

PRESS RELEASE

2020 Swiss IT Sourcing Study Results Published

The 2020 Swiss IT Sourcing Study, conducted by Whitelane Research in collaboration with Navisco AG - Sourcing Professionals, investigates more than 275 unique IT sourcing relationships and more than 250 cloud sourcing relationships held by close to 100 participants of the top IT spending organisations in Switzerland.

Key findings from the 2020 Swiss IT Sourcing Study include:

- » Over the next two years more outsourcing is predicted for Switzerland, with 70% of respondents planning to outsource at the same rate or more. We have seen a trend of insourcing across the rest of Europe this year and Switzerland is no exception with an increase from 15% to 21% of organisations looking to reduce their level of outsourcing. The majority cite faster time-to market and improved quality outcomes as the main insourcing driver.
- » Manufacturing businesses are predicting the most outsourcing, with almost half of organisations planning to outsource more. This contrasts sharply with the financial services sector, where only 25% plan to increase their level of outsourcing (13% below the average for Switzerland) and almost one in five intend to outsource less.
- » Organisations in Switzerland are planning to outsource more for three joint reasons: more scalability to business needs, access to innovation and cost reduction. Innovation has increased significantly in importance although service providers continue to underestimate this outsourcing driver. The manufacturing sector is primarily outsourcing to achieve cost reduction (cited by 71%) while the financial services sector is driven by access to innovation (cited by 80%).
- » Overall, respondents are satisfied with their IT service provider(s), with 89% of all 277 IT sourcing relationships being rated as satisfactory, 7% being somewhat unsatisfied, 3% unsatisfied and only 1% very unsatisfied.
- » TCS and HCL are the joint highest ranked providers with a general satisfaction score of 79%, followed by Deloitte (78%) and Swisscom and Cognizant (both at 75%). Satisfaction remains stable with no significant decreases among the 14 ranked IT outsourcing service providers.
- » Use of cloud continues to grow in Switzerland with more than 250 cloud sourcing relationships evaluated and one in two organisations predicting more than 50% of their application portfolio will be running in the cloud in two years. The average satisfaction with the cloud providers in Switzerland is higher compared to the average satisfaction on the overall ranking for IT outsourcing providers. Concerns with public cloud transition continue to focus on security and privacy issues.
- » Across the nine Key Performance Indicators, clients are most satisfied with account management quality and least with the innovation capabilities of their providers. Service delivery quality has been unaffected by Covid-19 with 82% of respondents citing no change in the past months.
- » On technology trends, 65% of participants are already using Intelligent Automation (IA) with another 22% planning to use it although 50% reveal the benefits of IA are only shared marginally by their IT service provider(s).

The Swiss study is part of Whitelane's annual IT sourcing studies. We interview sourcing executives (CIOs/CFOs or their direct reports) about their outsourcing plans and their opinions on service providers. The studies are conducted in 13 different European countries and provide a comprehensive overview of the IT outsourcing landscape in each country. The survey shows the main outsourcing trends, evaluates and ranks the main IT service providers based on a set of key performance indicators (KPIs), and analyses trends in outsourcing governance and the impact of new technologies.

Press information:

To purchase a copy of the full Swiss report, please email info@whitelane.com or visit whitelane.com for more information.

For more information about Navisco AG, please visit navisco.com.

Appendix

FIGURE 1: What are your organisation's plans for the next two years with regards to outsourcing?

