

## REPORT REPRINT

# Wipro sets sights on becoming the 'Uber of IT' with Boundaryless Datacenter

**AGATHA POON**

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The company is on the cusp of solving the hybrid IT puzzle with what it describes as a 'dynamic multi-sourcing' approach and an as-a-service enterprise platform. We discuss how Wipro's BLDC has developed so far and what we can expect moving forward.

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Wipro has brought its Boundaryless Datacenter (BLDC) strategy to the fore as it continues to invest to cement its position as the leader in hybrid IT management. BLDC serves as future-ready framework to automate and manage enterprise IT environments (both on- and off-premises) beyond any predefined physical boundaries, and provides end-to-end lifecycle services. Driven by its fast-growing global infrastructure services (GIS) unit, Wipro is on the cusp of solving the hybrid IT puzzle with what it describes as a 'dynamic multi-sourcing' approach and an as-a-service enterprise platform, graduating from IT-outcome-driven datacenter strategy to business-outcome-driven datacenter strategy. Wipro intends to use IT to disrupt the traditional methods of service delivery; as a control point, to match users with the right resources at the right time; and to optimize said resources by taking advantage of the shared-economy model. In essence, it's looking to do for IT what Uber did for ride-sharing.

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## THE 451 TAKE

Wipro's BLDC revolves around the notion of dynamic multi-sourcing, in which digital enterprises can deploy infrastructure, application and process as a service across providers. Having established a solid installed base of global clients and a well-known brand for datacenter transformation projects has helped the SI get off to a good start, but it is the company's willingness to invest in technology, people and processes that helps add substance to its core message of becoming the 'Uber of IT.' Wipro's BLDC comes at a time when corporate businesses are undergoing a major IT transformation for improved agility and manageability. Nevertheless, to make BLDC a success, Wipro will need to deliver a consistent user experience while brokering cloud services across hybrid IT.

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## CONTEXT

Abidali Neemuchwala, who was appointed CEO of Wipro in February, has made no secret of his Ambition 15x20 – to be a \$15bn company in revenue with an operating margin of 23% by FY 2020. In his view, the sales target is 'grounded in reality,' driven by the company's heritage of technology innovation and competency in the area of systems integration.

Wipro entered the infrastructure services market earlier than any of its main rivals, including Infosys, TCS and Tech Mahindra. GIS is among the fastest-growing business segments at Wipro, accounting for approximately 33% of the company's total revenue in 2015. The business unit notes that approximately 60% (~\$1.4bn) of its revenue was derived from datacenter services, and more than half of the customer engagements were directly linked to digital transformation strategies, particularly in the banking and retail industry verticals.

The GIS team says the key design criteria for BLDC was to help enterprise customers dynamically deploy and intelligently manage heterogeneous workloads across different deployment models. To that end, the company has been winning favor with businesses that embrace multi-cloud strategies. Accordingly, up to 70% of its global deals have some form of hybrid cloud implementation. Wipro owns and operates a network of 14 datacenters around the globe, as well as its homegrown automation platform Wipro Holmes, and is backed by a network of technology and datacenter partners.

## STRATEGY

BLDC underscores the company's efforts to make business transformation a seamless experience, regardless of architectural readiness, platform technology and delivery mechanism. In a bid to grow its share of hybrid IT wallets, Wipro says it has boosted its capabilities in automation, DevOps, IoT, software-defined infrastructure and open source technologies, in addition to developing blueprints and reference architectures that create 'layered differentiation.' More than 85 enterprise-class blueprints have been developed, 70% of which are relevant to nearly all of its customers, Wipro says. The virtue of Wipro's BLDC strategy is choice – customers can choose between Wipro's own datacenters for a shared IaaS platform called iStructure and its partners' datacenters (including public cloud providers like AWS and Microsoft Azure), based on requirements such as compliance or elasticity.

Aside from leveraging its own IP – ServiceNXT, wRapidStart, wSave and wTreatApps to name a few – the company also nurtures innovative minds through growing its partner ecosystem, contributing to open source technology forums such as OpenStack and funding technology startups using Wipro Ventures. Accordingly, the corporate venture has set aside an annual fund of \$100m to invest in early and mid-stage technology startups – such as Emailage (Security), Vicarious (AI) and Altizon Systems (IoT) – that align with the company’s strategic priorities.

