

Cognizant acquires local player Servian

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Multibillion-dollar US information technology services provider Cognizant has bought private equity-backed local tech transformation consultancy Servian in a deal that will substantially increase the size of its cloud and data team.

The deal, the value of which was undisclosed, is the third Australian acquisition made by Cognizant, which also bought Odecee in 2015 and Adaptra in 2016.

The acquisition will add 500 people to the \$56.8 billion (\$US43.8 billion) company's local workforce of 1200 and double the size of the multinational's cloud and data team in the region.

Servian, which was founded in 2008

and was half-owned by private equity firm Adamantem, has worked with more than 190 enterprise clients across Australia and New Zealand and is understood to have been on track to record about \$60 million in revenue in the 2021 financial year.

Speaking to *The Australian Financial Review*, Cognizant Australia and New Zealand CEO Jane Livesey said the acquisition had been a mutual decision between the US professional services giant and the local consultancy.

"It's an organisation that brings special skills around data analytics, digital design, cloud and it has an end-to-end digital capability," she said. "This is critical as clients look to take new services and products to market and unlock the value of data in the cloud."



Cognizant head of Australia and New Zealand Jane Livesey's team has swelled by 500 with the Servian acquisition.

Cognizant is ranked number 194 on the Fortune 500 and competes with the likes of IBM and Accenture, as well as with the major accounting firms such as Deloitte and PwC.

In 2019 it recorded \$16.8 billion in revenue, but earlier this year it withdrew its 2020 forecast of 2 per cent to 4 per cent revenue growth at constant currencies due to the uncertainty of the COVID-19 pandemic.

The acquisition of Servian will also give Cognizant a footprint in New Zealand for the first time.

"ANZ is among our focus markets, where we are looking to meaningfully increase our presence and capture the significant market opportunity it offers," Ms Livesey said.

"The digital services market is evolving into the next phase where clients, having already understood what digital really means to their industries and having already implemented digital experiments and projects at the edge of

their enterprises, are now looking to become software-driven enterprises and digital to their core."

Servian founder and CEO Tony Nicol said both companies were unified in their vision. "With Cognizant's deep industry expertise and global scale, we will be able to apply our strengths in strategic advisory, engineering delivery, and managed services across an even broader spectrum of challenges and opportunities presented by the digital economy," he said.

The acquisition comes as the Australian Small Business and Family Enterprise Ombudsman Kate Carnell called for an industry-specific R&D Tax Incentive on Monday, saying the current scheme was unworkable for software development.