

Magic Quadrant for Finance and Accounting Business Process Outsourcing

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Initiatives: [Finance Function Strategy and Organization Design](#)

CFOs making investments to create intelligent, automated workflows should partner with F&A business process outsourcing providers. This research can help assess which vendors may be best-suited to provide transformation and technology solutions to accelerate finance digitalization.

This Magic Quadrant is related to other research:

[Critical Capabilities for Finance and Accounting Business Process Outsourcing](#)

[View All Magic Quadrants and Critical Capabilities](#)

Strategic Planning Assumption(s)

- By 2024, 60% of finance digital transformations will be built, implemented and managed by BPO providers, primarily driven by finance's need to access technology and transformation solutions.
- Through 2024, finance outsourcing for artificial intelligence process technologies will rise from 6% to 40%, primarily to digitally transform transactional operations.
- By 2025, more than 60% of finance organizations will consolidate to a single outsourcing service provider for all F&A operations, up from 24% in 2019.
- By 2025, more than 60% of existing F&A outsourcing contracts will not renew due to the lack of productivity gains, predominantly driven by having the wrong pricing model.

Market Definition/Description

This Magic Quadrant for Finance and Accounting Business Process Outsourcing is new. It replaces the 2021 [Market Guide for Finance and Accounting Business Process Outsourcing](#).

Gartner defines finance and accounting (F&A) business process outsourcing (BPO) as the delegation of F&A activities to a third-party service provider. F&A BPO services allow finance to access process improvement expertise, hyperautomation-enabling technology solutions and transformation methodologies, thereby supporting the digitalization of finance.

The core capabilities of F&A BPO involve the following features:

- **End-to-end process management of source-to-pay (S2P)** includes services for sourcing indirect and direct suppliers, processing supplier/vendor master data management, managing purchase orders, processing invoices, and supporting payments and accounts payable (AP) queries.
- **End-to-end process management of order-to-cash (O2C)** includes services for customer order management, customer master data management, billing invoice processing, credit and collection management, disputes resolution, cash applications, and accounts receivable (AR) query support.
- **End-to-end process management of record-to-report (R2R)** includes services for financial journal entry management, close management, statement processing, controls and compliance, and transaction analysis.
- **Strategic finance services** include statutory financial reporting, financial planning and analysis (FP&A), payroll accounting, treasury and cash management.
- **Outcome-focused commercial agreements** include business-outcome-based pricing models.
- **Digital transformation services** include process and business model transformation services.
- **Hyperautomation-enabling technology solutions** include a combination of automation tools with machine learning (ML) and artificial intelligence (AI) applications and software to enable clients to orchestrate multiple end-to-end processes.

Magic Quadrant

Figure 1: Magic Quadrant for Finance and Accounting Business Process Outsourcing



Source: Gartner (June 2022)

Vendor Strengths and Cautions

Accenture

Accenture is a Leader in this Magic Quadrant. Its F&A BPO services include S2P, O2C and R2R in its core finance offerings; and FP&A, tax, treasury and investor relations in its strategic finance offerings. Its proprietary platform, SynOps, integrates intelligent workflows, AI, quantum computing, data, talent and analytics to support its clients' journey to a digital finance operating model. Headquartered in Dublin, Ireland, Accenture employs over 39,800 F&A employees and operates over 50 delivery centers in the Americas, APAC and EMEA. It serves over 290 F&A clients across all major industry sectors. In 2021, Accenture developed an F&A concierge to provide its clients with a more personalized business experience.

Strengths

- **Strong market awareness:** Accenture recognizes finance buyers' crucial need for an intelligent finance operating model. It has several decades of experience in serving F&A buyers and has taken advantage of this experience in building out solutions that are dedicated to supporting clients with judgment-intensive services and adoption of digital solutions.
- **Robust transformation and transitioning support:** In the customer reference survey, several clients report that Accenture delivered a comprehensive transformational roadmapping service through a combination of process diagnostics and benchmarking. Some clients have also experienced successful, fully virtual transitioning of operations.
- **Simplified finance platform offering:** Accenture has invested more than \$300 million over three years to develop its SynOps platform, designed to move clients to an intelligent finance operating model. It integrates hyperautomation-enabling technologies, allowing human resources to focus on critical thinking activities.

Cautions

- **Majority of deals from large and medium enterprises:** Over 90% of Accenture's F&A deals come from large (more than 10,000 employees) and medium (1,000 to 10,000 employees) enterprises. Buyers from small and midsize business (SMB) (fewer than 1,000 employees) enterprises should further evaluate Accenture's solutions to support their objectives, such as its business process as a service (BPaaS) offering.

- **Fewer customers in education and professional sectors:** Accenture has between 1% and 5% of its relatively large F&A BPO customer client base in the education and professional services sector, which is smaller than its share in other market industries. Buyers should further evaluate this vendor for its F&A outsourcing services in meeting their needs for these industries.
- **FTE-based pricing still prevalent in deals:** Accenture has up to 40% of its F&A client base contracts on an FTE-based pricing model. Its offerings, such as record-to-report, see higher uptake in this pricing model due to more judgment-based and complex activities. Buyers evaluating this vendor should explore its total-value-enabled (gain share) model.

Capgemini

Capgemini is a Visionary in this Magic Quadrant. Its F&A BPO services include credit-to-cash, procure-to-pay (P2P), record-to-analyze and analytics. It offers F&A buyers a digital transformation platform, Digital Global Enterprise Model (D-GEM), which combines intelligent automation (IA) workflows and hyperautomation technologies. Headquartered in Paris, France, Capgemini employs more than 19,000 F&A employees and operates more than 30 delivery centers in the Americas, APAC and EMEA. It serves 250 F&A clients across all major industries. In March 2021, Capgemini acquired RXP Services, an Australia-based company offering digital and cloud solutions, and it plans to invest in building the AI-augmented workforce and new operating models.

Strengths

- **Proprietary platform focused on simplification:** Capgemini is positioning its proprietary platform, D-GEM, to achieve frictionless end-to-end processes across receivables, payables and controllership, with the aim of delivering enterprisewide business outcomes.
- **Use of digital twin technology:** Capgemini offers a business operations digital twin capability that works in connection with its process mining and ESOAR (Eliminate, Standardize, Optimize, Automate, Robotize) solution to model, stimulate and improve the outcome of finance transformation efforts.
- **Continued plans for finance technology partnerships:** Capgemini recently partnered with BlackLine to support its record-to-analyze offering and Workiva platform for reporting solution capabilities. These partnerships will support its frictionless finance offering in the coming years.

