

NEAT EVALUATION FOR LTI:

GDPR Services

Market Segment: Overall

Introduction

This is a custom report for LTI presenting the findings of the NelsonHall NEAT vendor evaluation for *GDPR Services* in the *Overall* market segment. It contains the NEAT graph of vendor performance, a summary vendor analysis of LTI in GDPR services, and the latest market analysis summary for GDPR services.

This NelsonHall Vendor Evaluation & Assessment Tool (NEAT) analyzes the performance of vendors offering IT services in support of the General Data Protection Regulation (GDPR) that came into effect in EU law on May 25th 2018. The NEAT tool allows strategic sourcing managers to assess the capability of vendors across a range of criteria and business situations and identify the best performing vendors overall, and with a specific focus on consulting, implementation, and ongoing management.

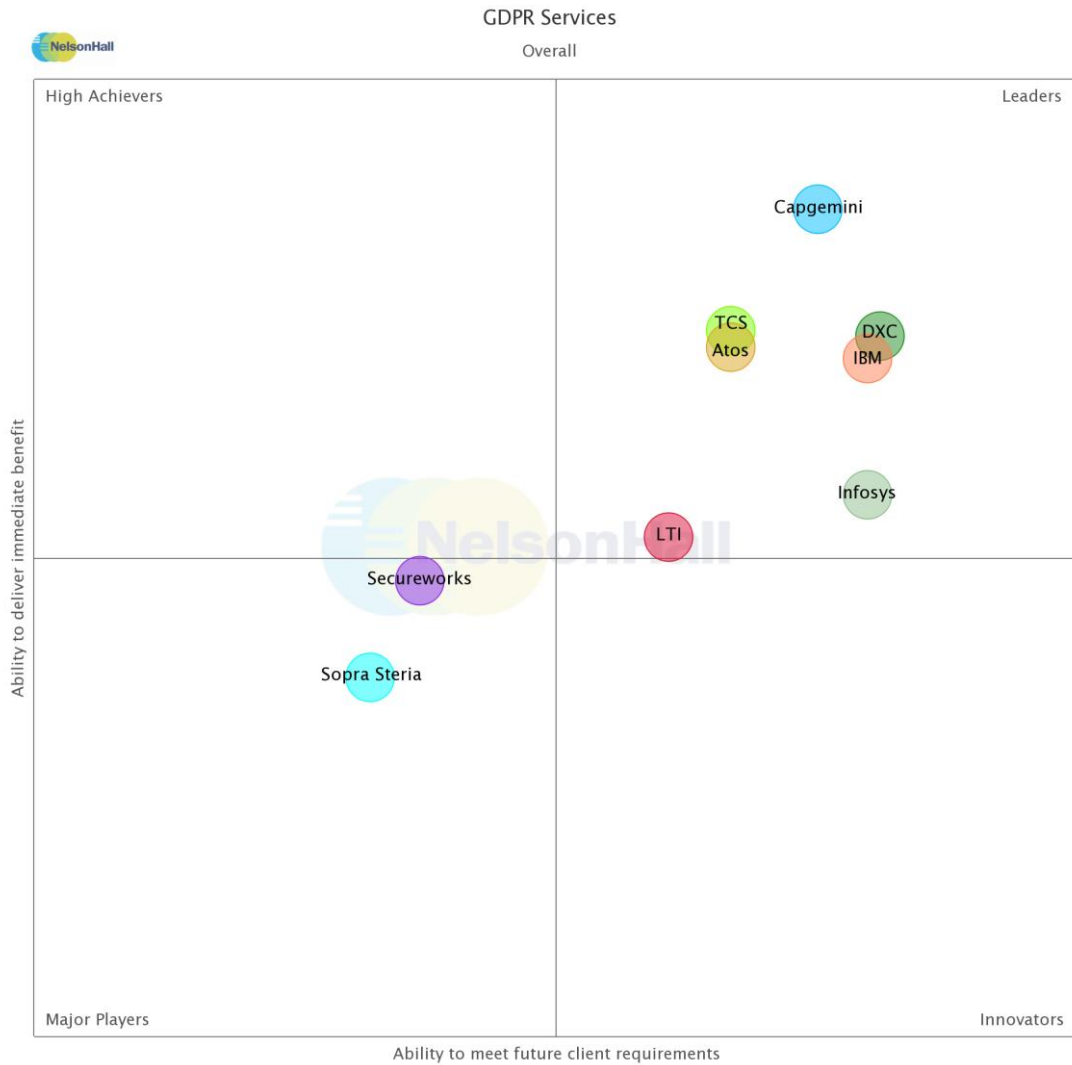
Evaluating vendors on both their 'ability to deliver immediate benefit' and their 'ability to meet client future requirements', vendors are identified in one of four categories: Leaders, High Achievers, Innovators, and Major Players.

