



Everest Group Banking Operations – Services PEAK Matrix® Assessment 2023

Focus on TCS
August 2023



Introduction

The landscape for banking operations market has become relatively consolidated at the top, with the leading participants capturing a bigger share of the pie and with the entry of specialists in a few banking segments. Cards and payments and retail banking emerged as high-growth LoBs. Enterprises are focusing to become future-ready, agile, and resilient to manage volume fluctuations and staff shortages.

Providers are differentiating themselves by offering as-a-service models and focusing on digital transformation solutions by leveraging analytics, automation, and AI, combined with industry expertise and an advisory-led approach. They are also actively leveraging the partnership ecosystem and making new acquisitions to augment their capabilities and improve the time-to-market of their offerings. Buyers are increasingly looking to partner with participants that can provide holistic support in the form of proactive guidance on industry best practices; customer experience design; and faster, cheaper, and better transformative models.

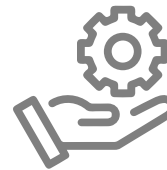
The full report includes the profiles of the following 34 leading banking operations service providers featured on the [Banking Operations – Services PEAK Matrix® Assessment 2023](#):

- **Leaders:** Accenture, Cognizant, Genpact, HCLTech, Infosys, TCS, and Wipro
- **Major Contenders:** Avaloq, Capgemini, Coforge, Concentrix, Conduent, Datamatics, DXC Technology, Exela Technologies, EXL, Firstsource, FIS, IBM, Mphasis, NTT DATA, Sutherland Global Services, TaskUs, Tech Mahindra, Teleperformance, Volante, and WNS
- **Aspirants:** Atos, CGI, Conneqt, Equiniti, LTIMindtree, Virtusa, and Writer Business Services

Scope of this report



Geography
Global



Providers
34



Services
Banking

Banking Operations services PEAK Matrix® characteristics

Leaders

Accenture, Cognizant, Genpact, HCLTech, Infosys, TCS, and Wipro

- Leaders have a relatively broad set of capabilities across cards and payments, retail banking, lending, and commercial banking operations
- These companies have expanded their presence across all major geographies, including North America, Continental Europe, the UK, and APAC
- Leaders maintain a balanced mix of onshore, nearshore, and offshore delivery locations to provide cost arbitrage as well as flexibility to their clients

Major Contenders

Avaloq, Capgemini, Coforge, Concentrix, Conduent, Datamatics, DXC Technology, Exela Technologies, EXL, Firstsource, FIS, IBM, Mphasis, NTT DATA, Sutherland Global Services, TaskUs, Tech Mahindra, Teleperformance, Volante, and WNS

- Major Contenders are actively pursuing organic and inorganic investment opportunities to expand their capabilities and capture a larger market
- They are building capabilities to serve different geographies and LoBs while specializing in certain regions and segments
- These companies are making efforts to have a more balanced mix in their delivery footprints

