

# Application Management Services 2025 RadarView™

Streamlining application  
modernization and support with  
agentic AI

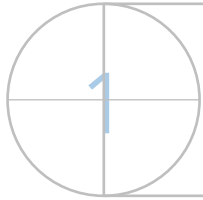
June 2025



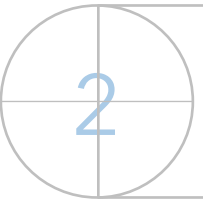
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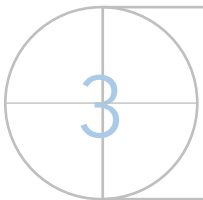
# About the Application Management Services 2025 RadarView



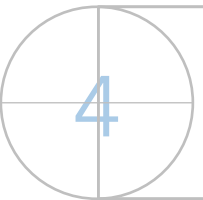
The demand for application management services continues to grow as enterprises seek to enhance agility, optimize IT operations, reduce technical debt, and ensure smooth performance of critical business applications. Service providers are leveraging agentic AI capabilities across various phases of the application life cycle, including portfolio assessment, modernization and development, monitoring, support, and maintenance phases.



Avasant evaluated 34 providers using a rigorous methodology across the key dimensions of practice maturity, partner ecosystem, and investments and innovation. Through our analysis, we recognized 25 providers that brought the most value to the market over the past 12 months.



The *Application Management Services 2025 RadarView* aims to provide a view into the leading service providers for application management services. Based on our methodology, these service providers are categorized into four broad segments: leaders, innovators, disruptors, and challengers.



To enable decision-making for enterprises, Avasant has provided an overview of the industry's major application management service providers. This includes a list of their top enterprise clients, customer success stories, key IP assets/solutions and partnerships, and major industry verticals they serve. This is supported by an analyst's perspective on the providers across the three key dimensions defined in the second point above.

Note: Please refer to Avasant's [Application Management Services 2025 Market Insights](#) for demand-side trends.





# Executive summary



# Defining application management services

**Application management services (AMS)** encompass the end-to-end life cycle of managing, optimizing, and supporting applications. These services include portfolio assessment, development, modernization, performance optimization, deployment, security, compliance, and ongoing maintenance. AMS ensures applications align with business objectives, remain secure, and perform efficiently while adapting to evolving business requirements.

## The key dimensions of AMS are:

### Portfolio assessment

- This covers assessing the entire application landscape to identify inefficiencies and opportunities for modernization (of both business functionality and technical capabilities). It aligns applications with business goals, optimizes costs, and defines strategies for rationalization, consolidation, and modernization.

### Development and modernization

- This covers designing, building, and enhancing applications with modern architectures and cloud-native frameworks. It focuses on replatforming, refactoring, replacing, rehosting, rearchitecting, or rebuilding in-use systems to boost agility, scalability, and performance while ensuring integration.

### Performance optimization and monitoring

- This involves utilizing application performance management tools to monitor, analyze, and optimize efficiency. It proactively identifies bottlenecks, ensures optimal response times, and maintains high availability through continuous monitoring and performance tuning.

### Deployment and release management

- This includes managing the deployment of applications and updates across environments using DevOps practices, continuous integration/continuous delivery pipelines, and automation. It ensures minimal downtime, version control, and seamless integration into IT ecosystems for continuous delivery.