Vendors evaluated for this NEAT are Atos, Capgemini, DXC Technology, IBM, Infosys, LTI, Secureworks, Sopra Steria, and TCS.

Further explanation of the NEAT methodology is included at the end of the report.



NEAT Evaluation: GDPR Services (Overall)



Source: NelsonHall 2018

NelsonHall has identified LTI as a Leader in the *Overall* market segment, as shown in the NEAT graph. This market segment reflects LTI’s overall ability to meet future client requirements as well as delivering immediate benefits to GDPR services clients.

Leaders are vendors that exhibit both a high ability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet client future requirements.

Buy-side organizations can access the GDPR Services NEAT tool (*Overall*) [here](#).



Vendor Analysis Summary for LTI

Overview

LTI's GDPR SmartHub offers automated assessment (enterprise-wide DPIA in weeks, rather than months if performed manually), implementation (data lineage identification and data subject rights management), and GDPR operations (intelligent reporting, testing, breach management, and DPO as a Service)

As a first step to GDPR compliance, LTI conducts automated DPIA covering data, technology, processes, and people to understand where personal data resides and how the data flows within the organization. These assessments typically take four to six weeks, for an EU based SME.

Once LTI has analyzed the client's existing level of compliance and developed a roadmap to compliance, it can act on the roadmap, implementing processes or technologies, such as encryption, anonymization, and tokenization, to protect sensitive data (at rest and in transit).

LTI uses its Automated Jukebox, a repository of compliance requirements and automated solutions, to fast track the implementation of GDPR compliance.

Financials

NelsonHall estimates LTI's CY 2017 total revenues to be ~\$1,077.4m, of which revenues from digital services are estimated to be \$330.7m.

NelsonHall estimates LTI's 2017 GDPR-related services revenues to be \$10m.

GDPR services revenues, by region, are estimated to be:

- North America: \$2.5m
- EMEA (including U.K. and Nordics): \$7.5m.

Strengths

- LTI's iDiscover tool automates and reduces the time and effort required to perform data discovery, reducing the time and effort to perform assessments by 80% in some cases
- Through the Data Subject Rights Management tool's central data hub and golden records, LTI can more readily manage customer data access requests than a number of competitors, and can ensure an auditable trail of customer data
- Strong growth within its GDPR offerings, in particular with the growth of its toolsets and the delivery network, with the number of supporting FTEs growing by ~200 in Q1 2018.



Challenges

- Less focus than other vendors on the processes within clients to ensure GDPR compliance
- Less mature threat intelligence and vulnerability services than a number of vendors with a longer heritage in cybersecurity services. The maturity of the threat landscape can give the vendors offering GDPR services a fuller view of threats that can affect clients.

Strategic Direction

LTI has been developing its compliance services over the last 15-months, with its investments including new executive hires and new services and technologies. LTI's GDPR services have been built from its SI capabilities, and have been focused on toolsets to reduce the time taken to complete assessments and assist in the ongoing management of PII data.