Aspirants

Atos, CGI, Conneqt, Equiniti, LTIMindtree, Virtusa, and Writer Business Services

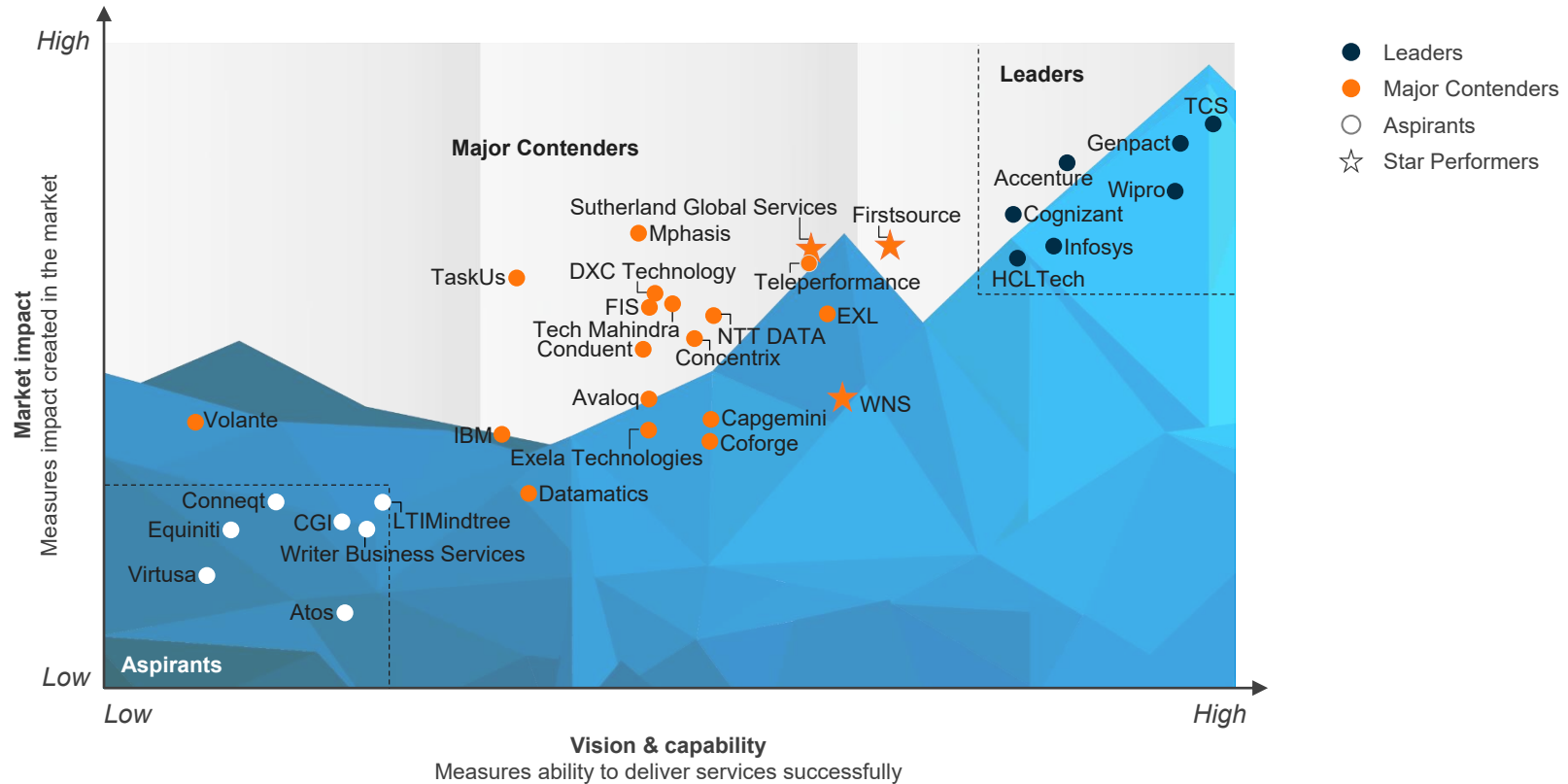
- Aspirants have a limited set of capabilities and smaller scale of operations, and, therefore, the market adoption of their services is low in the banking segment
- Due to lower market adoption, their client portfolios are limited

Everest Group PEAK Matrix®

Banking Operations – Services PEAK Matrix® Assessment 2023 | TCS is positioned as a Leader



Everest Group Banking Operations – Services PEAK Matrix® Assessment 2023¹



¹ Assessments for Atos, Avaloq, Capgemini, Concentrix, Conneqt, Equiniti, EXL, CGI, IBM, Virtusa, Conduent, and Volante excludes provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these providers, their public disclosures, and interaction with buyers. Please note that the data available to Everest Group for assessing these companies may be less comprehensive in some cases. Source: Everest Group (2023)

TCS profile (page 1 of 6)

Overview

Company overview

Tata Consultancy Services (TCS) is an IT, consulting, and business operations organization. TCS has a diverse base of BFS clients and extensive, in-depth domain expertise across all banking products. It strives to build deep relationships with its clients to help them become future-ready by enabling them to be smart (cognitive enterprise), humane (experience), and boundary-less (ecosystem). TCS' suite of services caters to all industry segments across retail banking, cards, lending, commercial banking, and capital markets, including cognitive-enabled digital and technology-led business operations offerings and solutions.

