IDC MarketScape

IDC MarketScape: Worldwide Change Consulting Services 2019 Vendor Assessment

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THIS IDC MARKETSCAPE EXCERPT FEATURES EY

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Change Consulting Services Vendor Assessment

Source: IDC, 2019
Please see the Appendix for detailed methodology, market definition, and scoring criteria.

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IN THIS EXCERPT
The content for this excerpt was taken directly from IDC MarketScape: Worldwide Change Consulting Services 2019 Vendor Assessment (Doc # US43248119). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION
This IDC study represents the vendor assessment model called IDC MarketScape. This research is a quantitative and qualitative assessment of the characteristics that explain a vendor’s current and future success in the marketplace. This study assesses the capabilities and business strategies of many prominent business consulting firms. This evaluation is based on a comprehensive framework and a set of parameters expected to be most conducive to success in providing change consulting services during both the short term and the long term. A significant component of this evaluation is the inclusion of business consulting buyers’ perception of both the key characteristics and the capabilities of these change consulting providers, both directly from the vendors’ clients and through a survey. As one would expect of market leaders, overall, these firms performed very well on this assessment. Key findings include:

▪ Worldwide, consulting providers are generally perceived as being able to integrate their engagement teams with those of their clients, understand the unique needs of a client’s business, and offer high-quality staff. They are also considered very capable of meeting the project timeline and helping implement change that produces results.

▪ This evaluation discovered that generally enterprises are less impressed with the consulting provider’s ability to directly improve their commercial performance, help integrate appropriate analytics and technologies into the engagement, and provide industry insights and competence — all essential to many significant business transformation initiatives.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA
This research includes analysis of the five largest business consulting firms and additional firms with broad change consulting portfolios spanning IDC’s research coverage and with global or regional importance. This assessment is designed to evaluate the characteristics of each firm — as opposed to its size or the breadth of its services. It is conceivable, and in fact the case, that specialty firms can compete with multidisciplinary firms on an equal footing. As such, this evaluation should not be considered a “final judgment” on the firms to consider for a particular change consulting project. An enterprise’s specific objectives and requirements will play a significant role in determining which firms should be considered as potential candidates for an engagement.

ADVICE FOR TECHNOLOGY BUYERS

▪ **Be explicit about who does what.** While all firms have capabilities to help you drive organizational change, make the choice about which, if any, of these change management (CM) activities can be led by your consultant and which need to be driven by organizational insiders.
▪ **Assess how current your provider is on the latest methods.** Change consulting itself has changed in three ways since our last evaluation in 2015, and the focus on change in this digital age has unique characteristics. First, employee or customer experience has become the focal point of almost all change efforts. Second, change management is less of a discrete event and more of a continuous process. Finally, a significant amount of data is now possible to gather about the change process itself, and it should be used to guide the effort. Elements of the old school change consulting process still apply, so engage with your vendor about how it has blended its approach.

▪ **Find out which provider of change consulting services can get you the customized approach you are looking for.** Buyers are increasingly expecting consulting firms to become part of their team, listen to their individual needs, and find solutions that are tailored around those needs. One of the key takeaways from this document is that for many clients this highly impacts the success of a change project.

**VENDOR SUMMARY PROFILE**

This section briefly explains IDC’s key observations resulting in a vendor’s position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of the vendor’s strengths and challenges.

**EY**

Based on IDC analysis and customer feedback, EY is positioned as a Leader in the 2019 IDC MarketScape for change consulting services worldwide.

As of September 2018, EY has over 260,000 professionals across more than 150 countries globally. EY’s purpose is to help clients realize their potential based on the belief that when businesses work better, the world works better. The company positions itself as better-connected consultants that help clients navigate the transformative age — EY does this by bringing together the talent, creativity, and experience of its entire organization and ecosystem of clients, alliance partners, and start-ups.

EY’s core business consulting services sit within EY’s advisory organization and include risk, cybersecurity, data and analytics, digital, finance, supply chain, customer, program management, strategy consulting, and people advisory services, all enabled by EY’s technology practice, providing clients with the option of delivering some of these through a managed services framework. Through these services, EY is able to support businesses in transformation, innovation, managing risk, analytics, cybersecurity, and digital. Rather than EY offering a siloed digital practice, digital skills are embedded throughout EY’s organization. Its response to digital is holistic, cutting across sectors and infusing digital into its service lines and competencies.

EY also provides business consulting services beyond its advisory organization. These services sit across assurance, tax and transactions, and include post-transaction integration services, tax-effective process advisory, fraud investigation, legal services and disputes management, climate change and sustainability, and financial accounting advisory services.