Cautions

- **Service delivery concerns mentioned by customers:** Some of Capgemini's clients raised service delivery concerns in the customer reference survey and Gartner advisory interactions over the past 12 months. Customers observed service delivery issues that related to the frequent reassignment of delivery staff, occasionally causing instability to operations.
- **Limited delivery center presence outside APAC:** Capgemini currently has over 60% of delivery centers located in APAC, with the majority of its delivery center presence in India. It has a smaller number of delivery center presence in the Americas and Europe compared to all other vendors in this research.
- **Limited F&A clients in education and government:** Capgemini has minimal experience serving clients from the education and government sectors for F&A services. Clients considering Capgemini for F&A BPO should further evaluate this vendor on its capabilities for these industries.

Cognizant

Cognizant is a Visionary in this Magic Quadrant. Its F&A BPO services include P2P, O2C, R2R, FP&A and fully managed outsourced automation services. It has a digital offering for F&A operations aimed at generating business value and intelligence with data and hyperautomation technology. Headquartered in Teaneck, New Jersey, U.S., Cognizant operates 28 delivery centers in the Americas, APAC and EMEA. The company serves over 130 F&A clients across all major industries. Since 2019, Cognizant has invested over \$2.5 billion in acquisitions to expand its digital capabilities. It also plans to expand its presence in Latin America.

Strengths

- **New investments in digital innovation:** Cognizant Neuro (launched in 2021) is an intelligent technology service layer that supports the adoption of automation and AI. Its 2022 digital innovation roadmap includes system integration in complex technology environments and automation techniques to combine AI and functional insights.
- **Growth in recent deals:** Cognizant projects double-digit growth in F&A BPO revenue for 2022 and shows even distribution of finance customers contracting for O2C, R2R and S2P services. Its confidence in achieving digitalization is demonstrated by the fact that more than 80% of recent deals include digital technology adoption.

- **Response to changing customer needs:** During the past year, Cognizant established a process mining center of excellence (COE) with Celonis and FortresstIQ to cater to clients' process improvement needs. In response to clients' needs to speed up the transformation process, it also rolled out a citizen development training program for its employees to help identify and develop automation solutions.

Cautions

- **Fewer deals with an outcome-based pricing model:** Among profiled vendors, Cognizant has a small client base contracted on gain share or outcome-based pricing models (5% and 10%, respectively). FTE-based pricing remains the most prevalent model, with 40% of its F&A customers contracted to this model.
- **Fewer sales for transformation services:** Cognizant generated 25% of its 2020 F&A revenue from the sale of transformation services. This is lower than the majority of vendors in this research, who on average reported that 60% of their revenue in the same period involved transformation services. Its recent investments should see this number increase for 2021.
- **Limited case studies and testimonials for digital solutions:** Cognizant has not demonstrated how its digital finance solutions and transformation services have solved challenges in the past. Client testimonials are not available in comparison to the majority of vendors in this research who have made this information publicly available.

Datamatics

Datamatics is a Niche Player in this Magic Quadrant. Its F&A BPO services include purchase-to-pay, O2C and R2R. The company's digital transformation services for F&A focus on automating back-office operations. Headquartered in Mumbai, India, Datamatics employs approximately 1,581 F&A employees and operates six delivery centers in APAC and three in the U.S. It serves 82 F&A clients across the retail, manufacturing, transport, banking and energy industries. Datamatics is digitally standardizing its purchase-to-pay, O2C and R2R platforms and expects its unified platform will enable customers to automate tasks and data in various document types.

Strengths

- **Deep manufacturing industry experience:** Datamatics offers a strong portfolio of intelligent solutions for manufacturing companies, including inbound delivery, spend analytics and autopay scheduling. In addition, more than 50% of its F&A customers are in the manufacturing industry.

- **Modular and customizable proprietary F&A products:** Datamatics' product suite provides modular and end-to-end coverage of core back-office finance processes and FP&A, partnering with platforms including UiPath, Automation Anywhere, AWS and Microsoft Azure. Its proprietary suite of finance automation tools provides clients with a customizable configuration for F&A needs.
- **Innovation focus on IA:** Datamatics' innovation and product development roadmap includes in-demand features such as a unified IA platform, mobility-enabled services, cognitive capturing and AI-/ML-based enhancements across P2P, O2C and R2R.

Cautions

- **Small network of service delivery centers:** Datamatics has a small delivery footprint in comparison to other vendors profiled. It has three delivery centers in North America serving 53 clients, which makes up more than 60% of its total F&A BPO clients, and six centers in APAC.
- **Limited market presence:** Datamatics has the smallest total F&A client portfolio of 82 customers in comparison to all other profiled vendors. It is highly focused on midsize enterprises (enterprises with 1,000 to 10,000 employees), which account for 80% of its F&A BPO deals.
- **Outcome-based pricing model currently not adopted:** The company currently has no F&A customers on an outcome-based pricing model, making it the only vendor in this research to not have customers adopting this pricing model type. Its gain share model adoption rate currently sits at 10% and is among the lowest compared to other vendors profiled.

Exela Technologies

Exela is a Niche Player in this Magic Quadrant. Its F&A BPO services for automation solutions use technologies that encompass information management, workflow automation and integrated communications. Exela also uses cloud-enabled platforms built on a configurable stack of automation modules. Headquartered in Irving, Texas, U.S., Exela employs approximately 17,500 employees and operates at over 150 delivery centers in the Americas, APAC and EMEA. It serves 3,443 F&A clients across all major industries. In 2020, the company launched its digital mailroom solution. It plans to leverage its internal products to bring clients inferences for business decisions through analytics and improved upstream processes through enhanced workflows.

Strengths

- **Industry-specific solution for financial services:** Exela's clients in the financial services industry comprise 56% of its total F&A portfolio. At the core of its financial services is Exela P2P, a proprietary digital platform that provides a single point of access for automation, payments and interoperability with all Exela and third-party offerings.
- **Collaboration between delivery centers:** Exela can respond to urgent customer requests from any of its delivery centers. It has developed a methodology to route urgent requests to the next available specialist across its delivery center network and continues to invest in a 24-hour help desk capability for processes such as AP.
- **Work-from-anywhere capability:** Exela's technology solutions are constructed to work from anywhere (WFA), providing access through mediums such as country-specific microsites and web-based platforms. Its Smart Office offering allows mobile working using a combination of Digital Mailroom (DMR), DrySign (digital signature platform) and analytics.