Headquarters: Mumbai, India

Website: www.tcs.com

Key leaders

- **K Krithivasan**, President and Global Head, Banking & Financial Services, TCS
- **Meenu Mittal**, Global Head, BFSI Cognitive Business Operations, TCS
- **Murali Chellappa**, Global Head, BFS Cognitive Business Operations, TCS

Suite of services

- Retail banking and investments / Private banking
- Cards
- Commercial/Wholesale banking
- Commercial real estate
- Payments
- ESG
- Consumer lending
- Risk management (credit, market, liquidity, operations, and regulatory)
- Financial crime & compliance (AML, fraud, etc.)
- KYC

Banking BPS ¹	March 2021	March 2022	YTD (November 30, 2022)
Revenue (US\$ million)	Not disclosed	Not disclosed	Not disclosed
Number of FTEs	30,000-33,000	31,000-34,000	32,000-35,000
Number of clients	75-85	80-90	90-100

¹ 12 months ending March 31 of any particular year, i.e., from April 1, YYYY to March 31, YYYY

Recent acquisitions and partnerships

- **2022:** certifications and learning hours for associates in partnership with product and platform providers such as AWS, MS Azure, and GCP
- **2022:** the Automated Appraisal Review solution, for lenders to digitally process residential real estate appraisals (US market)
- **2022:** a secured mobile app was designed in partnership with the client in order to register cards disputes instead of customers calling the contact center
- **2022:** partnership and separate business units focused on AWS, GCP, and Azure
- **2022:** an ESG Integrator Solution, to source, collate, aggregate, analyze, and present ESG-related data (including reporting and dashboards)

Recent developments

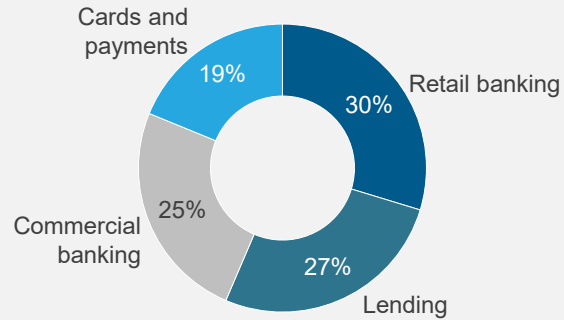
- **2022:** a Dispute Resolver tool, for call deflection, dispute registration through a video statement, IVR, NLP, and workflow
- **2022:** a Green Mortgage solution to facilitate the green mortgage application process
- **2022:** DevOps mentoring program with gamification (Live DevOps!) and formal video-led sessions (DevOps, SRE, and DataOps)
- **2022:** an Automated Adverse Media screening solution helps banks to screen their customer/counterparties against financial crimes, organized crimes, regulatory issues, and misconduct
- **2022:** analysis and research on FinTech/InsurTech industry and evaluating the solutions fitment for digital banking and ecosystem contexts for BFSI

TCS profile (page 2 of 6)

