of overall company growth. However, HLS revenue growth slowed down in 2017 compared to 2016.
- Wipro is the only company in the group whose revenues have declined in 2017 compared to 2016, with a significant drop in OM in Q4 2017.
- Cognizant's aggressive acquisition strategy in the past few years seem to be paying off compared to that of others in peer group (notably Wipro).
- All companies continue to maintain a stated pivot to digital with some seeing pilot projects on digital move mainstream to largescale enterprise level initiatives.

Financial Summary Table

Company	Year	Company revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % of total	HLS operating margin (Avg 2017)	HLS revenue growth (YoY)	Company revenue growth (YoY)
Wipro	2017	7953	1151	14.47%	10.51%	(.35%)	4.22%
	2016	7632	1155	15.13%	16.19%	38%	5.44%
Infosys	2017	10703	709	6.62%	27.66%*	0.57%	6.13%
	2016	10085	708	7.00%	28.17%*	2.61%	16.16%
TCS	2017	18570	1323	7.12%	N.A	5.38%	7.15%
	2016	17331	1256	7.25%	N.A	10.86%	6.73%
CTS	2017	14810	4263	28.78%	30.54%	10.13%	9.81%
	2016	13487	3871	29.19%	29.83%	5.56%	8.63%
HCL	2017	7617	889	11.67%	N.A	6.47%	12.93%
	2016	6745	835	12.38%	N.A	13.76%	9.8%

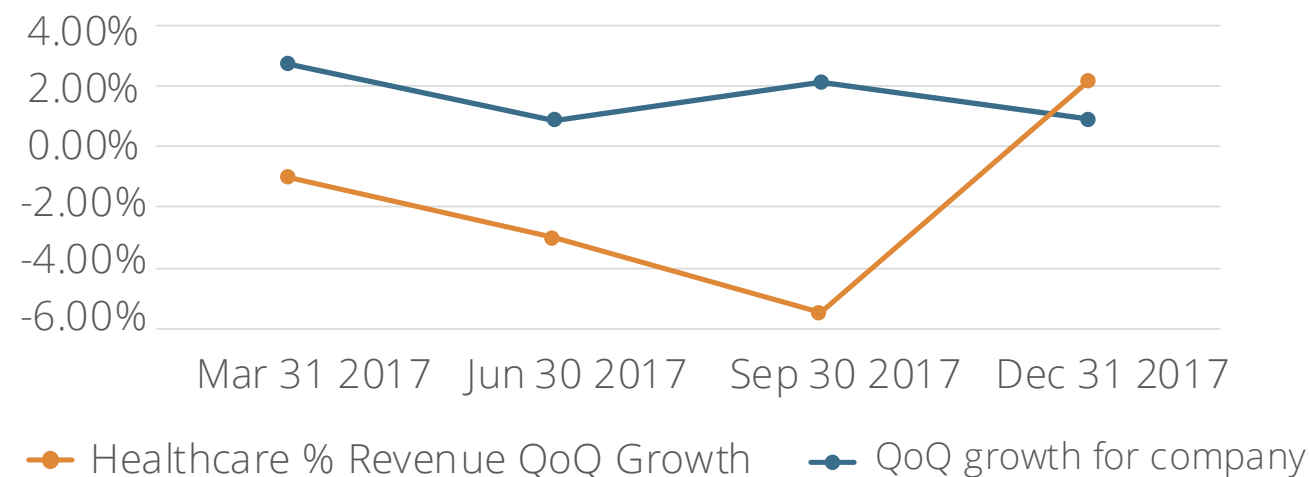
* Operating margin is combined for HLS and Insurance business.

Wipro: 2017 performance and highlights

Healthcare revenue recovers in Q4 but declines YoY. Operating margins drop significantly

Revenue growth over last 4 quarters

For 4 quarters ending Dec 31, 2017



- For the four quarters ending Dec 31, 2017, the overall revenue performance has declined by 0.35% (compared to previous 4 quarters in 2016); However, revenue growth has recovered in Q4 2017. HLS margins are one of the lowest among peer group. In 2017 the average operating margin was 10.51%, a sharp drop of 35% over 2016 (16.19%).

- Wipro has struggled with the Health Plan Services (HPS) business all through 2017. In the immediate aftermath of the election, the company was impacted by a cancellation of contracts from the exchange markets. The company wrote off 6% of the goodwill on the HPS acquisition in Q1, and in Q3 it re-estimated earnings and indicated a potential loss of \$125 million in annual revenue from this business. The company states that the impact of HPS has bottomed out and revenue has recovered in Q4.
- The company started reskilling the HPS resources and repurposing the platform for adjacent use cases during the year.

Operating Margins – Company and HLS

Results for period ending Dec 31 2017	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare QoQ % revenue growth	Growth QoQ for company
Mar 31 2017	1955	301	15.40%	(0.05%)	(1.00%)	2.73%
Jun 30 2017	1972	292	14.80%	14.28%	(3.00%)	0.87%
Sep 30 2017	2014	276	13.70%	15.00%	(5.48%)	2.13%
Dec 31 2017	2013	282	14.00%	12.80%	2.14%	0.9%

Year	Total revenue (in USD MM)	HLS revenue (in USD MM)	Average Healthcare % revenue	Average HLS operating margin	Healthcare YoY % revenue growth	Growth YoY for company
2017	7954	1151	14.47%	10.51%	(0.35%)	4.22%
2016	7632	1155	15.13%	16.19%	38%	5.44%

Wipro: 2017 company highlights

Q1 2017

- T K Kurien, Executive Vice Chairman & Member of the Board retires on January 31, 2017. Abidali Neemuchwala is named CEO.
- Partners with PATH to improve health outcomes in Africa and Asia Pacific. The collaboration will accelerate progress on health innovations in low-resource environments.
- Launches the HOLMES™ Cloud BOT that uses a gamified natural language processing (NLP)-based chat interface.
- Wipro wins a 12-year contract to develop enterprise master patient index tool for the National Healthcare System (NHS) in Scotland.