Cautions

- **Fewer customers buying for S2P and R2R services:** Exela makes less than 25% of its F&A BPO revenue from the sale of its S2P and R2R services. These are among the lowest adoption rates in comparison to other vendors in this research, who demonstrate a relatively equal spread of revenue across S2P, O2C and R2R.
- **Lacks end-to-end process messaging:** Exela's messaging and publications lack detail for finance buyers on how it applies transformation expertise and methodologies to achieve simplified end-to-end process solutions for finance processes. It does not communicate how it is investing in hyperautomation-enabling technologies to meet finance challenges.
- **Unprofitable since public listing:** Exela is publicly traded and has a large F&A customer portfolio, but it has not delivered a profit since going public in July 2017. It is the only vendor among those profiled experiencing a reduction in F&A clients, with an 8% decrease in 2020, and a projected revenue decline of 4.3% in F&A BPO sales for 2022.

EXL

EXL is a Leader in this Magic Quadrant. Its F&A BPO services include technical accounting, purchase-to-pay, O2C, R2R and strategic finance services such as FP&A. It offers F&A buyers a cloud-enabled and modular hyperautomation platform, Digital Finance Suite, with over 50 solutions developed to help finance operations become data-driven through AI, analytics and automation. Headquartered in New York City, U.S., EXL employs approximately 9,000 F&A employees and operates 37 delivery centers in the Americas, APAC and EMEA. It serves 135 F&A clients across all major industries. In 2020 and 2021, EXL increased investments in capability development and market positioning to align with its messaging around enabling data-driven finance.

Strengths

- **Focusing investments on industry-specific offerings:** EXL continues to develop industry-specific F&A solutions that align with its analytics business. Its most dominant client base is within insurance, where it has developed solutions for regulatory reporting and actuarial accounting. EXL is currently focused on end-to-end solutions for eight other industries.
- **Data- and hyperautomation-driven F&A:** EXL's Digital Finance Suite is a cloud-based automation platform with over 50 prebuilt apps that enable finance clients to augment their current technology platforms with real-time insights. Its centers of excellence established for cloud, AI and analytics help align F&A services to the broader future goal of hyperautomation.
- **Strong Gartner Peer Insights scores:** The company is currently rated 4.8 out of 5 by finance buyers, as reported on the Gartner Peer Insights portal for the past 12 months. Several buyers score EXL high for approachability, data and analytics innovation, and flexibility. Customers called EXL a valuable partner on their transformation journey.

Cautions

- **Concentrated delivery center locations:** While EXL has a network of more than 30 delivery centers globally, the majority are concentrated in India. The F&A delivery models are evolving to become more location-agnostic; however, clients requiring nearshore delivery centers when adopting digital services may find this an important consideration.

- **Majority of deals from large and medium enterprises:** Over 85% of EXL's F&A deals come from large (more than 10,000 employees) and medium (1,000 to 10,000 employees) enterprises. Buyers from SMB enterprises (fewer than 1,000 employees) should further evaluate this vendor's ability to meet SMBs' objectives.
- **Low BPaaS adoption:** Less than 10% of EXL's client base are adopting its BPaaS offering. This is a lower adoption level seen among other leading vendors in this research. Buyers should further evaluate this vendor when considering purchasing solutions offered on a BPaaS delivery model.

Genpact

Genpact is a Leader in this Magic Quadrant. Its F&A BPO services include invoice-to-cash, R2R, S2P and enterprise performance management. The company's Cora APFlow and Cora ARFlow transform AP and AR processes through a combination of leveraging data to improve business outcomes and applying proprietary and partnered solutions.

Headquartered in New York City, U.S., Genpact employs approximately 40,000 F&A employees and operates more than 64 delivery centers across the Americas, APAC and EMEA. It serves over 330 F&A clients across all major industries. Genpact is making focused investments and scaling up capabilities in building industry-specific (insurance, life sciences, consumer packaged goods) prepackaged F&A offerings to solve industry-specific finance challenges.

Strengths

- **AI-enabled core platform offering:** Genpact Cora is an intelligent suite of modular proprietary and partnered digital technologies. For F&A, this product is available across S2P, R2R, O2C and strategic finance processes. The platform is driven by cognitive computing as its core proprietary feature and demonstrates strong performance reporting and integration capabilities.
- **Strong BPaaS adoption:** Genpact has a large F&A customer base that contracts for its services through its BPaaS delivery model. The company offers subprocess BPaaS for AP, AR and general accounting. Its end-to-end BPaaS solution, GenOne, is a solution on Workday and in partnership with Deloitte and OneSource Virtual.
- **Global delivery service footprint:** Genpact has an extensive geographic footprint with 50 delivery centers and six digital innovation centers. These resources support its roadmap to move from providing critical operations at scale to a professional services firm that delivers digital transformation services by co-creating them with finance customers.

Cautions

- **Majority of F&A BPO deals from large enterprises:** Over 90% of Genpact's F&A deals come from large enterprises (more than 10,000 employees). Buyers from medium (1,000 to 10,000 employees) and SMB (fewer than 1,000 employees) enterprises should further evaluate this vendor's ability to meet their objectives respective to their enterprise size.
- **Low satisfaction cited by several customers:** Through Gartner advisory interactions over the last 12 months and the customer reference survey, several Genpact customers mentioned dissatisfaction with the provider's ability to deliver against targets committed during contracting. Several also mentioned the provider moving to sell new services before stabilizing previous implementations.
- **Several industries not part of strategic growth plan:** Buyers from the energy and utilities, education and government sectors should note that this vendor has made a strategic choice to not include these industries in its growth strategy and has minimal experience with F&A clients from these verticals.

HCL Technologies

HCL Technologies is a Visionary in this Magic Quadrant. It provides F&A BPO services through its digital process operation, including O2C, P2P, R2R, and financial planning and reporting services. It leverages hyperautomation technologies and offers its digitalCOLLEAGUE orchestration platform, Toscana Business Process Suite, EXACTO ICR product, robotic process automation (RPA) and finance transformation services. Headquartered in Noida, India, HCL Technologies employs approximately 15,000 F&A employees and operates more than 40 delivery centers in the Americas, APAC and EMEA. It serves over 90 F&A clients across all major industries. HCL Technologies plans to continue investing in more industry-specific features, as well as partnering with new, emerging and established partners in the F&A space.

Strengths

- **End-to-end F&A transformation:** HCL Technologies' product offering is an ecosystem of proprietary partnered solutions across the F&A value chain. It includes digitalCOLLEAGUE, an intelligent orchestration platform that combines technologies and algorithms used for data extraction, validation and task automation. The platform is modular and can be customized for S2P, O2C and R2R.