Capabilities and key clients

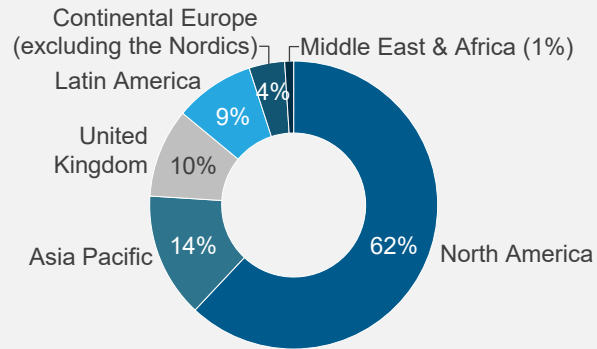
Banking BPS FTE mix by segment

Number of FTEs
100% = 32,000-35,000



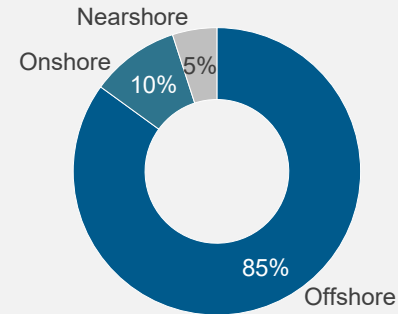
Banking BPS revenue mix by geography

Revenue in US\$ million
100% = Not disclosed



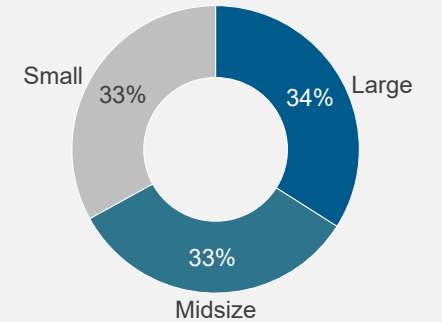
Banking BPS FTE split by delivery location

Number of FTEs
100% = Not disclosed



Banking BPS revenue mix by buyer size¹

Revenue in US\$ million
100% = Not disclosed



Key Banking operations engagements

Client name	LoB (cards and payments, retail banking, lending, commercial banking, and others (non-FCC))	Region	Client since
A large global bank	Retail banking – consumer lending, cards, investments, risk management (fraud), corporate banking, cash, payment, and trade finance	Global	2008
A Fortune 500 financial services annuity provider	Mortgage, retail banking, and insurance	North America	2009
A Leading European multinational bank	Retail banking and commercial banking	Europe	2014
A Top 5 Australian bank	Retail banking and cards	ANZ	2015
A UK-based leading building society	Mortgage and retail banking	UK	2017
A Leading Irish bank	Commercial and retail banking	Ireland	2021

¹ Buyer size is defined as large (>US\$10 billion in revenue), midsize (US\$5-10 billion in revenue), and small (<US\$5 billion in revenue)

TCS profile (page 3 of 6)

Technology solutions/tools

Application	LOB	Year launched	Description	No. of clients
Dispute Resolver	Cards, retail, and commercial banking	2022	The journey of the dispute process was made simple for the customer, as well as for front-office and back-office operations. Its features include call deflection, dispute registration through video statement, IVR, NLP, and workflow.	Not disclosed
Automated Appraisal Review (AAR)	Lending	2022	AAR is used for lenders to digitally process residential real estate appraisals (US market). It is a cognitive check-list based solution for compliance and QC to ensure the integrity and quality of the appraisal review process.	Not disclosed
Cognitive Automation for Guarantees	Commercial banking	2022	The solution is a complete reimagining of the bank guarantees process that includes an online channel, workflow management capabilities, AI/ML components for automated vetting, rule engines for automated validation, and integration components for e-stamping.	Not disclosed
Adverse Media Screening	Retail, lending, and commercial banking	2022	The solution is built on TCS patented algorithms that leverage data from multiple sources to analyze events and discover true events to predicate an offense. It also has NLP/ML components to enable sentiment prediction, a feedback learning mechanism as a part of event profiling for effective screening.	Not disclosed
ESG Integrator Solution	Retail, lending, and commercial banking	2022	It is a solution to source, collate, aggregate, analyze, and present ESG-related data (including reporting and dashboards). It is a cloud-native ESG integration solution leveraging cognitive technologies and AI/ML algorithms.	Not disclosed
EU Taxonomy Alignment Solution	Lending	2022	It is a solution to facilitate EU taxonomy alignment of the lending portfolio of financial institutions. It is an ESG data and distribution platform, which handles sourcing and integrating ESG data attributes for taxonomy reporting and decision making.	Not disclosed
Green Mortgage Tool	Retail and lending	2022	It is a solution to facilitate the green mortgage application process by including processes such as Energy Performance Certificate.	Not disclosed
Spatial Finance Solution	Commercial banking	2022	It is a solution to study climate-related physical impact and facilitate financing on the related requirements. It leverages GIS, remote sensing, and AI to generate insights on risks and opportunities.	Not disclosed
Speciality Designs	Cards, retail, lending, and commercial banking	2022	This solution includes web accessibility enablement, geriatric design, youth design, and GDPR designs.	Not disclosed
Communications Design	Cards, retail, lending, and commercial banking	2022	This solution includes Go Paperless, Smart Forms, Outbound Modernization, Inbound Automation, Digitization of Comms, Publishing-as-a-Service, and Communication Hub.	Not disclosed
Agent Desktop Build Vs. Buy Assessment and Advisory	Cards, retail, lending, and commercial banking	2022	This is an advisory framework to help customers make a choice of buy vs. build for an agent desktop solution and is enabled by BPM/case management features and in-built automation.	Not disclosed
Customer Feedback as Service (Qualtrics as a Partner)	Cards, retail, lending, and commercial banking	2022	This is an advisory framework to select the right product for capturing the voice of customers across digital and traditional channels.	Not disclosed