Q2 2017

- Partners with and invests in Tricentis to deliver end-to-end hyper automation across quality lifecycle.
- Joins the Enterprise Ethereum Alliance as a founding member. EEA is a collaboration of enterprises to promote, develop and implement enterprise grade Ethereum-based blockchain applications across industries for specific business use cases.
- Opens innovation center in Silicon Valley that will help the company develop new technologies and support its collaboration with startups in the region.
- Launches Big Data Analytics-as-a-Service solution on Microsoft Azure Data Discovery Platform that will enable businesses to bridge the gap between the insights required by business and the information that is available.

Wipro: 2017 company highlights

Q3 2017

- Company sees slowdown in healthcare, primarily due to HPS unit which relies on the ACA exchange markets (estimated revenue loss of \$125 million).
- Announces a new client win to offer its Data Discovery Platform Solution to a Mid-Size Healthcare Provider in the US



Q4 2017

- Invests USD 9.9 million in marketing consultant Harte Hanks and will jointly offer end-to-end marketing technology services to customers.
- Launches Hybrid Crowd, a first-of-its-kind platform enabling companies to crowdsource digital projects to certified experts.
- Joins hands with ThreatModeler to deliver enterprise threat modeling capabilities to MSSPs and other organizations. The partnership allows contractors and consultancy firms access ThreatModeler's platform via Wipro.

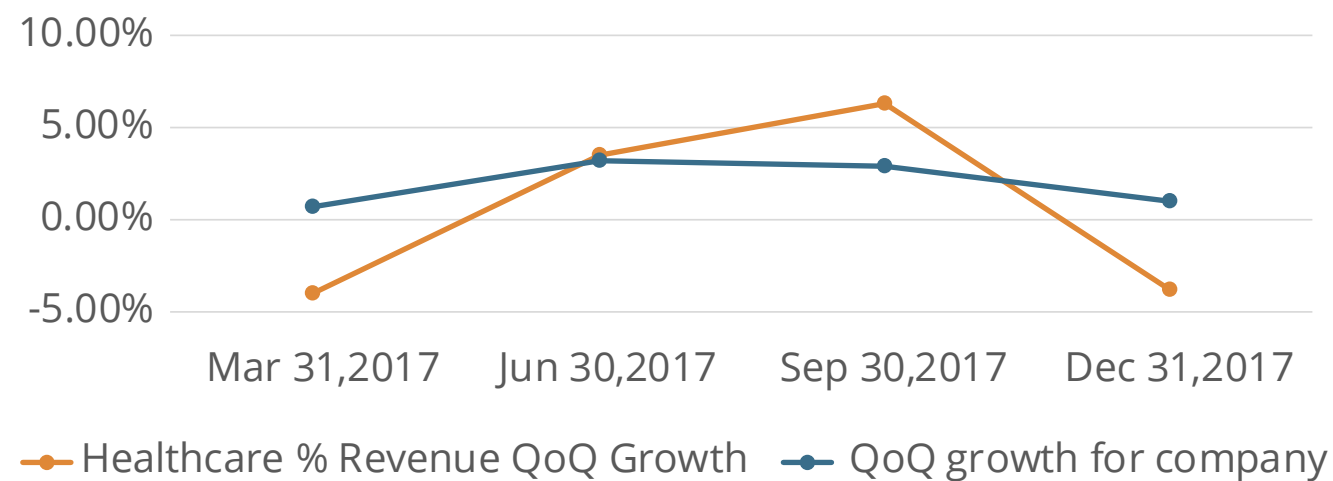


Infosys: 2017 performance and highlights

Operating margins stable, HLS revenue growth drops in Q4

Revenue growth over last 4 quarters

For 4 quarters ending Dec 31, 2017



- While the company reports revenues on a segment basis, the margins are reported for the combined HLS and Insurance business segments.

Financials – Company and HLS

Results for period ending Dec 31 2017	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin*	Healthcare % QoQ revenue growth (Q4)	QoQ growth for company (Q4)
Mar 31 2017	2569	169	6.60%	27.64%	(4.00%)	0.71%
Jun 30 2017	2651	175	6.60%	27.60%	3.55%	3.19%
Sep 30 2017	2728	186	6.82%	26.33%	6.29%	2.9%
Dec 31 2017	2755	179	6.50%	29.08%	(3.76%)	1.00%

* Operating margin is combined for HLS and Insurance business.

Year	Total revenue (in USD MM)	HLS revenue (in USD MM)	Average Healthcare % revenue	Average HLS operating margin	Healthcare YoY % revenue growth	Growth YoY for company
2017	10703	709	6.62%	27.66%	0.57%	6.13%
2016	10085	708	7.00%	28.17%	2.61%	16.16%

- For the 4 quarters ending 2017, the growth in HLS (compared to 4 quarters ending 2016) has been lower (0.57%) compared to overall growth of the company (6.12%). The margins have held steady at ~27%.
- The company had two poor quarters during the year with respect a QoQ revenue drop of 4.00% (in quarter 1) and 3.76%(in quarter 4) when its peers (barring Wipro) saw better performance during those quarters.
- HLS revenue growth has been one of the lowest in the past couple of years.

Infosys: 2017 company highlights

Q1 2017

- Partners with the Texas Department of Family & Protective Services (DFPS) to modernize the agency's IMPACT (Information Management Protecting Adults and Children of Texas) system.
- Joins Salesforce Partner Ecosystem and becomes one of the first Analytics Cloud partners to bring both systems integrator leadership and independent software vendor (ISV) capability.
- The Infosys Board identifies an amount of \$2 billion that will be paid out to shareholders in the form of dividend and/or share buyback.
- Announces it will create 10,000 jobs in the US over the next two years and establish four technology and innovation hubs in the US.

Q2 2017

- Announces that Infosys Mana and AssistEdge (Robotic Process Automation (RPA) solution) together have signed 50+ clients and 150+ engagements across all industry sectors, within a year of operations.
- Appoints Inderpreet Sawhney as Group General Counsel and D. Sundaram as an independent Director of the Company
- Launches Infosys Nia, the next-generation Artificial Intelligence Platform, as a unified, flexible, and modular platform converging the capabilities of Mana, AssistEdge, Skytree, optical character recognition, natural language processing and infrastructure management services.

Infosys: 2017 company highlights

Q3 2017

- Infosys CEO Vishal Sikka resigns from the company (Aug 2017).
- Board of Directors appoints Mr. Nandan Nilekani as the non executive chairman of the board. He is one of the co-founders of Infosys and served as its CEO from 2002 to 2007.