### Security and compliance management

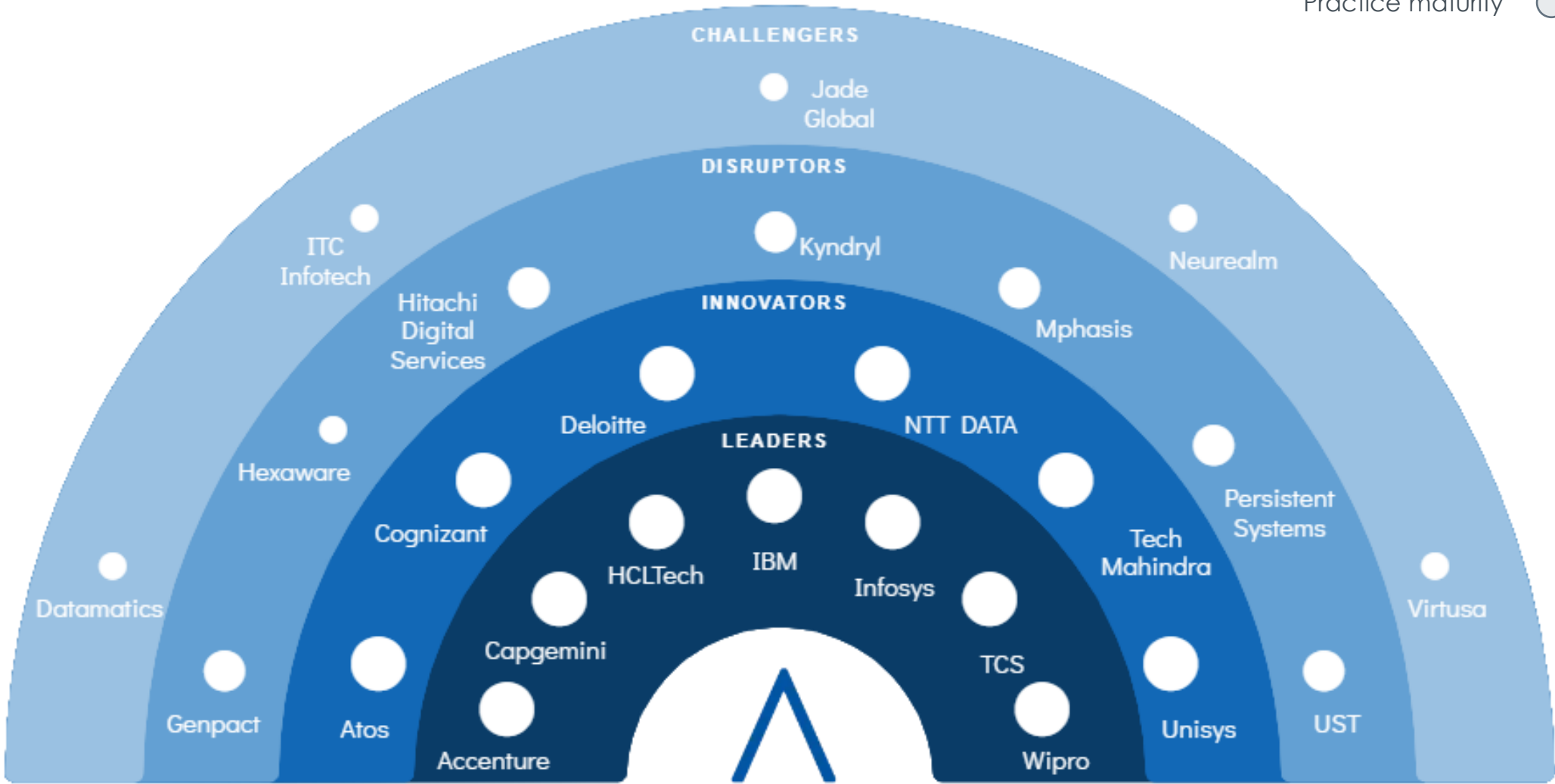
- This includes implementing strong security frameworks and ensuring regulatory compliance. It protects applications from vulnerabilities, maintains data integrity, and enforces governance to mitigate risks and uphold trust.

### Maintenance and support

- This involves continuous monitoring, troubleshooting, and maintenance to ensure application stability and reliability. It focuses on incident resolution, patch management, bug fixes, and enhancements to meet evolving business needs and user expectations.

# Avasant recognizes 25 top-tier providers supporting the enterprise adoption of application management services

Practice maturity 







# State of the market



# Over 50% of investments are focused on practice growth and asset development

Average share of planned investments across different areas



 <p>Established a GitHub CoE in Bengaluru under its ai360 initiative to accelerate AI-driven software development, aiming to standardize and scale the use of GitHub tools across application development teams.</p>	 <p>Launched the Finacle Data and AI Suite to help banks integrate AI into digital operations, enabling the development of low-code, predictive, and generative AI applications with improved transparency and scalability.</p>	 <p>Grew its practice size by about 45% over the past year through continuous upskilling and certification programs focused on application modernization, cloud-native development, and legacy system transformation.</p>	 <p>Collaborated with SAP to launch the SAP Business AI Innovation Lab in Munich, integrating HCLTech's AI Force with SAP AI Core to codevelop generative AI solutions and enhance software development across SAP solutions.</p>	 <p>Acquired a digital twin platform from Percipient to enhance banking application modernization, enabling real-time integration of legacy and modern systems for faster product deployment.</p>
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Note: Examples from select application management service providers.  
Source: Avasant Application Management Services RadarView Survey, March-April 2025

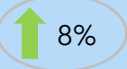


# Input-based and fixed pricing models are adopted in over 60% of application management engagements

Organizations are increasingly adopting input-based pricing models driven by the need for flexibility and cost predictability in a dynamic business environment.