TCS profile (page 4 of 6)

Risk management and regulatory reporting

Risk management support	Details	No. of clients
Credit risk	TCS is engaged in multiple activities to support pre- and post-sanction decision-making and credit operations, including, but not limited to, customer profile setup, loan profile setup, static data maintenance, recording of limits, ratings & exposures, reconciliation of ratings and limits, mapping of the outstanding facility and exposure to counterparty, renewal of existing overdraft and reviewing of customer status, and loan fulfillment.	Not disclosed
Operations risk	TCS provides consulting and execution services for designing an ORM framework and testing business process controls and offers operational services <ul style="list-style-type: none"> • These controls and tests are mapped against business requirements, policies, and regulations • The services also cover designing and implementation of the supplier risk management framework 	Not disclosed
Market risk	TCS supports market risk production activities such as: <ul style="list-style-type: none"> • Market data time series sourcing, cleansing, and validation. It also supports scenario generation • Validation and reporting of sensitivities, Value at Risk (VaR), and economic capital reporting • Loading of market and position data, sensitivity adjustments, and generation of VaR reports 	Not disclosed
Liquidity risk	<ul style="list-style-type: none"> • Reporting on liquidity position across debt, equity, FX, derivatives, loans, and deposits asset classes • Computing maximum cash outflows for the business at the asset level and performing stress testing on them • Spreading financial statements including income statement, balance sheet and cash flows, projections and management information, and computing covenants on a periodic basis 	Not disclosed
Client onboarding	TCS provides application and consulting support in addition to operational services such as KYC, FATCA checks, client onboarding support such as setting up of legal entity hierarchies, data quality control on legal entity hierarchies, setting up of accounts in front office systems, setting up of and maintenance of accounts in back-office systems, setting up of and maintenance of confirmation and SSIs in D/s systems, account offboarding, etc.	Not disclosed

Regulatory reporting support	List of regulations	Description	No. of clients
US regulations	CFPB, RESPA, TRID, HMDA, SAFE Act, ECOA & Investor Guide, FDCPA, FCRA, OCC, DOD Frank, TILA, Electronic Funds Transfer Act, TCPA, SCRA, FACTA, USAPA, CPA, GLBA, HOPA, CSR, and USC	All the US regulations are followed while performing activities for US clients.	Not disclosed
UK regulations	GDPR, LIBOR, etc.	This includes the Data Protection Act and benchmark interest rate in addition to the common European regulations.	Not disclosed
EU regulations	European Market Infrastructure Regulation (EMIR), MiFID II, SFTR, CSDR etc.	All the EU regulations are followed while performing activities for EU clients.	Not disclosed

TCS profile (page 5 of 6)