Q4 2017

- Infosys partners with paperless validation company ValGenesis (South San Francisco, California-headquartered) to enhance compliance and quality management for its customers in the healthcare and life sciences sectors.
- Infosys announces a multi-year partnership with the State of Rhode Island to establish a design and innovation hub. Infosys will hire 500 American workers in Rhode Island over the next five years.

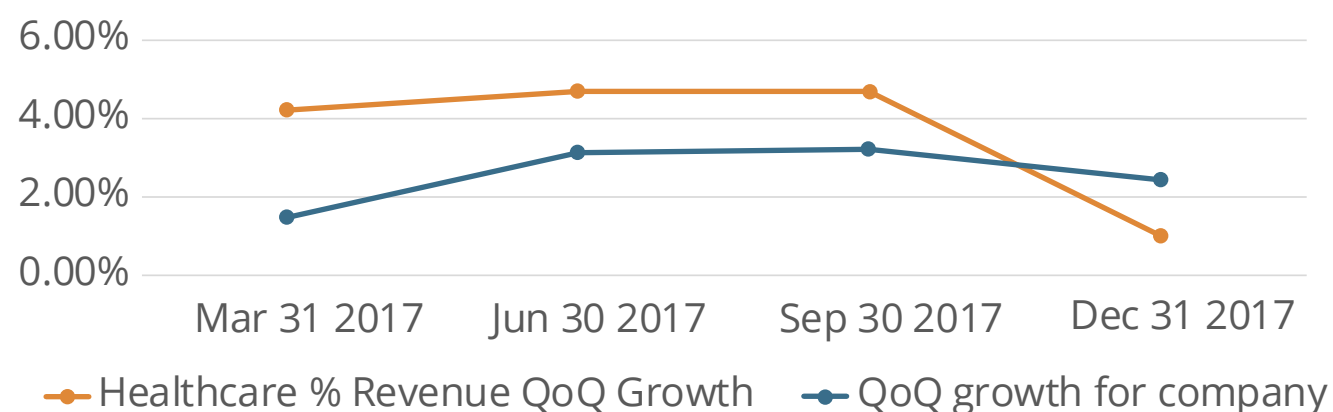


Tata Consultancy Services: 2017 performance and highlights

HLS business growth slower than overall company growth, significant decline in Q4 growth rate

Revenue growth over last 4 quarters

For 4 quarters ending Dec 31, 2017



- The company has a contingent liability of \$440 million for the punitive damages from the Epic lawsuit, which can potentially impact margins significantly.

- TCS' revenue growth rate in 2017 at 5.26%, was half the growth rate (10.26%) in 2016. The share of HLS revenue to overall revenue dipped slightly in 2017 to 7.12% from 7.25% in 2016.
- In Q2, the company announced a major pivot to a horizontal structure, appointing senior leaders as heads of new business units focused on two key themes: End-to-end digital transformation and analytics, cloud, IoT and automation.
- The company also combined HLS numbers into the "others" category for segment-wise reporting. The operating margin of "others" (of which HLS is a significant part), at ~23%, is one of the lowest among all business segments of the company.

Financials – Company and HLS

Results for period ending Dec 31 2017	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare QoQ % revenue growth	QoQ growth for company
Mar 31 2017	4452	307	6.90%	N.A	4.22%	1.48%
Jun 30 2017	4591	326	7.10%	N.A	4.70%	3.12%
Sep 30 2017	4739	341	7.20%	N.A	4.68%	3.22%
Dec 31 2017	4787	349	7.30%	N.A	2.35%	1.01%

Year	Total revenue (in USD MM)	HLS revenue (in USD MM)	Average Healthcare % revenue	Average HLS operating margin	Healthcare YoY % revenue growth	Growth YoY for company
2017	18570	1323	7.12%	N.A	5.38%	7.15%
2016	17331	1256	7.25%	N.A	10.86%	6.73%

Tata Consultancy Services: 2017 company highlights

Q1 2017

- CEO Rajesh Gopinathan and COO NG Subramaniam appointed to the Board, V Ramakrishnan appointed CFO.
- Receives shareholders' approval to buyback shares worth \$2.4 billion.
- Selected by a leading European Life Science company to design and transform IT solutions to institutionalize an agile, replicable divestiture capability.
- Engaged by a North American pharma company to manage its applications across the Enterprise and Manufacturing Operations.
- Selected by a North American biotechnology company as a strategic partner for Digital transformation.

Q2 2017

- Implements a major organizational restructuring driven by a need for seamless orchestration of multiple services required to execute and implement end-to-end digital transformation. Creates new horizontal organization called the Business and Technology Services group, or BTS, headed by Krishnan Ramanujam.
- Appoints veteran Ravi Viswanathan as its global chief marketing officer, reporting to CEO Rajesh Gopinathan.
- Selected by a European food and health retail major to empower customers by using real-time spend analytics solution using Big Data technologies.

Tata Consultancy Services: 2017 company highlights

Q3 2017

- The company classifies Healthcare business under "others".
- Punitive damages from Epic lawsuit reduced from \$940 to \$420 million.
- Launches Connected Clinical Trials Platform in its Advanced Drug Development Suite. This new platform will enable pharmaceutical companies to significantly transform patient engagement in clinical trials and improve the efficiency and accountability of the clinical supply process.

