



Everest Group PEAK Matrix[®] for Life and Pensions (L&P) Insurance BPS / TPA Service Provider 2022

Focus on DXC Technology
December 2021



Background of the research

The pandemic adversely impacted the operations and business of the Life and Pensions (L&P) insurance industry. Considering that it is a heavily regulated industry, transitioning operations to a virtual environment seemed to be a tall order. Insurers' continued reliance on legacy systems and outdated technologies made this transition even more difficult. At the same time, the pandemic made insurers realize the pressing need for digitalization and innovation, while creating efficiencies across operations.

Providers are cognizant of these demand themes and are streamlining their go-to-market strategies and capability assets through their platform, digital, data, analytics, location, and talent capabilities. These providers are tapping into opportunities across the spectrum of L&P insurance, from products such as life, annuities, retirement, and group benefits to geographical markets such as North America, UKI, Continental Europe, and Asia Pacific. Business-Process-as-a-Service (BPaaS) and Third-party Administrator (TPA) models are being firmed up, and providers are shifting their overall focus from erstwhile arbitrage-based BPO to capture more value-additive share of the demand. Interestingly, it is not only closed blocks that are the center of attention this time; new products, greenfield launches, and active blocks are just as pertinent, as L&P insurers try to capture a young customer base that sees greater value in life insurance and retirement planning due to the pandemic's jolt.

In this research, we present detailed assessments of 20 L&P insurance BPS/TPA providers, based on their vision, capabilities, and market impact, and look at their relative positioning on the Everest Group PEAK Matrix® for L&P Insurance BPS/TPA Services. Our assessment is based on Everest Group's annual RFI process that was concluded in H1 2021, interactions with leading L&P insurance BPS/TPA providers, client reference checks, and an ongoing analysis of the L&P insurance BPS/TPA market.

This report consists of 20 L&P insurance BPS/TPA providers featured on the PEAK Matrix®:

- **Leaders:** Accenture, DXC Technology, EXL, SE2, and TCS
- **Major Contenders:** Capgemini, Capita, Cognizant, Datamatics, Equiniti, Genpact, HCL Technologies, Illumifin, Infosys, NTT DATA, and WNS
- **Aspirants:** Andesa Services, Atos, Concentrix, and Sutherland Global Services

Scope of this report:



Geography
Global



Service providers

Accenture, Atos, Andesa Services, Capgemini, Capita, Cognizant, Concentrix, Datamatics, DXC Technology, Equiniti, EXL, Genpact, HCL Technologies, Illumifin, Infosys, NTT DATA, SE2, Sutherland Global Services, TCS, and WNS



Services

The report covers L&P insurance BPS/TPA services and does not cover horizontal business processes, such as Finance and Accounting (F&A), Human Resource (HR), procurement, and contact center

L&P insurance BPS / TPA services PEAK Matrix® characteristics

Everest Group classified 20 L&P insurance BPS/TPA providers on the Everest Group PEAK Matrix® into the three categories of Leaders, Major Contenders, and Aspirants. The PEAK Matrix® is a framework to assess the overall vision and capability and market impact of service providers

Leaders

There are five service providers in the Leaders category – Accenture, DXC Technology, EXL, SE2, and TCS

Major Contenders

The Major Contenders category has eleven service providers – Capgemini, Capita, Cognizant, Datamatics, Equiniti, Genpact, HCL Technologies, Illumifin, Infosys, NTT DATA, and WNS