LTI has been reaching out, firstly to its European clients, and has been increasingly approached by U.S. clients. The services which LTI provides are based around its data discovery services, rather than its existing security services or the ability to build compliant processes.

As client maturity increases, LTI will increasingly invest in technologies and services to support the ongoing compliance management including the continuing development of the iDiscover tool. To support the ongoing growth in GDPR services, LTI will continue to develop its GDPR services team through the use of its classroom and online training programs.

Outlook

LTI has been building its GDPR capabilities through its SI history and, more recently, through cybersecurity, as part of LTI 2.0. It has constructed a number of tools to aid clients in reaching GDPR compliance including the iDiscover and the DSRM tool. In the next 12-months, expect new features to be added to iDiscover, with new services for the ongoing management of GDPR compliance, and the business to rely less heavily on the consulting and implementation phases of compliance.

GDPR Services Market Summary

Overview

The EU's General Data Protection Regulation (GDPR) is a regulation adopted on April 8th 2016, and will be put into force on May 25th 2018. The unified and enforceable laws contained in the regulation replace the outdated rules (that could be interpreted differently by each EU member state) contained in the 1995 EU Data Protection Directive.

The regulation is of importance to organizations because of the steep fines that can be levied for failing to meet the requirements – up to €20m or 4% of global annual turnover for the preceding financial year (whichever is greater) for serious breaches, and €10m or 2% of turnover in less serious cases such as procedural failures. However, the probability is that strict enforcement may not happen from the outset when the regulation comes into force, and that organizations shown to be working towards meeting the regulation may be given some leeway. Nevertheless, it is important that organizations start on the road to compliance as soon as possible.

Furthermore, the GDPR exercise should not be seen as one of solely checking boxes to avoid being fined, as there are a number of benefits to organizations in being compliant:

- GDPR can be seen as a chance to review the company's data handling processes, restructuring them not only to meet compliance, but also to identify potential efficiency gains or new business opportunities/revenue streams
- Increasing the level of security of user data through encryption or pseudonymization will build trust with users, as breaches in the organization's cybersecurity are less likely to impact them
- Performing a review of IT processes, organizations will be able to identify and eliminate 'shadow IT' and build proper processes that are known to the organization
- It is a chance to improve IT systems and processes behind the scenes, e.g. through the implementation of customer identity and access management (CIAM) and backup systems.

Many organizations are looking for support with their GDPR initiatives, driven by the need to be compliant, and with the potential for further benefits that can be realized, as noted above. Hence, service vendors are offering services including:

- Compliance consultancy – assessments of organizations' GDPR readiness, and the design of roadmaps for GDPR compliance
- Implementation and change management services – professional services to enable organizations to meet their compliance requirements, including the implementation of software that enables compliance and the implementation of compliant policies
- Ongoing compliance management for GDPR – ongoing monitoring, assessment, evaluation and reporting on GDPR compliance. Services may or may not include a data protection officer.



Market Size & Growth

The current global GDPR compliance services market size is ~\$450m. The breakdown by activity is:

- Consulting services \$140m
- Implementation \$290m
- Managed compliance services \$20m.

The global GDPR compliance services market will reach \$1,100m, a growth of 20% CAGR. Growth will be primarily driven by the increase in managed compliance to provide auditing, regular data privacy impact assessments, and managing data subject access requests.

Success Factors

- Understanding the client's business, its goals and digital strategies within the context of personal data collection to create a long-standing data privacy policy and perform services like data minimalization to collect only necessary data
- Ability to provide a risk profile as part of the roadmap construction and work in sprints to combat the worst affected and most critical areas first
- A strong network of partnerships, in particular with data privacy tool owners, the big four and legal consultancies, and cyber insurance providers
- A large number of use cases spanning multiple industries to demonstrate the ability to understand other regulations that may affect the client
- Ability to spread awareness of the GDPR program across the client, thereby fostering participation across members that have access to personal data
- Strong complementary security services offerings, in particular, incident response management, identity and access management and SIEM.