Q4 2017

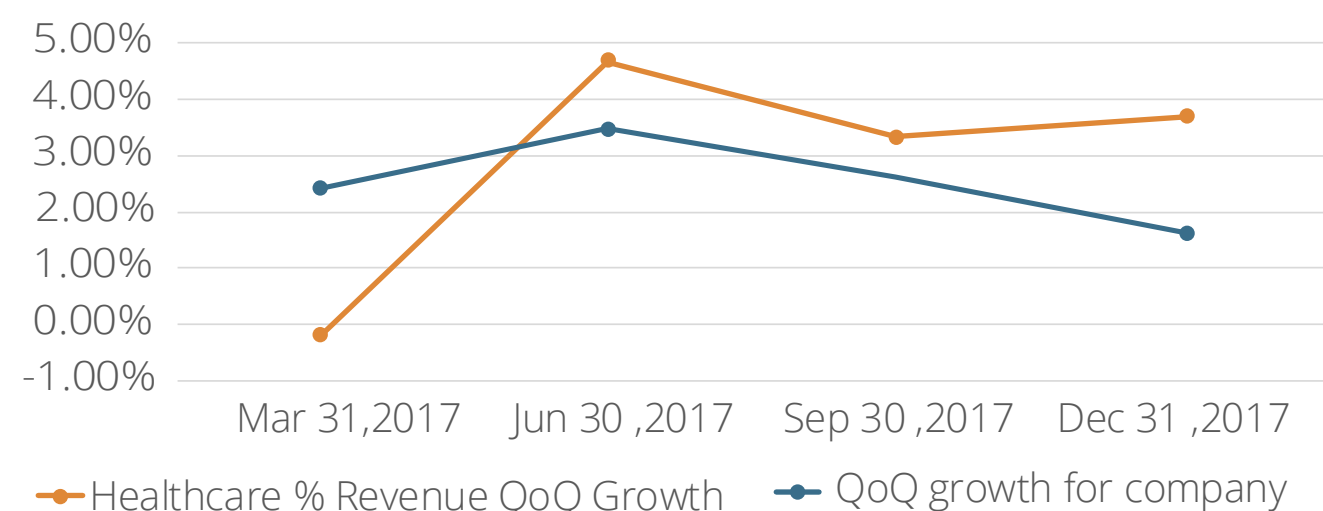
- Enters into an agreement with Transamerica, a leading provider of life insurance, retirement and investment solutions, to enable the transformation of administration of its US insurance and annuity business lines (includes supplemental health insurance). This agreement values more than \$2 billion in revenues.
- Launches enterprise cloud platform powered by Cisco application centric infrastructure as a secure bi-Modal cloud solution for enterprise clients.
- TCS's request to dismiss a lawsuit (which alleged the company favored South Asians) was rejected (by a California court) and has expanded into a class action suit.

Cognizant: 2017 performance and highlights

HLS outperforms company: Continues to be the leader in peer group

Revenue growth over last 4 quarters

For 4 quarters ending Dec 31, 2017



- Cognizant's 2015 acquisition of Trizetto for \$2.8 billion has contributed to expanding HLS revenues, growing from \$673 million a quarter in 2014 (pre Trizetto) to \$1 billion a quarter in 2017. There does not appear to be any significant margin impact from the acquisition.

Operating Margins – Company and HLS

Results for period ending Dec 31 2017	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare QoQ % revenue growth (Q4)	QoQ growth for company (Q4)
Mar 31 2017	3546	1003	28.28%	27.21%	(0.20%)	2.42%
Jun 30 2017	3670	1050	28.61%	32.67%	4.68%	3.50%
Sep 30 2017	3766	1085	28.81%	31.98%	3.33%	2.62%
Dec 31 2017	3828	1125	28.81%	30.31%	3.69%	1.65%

Year	Total revenue (in USD MM)	HLS revenue (in USD MM)	Average Healthcare % revenue	Average HLS operating margin	Healthcare YoY % revenue growth	Growth YoY for company
2017	14810	4263	23.33%	30.54%	10.13%	9.81%
2016	13487	3871	29.19%	29.83%	5.56%	8.63%

- Cognizant's 2017 operating profit increased to an average of 30.54% (29.83% in 2016).
- HLS revenue growth rate in 2017 of 10.13% , nearly double the growth rate achieved in 2016 (5.56%). The Life Sciences segment contributed to 29% of growth in 2017 (32% in 2016). In 2017 new business contributed to 10.2% of revenue growth (24.6% in 2016).
- The company made one significant acquisition in 2017; TMG Health, a unit of health insurance major HCSC that operates in the Medicare and Medicaid managed services markets.

Cognizant: 2017 company highlights

Q1 2017

- Acquires Brilliant Service Co. Ltd.; strengthens digital transformation portfolio and capabilities to enable clients to build connected, collaborative businesses.
- Elects Betsy S. Atkins and John M. Dineen to its Board as new independent directors, effective Apr 1, 2017.
- Announces share buyback during fiscal 2018 worth \$3.4 billion.
- Santa Clara Family Health Plan (SCFHP) selects TriZetto to support their overall administration of its business operations on a single, modern healthcare platform.
- LifeBridge Health, Maryland, teams up with Cognizant to innovate on a new communications system serving the LifeBridge network of more than 1,700 physicians, their patients and regional health facilities.
- Announces a new client win with a large US-based pharmaceutical and medical device company to transform their field services, quality, and complaints processes.

Q2 2017

- Acquires Health Care Service Corporation's (HCSC) subsidiary TMG Health as part of the expansion of its strategic relationship with HCSC. TMG Health will enter into a new, expanded multi-year service agreement to continue providing information technology, business process and other services to HCSC's various operating units and subsidiaries.
- Moves TriZetto products to the Microsoft Azure cloud and launches TriZetto Healthcare Cloud Solution to help their 300 active TriZetto clients migrate from their on-premise software to the cloud.
- Collaborates with TransCelerate BioPharma Inc. to launch new Shared Investigator Platform (SIP) capabilities that make it easier for clinical trial researchers to access, share and analyze data.
- Joins Align Biopharma, a life sciences industry standards group, to make it faster and easier for healthcare professionals to connect with the life sciences industry.

Cognizant: 2017 company highlights

Q3 2017

- HLS revenue growth and operating margin slows down from previous quarter, as does overall company growth.
- Discloses that the company provides products and services to more than 230 organizations that support a substantial percentage of the Medicare Advantage and manage Medicaid markets.
- Completes the acquisition of TMG Health, a provider of business process services to the Medicare Advantage, Medicare Part D and Managed Medicaid markets in the United States. TMG Health will augment Cognizant's BPaaS solutions for the government and public health program markets.