Location landscape



TCS profile (page 6 of 6)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
								

Strengths

- TCS has well-rounded capabilities across the full spectrum of banking services and coverage across all major buyer geographies and client segments. It adopts a BPaaS and consulting-led approach with a high focus on transformation and hyper-automation
- TCS enjoys a good client retention rate in banking BPS with more than 95% of revenue being driven by repeat accounts. TCS has seen high growth in new locations such as Canada, Australia, and Ireland in the last couple of years
- Some of buyers have emphasized TCS’ ability to swiftly hire and cross-train staff, while others have highlighted TCS’ ability to complete projects very quickly
- TCS has invested in developing future models such as ESG (EU Taxonomy Alignment Solution, Green Mortgage tool, etc.), cognitive solutions (open banking interface, metaverse, risk prediction models, etc.), and other in-house automation tools such as Dispute Resolver and Automated Appraisal Review
- TCS is moving from an offshore-centric model to a nearshore/onshore one. Around 15-20% of their FTEs are now based in nearshore centers. On the offshore side, TCS has moved heavily to tier -2 cities such as Indore, Nagpur, and Gandhinagar for BPS services

Limitations

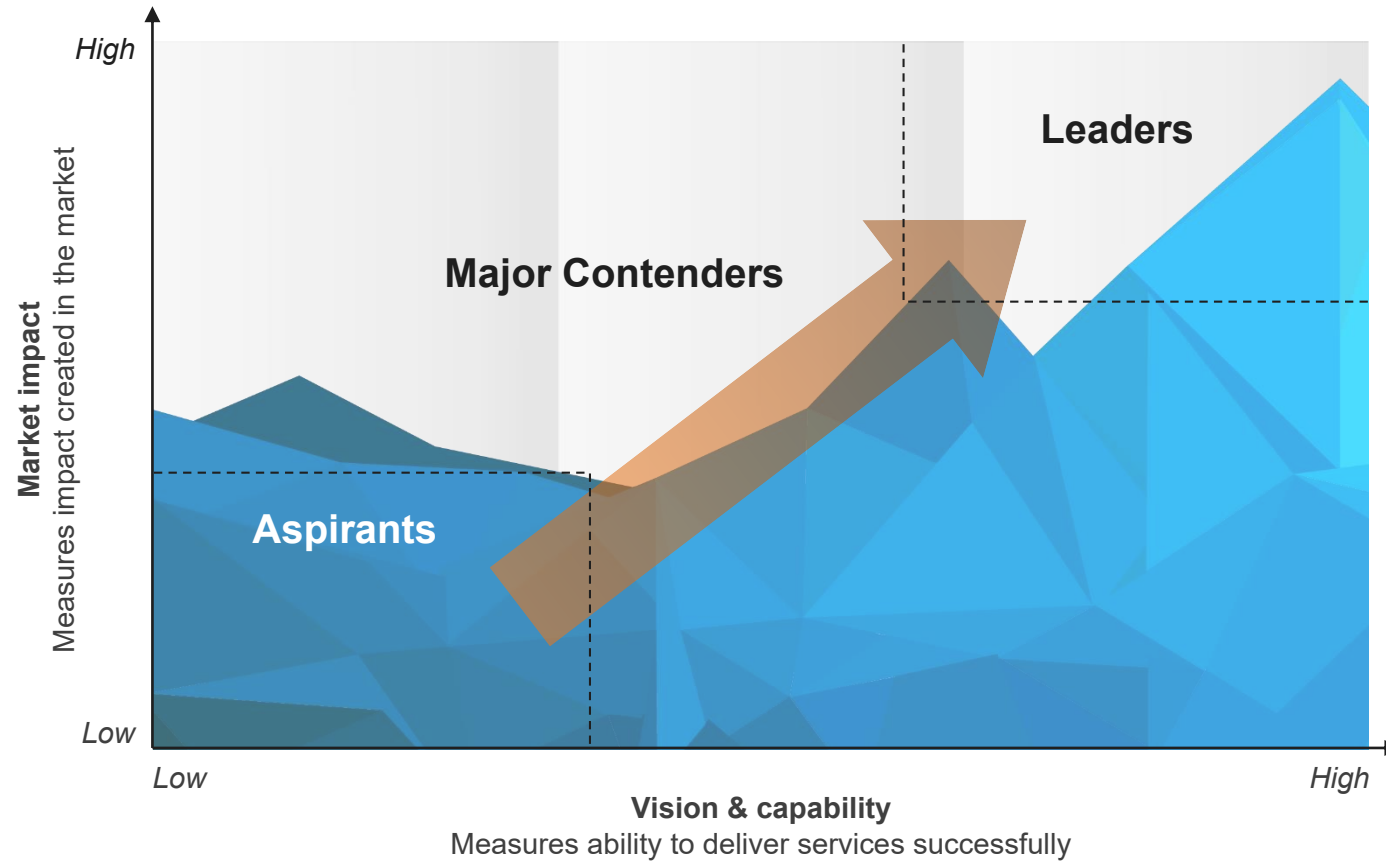
- TCS has experience in serving clients in North America and the UK; however, its Continental Europe client base is small. TCS has not been able to grow its presence in the Middle East and LATAM regions
- The clientele is skewed toward large and mid-sized buyers with lesser presence than its peers in the fast-growing smaller buyer segment