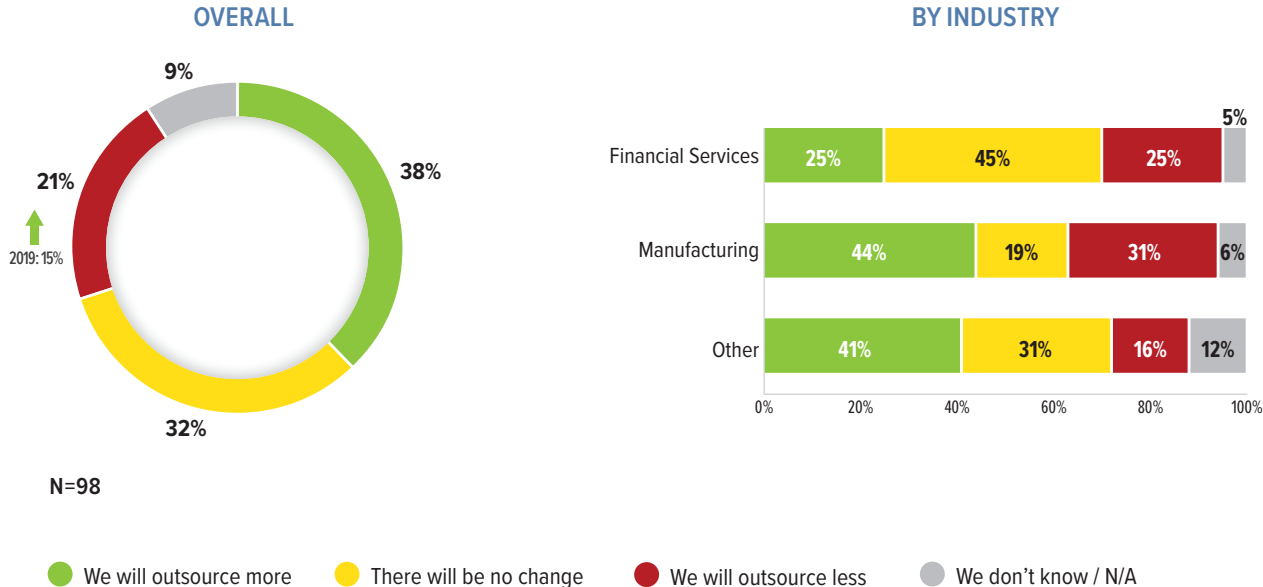


FIGURE 2: What are the reasons your organisation is planning to outsource more?