Q4 2017

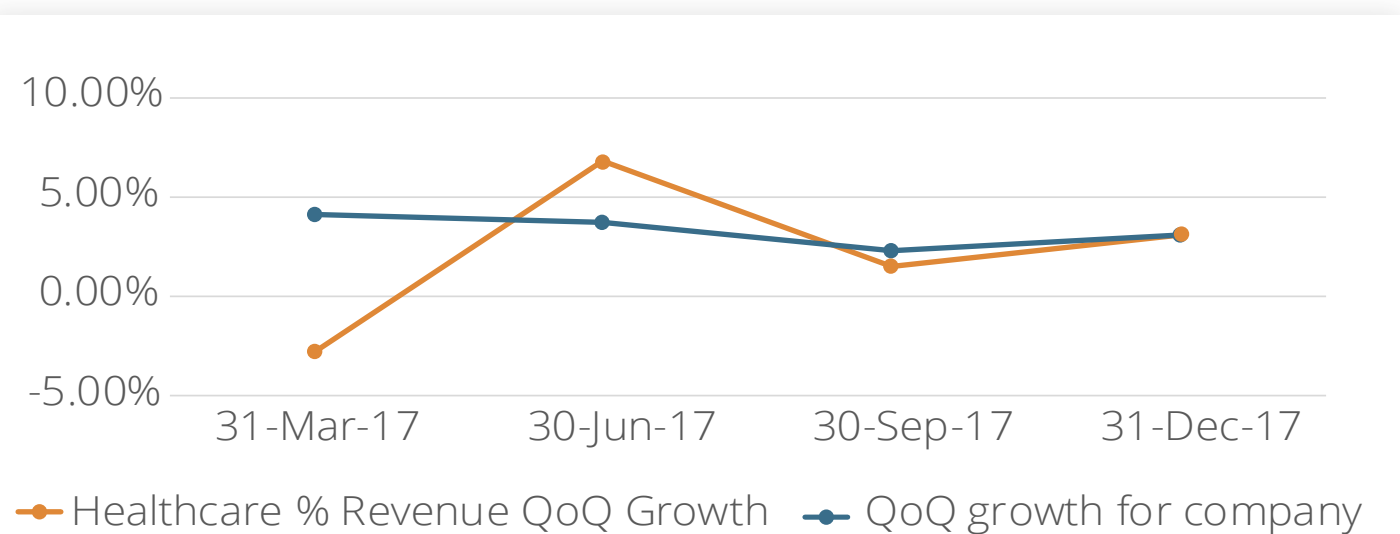
- In Q4, company states that it sees strong growth in biopharma in life sciences segment and is also witnessing growing interest in digitizing core business processes such as clinical development and regulatory operations among its life sciences clients.
- Company states it sees consistent demand across payer clients and increasing interest for their digital, analytics, cloud and virtualization solutions.
- Company is also witnessing a shift from fee-for-service delivery model to a value-based care model that focuses on effective engagement with data-driven insight.
- Announces Joseph M. Velli as a new independent director to its board of directors. Mr. Velli previously served as Senior Executive Vice President and as a member of the Senior Policy Committee of The Bank of New York.

HCL: 2017 performance and highlights

Overall revenue growth rates at the upper end of peer group; however inconsistent across quarters

Revenue growth over last 4 quarters

For 4 quarters ending Dec 31, 2017



Operating Margins – Company and HLS

Results for period ending Dec 31 2017	Total revenue (in USD MM)	HLS revenue (in USD MM)	Healthcare % revenue	HLS operating margin	Healthcare QoQ % revenue growth	QoQ growth for company
Mar 31 2017	1817	208	11.50%	N.A	(2.80%)	4.12%
Jun 30 2017	1884	222	11.80%	N.A	6.80%	3.69%
Sep 30 2017	1928	226	11.72%	N.A	1.47%	2.34%
Dec 31 2017	1988	233	11.72%	N.A	(3.09%)	3.11%

Year	Total revenue (in USD MM)	HLS revenue (in USD MM)	Average Healthcare % revenue	Average HLS operating margin	Healthcare YoY % revenue growth	Growth YoY for company
2017	7617	889	11.67%	N.A	6.47%	12.93%
2016	6745	835	12.38%	N.A	13.76%	9.87%

- HCL has performed better than most of its peers (except Cognizant) in terms of HLS revenue growth (6.47% in 2017). However the growth rate has slowed down significantly compared to 2016 (13.76% YoY for 2016).
- Company reveals it has invested \$1.1 billion till date on IP partnerships.

HCL: 2017 company highlights

Q1 2017

- Announces partnership with IBM to build industry-leading application security solutions.
- Announces it will buy back up to 350 million shares worth \$535.5 million.



Q2 2017

- Company indicates softness in the Infrastructure Management Services (IMS) business which could impact HCL business as well in coming quarters.



HCL: 2017 company highlights

Q3 2017

- Announces a deal to provide a Predictive Maintenance Solution to a Fortune 500 Global Life Sciences Technology provider.
- Launches AI-powered process transformation platform and consulting offerings, DRYiCE COPA and DRYiCE TAO platforms. The platforms incorporate smart AI-powered elements for driving automation and orchestration of IT / business processes.



Q4 2017

- Partners with Siemens on Mindsphere, a cloud-based open IoT operating system that comprises technology, application development, connectivity solutions, system integration and go-to-market strategy.
- Collaborates with Red Hat to offer HCL Application Platform-as-a-Service (PaaS) services to enterprises. The collaboration combines Red Hat, an open source and cloud services provider's OpenShift Container Platform with HCL's IT transformation and operations capabilities as a holistic application PaaS solution.



Financials and Market Performance: Select Global Consulting Firms

Accenture

Q1 2017

- Appoints Tracey T. Travis, CFO of The Estée Lauder Companies, to Board of Directors; hires Rafael López as a Managing Director in its Health and Public Service Practice.
- Acquires LabAnswer to provide clients with more comprehensive scientific informatics capabilities.
- Announces it is helping a global healthcare company embrace digital across its entire enterprise, using Accenture myWizard, an intelligence automation platform to improve application quality and productivity.
- Acquires UK-based Genfour to strengthen its capabilities as a leading provider of intelligent automation services.
- Acquires Altitude, a product design and innovation firm, to help clients innovate and develop new physical products and services.
- Announces partnership with Blue Prism to provide RPA solutions to help organizations across industries automate a wide range of business processes for reduced costs, improved compliance and increased productivity.

