



HFS Highlight: TCS Cognix could be just what your organization needs to develop “Cognitive Operations” across IT AND business

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Excerpt for TCS

Our research consistently shows that global enterprises plan to continue their investments in digital technologies, and have strong short and long-term ambitions of modernizing how they run operations. The devil, as always, is in the details, and we often find persistent, structural challenges that limit the impact these technology investments are able to have on the business. These challenges range from siloed, piecemeal initiatives, to lack of good quality data, lack of collaboration between IT and business, technology transformation fatigue, and lack of digital talent and skillsets, to name a few.

As a leading global IT and business services provider, TCS is vowing to help its clients work through these challenges by launching TCS Cognix, a collaboration suite for IT and BPS clients alike across technology, business and industries. In our view, TCS Cognix could help enterprises both kick-start and make significant progress on their cognitive operations

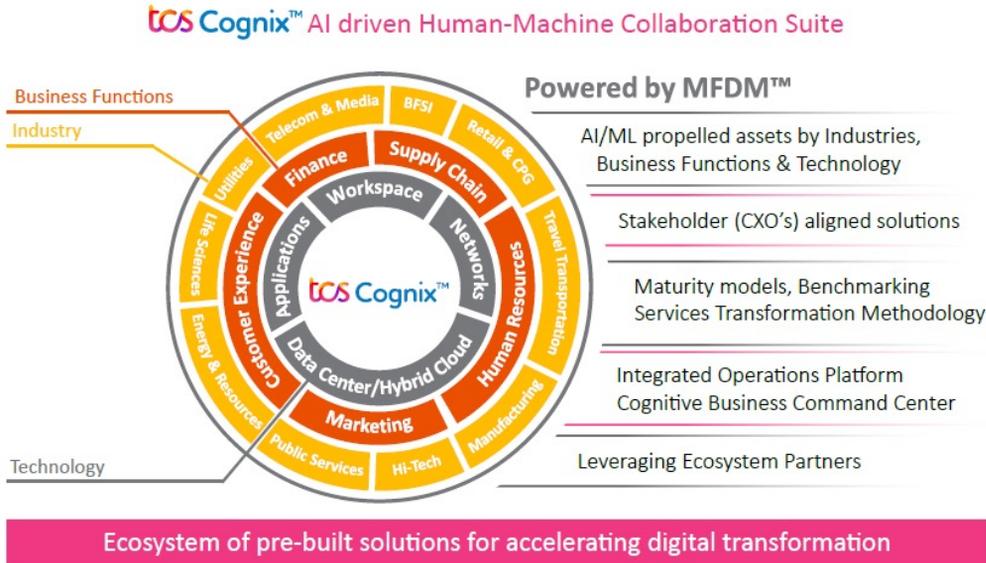
journey. Best of all, TCS recognizes it cannot do this alone, and is bringing its ecosystem partners along for the ride.

What is TCS Cognix? Think of it as the service provider’s work orchestration and collaboration suite that contextualizes and integrates solutions aligned to clients’ key business outcomes

In TCS’ words, “Cognix is an AI-driven human-machine collaboration suite powered by MFDM (Machine First Delivery Model) that accelerates digital transformation using an ecosystem of pre-built and configurable solutions. Cognix unlocks the immense value that lies at the intersection of business process, applications, and IT Infrastructure layer. It orchestrates the digital technology ecosystem in an innovative and modular manner. It also contextualizes solutions by harnessing knowhow from the vast expanse of customer operations.”

Exhibit 1

TCS Cognix is built to support integrated operations across industries and business functions



Source: TCS, 2021

TCS has decades of experience running IT operations, and core business processes for a number of industry verticals such as telecom, utilities, banking, healthcare and insurance, and enterprise functions such as finance and accounting, supply chain, marketing operations, customer experience HR. During HFS' interactions with the Cognix leadership team, it became evident to us that TCS is proactively pulling together the domain knowledge and subject matter expertise it has gained, and pouring it into Cognix. Think of Cognix as the culmination of TCS' decades of experience, the conduit of bringing best practices in technology and process know-how, and emerging technology application, to realize the business outcomes that matter.

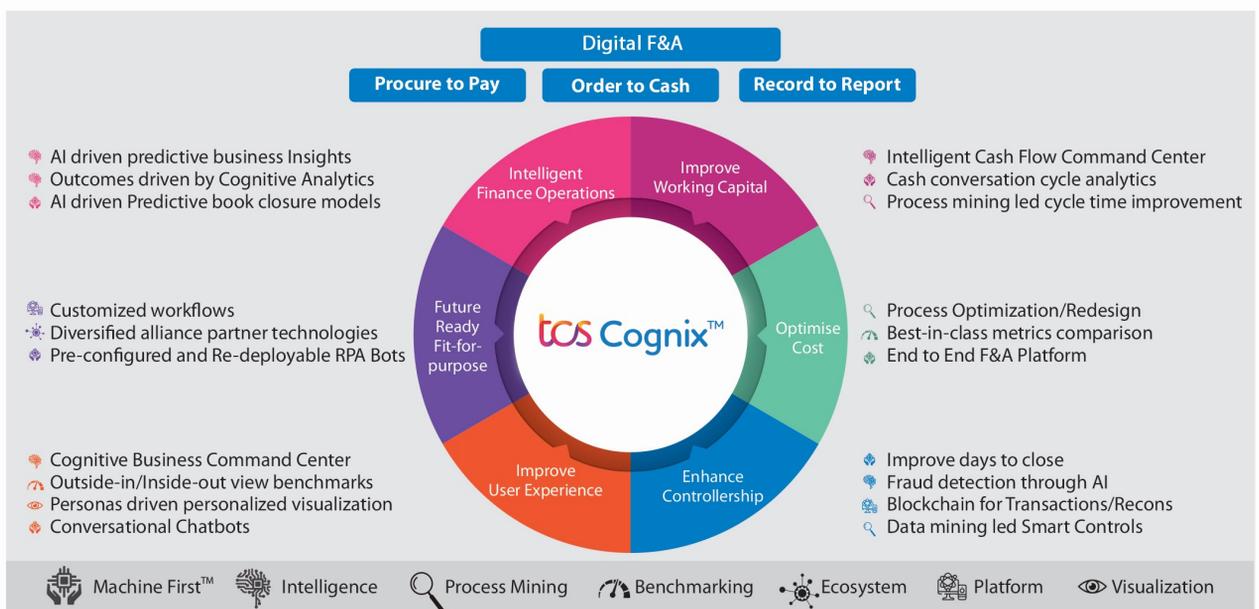
How is it doing this? TCS has ecosystem of prebuilt solutions that address specific business challenges, aligned by CXO stakeholders. If you're not sure where to start (or what needs fixing in your