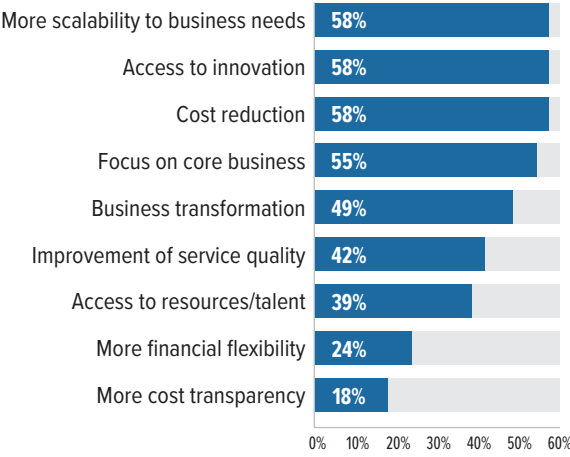
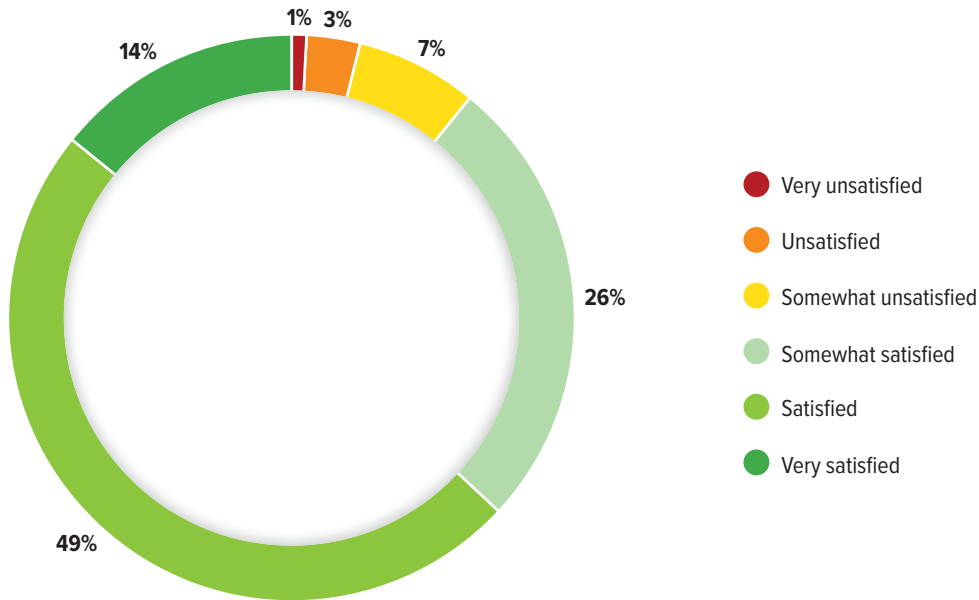
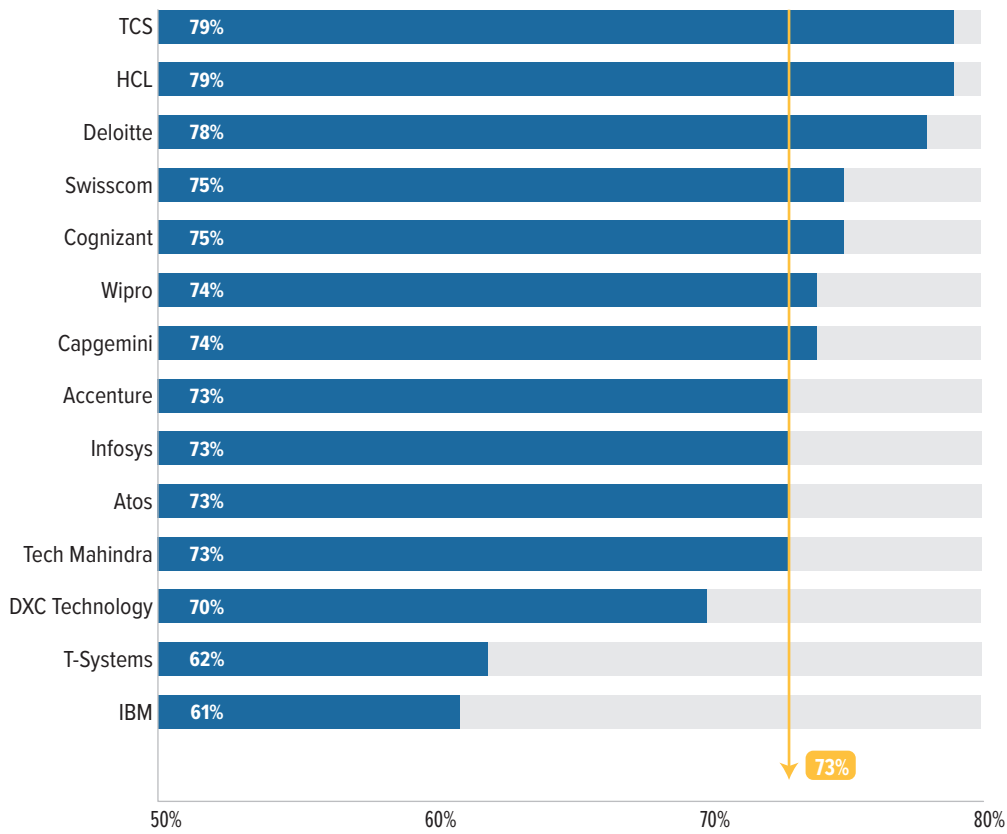


FIGURE 3: General satisfaction across all IT sourcing relationships (Overall)



N=277

FIGURE 4: General satisfaction with IT sourcing relationship



KEY TO SCORES	
Very unsatisfied	0%
Unsatisfied	20%
Somewhat unsatisfied	40%
Somewhat satisfied	60%
Satisfied	80%
Very satisfied	100%

» *Whitelane and Navisco's full report ranks the IT Outsourcing service providers by applications, data centre and end-user services as well as by nine different KPIs. The Cloud providers are ranked separately by infrastructure cloud platforms and software cloud platforms.*