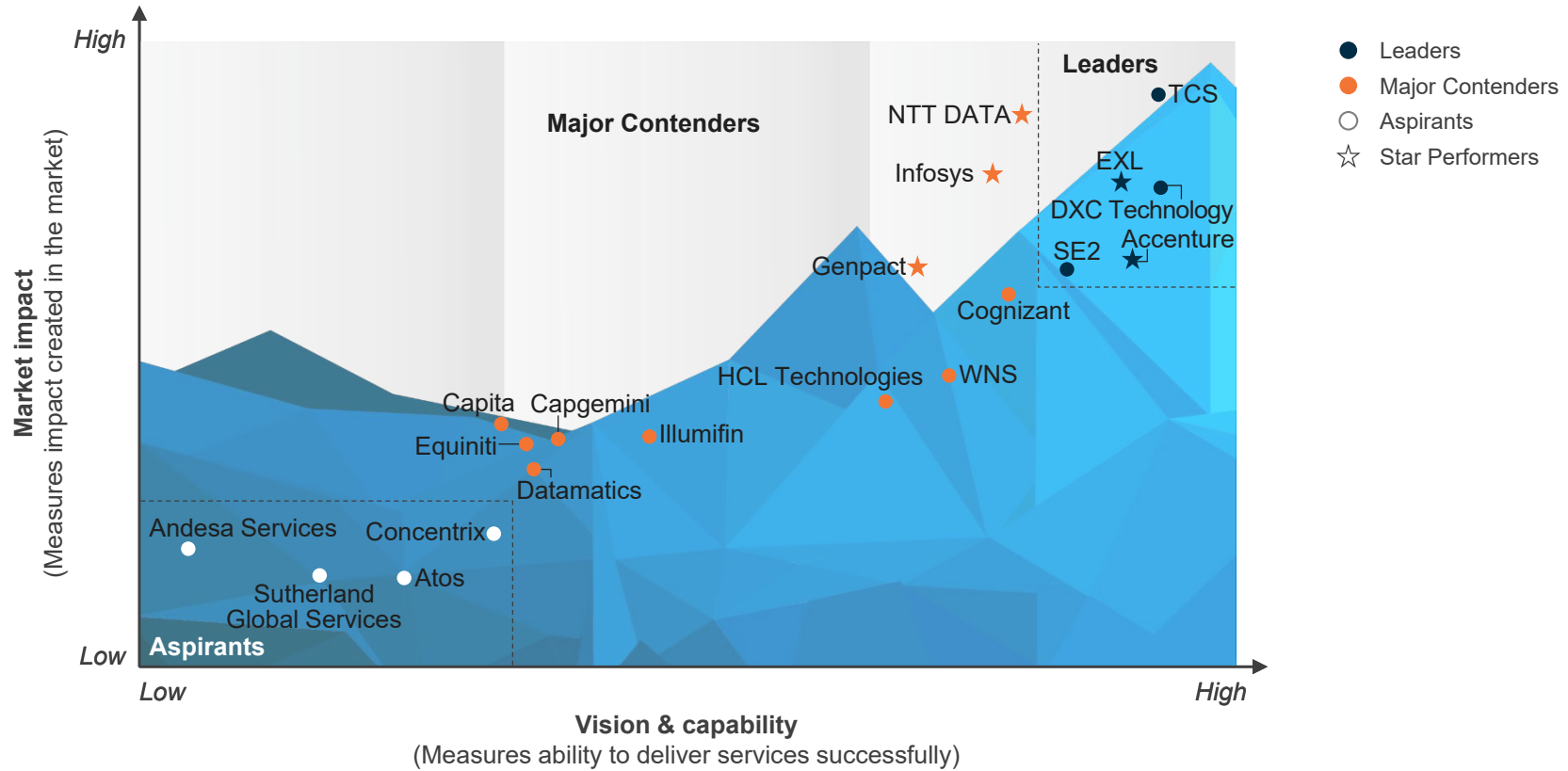
Aspirants

Andesa Services, Atos, Concentrix, and Sutherland Global Services are the Aspirants on the L&P insurance BPS/TPA services PEAK Matrix®

Everest Group PEAK Matrix®

Life and Pensions (L&P) Insurance BPS/TPA PEAK Matrix® Assessment 2022 | DXC Technology positioned as Leader

Everest Group Life and Pensions (L&P) Insurance BPS/TPA PEAK Matrix® Assessment 2022¹



¹ Assessments for **Andesa Services, Atos, Capita, Capgemini, Concentrix, Equiniti, Illumifin, and Sutherland Global Services** exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of service providers, their public disclosures, and interaction with buyers. For these companies, Everest Group's data for assessment may be less complete.
Source: Everest Group (2021).