operations), Cognix features an Operations Maturity Assessment that can benchmark you against your peers, and figure out if, for example, what part of your accounts payable process needs to transform and how to get you to your finance goals.

Cognix has a suite of assets, categorized by technologies, business functions and industries, including BFSI, communications, media and information services, retail, CPG, energy and resources, utilities, manufacturing, hi-tech, life sciences, public services, and travel, transportation, and hospitality. The business functions include finance and accounting, human resource, supply chain, customer experience, and marketing. The technologies covered are data center/ hybrid cloud, network and workspace and the applications layer cover SAP and Oracle operations.

Exhibit 2

An example of TCS Cognix being applied to the Digital F&A business function



Source: TCS, 2021

What stands out to HFS about TCS Cognix: Tons of potential for a true technology enablement ecosystem that works across IT and business

Here are the key reasons why TCS Cognix is “Highlight-worthy” to our analyst team:

- **Creating a single view across IT, infra, and business:** TCS’ Cognitive Business Operations (CBO) Unit is a unique concept that integrates TCS’s Business Process Services, Intelligent Automation, ERP Application Services and IT Infrastructure Services. With Cognix, the service provider’s goal is to leverage the synergies across the business process, IT infrastructure, and applications and potentially unlock value at the intersection of these layers.
- **Built on MFDM framework to bring in emerging technologies:** TCS Cognix is leveraging the ‘MFDM’ framework that has been in place for a few years now as the way in which the service provider orchestrates man-machine interactions. TCS’ Machine-First Deliver Model (MFDM) provides a transformation framework using emerging technologies including analytics, automation, and AI.
- **Helping assess and progress towards cognitive operations:** Cognix helps clients benchmark their operations maturity by industry and business function, using Operations Maturity Assessment and Metrics Central comparing key operational parameters and what actions to take to enhance performance. This includes anonymized client benchmarks on KPIs and can show each client how good they’re performing vs, best-in-class and how to progress towards cognitive operations.
- **Creating easy-to-deploy, modular “value builders”:** Clients can rapidly access and consume specific analytics and automation modules called “value builders”, including the use of inhouse IP (such as Ignio) and external partners (automation vendors, process intelligence, platforms, etc.). These value builders are contextualized for different CXO stakeholders to solve specific business problems. For example, in F&A, value builders include predictive journal entry, intelligent reconciliation, month-end cockpit, and cash-flow command center. These bring together multiple digital levers to address specific business KPIs, and are modular and scalable to speed up client adoption.
- **Using the power of AND:** TCS Cognix is an ecosystem play, bringing over numerous external partners’ technology IP to play alongside its own assets, ultimately smoothening the consumption experience for clients. Technology partners include the categories of RPA, OCR and machine vision, virtual agents, NLP, process intelligence, speech analytics, ML platforms, BPM, low code/no code platforms, and cloud data platforms.
- **Tracking and minimizing technical debt with Cognix’ TDAF (Technology Debt Assessment Framework)**– The widening gap between the emerging technology curve and technology adoption curve constitutes technology debt for an enterprise. TDAF enables enterprises to take stock of their IT landscape across application and infrastructure that are running the risk of becoming obsolete and becoming a potential bottleneck for business agility. TDAF deploys a matrix to assess and help CXOs determine the immediate investment required to minimize and stay on top of technical debt.

— The Bottom-line: With Cognix, TCS is investing in an integrated technology architecture that can help enterprise clients get beyond their patchwork of technologies and collaborate on business outcomes

HFS sees TCS Cognix as a progressive approach by the service provider to solve its clients' business problems, using capabilities that truly go across the company. Gone are the days when a client comes and asks for apps modernization in isolation – as the global IT and business services industry gets more mature, the nature of engagements are getting more nuanced. Service providers need to operate at the intersection of technology, process, domain and functional knowledge, data, and change management. For TCS, Cognix could just be the glue that binds these capabilities together to help it move to the next level of business value delivery.

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Reetika Fleming is Vice President, Insurance & Smart Analytics at HFS Research. Her research extends into defining future business operations for property and casualty, life, and annuities and reinsurance companies. She studies the broad use of data and analytics within enterprises, with a new research focus on machine learning and AI techniques to improve business decision making.



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HFS Research introduced the world to terms such as "RPA" (Robotic Process Automation) in 2012 and more recently, the HFS OneOffice™. The HFS mission is to provide visionary insight into the major innovations impacting business operations such as Automation, Artificial Intelligence, Blockchain, Internet of Things, Digital Business Models and Smart Analytics.

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