## Adoption of different commercial pricing models

## Typical areas of application/adoption

36%  8%

Share of input-based pricing models

- The demand for this model has significantly increased over the last year.
- This model is suitable for engagements with fluctuating workloads, requiring scalable resource provisioning and transparent usage-based billing mechanisms

- Service providers utilize this model for Agile development engagements where scope flexibility and transparency in resource consumption are required.
- This pricing model is commonly adopted for time and materials projects.

29%  5%

Share of fixed pricing models

- This model is preferred for projects with defined SLAs and fixed deliverables over a set timeline, enabling consistent budgeting and resource planning.
- It is most favorable for engagements where risk sharing is minimal and outcomes are clearly measurable upfront.

- Service providers prefer this model when the project scope is well-defined, allowing them to leverage standardized delivery frameworks and automation to ensure predictable outcomes.
- This model is typically adopted for transition phases before managed services, with predetermined milestones.

14% 

Share of output-based pricing models

- This model is preferred for services where billing is based on discrete units, such as test cases executed or features delivered.
- It is suitable for consumption-based engagements, charging per ticket raised, per application used, or similar measurable units.

- Service providers prefer this model to provide application support services where pricing is based on per-unit output, such as tickets resolved or test cases executed.
- This approach is typically used for high-volume transactional processes such as incident management or test automation.

A small number of engagements are facilitated by outcome/gain-share pricing (12%) and hybrid pricing (9%).

Source: Avasant Application Management Services RadarView Survey, March-April 2025

# Service providers are leveraging agentic AI for application portfolio assessment, modernization, deployment, and support services

## Agentic AI integration across the application development life cycle

Portfolio assessment	Development and modernization	Deployment and release management	Maintenance and support
Analyze legacy codebases, extract business rules, create modernization road maps, and align with business goals	Automate modernization of legacy applications, such as COBOL to Java & cloud refactoring to reduce costs and improve agility	Accelerate deployment validation and provide mitigation recommendations based on historical incident data	Automate IT incident detection, root cause analysis, and resolution through historical data, system logs, and anomaly detection techniques
<div>accenture</div> <div>Has integrated Gemini-powered tools within its GenWizard platform to automate and accelerate legacy code analysis for mainframe modernization.</div>	<div>Capgemini</div> <div>Offers an agent-based framework for optimizing requirements, code creation, product generation, and code migration to improve development efficiency.</div>	<div>tcsTATA CONSULTANCY SERVICES</div> <div>Provides agentic AI capabilities within TCS MasterCraft, enabling human-in-the-loop decision-making and continuous DevSecOps delivery.</div>	<div>Atos</div> <div>Has integrated agentic AI solutions for IT operations automation, enabling L1 support, root cause analysis, and zero-touch operations to minimize application downtime.</div>
<div>HCLTech</div> <div>Offers an assessment agent to analyze the codebase, identify containerization blockers, and provide recommendations to address the blockers.</div>	<div>IBM</div> <div>Provides watsonx Code Assistant, a generative AI agent for code generation, explanation, testing, and documentation that boosts developer productivity.</div>	<div>Tech Mahindra</div> <div>Leverages agentic AI to flag risk-prone deployments and suggest mitigations to reduce release failures and enhance continuous integration reliability.</div>	<div>NTT DATA</div> <div>Has embedded agentic AI solutions into IT service desks to automate ticket resolution, reduce manual intervention, and enhance operational efficiency.</div>

Note: Examples from select application management service providers.  
Source: Avasant Application Management Services RadarView Survey, March-April 2025