- **High growth from large enterprises:** More than 90% of HCL Technologies' clients are large enterprises (enterprises with more than 10,000 employees). Although its F&A client base is relatively small at 90 customers, it has seen 7% growth in F&A customers in recent years. With a 100% client retention rate for 2020 and all new deals contracting for transformation services, it projects double-digit client growth rates for 2021.
- **Expanding global delivery footprint for digital services:** HCL Technologies has one of the most diversified global footprints for its F&A digital services delivery in comparison to most profiled vendors. Its new presence in the Americas and Europe now allows buyers to access its agents faster. Additionally, 30% of its workforce now operates outside of India.

Cautions

- **Limited detail on solutions:** The dedicated space for F&A services on HCL Technologies' website lacks insight into the relevancy of its offerings for core and strategic processes. It doesn't show client testimonials on transformation success and the types of detailed thought pieces on disruptive finance technologies that other profiled vendors make available.
- **Lack of technology use for change requests:** While HCL Technologies follows a standard methodology for change requests (i.e., contract scope and pricing), it is mostly a manual process without extensive involvement of digital technologies to manage and improve the process, as demonstrated by other profiled vendors.
- **Highly prevalent FTE-based pricing:** Seventy percent of HCL Technologies' current contracts are only on an FTE-based pricing model, which is very high in comparison to other vendors in this research. However, 30% are stated to move to an outcome-based pricing model, and almost all new contracts have a clause that poststabilization pricing will move into a different pricing model.

IBM

IBM is a Leader in this Magic Quadrant. Its F&A BPO services include lead-to-cash, S2P, record-to-analyze and finance transformation consulting, FP&A, tax and treasury. Its F&A services focus on transforming finance operations to become more digital and adopting hyperautomation technologies. Headquartered in New York City, U.S., IBM employs more than 22,000 F&A employees and operates 26 delivery centers across the Americas, APAC and EMEA. The company serves over 200 F&A clients across all major industry sectors. IBM recently partnered with Celonis to enhance the Celonis Execution Management System. It also acquired myInvenio to help promote AI-powered automation as well as Salesforce partners Waeg and 7Summits to drive digital transformation.

Strengths

- **New operating model focused on digitalization:** The company has a new operating model focused on connecting processes to cross-functional workflows. Its end-to-end digital transformation model builds intelligent workflows across S2P, lead-to-cash and record-to-analyze and complements its consult-to-operate transformation model with IBM Garage.
- **Expanding the technology partner ecosystem:** IBM secured a titanium partnership with Celonis in 2021, aiming to add customer value by transforming process workflows to become more intelligent and accelerating innovation through workflow analysis. It deploys this tool to all clients, encouraging a lift-and-transform mindset.
- **Marketing messages connecting solutions to finance challenges:** The company's marketing execution through events (e.g., IBM Think) and executive-level studies (e.g., its "CFO Study: Strategic Intelligence") provides buyers with clear messaging on how its end-to-end finance solutions meet current and anticipated client challenges.

Cautions

- **Low customer satisfaction for pricing transparency:** Multiple clients' inquiries during the past 18 months reported dissatisfaction with IBM's transparency on how baselines are calculated for FTE or fixed-fee pricing models.
- **Fewer F&A clients in several industries:** IBM has minimal exposure to F&A clients in the professional services, government and education industries. Each of these industries only has 1% of its F&A portfolio. Buyers from these industries should further evaluate this vendor's capabilities in meeting their sector needs.

- **Low adoption of intelligent workflows:** Only 18% of IBM deals as of September 2021 contracted for intelligent workflows, in comparison to other leading vendors in this research. The company instead focuses on leveraging existing client investments to modernize systems of engagements and systems of records.

Infosys

Infosys is a Leader in this Magic Quadrant. Its F&A BPO services include P2P, quote-to-cash, R2R, enterprise reporting, FP&A, tax support and digital finance solutions. The company focuses on end-to-end transformation services through its Live Enterprise Suite for finance and provides hyperautomation technologies. Headquartered in Bangalore, India, Infosys employs over 20,500 F&A employees and operates 29 delivery centers across the Americas, APAC and EMEA. It serves over 165 clients across all major industries. It recently invested in new delivery centers to increase capacity and attain talent. Infosys plans to invest in acquisitions in targeted geographic regions and next-generation digital companies.

Strengths

- **IT heritage complementing finance offerings:** Infosys' patented frameworks, such as Finance.Live, are strategic investments to meet its customers' digital finance needs and involve AI, cloud, predictive insights and data unification. These offerings are backed by its foundational expertise in infrastructure and system integrator capabilities.
- **Promotes partnership efforts by tracking value creation:** Infosys' solutions, such as its Digital Command Console, provide customers with real-time, persona-configured reporting. In addition to its real-time KPI reporting, it delivers executive roles with predictive business-level insights via a cloud-based, mobile-enabled platform.
- **Business-outcome-focused offering:** Infosys uses its outcome-based market understanding of finance digitalization as the impetus for live reporting, niche platforms' consolidation through deployment of integrated technologies and customer engagement with AI-powered insights. It supports this with its outcome-based contracting.

Cautions

- **Limited customers in several industries:** Infosys has limited exposure to F&A clients in the energy and utilities, healthcare and life sciences industries, which only account for 3% of its client base. This is considerably lower when compared to other leading vendors who are targeting client growth in these industries.

- **Heavy APAC delivery presence:** Nearly half of its delivery centers are located in APAC, with a smaller presence in Latin America and Southeast Asia. Its recent investments in new delivery centers have been focused in the European region. Clients considering service delivery support in the Latin America and Southeast Asia regions should further evaluate this vendor.
- **Client profile heavily focused on large enterprises:** Sixty-five percent of Infosys' F&A client portfolio is focused on large enterprise companies, higher than the majority of leading vendors. Clients in midsize enterprise and startup organizations should evaluate this vendor's ability to meet specific expertise and requirements in their markets.

TCS

Tata Consultancy Services (TCS) is a Leader in this Magic Quadrant. Its F&A BPO services include P2P, O2C, R2R and FP&A. It delivers F&A services from its Cognitive Business Operations (CBO) division, focused on operational outsourcing and transforming business processes. It also has F&A solutions such as TCS Digital F&A. Headquartered in Mumbai, India, it employs over 33,000 F&A employees and operates 49 F&A delivery centers across the Americas, APAC and EMEA. The company serves over 170 F&A clients across all major industries. TCS recently invested in new centers for F&A and plans to open more centers closer to clients' locations to drive innovation and digital transformation.