Outlook

The future direction for GDPR services will include:

- Stronger partnerships and joint offerings with legal firms
- Stronger and faster tools for data discovery that can search more types of databases, other file types (such as face search in pictures), and that have embedded logic for risk score calculation
- Vendor's GDPR consulting offerings to be more connected to the overall portfolio, particularly any digital service that specializes in collecting customer data
- Stronger training programs to be delivered as part of implementation
- Data protection technologies to be implemented by default as part of a push for privacy by default
- More vendors to offer DPO and DPO office services, including CMS vendors



- A higher focus on GDPR in change management, ensuring new processes and technologies are compliant
- Incident management in accordance with the GDPR to be baked into managed security and GRC services and the client expectation for faster incident response timescales.



NEAT Methodology for GDPR Services

NelsonHall's (vendor) Evaluation & Assessment Tool (NEAT) is a method by which strategic sourcing managers can evaluate outsourcing vendors and is part of NelsonHall's *Speed-to-Source* initiative. The NEAT tool sits at the front-end of the vendor screening process and consists of a two-axis model: assessing vendors against their 'ability to deliver immediate benefit' to buy-side organizations and their 'ability to meet client future requirements'. The latter axis is a pragmatic assessment of the vendor's ability to take clients on an innovation journey over the lifetime of their next contract.

The 'ability to deliver immediate benefit' assessment is based on the criteria shown in Exhibit 1, typically reflecting the current maturity of the vendor's offerings, delivery capability, benefits achievement on behalf of clients, and customer presence.

The 'ability to meet client future requirements' assessment is based on the criteria shown in Exhibit 2, and provides a measure of the extent to which the supplier is well-positioned to support the customer journey over the life of a contract. This includes criteria such as the level of partnership established with clients, the mechanisms in place to drive innovation, the level of investment in the service, and the financial stability of the vendor.

The vendors covered in NelsonHall NEAT projects are typically the leaders in their fields. However, within this context, the categorization of vendors within NelsonHall NEAT projects is as follows:

- **Leaders:** vendors that exhibit both a high ability relative to their peers to deliver immediate benefit and a high capability relative to their peers to meet client future requirements
- **High Achievers:** vendors that exhibit a high ability relative to their peers to deliver immediate benefit but have scope to enhance their ability to meet client future requirements
- **Innovators:** vendors that exhibit a high capability relative to their peers to meet client future requirements but have scope to enhance their ability to deliver immediate benefit
- **Major Players:** other significant vendors for this service type.

The scoring of the vendors is based on a combination of analyst assessment, principally around measurements of the ability to deliver immediate benefit; and feedback from interviewing of vendor clients, principally in support of measurements of levels of partnership and ability to meet future client requirements.

*Exhibit 1***‘Ability to deliver immediate benefit’: Assessment criteria**

Assessment Category	Assessment Criteria
Offerings	GDPR Consulting Capability GDPR Implementation GDPR Compliance Management Capabilities End-to-End GDPR Services DPO Offering GDPR Training Offered Level of Related Compliance Services Ability to Offer as Part of a Wider MSS Contract
Delivery	Delivery Capability in Support of North America Delivery Capability in Support of EU Delivery Capability in Support of RoW Language Support Toolsets/Frameworks for Readiness Assessments Toolsets/Frameworks for Implementations Toolsets/Frameworks for Management
Presence	North American Presence EU Presence RoW Presence
Benefits Achieved	Value for Money Ability to Meet Compliance Ongoing Management Ability Upgrade Legacy Systems as Part of Compliance Time to Meet Compliance

*Exhibit 2***‘Ability to meet client future requirements’: Assessment criteria**

Assessment Category	Assessment Criteria
Investment in GDPR Compliance Services	Partnership Approach Investment in Consulting Capability Investment in Implementation Capability Investment in Management Capabilities Investment in DPO Capabilities Investment in Wider MSS Capability



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Sales Enquiries

NelsonHall will be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager:

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