Q2 2017

- Health & Public Service (H&PS) segment came in lower than expected at 2% growth due to slower than expected decision making and initiation of new projects affected by continued uncertainty on healthcare legislation and state and federal budgets. These factors are expected to continue to impact H&PS business at least through the fourth quarter (Accenture fiscal ends Aug 31).
- Acquires Phase One Consulting Group, Inc. to enhance its Salesforce capabilities and client innovation in the cloud for federal market.
- Develops an AI-powered solution to help the visually impaired workforce around the world.
- Collaborates with Roche to transform diabetes patient care using data-driven analytics.
- Collaborates with BioCelerate to advance biopharmaceutical innovation through increased insights in R&D.
- Acquires Intrepid, a mobile strategy company, to help organizations create engaging mobile experiences for customers at speed and scale.
- Develops a new analytics platform to enhance the status and performance of clinical trials for the life sciences industry.

Accenture

Q3 2017

- Witnesses 4% growth in Healthcare and Public Services (H&PS) primarily led by growth in public services. H&PS came in lower than expected at 2% growth; Healthcare continues to be impacted by uncertainty in US healthcare legislation.
- Collaborates with Roche to develop an analytics platform that will enable Roche to underwrite data in a secure environment and generate insights to provide patients with more customized care.
- Helps Dai-ichi Life Insurance Company enhance its Kenko Dai-ichi (Health First) app that promotes healthy lifestyle choices and enables users to monitor their well-being.



Q4 2017

- Sees 8% growth in H&PS due to strong growth in both health and public service, led by double-digit growth in both Europe and the growth markets, and strong growth in North America.
- Partners with Loopback Analytics, a developer of population health management tools to help health providers prepare for new payment models and reduce clinical variation.
- Announces collaboration with Roche to enhance digital healthcare for cancer patients.



Atos

Q1 2017

- Announces it is acquiring zData, a Big Data solutions consulting firm serving many industries including healthcare. With this acquisition Atos strengthen its expertise in Big Data services in North America.

Q2 2017

- Despite the ACA repeal effort, company states that healthcare business had a strong commercial performance in Q2 and book to bill close to 170%.
- In the Infrastructure & Data Management practice, company witnesses growth primarily in the Public & Health sector, notably in North America, due to increase in volumes and additional scope from Oracle Exadata implementation for the Texas Department of Information Resources.

Q3 2017

- The four divisions of Atos - Infrastructure & Data Management, B&PSs, Big Data & Cybersecurity, and Worldline - post a growth of 2.5%.
- Acquires three key healthcare consulting companies in the US - Pursuit Healthcare Advisors, Conduent's Healthcare Provider Consulting business and Conduent's Breakaway Group business. These companies are expected to enable Atos to expand its presence in the fast-growing US digital health IT market.

Q4 2017

- Announces key changes in the corporate executive team. No major healthcare announcements during the quarter.

Capgemini

Q1 2017

- Acquires Idean, an experience design firm, to reinforce the company's user-centered and digital-first experience design and strategy services, particularly in North America. It will also extend its network of Digital studios.

Q2 2017

- Appoints Alexander Korogodsky as Vice President in the role of Global Head of Analytics within the Insights & Data Global Practice.
- Appoints Rosemary Stark as Global Sales Officer (GSO) reporting to Paul Hermelin, Chairman and CEO, Capgemini Group.

Q4 2017

- Acquires LiquidHub, a digital customer engagement firm that specializes in digital customer engagement, for \$500 million (400 million euros), to reinforce Capgemini's Digital Consulting capabilities in North America and accelerate its portfolio shift in the region. LiquidHub provides services such as data, analytics, creative, content, research, and media to more than 50 biopharma clients.



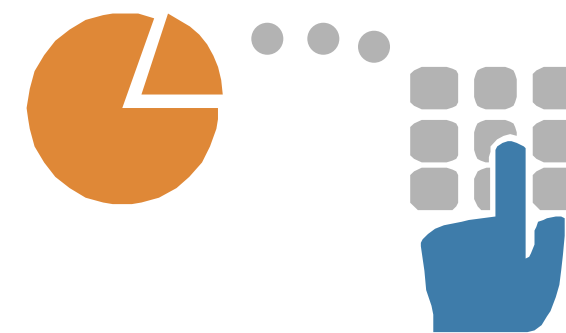
DXC Technology

Q1 2017

- DXC Technology is formed by the merger of HP Services and CSC Corporation, and is expected to have \$26 billion in annual revenues and nearly 6,000 clients in over 70 countries. CSC chairman, president and CEO, Mike Lawrie, to serve as DXC Technology chairman, president and CEO.
- Healthcare is one of the four integrated P&L units at DXC Technology. Healthcare portfolio comprises 11% of DXC Technology's total industry mix, and includes its own IP portfolio in healthcare.
- Fiscal 2017 was a difficult year for the healthcare business as DXC Technology transitioned out of a troubled contract with the UK's National Health Services (NHS). DXC was to deploy an integrated electronic patient records system for the NHS using CSC's Lorenzo Regional Care software products. In April 2015, CSC had signed a contract to deliver and co-manage a first-of-type Patient Care Co-ordination Centre (PCCC) in Trafford for NHS. CSC had lost about £2 billion by the end of 2014 on the NHS contracts.
- The DXC Technology board approved the establishment of a share repurchase program for the new company with an initial authorization of \$2.0 billion for future repurchases of outstanding shares of its common stock.

Q2 2017

- Acquires Tribridge, a cloud services and software firm, to solidify DXC's position as a leading global systems integrator for Microsoft Dynamics.
- Wins a deal with a major healthcare company for implementing Servicenow, an IT service desk platform.
- Digital revenue grows 13.4% YoY in constant currency; the industry IP and BPS revenue is down 3.2% reflecting the completion of a large phase of the UK NHS contract. Wraps up a significant completion of the NHS contract in UK which was the bulk of the revenue decline in previous quarters.