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability



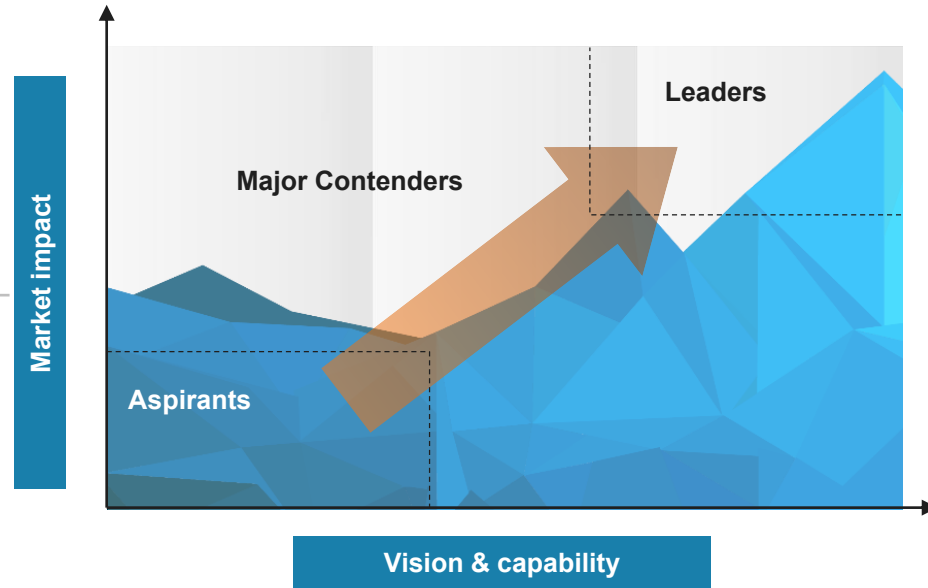
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YoY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