## BLDC

At the heart of BLDC there are several core components that are modular in nature, yet work in tandem with tools and managed services to onboard customers in a hybrid IT environment. On the infrastructure side, for example, the company owns and operates 14 datacenters covering 490,000 square feet across regions, but it can extend its datacenter footprint through its strategic partnerships with hosting providers and public cloud providers. Another core component is mainframe as a service, which is available out of three datacenters to support customers running legacy workloads. The company also provides support for highly distributed enterprises seeking integrated offerings for remote, branch and distributed offices with its remote IT management service called RoBoDo, using a pay-as-you-grow model.

Per Wipro, hybrid cloud migration is achievable from day one, underpinned by the hybrid cloud fabric that is software-defined, open-source-enabled and partner-backed. For public cloud deployments, for example, the company has teamed up with AWS, Microsoft Azure, SoftLayer, Oracle and vCloud Air to provide managed public cloud offerings. Accordingly, it is the premier consulting partner for AWS and Gold partner for Microsoft Azure, with more than 1,100 professionals that are trained and kept current on AWS and Microsoft Azure platforms. It also provides on- and off-premises private clouds using technologies provided by the likes of VMware, Hewlett Packard Enterprise, Microsoft, BMC and OpenStack. For business organizations looking to extend their IT environments to third-party hosted environments (both cloud and noncloud), Wipro says it can help reduce the complexity of service management by providing customers with a unified catalog for service deployment and monitoring.

Beyond cloud infrastructure implementations, Wipro has developed an ecosystem of SaaS partners, including Salesforce, NetSuite, Workday and ServiceNow, to make a suite of enterprise applications and automation software available for customers.

As the company continues to build out an ecosystem of partners spanning different service layers of the cloud stack, it has made available a cloud brokerage decision engine that helps customers select the best execution venue based on specific workloads. Wipro has put together a reference architecture with tools that help customers determine what types of workloads go to which environments, and create integration points for services to manage both traditional IT and cloud environments – all via a single portal. Aside from enabling the full utilization of cloud computing through ‘cloud bursting’ whenever possible, cloud service brokerage is an integral part of Wipro’s BLDC strategy. From service discovery and comparison to service fulfillment and management, Wipro is positioned as the ‘Uber of IT.’ There are about a dozen partners joining the cloud service brokerage platform so far. In the end, the value proposition of cloud brokerage will come down to how Wipro can facilitate service integration while brokering cloud services across hybrid IT.

## CUSTOMERS

At the group level, Wipro has more than 1,200 global clients, 24% of which are customers for the GIS business. In terms of service engagements, the GIS team has developed multiple proof points of value delivery through the notion of hybrid cloud deployment and IoT. It cites more than 70% of deals having hybrid cloud requirements and one in every 10 deals as being IoT-related. While deal size varies greatly from one customer to the next, the company says it has witnessed some very large and complex datacenter transformation projects, including several \$300m-plus deals in the as-a-service model. Wipro notes that it is able to onboard customers to the BLDC platform in a matter of four weeks. More than 80 customers have come aboard, and five more are in the pipeline.

## COMPETITION

Wipro is not the only game in town when it comes to exploiting opportunities for hybrid IT implementations. Global IT suppliers and technology providers like Accenture, IBM, HPE, Capgemini, Dimension Data, Fujitsu and Unisys have invested in building out their capabilities through M&A and strategic partnerships. Indian-heritage companies such as Cognizant, HCL Technologies, Infosys, L&T Infotech, Microland, Mindtree, TCS and Tech Mahindra have increasingly augmented their offerings to support transforming enterprises. For segment- and region-specific opportunities, regional and local SIs such as Datacom, NCS, NTT DATA, NEC and T-Systems are active players. Other contenders include MSPs and telcos seeking to grow beyond their core competencies. BT is taking its Cloud of Clouds strategy front and center. CenturyLink has achieved another milestone for strengthening its hybrid IT management capability with the announcement of Runner – a service for configuration management and orchestration built on Ansible tooling.

## SWOT ANALYSIS

### STRENGTHS

Wipro is already an influential player in the global infrastructure services market, with a solid installed base of global customers and a well-established brand for datacenter transformation projects. With BLDC, it's looking to bring agility and manageability into the fold.

### WEAKNESSES

There is room for improvement when it comes to displaying an integrated value proposition across service lines within Wipro.

### OPPORTUNITIES

The enterprise segment has a growing need for platforms and tools that can help support new levels of IT requirements as going hybrid with workload-specific deployments becomes the norm.

### THREATS

Market consolidation is inevitable as key players continue to enhance or add new competencies through M&A and strategic partnerships. Wipro must evolve to keep pace with new technologies and business models for competitive differentiation.