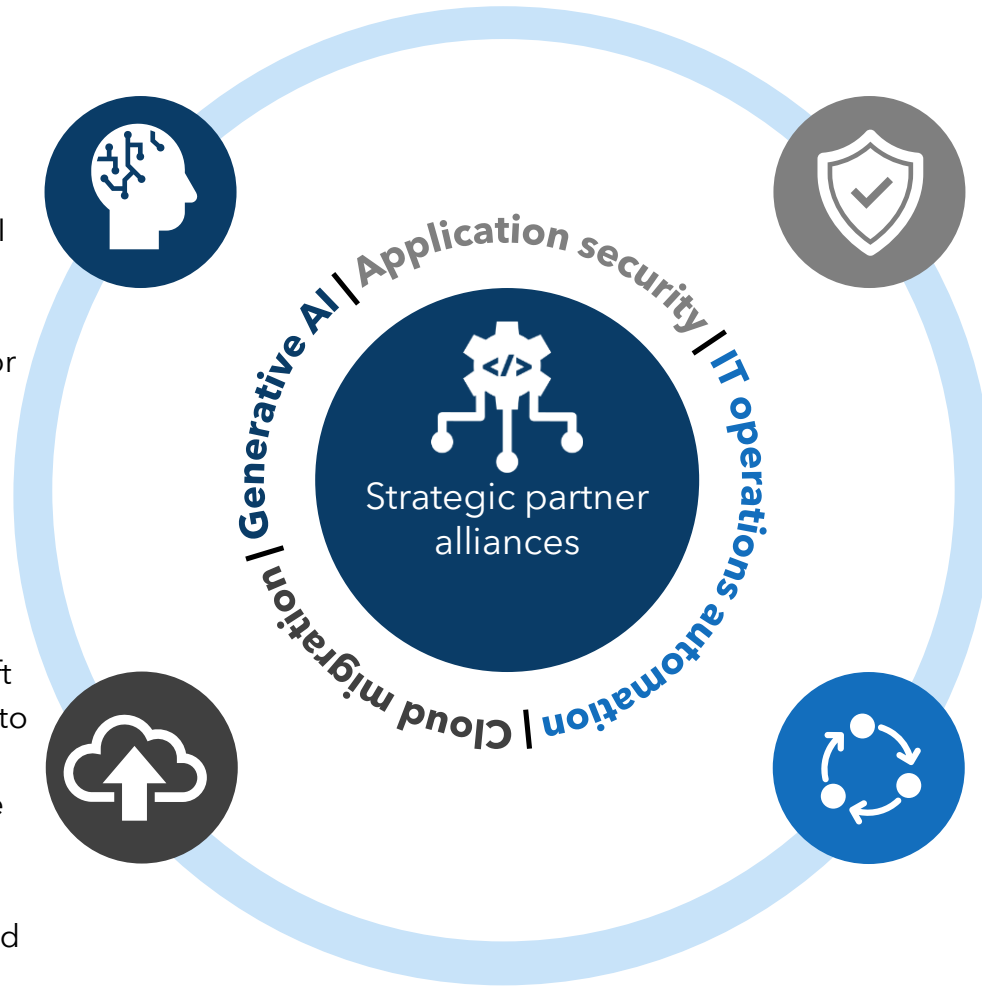
# Service providers are forging alliances to boost generative AI adoption, facilitate cloud migration, improve application security, and automate IT operations



In December 2024, Infosys expanded its partnership with Google Cloud by launching a Google Cloud CoE to combine Infosys Topaz's AI capabilities and Infosys Cobalt's cloud expertise with Google Cloud's generative AI technology. The CoE provides a collaborative environment for enterprises to cocreate tailored solutions across the software development life cycle.



In October 2024, Wipro partnered with Microsoft and SAP to accelerate RISE with SAP migrations to Microsoft Cloud, helping enterprises move from on-premises SAP to SAP S/4HANA Cloud before the 2027 deadline. The partnership combines Wipro's digital transformation capabilities, SAP's process redesign expertise, and Microsoft's cloud infrastructure to reduce migration costs.



In March 2025, Accenture partnered with CrowdStrike, a global cybersecurity company, to enhance cloud security and security information and event management by integrating its services with the CrowdStrike Falcon® platform. The collaboration improves SecOps, threat detection, and AI workload protection, ensuring secure, real-time monitoring and remediation across applications.



In February 2025, Hitachi partnered with BMC Software to enhance IT operations across mainframe and open systems. The collaboration integrates BMC's AMI software with Hitachi's Virtual Storage Platform One and Hitachi Content Platform to help enterprises lower IT costs, enhance workflow automation, and streamline vendor management in hybrid IT environments.

Note: Examples from select application management service providers.