DXC Technology | L&P insurance BPS/TPA profile (page 1 of 5)

Overview

Company overview

DXC Technology is a Fortune 500 global IT services leader. It has more than 130,000 people in 70-plus countries. It uses technology to deliver IT services across the enterprise technology stack to drive business impact for business process outsourcing, analytics and engineering, applications, security, cloud, IT outsourcing, and modern workplace. DXC brings industry expertise, software, and BPaaS services together with the ecosystem of partners to provide solutions that enable each insurer’s digital transformation objectives.

Headquarters: Ashburn, Virginia, United States

Website: www.dxc.com

Key leaders

- Mike Salvino, President & Chief Executive Officer
- David Swift, President, Insurance and Business Process Outsourcing
- Connie Whitlock, Global Head, Life and Wealth Operations and Technology BPS

Suite of services

- Policy administration
- New business underwriting
- Claims management
- Customer services
- Contact center services
- Analytics
- Automation
- Incentive management
- Reinsurance administration
- Broker - dealer

L&P insurance BPS ¹	2018	2019	2020
Revenue (US\$ million)	Not disclosed		
Number of FTEs	3,255	3,346	4,280
Number of clients	37	38	38

Recent acquisitions and partnerships

- 2020:** expanded its BPS operations for life and wealth opening a full-service TPA center in Canada
- 2020:** introduced Amelia AI for usage in the BPS supporting the CSR Desktop and Digital CSR technologies
- 2018:** expanded partnership with AWS for BPS operations

Recent developments

- **2020:** enabled a Virtual First remote workforce, allowing employees flexible options
- **2020:** combined insurance BPO / BPaaS operations as well as the global delivery and software build operations to enhance the offerings and provide synergies with the delivery, software IP, horizontal and industry-specific offerings reducing costs, providing greater efficiencies, innovation, compliance, regulatory, and data insights
- **2020:** continues to expand on RPA opportunities with support of First Notice of Loss (FNOL) initial claims, operational reporting data, payment management, and work management
- **2020:** continues to enhance and optimize the transition practice with AI/RPA and new toolsets to accelerate efficiencies and insights
- **2020:** continued rollout of DXC CSR portal cognitive contact center based on the DXC Assure for Life and Wealth digital ecosystem and Watson/Amelia for AI. Provides improved service, reduced cost, contact center consolidation, advanced data insights, and CSR satisfaction and retention
- **2020:** continued rollout of digital CSR with Watson/Amelia AI-based NLP voice response with authentication, self-service transactions, and predictive analytics. Providing insights into marketing campaigns, trends of client concerns, and indicators for termination and call trends. Reducing costs, providing multi-channel communication, and improved service
- **2019:** advanced to an automated cloud deployment of DXC’s BPS technology infrastructure reducing operating costs, providing full digital capabilities through the DXC Assure for Life and Wealth integrated solution that can also incorporate innovation from partners and extended ecosystem partners. It includes persona-based self-service portals, digitally enabling services for customers and providing ease of BPaaS

¹ 12 months ending December 31 of any particular year, i.e., from January 1, YYYY to December 31, YYYY.

DXC Technology | L&P insurance BPS/TPA profile (page 2 of 5)

Location landscape

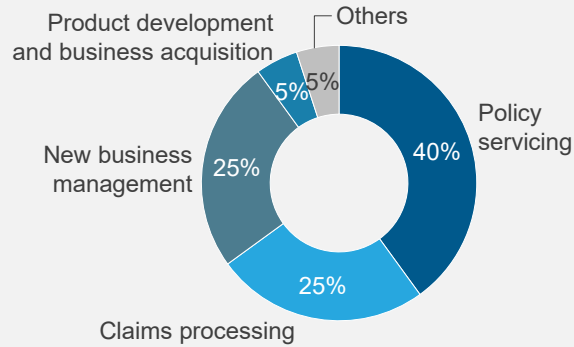


DXC Technology | L&P insurance BPS/TPA profile (page 3 of 5)