DXC Technology

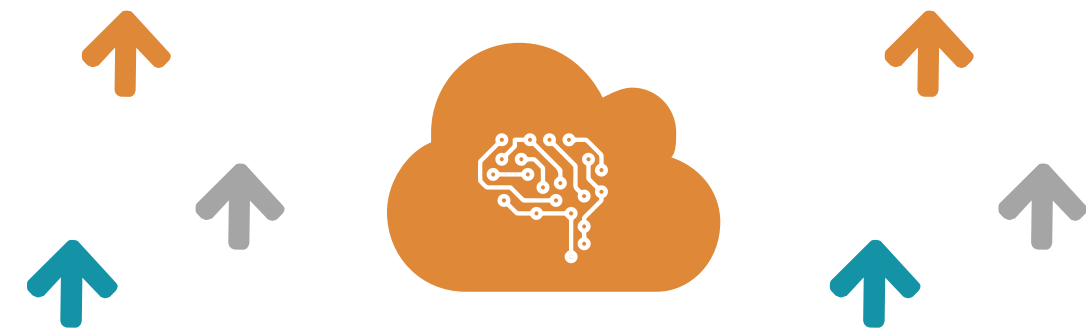
Q3 2017

- DXC digital GAAP revenue grows at 23% year-over-year and 15% sequentially. However, the industry IP and BPS GAAP revenue for healthcare is relatively flat year-over-year due to the completion of several large contracts from previous years, including the NHS.



Q4 2017

- Launches Agile Process Automation (APA), a new digital platform that combines cloud and RPA with embedded AI to enhance a company's business processes.



IBM

Q1 2017

- IBM Watson Health inks a five-year agreement with IDx to advance eye health through cognitive computing applications.
- Central New York Care Collaborative (CNYCC) selects IBM to create a cognitive population health platform to connect over 2,000 healthcare and community based providers across six counties in Central New York.
- Atrius Health and IBM Watson Health forge agreement to bring cognitive insights to primary care physicians and their patients.
- Jupiter Medical Center to adopt Watson to deliver personalized, evidence-based cancer treatment.
- IBM and the Avamere Family of Companies partner to help caregivers improve eldercare at senior living and health centers. Using IBM's cognitive computing, Avamere will analyze data streaming from sensors in senior living facilities to gain insights into physical and environmental conditions.
- IBM and Illumina Partner to expand access to genome data interpretation by integrating Watson for Genomics into Illumina's BaseSpace® Sequence Hub and tumor sequencing process.

- Announces partnership with the FDA to research how blockchain can be used to benefit public health.
- Announces that of the top 25 life sciences companies, about half are using or implementing IBM's cognitive offering.
- Announces collaboration with MedyMatch Technology to distribute MedyMatch's A.I.-based clinical decision support application to imaging experts in hospitals.

Q2 2017

- Collaborates with Hackensack Meridian Health to combine Watson for Oncology with their real-world data and help oncologists improve cancer treatment and reduce costs.

Q3 2017

- Reveals that cloud revenue accounts for 20% touching \$15.8 billion. Watson Health shows double-digit growth this quarter, with strength in Government, Oncology and Life Sciences similar to last quarter.
- IBM Research and UC San Diego collaborate to advance the use of AI for Healthy Living to enhance the quality of life and independence for aging populations.

Q4 2017

- The American Medical Association (AMA) partners with IBM and Cerner to develop integrated healthcare big data platform.

- The Centers for Disease Control and Prevention (CDC) signs an agreement with IBM Watson Health to research the use of blockchain for storing and exchanging medical data.
- IBM wins a contract from Vancouver-based company Fusion Genomics to help advance Fusion's ability to detect pandemics before they happen. Fusion Genomics has developed DNA and RNA technology that it believes can positively identify infectious diseases and enhance the surveillance of emerging pathogens like MERS, SARS, avian flu, and swine flu.
- IBM announces new offerings to its Watson Data Platform, including data cataloging and data refining, which is designed to make it easier for developers and data scientists to analyze and prepare enterprise data for AI applications, regardless of its structure or where it resides.
- The IBM Board of Directors elects Joseph R. Swedish and Frederick H. Waddell to the board. Joseph R. Swedish is the chairman, president and chief executive officer of Anthem, Inc. Frederick H. Waddell is the chairman and chief executive officer of Northern Trust Corporation.

NTT DATA

Q1 2017

- In FY 2016, NTT Data witnesses an increase in new orders, 16.3% YoY to touch \$14.62 billion. With the Dell Services acquisition, NTT DATA will expand its revenue in North America in healthcare from 13% to 33%. The combined entity has a strong reputation for industry-specific digital solutions and BPO services it provides to healthcare institutions and health insurers.
- Announces collaboration with Oracle to provide data integration and warehousing of clinical, financial, administrative and -omics modules in a cloud solution to customers worldwide.
- UCA, NTT DATA's Vendor Neutral Archive (VNA) platform, expands automated imaging analytics to include incidental findings that could signal potential patient risk and may otherwise be unreported.
- Announces a five-year, \$62 million contract with the Centers for Disease Control and Prevention (CDC) to provide application hosting, file storage, operations monitoring, data center support and cloud management.

Q2 2017

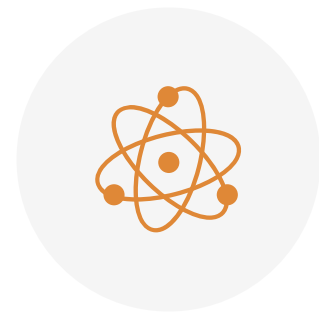
- Partners with Praxify to provide enhanced clinical workflows to hospitals and health systems using MIRA technology (Athena Health has since acquired Praxify Technologies).
- Makes a strategic capital investment in enterprise NoSQL database provider MarkLogic Corporation, to deliver integrated next-generation database systems and business services worldwide.



NTT DATA

Q3 2017

- Announces the expansion of the agreement with Automation Anywhere, an automation software company, to include its RPA, cognitive and analytics solutions in NTT DATA's end-to-end automation ecosystem.
- Joins the Enterprise Ethereum Alliance to boost its technology skill in blockchain.



Q4 2017

- In North America, under the new structure of NTT DATA announced in April 2017, the company emphasizes on its expansion motives for its healthcare business.
- Announces a new unified clinical analytics and management platform based on AI and Analytics. The platform is designed to integrate imaging analytics in workflows of clinical teams and radiologists to meet the new VBC standards to achieve a good therapeutic results and cost reduction.