Source: Avasant Research





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Unisys profile



# Unisys: RadarView profile




Practice maturity ★★★★★

Partner ecosystem ★★★★★

Investments and innovation ★★★★★

Has partnered with Thought Machine to modernize core and branch banking applications. Leverages proprietary LLMs to translate legacy code and automate design-to-code transformation.

Practice overview		Client case studies		
<ul style="list-style-type: none"><li>Practice size: 4,280+</li><li>Active clients: 210+</li><li>Delivery highlights: 13 command centers and 6 R&amp;D centers</li><li>Certified/trained resources: 1,450+ cloud-certified professionals</li></ul>		<ul style="list-style-type: none"><li>Modernized digital and licensing systems for Waka Kotahi NZ Transport Agency using cloud-based solutions, low-code platforms, and DevOps practices. This improved service delivery, reduced maintenance costs by 26%, and halved the turnaround time for legislative updates.</li><li>Implemented enterprise applications software-as-a-service solution, which included platform hosting, support services, and agile delivery, for a government agency. The solution improved service delivery speed and supported 13,000 users by handling two million queries monthly.</li><li>Developed a cloud-native data ingestion and analytics solution for a health and security services firm using AWS serverless architecture and a configurable business rules engine. This improved data quality by 98% and onboarded 4,500 enterprise customers with 45M data points ingested.</li><li>Modernized a monolithic financial application by implementing a micro-frontend architecture and modular UI/UX for a US-based financial institution. This resulted in 10 times faster feature enhancements, over 500 deployments per quarter, and improved user experience.</li></ul>		
<div><div>~\$527M CA&amp;I* segment revenue, FY 2024</div><div>380 Active US patents</div></div>		Key IP and assets		
<ul style="list-style-type: none"><li>Gen AI framework for code generation: A Gen AI-driven framework that automates code generation, refactoring, and migration, and streamlines requirements gathering</li><li>DevSecOps framework: A framework enabling DevSecOps adoption through discovery, planning, automation, and built-in security throughout the software development life cycle</li></ul>		Partnerships/alliances		Sample clients
		<p>Cloud platform providers</p> <div></div> <p>Technology partners</p> <div></div>		<ul style="list-style-type: none"><li>A government agency</li><li>A health and security services firm</li><li>A US-based financial institution</li><li>A US-based mortgage company</li><li>A video content management provider</li><li>City of Los Angeles</li><li>Finnair Cargo</li><li>Henkel</li><li>Nutreco NV</li><li>Qatar Airways Cargo</li><li>Waka Kotahi NZ Transport Agency</li></ul>
				Industry coverage
				<div>Aerospace &amp; defense</div> <div>Banking</div> <div>Financial services</div> <div>Government</div> <div>Healthcare &amp; life sciences</div> <div>High-tech</div> <div>Insurance</div> <div>Manufacturing</div> <div>Nonprofits</div> <div>Retail &amp; CPG</div> <div>Telecom, media &amp; entertainment</div> <div>Travel &amp; transportation</div> <div>Utilities &amp; resources</div>

Darker color indicates higher industry concentration: ●●●●●

\* CA&I: Cloud, applications, and infrastructure

# Unisys: RadarView profile

## Analyst insights

### Practice maturity



- Unisys offers application development, modernization, and management services that ensure smooth operations and optimal performance throughout the application life cycle. The services establish feedback loops between application portfolio management, life cycle management, IT service management, and advanced monitoring solutions. Unisys leverages AI accelerators and DevSecOps practices to improve operational efficiency and enhance user experience.
- It enhances application efficiency through advanced performance optimization and AI-powered observability solutions. These solutions integrate ML algorithms with tools such as AWS CloudWatch and Azure Monitor to provide real-time monitoring, predictive maintenance, and performance tuning. This ensures optimal response times and supports high availability, enabling applications to scale effectively and remain resilient to meet evolving business demands.
- Unisys offers low-code/no-code development solutions that accelerate application delivery through visual interfaces, drag-and-drop tools, and prebuilt components. These solutions support rapid prototyping, workflow automation, and easy integration with data sources and APIs. It enhances development agility by enabling real-time collaboration and scalability.

### Partner ecosystem



- In April 2025, Unisys partnered with Thought Machine, a cloud-native banking technology provider, to modernize core and branch banking applications for the banking sector. This collaboration combines its advanced technologies with Thought Machine's core banking platform, Vault, incorporating AI and enhanced security features to improve transaction processing, minimize wait times, and enable banking services beyond traditional branch locations.
- It has partnered with Matilda Cloud to enhance cloud optimization by providing visibility into applications and infrastructure. The partnership combines its expertise in cloud solutions with Matilda's optimization technology to streamline operations and enhance user engagement. This collaboration aims to help organizations minimize costs and maintain optimal performance while adapting to change.