Capabilities and key clients

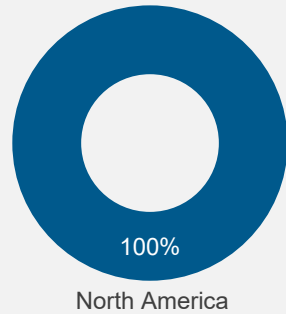
L&P insurance BPS FTE mix by processes covered
FTEs in numbers

100% = 4,280



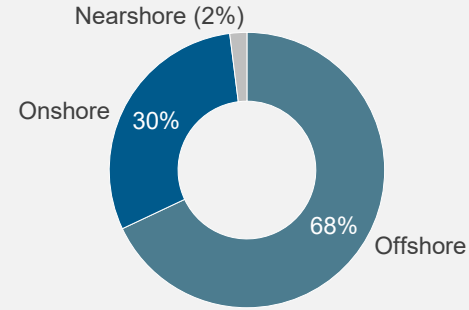
L&P insurance BPS revenue mix by geography
Revenue in US\$ million

100% = Not disclosed



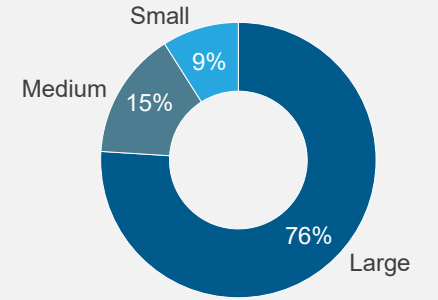
L&P insurance BPS FTE split by delivery location
Number of FTEs

100% = 4,280



L&P insurance BPS revenue by buyer size¹
Revenue in US\$ million

100% = Not disclosed



Key L&P insurance BPS engagements

Client name	Region	Client since
ivari	North America	2016
WiltonRe	North America	2007
Swiss Re	North America	1995

¹ Buyer size is defined as large (>US\$10 billion in revenue), medium (US\$5-10 billion in revenue), and small (<US\$5 billion in revenue).

DXC Technology | L&P insurance BPS/TPA profile (page 4 of 5)










Technology solutions/tools

Application	Processes served	Year launched	Description	No. of BPS clients
DXC cognitive CSR desktop with Watson / Amelia	All	2018	Deployed on DXC Assure for Life and Wealth digital engagement platform integrated with IBM Watson. It is implemented for all new clients and rolled out to clients as applicable, replacing the need for Customer Service Accelerator® (CSAA).	4
Digital CSR	Policy servicing and reporting and claims processing	2018	Watson and Amelia-based voice authentication, values inquiry, and self-service solution.	4
DXC Assure Policy	Product development, new business management, and policy servicing and reporting	2018	Digital policy administration supporting L&A and providing digital engagement and persona-based acquisition and self-service.	2
DXC Assure for Life and Wealth	All	2018	Advanced to an automated cloud deployment of DXC's BPS technology infrastructure reducing operating costs and providing digital capabilities to partners and extended ecosystem partners. A digital persona-based omnichannel self-service/new business acquisition that provides capability to extend legacy platforms by providing an API-enabled digital platform.	6
DXC Wealth Management Accelerator	Product development, policy servicing and reporting, and claims processing	2006	A comprehensive L&A administration system that manages asset accumulation and asset disbursement in a single system. DXC Assure for life and wealth has been deployed to enhance its digital capabilities.	8
nbAccelerator®	Product development and new business management	2002	Streamlines new business capture and submission, speed risk assessment, and automate underwriting decisions.	4
PerformancePlus®	Distribution management and commissions	2000	Manages broker arrangements, agent sales channels, hierarchy complexities, and a range of product offerings. It gives insurers the ability to accurately and efficiently calculate commissions, offer easy adjustment processing, and provide full audit trails documenting all transactions.	9
Customer Service Accelerator® (CSA)	Policy servicing and reporting and claims processing	2005	A Web 2.0 software application that manages diverse communication channels for consistent service regardless of the method of contact. All interactions — including emails, phone calls, web chats, correspondence, and interactive voice response — are centralized and displayed in a single view, making it easy to understand servicing needs at any point of contact.	33
CyberLife®	All	1996	A web-enabled, real-time system that supports traditional and non-traditional North American L&A products. It offers full processing, regulatory support, correspondence, billing and collections, and commissions and financial reporting. DXC Assure for Life and Wealth has been deployed with CyberLife offering digital capabilities to its customers.	10