Annexure: Select Transactions

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Company name	Client	Nature of transaction	Announced
Wipro	PATH	Partnership to improve health in developing countries	Jan-17
	NHS Scotland	Contract to build a next generation Enterprise Master Patient Index (eMPI)	Mar-17
	Ramot	Partnership for joint research in emerging technologies	Jul-17
	Tricentis	Investment cum partnership to deliver end-to-end hyper automation	Aug-17
	ConsenSys	Partnership to create an Ethereum engineering community on the Topcoder platform	Sep-17
	ThreatModeler	Partnership to deliver enterprise threat modeling capabilities to MSSPs and other organizations	Dec-17
Infosys	Texas Department of Family & Protective Services (DFPS)	Partnership to modernize the agency's IMPACT (Information Management Protecting Adults and Children of Texas) system	Mar-17
	Bodhtree Consulting Limited	Partnership to offer GST solutions	Jun-17
	ValGenesis	Partnership to enhance compliance and quality management for healthcare and life sciences customers	Jan-18

Annexure: Select Transactions

Company name	Client	Nature of transaction	Announced
Tata Consultancy Services	a European food and health retail major	To empower customers by using real-time spend analytics solution using Big Data technologies	Q1 2017
	Siemens	Partnership for Industrial IOT	Jun-17
	Palo Alto Networks	Collaboration to offer public cloud security services	Oct-17
	Transamerica	Partnership to digitally transform TCS's Life and Annuities business (includes supplemental health insurance)	Jan-18
	Mesosphere	Partnership to enhance data services and infrastructure management capabilities	Jan-18
Cognizant	Santa Clara Family Health Plan (SCFHP)	Selects Trizetto platform for business operations	Jan-17
	TMG Health (subsidiary of Health Care Services Corporation (HCSC))	Acquisition	Jun-17

Annexure: Select Transactions

Company name	Client	Nature of transaction	Announced
HCL	a Fortune 500 Global Life Sciences Technology Provider	Partnership to provide Predictive Maintenance Solution	Oct-17
	Red Hat	Collaboration to offer Application Platform-as-a-Service (PaaS) services	Nov-17
	Siemens	Partnership on Industry 4.0 solutions	Dec-17
Accenture	Altitude	Acquisition	Jan-17
	Blue Prism	Collaboration to provide RPA	Jan-17
	Genfour	Acquisition	Apr-17
	BioCelerate	Collaboration to develop a platform that will improve drug development efficiency	Apr-17
	Phase One Consulting Group	Acquisition	Jun-17
	Roche	Collaboration to develop a data-driven core analytics platform in diabetes	Jul-17
	LabAnswer	Acquisition	Jun-17

Annexure: Select Transactions

Company name	Client	Nature of transaction	Announced
Accenture	Intrepid	Acquisition	Jun-17
	MATTER	Acquisition	Sep-17
	Wire Stone	Acquisition	Aug-17
	Phase One Consulting Group	Acquisition	Aug-17
	Veeva Systems	Collaboration to advance regulatory information management	Oct-17
	Dai-ichi Life Insurance Company	To enhance Kenko Dai-ichi (Health First) app	Oct-17
	Ohio National Financial Services	Deploys Accenture Life Insurance and Annuity Platform (ALIP)	Oct-17
	Boulder Crest Retreat Foundation	Partnership to build an on-line community to transform the way veterans receive care	Nov-17

Annexure: Select Transactions

Company name	Client	Nature of transaction	Announced
Accenture	Roche	Partnership to enhance digital healthcare for cancer patients	Dec-17
	Loopback Analytics	Partnership to support health systems participate in new value-based care models	Jan-18
	Veterans Benefits Administration	Wins a Modernization Contract	Jan-18
Atos	University College London Hospitals (UCLH) NHS Foundation Trust	Partner / service delivery	Jan-17
	Pursuit Healthcare Advisors	Acquisition	Oct-17
	Conduent's Healthcare Provider Consulting	Acquisition	Oct-17

Annexure: Select Transactions

Company name	Client	Nature of transaction	Announced
Atos	Conduent's Breakaway Group	Acquisition	Oct-17
Capgemini	Idean	Acquisition	Feb-17
	LiquidHub	Acquisition	Feb-18
DXC Technology	a major healthcare company	Customer win	Aug-17
	Tribridge	Acquisition	Jul-17

Annexure: Select Transactions

Company name	Client	Nature of transaction	Announced
IBM	Welltok	Partnership for population engagement	Jan-17
	FDA	Collaboration to study the use of Blockchain Technology for secure exchange of healthcare data	Jan-17
	Jupiter Medical Center	Use Watson for Oncology	Feb-17
	Central New York Care Collaborative (CNYCC)	Create a cognitive population health platform	Feb-17
	Atrius Health	Develop a cloud based service to improve the physician-patient experience	Feb-17
	MedyMatch	Partnership for licensing agreement	Mar-17
	IDx, LLC	Partnership to provide eye health through cognitive computing	Mar-17
	Arthritis Research UK	Develop Watson-powered 'virtual personal assistant'	Mar-17

Annexure: Select Transactions

Company name	Client	Nature of transaction	Announced
IBM	Sutter Health	Partnership to predict heart failure	May-17
	Map Health Management	Partnership for population engagement	May-17
	Novartis	Collaboration for breast cancer treatment	Jun-17
	Baheal Pharmaceutical Group	Partnership to bring genomics to China	Jun-17
	Hackensack Meridian Health	Collaboration to combine Watson with Cota technology	Jun-17
	UC San Diego	Collaboration to advance the use of AI for Healthy Living for the aged	Sep-17
	AMA	Partnership to bring structure and best practices to patient information and related health data	Oct-17
	Fusion Genomics	To help advance Fusion's ability to detect pandemics before they happen	Nov-17
	Salesforce	Expands partnership to bring IBM Cloud and Watson services with Salesforce Quip and Salesforce Service Cloud Einstein	Jan-18

Annexure: Select Transactions

Company name	Client	Nature of transaction	Announced
IBM	CDC	Partnership to research the use of blockchain for storing and exchanging medical data	Sep-17
NTT Data	Centers for Disease Control and Prevention (CDC)	Application hosting, file storage, operations monitoring, data center support and cloud management	Feb-17
	Oracle	Data integration and warehousing of clinical, financial, administrative and -omics modules in a cloud solution to customers worldwide	Feb-17
	Praxify	Partnership	Apr-17
	Automation Anywhere	Robotic Process Automation	Oct-17

The WITCH doctors



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