Strengths

- **Building the core through innovation:** At the center of TCS's innovation agenda is its Cognix platform, an AI-driven suite developed for intelligent operations, transformation governance and to deploy plug-and-play and modular prebuilt digital solutions (i.e., value builders). It aims to double its AI/ML prebuilt builders to 150 in the next 12 months.
- **Provision of an innovation fund:** TCS offers an innovation fund to its clients, allowing access to its new technology solutions through proofs of concept or prototyping interventions with the option to purchase upon successful results. Clients looking for continuous improvements in their transformation journey may find this offering valuable.
- **Industry-specific accounting services:** TCS has a comprehensive catalog of industry-specific accounting services across 10 major industries. These accounting services, such as transfer pricing, financial modeling and revenue cycle management, are designed to meet regulatory and compliance accounting reporting needs specific to clients' industry and market.

Cautions

- **Highly prevalent FTE-based pricing:** At 65%, TCS has the largest F&A client base contracted to an FTE-based pricing model in comparison to other leading vendors profiled in this research. Its high client adoption rates in technology solutions do not correspond with an increase in pricing models other than FTE-based pricing, as seen by other vendors.
- **Above-average contract term duration:** TCS's average contract length is eight to 10 years, twice the average term length of other leading vendors profiled. In addition, 75% of its deals come from large enterprises (enterprises with more than 10,000 employees). This may be a consideration for SMB client organizations assessing vendor suitability.
- **Limited F&A services information for buyers:** TCS's F&A-specific solutions and services information is scarcely available on its website and lacks foundational information such as F&A process coverage, client success stories and testimonials, as seen by the majority of leading vendors. In addition, its core platform Cognix has limited messaging online for buyers.

Tech Mahindra

Tech Mahindra is a Niche Player in this Magic Quadrant. Its F&A BPO services cover P2P, O2C and R2R processes. Its solutions use its Next Gen AAC Model (analytics, automation and consulting delivered through a multilingual human digital workforce) and focus on customer, user and behavioral experience. Tech Mahindra's business process services is headquartered in Mumbai, India and employs over 6,000 employees supporting F&A activities at 33 F&A delivery centers in the Americas, APAC and EMEA. It serves 58 F&A clients across multiple industries. Tech Mahindra deployed over 15,000 BPO agents globally in response to COVID-19. Its future investment plans focus on blockchain for reconciliation, digital process mining and analytics for reporting, and enhance its F&A presence in Eastern Europe.

Strengths

- **Innovation focus on hyperautomation:** Tech Mahindra's innovation strategy focuses on investing in digital process mining and analytics for F&A reporting. It plans to bring innovation at scale through reusable bots (automated software applications for performing tasks), AI/ML and blockchain-based tools to achieve faster transformation.

- **Automation messaging:** Tech Mahindra's digital CFO suite caters to P2P, O2C and R2R domains and offers automation coupled with visualizations and analytics. Its business process and digital orchestration layers are linked with client systems and provide an integrated view of process performance.
- **Growing domain and analytics capabilities:** Tech Mahindra's offerings cut across F&A processes with a combination of its consulting, services and platform capabilities that include proprietary and partnered technologies. Its SeeR analytics platform blends domain expertise (from over 1,600 consultants) with dashboarding and ML capabilities to improve assurance and operational efficiency.

Cautions

- **Limited geographic strategy:** Tech Mahindra lacks detail in its geographic strategy, which supports finance buyers' needs for digital transformation and technology skill sets that are deep in industry knowledge and available outside of traditional low-cost locations used for legacy labor arbitrage outsourcing needs.
- **Limited market messaging:** Tech Mahindra doesn't make available to its buyers any F&A-specific case studies, transformation examples and client testimonials related to its digital finance offerings on its company website or any other platform. In comparison to other profiled vendors, it does not provide buyers with its view on the direction of the finance organization.
- **Low market penetration:** Tech Mahindra showed high growth in clients in 2020 and a 100% client retention rate. However, it has the smallest number of clients among vendors in this research. In addition, only 3% of its 2020 F&A BPO revenue was contracted for transformation services, and as of September 2021, less than 10% was contracted for intelligent workflow solutions.

Wipro

Wipro is a Leader in this Magic Quadrant. Its F&A BPO services include P2P, O2C, R2R and statutory reporting. It provides digital operation and platform services, hyperautomation technologies and solutions such as Wipro HOLMES, Wipro Harmony and DeltaVerge. Headquartered in Bengaluru, India, the company employs more than 22,000 F&A employees and operates 35 delivery centers across the Americas, APAC and EMEA. It serves 144 F&A clients representing all major industries. Acquisitions in 2020 and 2021 relevant to its F&A offerings are Capco, IVIA and Rational Interaction. The company plans to invest in automation, blockchain, AI and cloud-based platform solutions, leading to agile and smart operations.

Strengths

- **New leadership strengthening market understanding:** Wipro's recent changes to its leadership team have resulted in new F&A strategic priorities focused on enabling its Digital CFO: Cognitive Finance Organization. It's one of the few leading vendors that has a strong market understanding of navigating CFO barriers to becoming digital.
- **Cloud-based modular approach:** The company has a comprehensive set of digital finance solutions. It responds to buyer needs by offering BPaaS models for a modular approach to its solutions, innovation centers to demonstrate digital capabilities and technology partnerships such as the Wipro Global Celonis Center for process discovery.
- **Strong automation adoption:** Wipro's F&A BPO service lines comprise 60% of the overall BPO contract value. As of September 2021, 100% of its F&A deals contracted for RPA, and 70% of finance deals are contracts for process mining. This rate of adoption is one of the highest for vendors in this research.

Cautions

- **Fewer customers on outcome-based pricing:** Wipro currently has 12% of its F&A contracts on an outcome-based arrangement and 14% on a gain share model, putting it on the lower end of the quartile for leading vendors. It sees outcome-based pricing as a journey based on relationship maturity, requiring customers to openly share their vision and strategy.
- **Concentrated APAC delivery presence:** Wipro currently has more than half of its delivery centers located in APAC. In comparison, other leading vendors have already balanced their global footprint by opening centers in Europe and the Americas to meet nearshore location demand for new digital finance offerings.
- **Smaller revenue from transformation services:** Currently, only 21% of Wipro's F&A revenue is generated from finance buyers contracting for transformation services, which is lower than the average across vendors assessed in this market.

WNS Global Services

WNS is a Leader in this Magic Quadrant. Its F&A BPO services include quote-to-sustain (O2C), S2P, R2R and FP&A. It has a digital outsourcing solution offering for F&A, including hyperautomation technologies centered on intelligent process automation and analytics. Headquartered in Mumbai, India, WNS employs more than 11,550 F&A employees and operates 22 delivery centers in the Americas, APAC and EMEA. It serves over 120 F&A clients in most industries, excluding government. In November 2021, the company launched WNS FINSIBLE, a suite of banking solutions enabling fintechs to streamline, manage and scale operations. WNS has invested in enhancing its presence in Canada, South Africa and Europe.