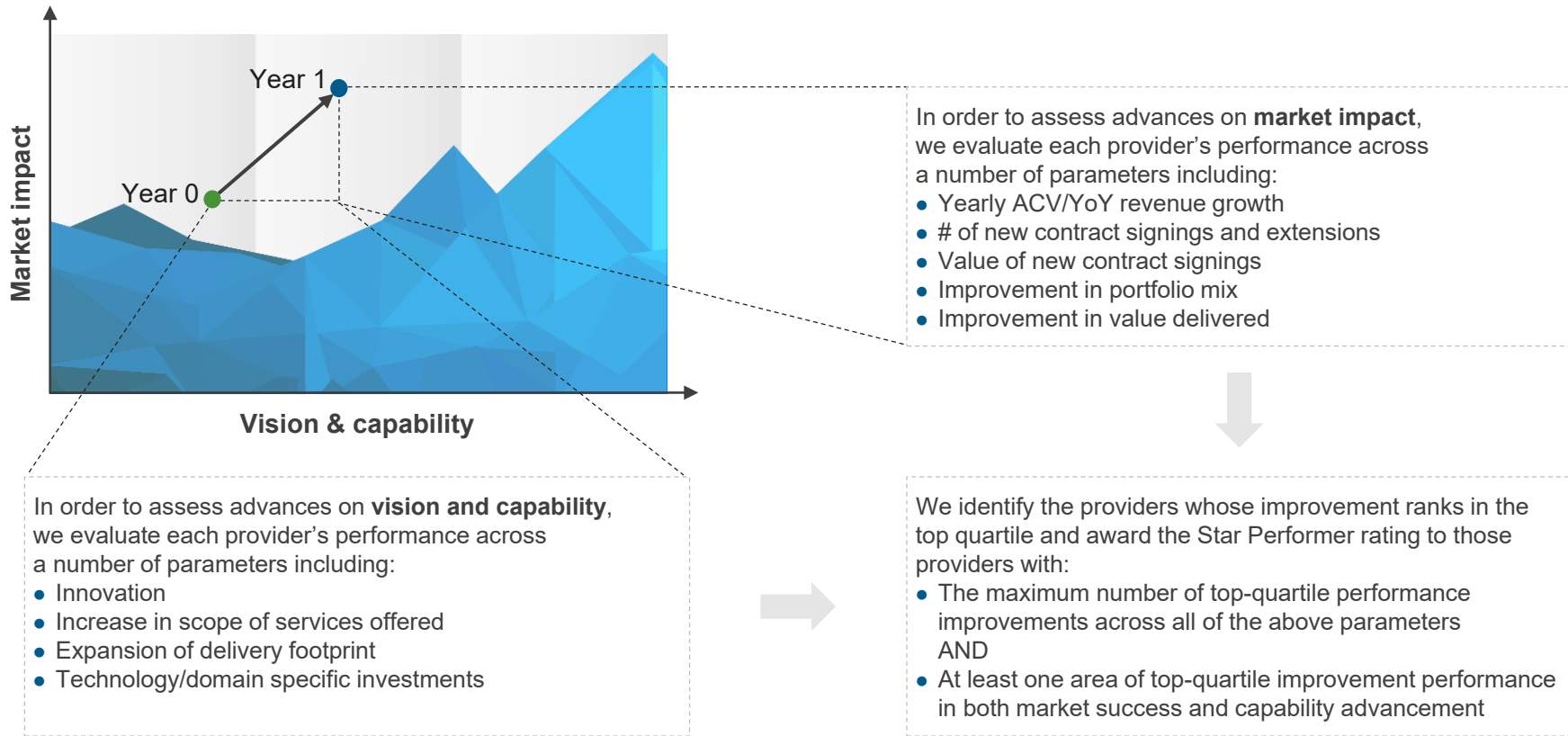
Measures ability to deliver services successfully. This is captured through four subdimensions

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology

Everest Group selects Star Performers based on the relative YoY improvement on the PEAK Matrix



The Star Performers title relates to YoY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition.

What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Enterprise participants receive summary of key findings from the PEAK Matrix assessment
- For providers
 - The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
 - In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

- Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:
 - Issue a press release declaring positioning; see our [citation policies](#)
 - Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
 - Use PEAK Matrix badges for branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with Everest Group; please contact your CD or [contact us](#)

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve enterprises' current and future needs. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality and to serve enterprises' future expectations.



Everest Group is a leading research firm helping business leaders make confident decisions. We guide clients through today's market challenges and strengthen their strategies by applying contextualized problem-solving to their unique situations. This drives maximized operational and financial performance and transformative experiences. Our deep expertise and tenacious research focused on technology, business processes, and engineering through the lenses of talent, sustainability, and sourcing delivers precise and action-oriented guidance. Find further details and in-depth content at www.everestgrp.com.

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