DXC Technology | L&P insurance BPS/TPA profile (page 5 of 5)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
								

Strengths

- DXC is a prominent BPS/TPA player in the L&P insurance market and has now reaffirmed its commitment to the space through its strategic focus on IT/BPS synergies. It is doing so by leveraging its differentiated ownership of the technology stack, especially policy administration platforms for operational services
- It has continued to augment its platform-led approach and now aggressively takes its Assure platform to the market, especially for new blocks and new product launches, and has found decent deal momentum through this asset. Additionally, Assure’s integration with other assets – both proprietary and partnership such as InsurTechs solutions – further strengthens this value proposition
- Having firmed up its presence for new/active blocks, it is simultaneously focusing on large closed block deals, where it already holds significant experience. With investments in modernizing conversion methodologies, it also seems to have closed the gaps in the erstwhile conversion techniques & the same has also been appreciated by referenced clients
- It has recently expanded its North America footprint through strategic wins in the Canada market

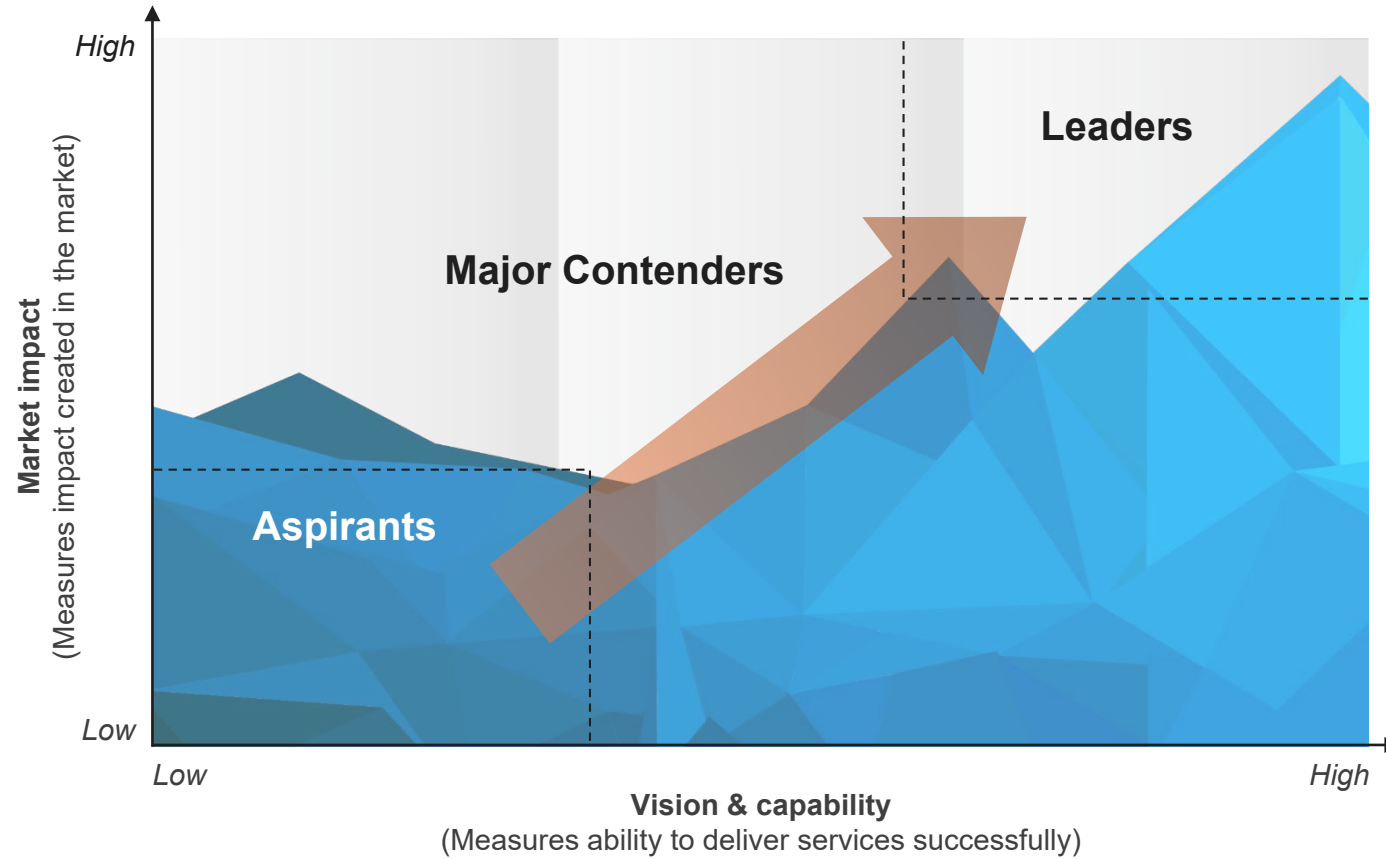