Strengths

- **Modular finance platform offering:** Under its Finance OneOffice model, WNS has simplified its end-to-end workflows such as quote-to-sustain and record-to-analyze into modular solutions. Its buyers benefit from purchasing the modules that meet their digitalization needs. Its RPA capabilities further support modular connectivity to existing finance software.
- **Strong Gartner Peer Insights scores:** The company is currently rated 4.6 out of 5 by finance buyers as reported on the Gartner Peer Insights portal. Several buyers scored WNS high for access to industry leaders and its ability to improve operations subject to complex geographic, currency and language challenges. One customer called WNS an extension of their finance team.
- **CFO-focused market interventions:** WNS hosts forums in CFO-centric settings such as the Financial Times and the Executive Leaders Network. Since 2020, its 300-CFO survey has informed its finance technology solutions roadmap. Among leading vendors, WNS strongly demonstrates how its finance technology solutions meet current CFO challenges.

Cautions

- **Limited deals for process mining:** Approximately 20% of its deals contracted for the inclusion of process mining solutions, which was among the lowest across leading vendors in this research. Its product roadmap for the next 12 months focuses on expanding its integrated hyperautomation offering, which will increase this adoption.
- **Several industry verticals not supported:** WNS has limited exposure to F&A clients in the government and technology industries when compared to other leading vendors who have demonstrated plans to target these industries due to their growth potential in digital finance services.

- **Highly prevalent FTE-based pricing:** At 49%, the company has a large F&A client base contracted to an FTE-based pricing model in comparison to other leading vendors with similar client numbers. Finance clients looking for agreements other than FTE-based outsourcing contracts should evaluate this vendor further for non-FTE-based pricing models.

Vendors Added and Dropped

We review and adjust our inclusion criteria for Magic Quadrants as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant may change over time. A vendor's appearance in a Magic Quadrant one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. It may be a reflection of a change in the market and, therefore, changed evaluation criteria, or of a change of focus by that vendor.

This is the first Magic Quadrant in this market since 2015. Due to this interval of more than five years and the development of digital transformation and new technologies, all vendors included in this report are being treated as if they are being evaluated for the first time.

Inclusion and Exclusion Criteria

For Gartner clients, Magic Quadrant and Critical Capabilities research identifies and then analyzes the most relevant providers and their products in a market. By default, Gartner uses an upper limit of 20 providers to support the identification of the most relevant providers in a market. The inclusion criteria represent the specific attributes that analysts believe are necessary for inclusion in this research.

To qualify for inclusion, providers had to fulfill the following criteria:

- The vendor must have had a minimum revenue of \$200 million annually (in U.S. dollars or the equivalent) in F&A BPO services for 2020 and/or added new F&A clients to its portfolio for the 2018, 2019 and 2020 calendar years.
- The company must have had an F&A BPO market share and minimum of one client base present in at least three of the following four regions: NA, LATAM, EMEA and APAC.

- It needed to offer F&A BPO services (as per the Market Definition/Description) that serve buyers across at least 80% of major industries (i.e., communications, energy, government and education, financial services, healthcare, travel and transportation, manufacturing, retail and wholesale trade, high-tech and services).
- The vendor must have had F&A experts and delivery centers in at least two of the following four regions: NA, LATAM, EMEA and APAC.
- The company must have had a minimum of 50% of its F&A client portfolio for the 2020 calendar year, inclusive of contracting for process improvement and/or digital transformation services.
- It needed to offer service delivery capabilities for at least two of the following three end-to-end processes: S2P, O2C and R2R, as described in the Market Definition/Description.
- The vendor must have had a minimum of two service offerings across statutory financial reporting, FP&A, payroll, treasury and cash management.
- The company needed to offer a combination of pricing models that include outcome-based, variable transaction and fixed-fee models.
- It needed to offer hyperautomation-enabling technology – either proprietary or partnered solutions (e.g., RPA, intelligent workflow, AI/ML, process mining and predictive analytics).
- The provider also needed to offer finance data and analytics services (i.e., prescriptive and predictive analytics, ML, simulation and optimization, self-service analytics and real-time reporting).

Honorable Mentions

Some vendors did not qualify for inclusion in this Magic Quadrant but nevertheless offer notable, specialized value for certain industries or regions that may be of interest to our clients.

Conduent, a public company headquartered in Florham Park, New Jersey, U.S., provides BPO solutions for F&A, including digital payments, O2C, S2P, R2R and blockchain. Conduent's outsourcing solution offers F&A buyers finance transformation operations using AI, ML, analytics and blockchain technologies as proprietary tools or from technology partners. The company could not participate in this Magic Quadrant due to resource limitations.

DXC Technology, a public company headquartered in Tysons, Virginia, U.S., offers F&A BPS engagements focused on S2P, R2R, O2C and other financial reporting capabilities. Its BPO services for F&A are provided in DXC Bionix, its digital services delivery model, which uses an IA approach and leverages AI, analytics, RPA and cognitive computing. The company did not meet the revenue criteria for this Magic Quadrant.

Sopra Steria, a public company based in Paris, France, offers BPS for F&A processes, including purchase-to-pay, O2C, ledger and reporting services, and treasury. Sopra Steria's F&A BPS offering includes innovation teams focused on optimizing performance and transforming F&A customer experience, and the company partners with technology providers to offer IA capabilities. Its F&A BPS offer is primarily focused on the U.K. market, and it did not meet the revenue criteria for this Magic Quadrant.

Sutherland, a private company headquartered in Pittsford, New York, U.S., offers digital transformation and BPS for F&A, including sales and operations planning, O2C and S2P. Sutherland offers a digital finance business process service that is centered on the application of hyperautomation technologies, such as intelligent process automation, RPA and analytics. The company did not meet the revenue criteria for this Magic Quadrant.

Evaluation Criteria

Ability to Execute

Gartner evaluates the vendors' Ability to Execute by assessing their products' services, sales and marketing execution and overall operations. Analysts evaluate how these criteria enable the vendors to compete and be effective in the market, support their ability to retain and satisfy customers, assist in creating positive perception and help them adequately respond to market changes. The criteria are included in Table 1.

In this Magic Quadrant, the product or service, customer experience and operations criteria are particularly important. This is because the ability to provide digital technologies, transformation expertise and operations to deliver ongoing management of these services is what leads CFOs to take advantage of an outsourcing provider for accelerating the digitalization of finance operations.