EY’s Global Innovation team and innovation centers are creating powerful ideas for organizations, especially around opportunities coming from emerging technologies such as artificial intelligence, blockchain, Internet of Things, and robotics. EY’s 25+ innovation centers — called wavespace, located in some of the hottest innovation cities around the world — are a network of makers environments that
combine business strategy, design thinking, digital, and technological expertise needed to rapidly prototype and bring client innovation ideas to life. They bring an opportunity to co-innovate and codevelop, leveraging EY's ecosystem and local start-ups.

EY's strategic transformation business covers the areas of strategy and innovation (i.e., by addressing purpose-led strategies, idea generation and customer delivery, digital strategy, growth strategy, strategic pricing and strategic planning, and road map creation), change management and experience (i.e., by addressing change management and capability mapping), and HR transformation (i.e., by addressing people and HR strategy, organization assessment, design and governance, policy and process, service delivery model, shared services, and outsourcing and enabling technology, data, automation, and analytics).

Strategic transformation, part of EY's Advisory practice, helps clients unlock what EY consider the inherent value along the entire transformation spectrum – purpose, business and operating model, process and function, or tools and technology.

Its Purpose-Led Transformation is a new approach to driving strategic transformation, innovation, and growth. EY sees purpose as an organization's clear reason for being that serves to set strategic vision and decision making, focusing the business strategy on delivering value and meaning for customers, employees, and other stakeholders, which finally boosts the prosperity of an organization.

EY's Enterprise Operating Model approach supports strategy execution and drives value through the unlocking of top-line growth (pursuing new business models or restructuring existing ones to deliver integrated client outcomes), differentiating core capabilities, including performance (increasing operational effectiveness), and driving sustainable profitability (optimizing enterprise costs).

Through its Enterprise Cost Reduction solution, EY helps clients align their cost structure with corporate strategy and controlling costs and use those savings to enable growth.

**Strengths**

Based on client feedback and IDC analysts’ evaluation, EY is seen to excel at its ability to help clients with their employee management through training initiatives, offer high-quality staff, and at continually refreshing and deepening its change consultants’ skills to keep up with changing issues, approaches, and insights.

**Challenges**

Conversely, EY can improve its perception among clients related to its ability to help clients adapt to change and become more “agile,” integrate appropriate analytics into engagement, and provide functional insights and expertise.

**APPENDIX**

**Reading an IDC MarketScape Graph**

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor’s current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the
company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the market share of each individual vendor within the specific market segment being assessed.

**IDC MarketScape Methodology**

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

**Market Definition**

Change management, a segment of business consulting, is a structured approach to transitioning individuals, teams, and organizations from a current state to a desired future state. It includes both organizational change management processes and individual change management models, which together are used to manage the people side of change.

Business consulting involves advisory and implementation services related to management issues. It often includes defining an organization's strategy and goals and designing and implementing the structures and processes that help the organization reach its goals. Business consulting includes three main areas: strategy consulting, operational improvement consulting, and change and organization consulting. The market is primarily served by four firm types:

- **Big Four**: IDC recognizes the well-known Big Four firms as the four largest international accountancy and professional services firms — Deloitte, EY, KPMG, and PwC.
- **Multidisciplinary**: IDC describes multidisciplinary firms as large, diversified consulting organizations that offer a range of business consulting services to clients across a myriad of sectors. To distinguish these from other specialty firms, consulting services must address more than two business functional areas, in addition to providing strategy and operational implementations.
- **Technology led**: These are also large, multifaceted firms and are known for deep expertise in both technology and business consulting. IDC identifies these firms as those that expanded from information technology-centric businesses into more broad business consulting or vice versa.
- **Specialty**: Specialty firms have focused areas of consulting expertise in specific industries, functional areas, or technologies. Management and strategic consulting specialists that offer
primarily strategy consulting and business intelligence (BI) models to specific sectors or industries including government fit into this category of firms.

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Synopsis

This IDC study uses the IDC MarketScape model to provide an assessment of providers participating in the worldwide change consulting services market. The IDC MarketScape is an evaluation based on a comprehensive framework and a set of parameters that assesses providers relative to one another and to those factors expected to be most conducive to success in a given market during both the short term and the long term.

"Consulting services focusing on organizational and cultural change have become a critical component of successful digital transformation endeavors," noted Bjoem Stengel, senior research analyst, Worldwide Business Consulting Services at IDC. "Clients are particularly interested in using change consulting projects to create more effective and efficient businesses, reduce cost, and adapt to overall business change or to become more agile. Most of the change consulting providers in this IDC MarketScape do well in those areas. However, driving innovation and developing digital products and services are considered lower client priorities, and consultancies need to find ways to better communicate the usefulness of their digital offerings in this space."
About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

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