Limitations

- From a regional presence standpoint, DXC’s current L&P insurance BPS business is restricted to the North American market, and the provider has limited BPS presence in other notable markets such as the UK, Continental Europe, and Asia Pacific. Having said that, there is an intent to expand in other regions, and more momentum could be seen on this front moving forward
- Its product portfolio for BPS services is limited to individual life and annuities lines. It has limited to no services experience for other product segments such as group benefits and retirement, which are also opportune segments within L&P insurance BPS. Additionally, limited retirement products / pensions experience could create a hindrance in its Europe expansion for example, where pensions constitute a decent market demand
- While DXC has a strong hold of core administration platforms as well as reporting solutions, the utilization of RPA solutions for the automation of insurance processes across the value chain and analytical/modeling solutions to create greater insights for carriers has not been that well developed

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

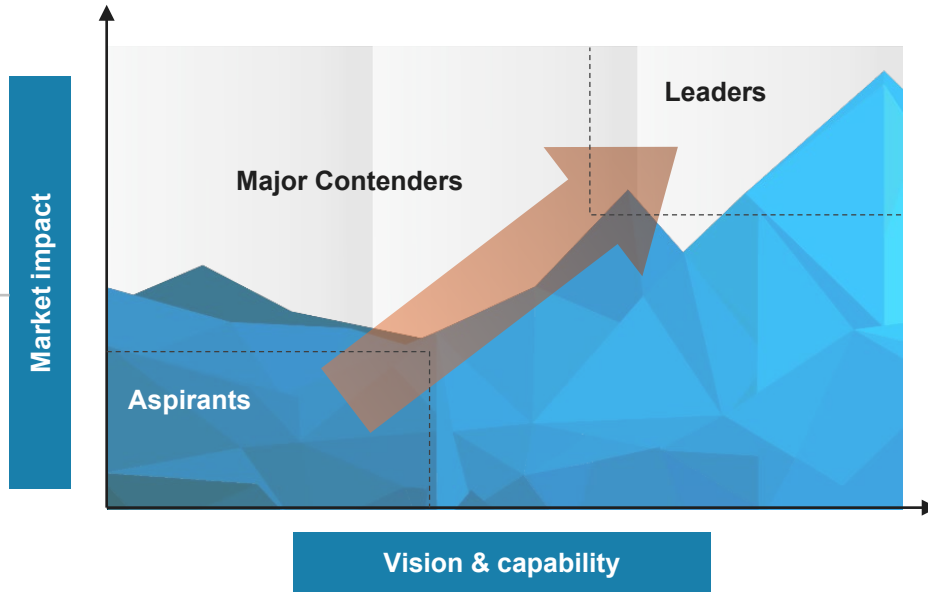
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YOY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