The overall viability, sales execution and pricing, marketing execution and market responsiveness ensure vendors have sufficient funding, growth to continue developing their products and ability to respond to customers' changing needs in the market.

Table 1: Ability to Execute Evaluation Criteria

<i>Evaluation Criteria</i> ↓	<i>Weighting</i> ↓
Product or Service	High
Overall Viability	Medium
Sales Execution/Pricing	Medium
Market Responsiveness/Record	Medium
Marketing Execution	Medium
Customer Experience	High
Operations	High

Source: Gartner (June 2022)

Completeness of Vision

Gartner assesses vendors’ Completeness of Vision by evaluating their ability to articulate their perspectives on the market’s current and future direction, anticipate customers’ needs and technology trends, and address competitive forces. Analysts also evaluate Completeness of Vision by vendors’ understanding and articulation of how they exploit market forces to create new opportunities for themselves and their clients. The criteria are included in Table 2.

In this Magic Quadrant, market understanding, innovation and geographic strategy are also particularly important. This is because the ability to understand the digital priorities for the CFO organization and maintain a detailed roadmap on innovating its services and technology solutions through a global delivery model are key differentiators in this market.

Business model, industry strategy, marketing strategy and offering strategy convey a vendor’s ability to respond to buyers’ demands and deliver value to organizations of different complexities. The sales strategy criteria were not rated. The use of an appropriate network of direct and indirect sales, marketing and communication affiliates is not considered a priority evaluation criterion for finance leaders invested in purchasing BPO services.

Table 2: Completeness of Vision Evaluation Criteria

<i>Evaluation Criteria</i> ↓	<i>Weighting</i> ↓
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	NotRated
Offering (Product) Strategy	Medium
Business Model	Medium
Vertical/Industry Strategy	Medium
Innovation	High
Geographic Strategy	High

Source: Gartner (June 2022)

Quadrant Descriptions

Leaders

Leaders provide digital finance solutions and transformation expertise that focus on reducing human intervention across process workflows and also result in rich analytics insight reporting that can be consumed across the entire finance value chain. Leaders focus on building partnerships with their clients that allow them to be an extension of the retained organization, with an objective to continuously innovate their intelligent platforms to meet the evolving needs of CFOs and their organizations. Leaders focus on achieving business outcomes, and every aspect of their business model – such as pricing, performance and governance – follows suit.

A Leader may not always be the best choice for every customer. A focused, smaller vendor that is not a Leader can sometimes provide superior support and commitment. Other vendors may provide a specialized capability that is essential for some organizations or relatively smaller deals with shorter durations. In addition, a vendor that focuses on a smaller subset of industries or within a limited geographic area may not be a Leader in the overall market, but it may be a competitive option within its chosen industries or area.

Challengers

Challengers have a strong Ability to Execute and match their own offerings to what they see their own clients requesting, which may be to respond to increasing global demand or an emerging market direction. Although Challengers typically have sufficient scale and financial resources, they may lack the breadth of vision, innovation or overall ability to impact market development.

A Challenger may become a Leader if it demonstrates exceptional insight into the market's direction and continues to execute excellently. A Challenger may alternatively become a Visionary or Niche Player by sacrificing growth and instead focusing on developing innovative, differentiating and/or segment-specific features and capabilities.

There are no Challengers in the present Magic Quadrant.

Visionaries

Visionaries align with Gartner's view of how the market is evolving, but they are still building proof points in their ability to deliver against that vision. This may reflect a competitive strategy, such as selling an innovation ahead of mainstream demand or aligning execution capabilities with that innovation, or it may reflect early attempts at differentiating in the market.

Visionaries may become Challengers or Leaders, depending on how they develop their go-to-market capabilities and whether they can develop partnerships that complement their strengths. Alternatively, a Visionary may become a Niche Player if it decides to limit its target market by focusing on its core competencies, technologies or existing customers.

Niche Players

Niche Players do well in a specific segment of the market or have limited ability to innovate or outperform other service providers due to the high investment demands required to compete across all aspects of the F&A BPO services. This may be because they focus on a vertical market, service offering or geographic region, or because they do not offer a broad range of services for competing platforms. Their Ability to Execute can be affected by their focus areas of expertise, as well as customers' perceptions of services. Niche Players are often in the process of reinvesting in their offerings and developing the scale to execute for a broader set of clients.

In this fast-evolving market, opportunities exist in all directions. Some Niche Players are poised to improve their execution and evolve into Challengers. Others may become Visionaries by developing innovative solutions that attract interest beyond their niche segments. Still others may strengthen and broaden their businesses to eventually become Leaders.

Context

The vendors in the market have considerably changed their offerings since the last Gartner publication of the Magic Quadrant for Finance and Accounting Business Process Outsourcing in 2015. Vendors participating in this current research have responded to evolving CFO requirements, such as optimizing semiautomated processes to become end-to-end intelligent workflows through hyperautomation-enabling technologies that offer a cloud-based integration with persona-focused analytics reporting outputs.

The market has evolved from competing in offering the lowest-cost locations and labor rates to selling technology solutions and transformation expertise for the digitalization of the finance function. Vendors in this market have performed well in keeping operations for existing clients stable through the volatility of the global pandemic, and many have earned a respectable reputation for performing 100% of operations from the contracting to knowledge-transitioning process.

Vendors in this market are harnessing their decades of experience serving the industries that make up the majority of their F&A BPO revenue, and they are increasingly offering more industry-specific process workflow solutions. The majority of vendors reported strong customer retention rates with year-over-year growth in F&A customer accounts. Vendors are reporting growth from midsize and startup businesses increasing faster than new business from large enterprises.

Below are key considerations and recommendations for assessing the vendor best-suited to meet your needs:

- **Shift from cost savings to capital efficiency** – CFOs must see outsourcing as more than just operational cost savings. Instead, they should look to establish ways of improving capital efficiency by building agreements that encourage outsourcing providers to contribute capital investments for digital transformation programs.
- **Assess differentiating features and transformation roadmaps** – Evaluate vendors' current and future advanced analytics capabilities such as AI and ML investments, workflow automation and collaboration functionalities. Ensure the selected vendor is focused on growth and product development in solutions that align with the market and your organization's expectations.
- **Consider outcome-based commercial deals** – The majority of vendors understand the importance of messaging in business outcomes; however, few buyers are aware of commercial contracts on an outcome basis. A successful outcome-based pricing model relies heavily on a well-structured outsourcing relationship with robust governance practices and an ongoing commitment to transparency from both parties. Take time to evaluate which model is right for you based on your current and future growth projections.
- **Gauge partner technology ecosystems** – Vendors are investing in technology partner ecosystems, giving their customers access to market-leading solutions under a single contract. This reduces the burden of vendor management across multiple finance applications. Assess your existing technology portfolio (i.e., what you have already invested in) and the gaps that the vendor is best-positioned to fill.