### Investments and innovation



- Unisys provides AI-augmented application modernization services that enable software engineers to document, develop, test, and deploy applications without modifying their existing toolsets. Its solutions utilize proprietary LLMs alongside third-party tools to extract functional requirements, translate legacy code into modern languages, automate design-to-code transformation, integrate digital labor, and improve testing capabilities.
- It delivers AI-driven consulting and transformation services that provide a comprehensive assessment of business goals, processes, and technical requirements. For application modernization, it leverages Gen AI to generate code from natural language, perform configuration testing, create synthetic loads for security testing, enable predictive threat monitoring, and integrate service management to prevent cloud data leaks and protect intellectual property.





# Appendix: About RadarView



# The Application Management Services 2025 RadarView assesses service providers across three critical dimensions

## Practice maturity

- This dimension considers the current state of a provider's application management services practice in terms of its strategic importance for the provider, the maturity of its offerings and capabilities, and client engagement.
- The crucial aspects in this dimension are the width and depth of the client base, usage of proprietary/outsourced tools and platforms, and quality of talent and execution capabilities.

## Partner ecosystem

- This dimension assesses the nature of the ecosystem partnerships of the provider, the objectives of the partnerships (codevelopment and co-innovation), and its engagement with solutions providers, startup communities, and industry associations.
- Vital aspects in this dimension are the evaluation of joint development programs around offerings, go-to-market approaches, and the overall depth of partnerships.

## Investments and innovation

- This dimension measures the strategic direction of investments and resultant innovations in the offerings and commercial model and how it aligns with the future direction of the industry.
- The critical aspects of this dimension include both organic and inorganic investments toward capability and offering growth, technology development, and human capital development, along with innovative solutions developed with strategic partners.



# Research methodology and coverage

Avasant based its analysis on several sources:

Public disclosures

Publicly available information such as Securities and Exchange Commission filings, annual reports, quarterly earnings calls, and executive interviews and statements

Market interactions

Discussions with enterprise executives leading digital initiatives and influencing service provider selection and engagement

Provider inputs

Inputs collected in March–April 2025 through an online questionnaire and structured briefings in April–May 2025

Of the 34 service providers assessed, the following are the final 25 featured in the Application Management Services 2025 RadarView:



Note: Assessments for Cognizant, Capgemini, Deloitte, Hexaware, IBM, Kyndryl, Mphasis, Neurealm, NTT Data, Persistent Systems, TCS, UST, Virtusa, and Wipro were conducted based on public disclosures and market interactions only.

# Reading the RadarView

Avasant has recognized application management service providers in four classifications:



Leaders show consistent excellence across all key dimensions of the RadarView assessment (practice maturity, partnership ecosystem, and investments and innovation) and have had a superior impact on the marketplace. These vendors have shown true creativity and innovation and have established trends and best practices for the industry. They have proven their commitment to the industry and are recognized as thought leaders in their space, setting the standard for the rest of the industry to follow. Leaders display a superior quality of execution and a reliable depth and breadth across verticals.



Innovators show a penchant for reinventing concepts and avenues, changing the very nature of how things are done from the ground up. Unlike leaders, innovators have chosen to dominate a few select areas or industries and distinguish themselves based on superior innovation. These radicals are always hungry to create pioneering advancements in the industry and are actively sought after as trailblazers, redefining the rules of the game.



Disruptors enjoy inverting established norms and developing novel approaches that invigorate the industry. These vendors choose to have a razor-sharp focus on a few specific areas and address those at a high level of granularity and commitment, which results in tectonic shifts. While disruptors might not have the consistent depth and breadth across many verticals like leaders or the innovation capabilities of innovators, they exhibit superior capabilities in their areas of focus.



Challengers strive to break the mold and develop groundbreaking techniques, technologies, and methodologies on their way to establishing a unique position. While they may not have the scale of the vendors in other categories, challengers are eager and nimble and use their high speed of execution to great effect as they scale heights in the industry. Challengers have a track record of delivering quality projects for their most demanding Global 2000 clients. In select areas and industries, challengers might have capabilities that match or exceed those of the vendors in other categories.



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