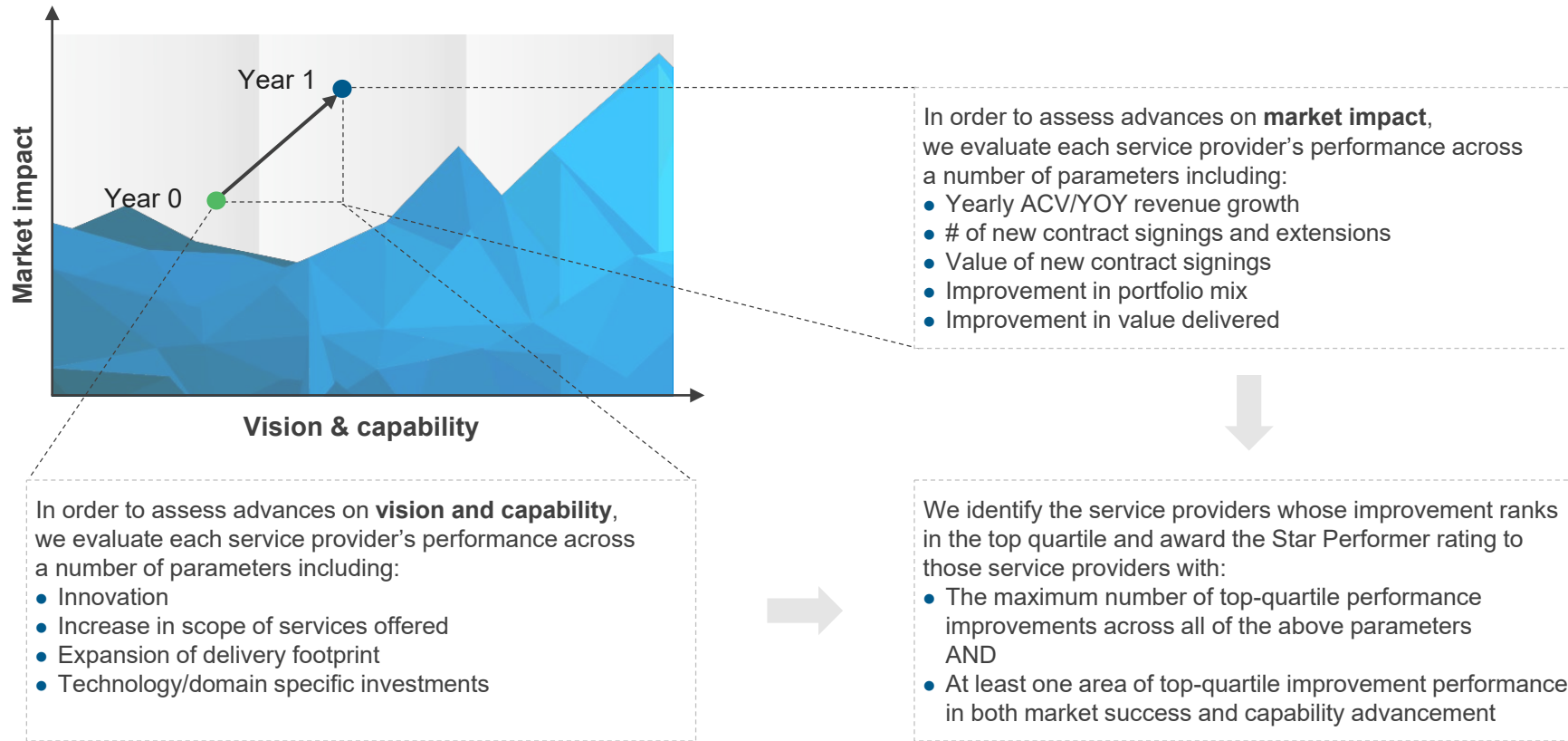
Measures ability to deliver services successfully. This is captured through four subdimensions

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix



The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



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