This Magic Quadrant is an assessment of vendor capabilities based on past execution in 2021 and future development plans over the next 12 months. However, it may only be valid at a particular point in time as vendors and the market continue to evolve. Note that not all F&A BPO vendors, especially those with limited finance processing capabilities and/or limited geography presence, have qualified for this research.

CFOs should not use this Magic Quadrant in isolation as a tool for selecting vendors and products. They should treat it as one reference point among the many required to identify the most suitable vendor and product. When selecting a provider, they should use this Magic Quadrant in combination with [Critical Capabilities for Finance and Accounting Business Process Outsourcing](#). We also recommend using Gartner's client inquiry service.

Market Overview

The market for F&A BPO is mature. Gartner forecasts F&A BPO services to grow at a compound annual growth rate (CAGR) of 1.7% from 2018 through 2023, with an estimated total market size of \$13.9 billion by year-end 2023.

The start of the global pandemic was a period of valuable performance observation for the F&A BPO market. With an expected rise in economic risk and uncertainty, providers risked impacting financial close periods, and many F&A clients were preparing for conversations on possible insourcing of finance operations. Two outcomes emerged:

Outcome one — F&A BPO providers passed on disruptions to critical processes for their clients, which resulted in reporting their financials late and relying heavily on processes conducted by headcount. These arrangements had immature performance management mechanisms that lacked the monitoring of key metrics and real-time visibility into process workflow insights.

Outcome two — F&A BPO providers kept stability to processing cycle times and productivity metrics, which resulted in clients who successfully reported on time with little or no disruption to service level. These arrangements had strong performance management mechanisms in place, and much of the finance process workflow was automated with limited human touches required. These F&A providers were responsible for not only transacting but also governing, monitoring and improving the clients' finance operations.

Hyperautomation Will Be a Key Differentiator Between Providers

The vast majority of F&A BPO providers have agreements in place today that offer RPA and workflow automation capabilities to F&A clients. Providers have rapidly adapted to offer these automation technology services and aim to drive value to customers by reducing transaction costs and meeting preset productivity targets. These technologies have restricted applicability to automate simple, repeatable tasks.

Therefore, many F&A BPO providers now leverage technologies that automate complex, dynamic processes requiring human judgment. As F&A clients begin to understand these technology solutions from their BPO providers and contract to access them, they will reach a highly advanced state of automation that Gartner defines as “hyperautomation.”

Hyperautomation refers to the combination of automation tools with multiple ML and AI applications, and packaged software used to deliver work. Hyperautomation enables BPO providers to offer their clients the capability to orchestrate, as a design pattern, multiple end-to-end processes (i.e., S2P, R2R, O2C) so they are better connected, consistent, lean and optimized.

Gartner expects F&A BPO providers to set up new contracts or refresh existing contracts that provide detailed proposal plans on improving clients’ and prospects’ maturity of finance processes using hyperautomation. The F&A BPO market will continue to offer essential cost measurements, but it will need to put this in context of how changing its clients’ processes, operated by packaged finance applications, will impact the total cost. Providers can meet this demand by articulating to their clients the need for hyperautomation.

Buyer Uncertainty With Licensing Rights for Technology Applications

The F&A BPO market continues to invest heavily in IA and advanced analytics offerings that are either proprietary solutions or partnerships with software vendors. These investments now allow many providers in this market to sell a value proposition to F&A buyers, which supports the acceleration of digitalizing finance operations.

Progressive vendors in this market demonstrate how the traditional approach of humans working alongside RPA software, which focuses on rule-based, task-level scope, is not a best practice and counterintuitive to going digital. Instead, these providers articulate how proprietary solutions, or the involvement of software partnerships, can offer end-to-end intelligent, automated workflows. This results in greater insight into process performance and how the provider’s application of advanced analytics algorithms can generate powerful insights and business intelligence.

This market will continue to expand its position in offering more complex technologies that focus on process orchestration and judgment-based tasks to support finance’s digitalization objectives. Therefore, buyers must see the value in contracting to access technologies and dispel any uncertainties regarding long-term ownership rights of software they can procure independently.

CFOs must see outsourcing as more than just operational cost savings. Instead, they should look to establish ways of improving capital efficiency by building pricing models that encourage the outsourcing providers to contribute capital investments for the digital transformation program.

Acronym Key and Glossary Terms

AI	artificial intelligence
AP	accounts payable
APAC	Asia/Pacific
AR	accounts receivable
BPaaS	business process as a service
BPO	business process outsourcing
CFO	chief financial officer
COE	center of excellence
EMEA	Europe, the Middle East and Africa
F&A	finance and accounting
FP&A	financial planning and analysis
FTE	full-time equivalent
IA	intelligent automation
KPI	key performance indicator
LATAM	Latin America
ML	machine learning
NA	North America
O2C	order-to-cash
P2P	procure-to-pay
R2R	record-to-report
RPA	robotic process automation
S2P	source-to-pay
WFA	work from anywhere

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

Recommended by the Authors

Some documents may not be available as part of your current Gartner subscription.

[Magic Quadrant for Finance and Accounting Business Process Outsourcing](#)

[Critical Capabilities for Finance and Accounting Business Process Outsourcing](#)

[Toolkit: RFP Template for Finance and Accounting Business Process Outsourcing](#)

[Modernize Your Outsourcing Pricing Model for Digitalized Finance Processes](#)

[4 Actions That Enable a Successful Finance Outsourcing Partnership](#)

[Predicts 2022: Digital Finance Transformation via AI-Enabled Outsourcing](#)

[Market Guide for Finance and Accounting Business Process Outsourcing](#)

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Table 1: Ability to Execute Evaluation Criteria

<i>Evaluation Criteria</i> ↓	<i>Weighting</i> ↓
Product or Service	High
Overall Viability	Medium
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Market Responsiveness/Record	Medium
Marketing Execution	Medium
Customer Experience	High
Operations	High

Source: Gartner (June 2022)

Table 2: Completeness of Vision Evaluation Criteria

<i>Evaluation Criteria</i> ↓	<i>Weighting</i> ↓
Market Understanding	High
Marketing Strategy	Medium
Sales Strategy	NotRated
Offering (Product) Strategy	Medium
Business Model	Medium
Vertical/Industry Strategy	Medium
Innovation	High
Geographic Strategy	High

Source: Gartner (June 2022)