



Multi-Process Human Resources Outsourcing (MPHRO) Annual Report – Transition to Changing Realities

Human Resources Outsourcing (HRO)
Annual Report: September 2015 – Preview Deck

Our research offerings for global services

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Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

▶ BFSI¹ Information Technology

▶ PricePoint™

▶ BFSI¹ Business Process

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▶ Global Sourcing

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- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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¹ Banking, financial services, and insurance

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Everest Group's MPHRO research is based on multiple sources of proprietary information (page 1 of 2)

1

- Everest Group's proprietary database of **625+ MPHRO deals** (updated annually)
- The database tracks the following elements of each MPHRO deal
 - Buyer details: Including industry, location, and signing region
 - Deal details: Including TCV, ACV, contract term, start date, buyer employees served, and primary pricing structure
 - Scope: Process coverage and geographic coverage (employees covered by each region)
 - Technology ownership and maintenance
 - Global sourcing

2

- Everest Group's proprietary database of **operational capability of 20+ MPHRO service providers** (updated annually)
- The database tracks the following capability elements for each service provider
 - Major MPHRO clients and recent wins
 - Overall MPHRO revenue, total clients, and buyer employees served
 - Recent MPHRO-related developments (investments and partnerships)
 - MPHRO delivery locations and level of offshoring
 - Technology offerings within MPHRO
 - MPHRO service suite

Service providers covered in the analysis


accenture
High performance. Delivered.






Capgemini
CONSULTING. TECHNOLOGY. OUTSOURCING.
















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WIPRO
Applying thought


WNS
Extending Your Enterprise





Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any information we collect that is contract specific will only be presented back to the industry in an aggregated fashion

Everest Group's HRO research is based on multiple sources of proprietary information (page 2 of 2)

3

Buyer surveys and interactions

Global survey and one-on-one executive-level interviews to understand how organizations perceive performance of their MPHRO provider. The survey/interviews are focused on different aspects of an outsourcing relationship, including:

- Key drivers for outsourcing MPHRO
- Contract details (including process scope, signing year, and duration)
- Overall performance of the service provider including key strengths and improvement areas
- Detailed assessment of service provider performance across different elements, such as:
 - Performance against key HRO metrics
 - Performance across various HR processes
 - Performance during the implementation and transition phases
 - Governance and relationship management

The analyses in this report are presented at two levels:

- A market analysis that highlights the overall market composition/dynamics
- The current market trends based on deal activities up to December 2014

The sample size varies for different analyses based on the deal detail availability

Overview and abbreviated summary of key messages

This report provides a comprehensive coverage of the 2014 global MPHRO market and analyzes it across various dimensions such as market overview and key regional trends, buyer adoption and solution trends, and service provider landscape.

Some of the findings in this report, among others, are:

Market overview and key regional trends

- The Multi-Process Human Resources Outsourcing (MPHRO) market continued to grow steadily at the rate of about 4% to reach US\$ 3.42 billion in annualized revenue in 2014. New deals, mid-tenure scope expansions, and renewals emerged as the major drivers of growth in the market
- Asia Pacific, which got covered in more than half of the new deals, became the region to watch out for with promising growth and unique trends

Buyer adoption and solution trends

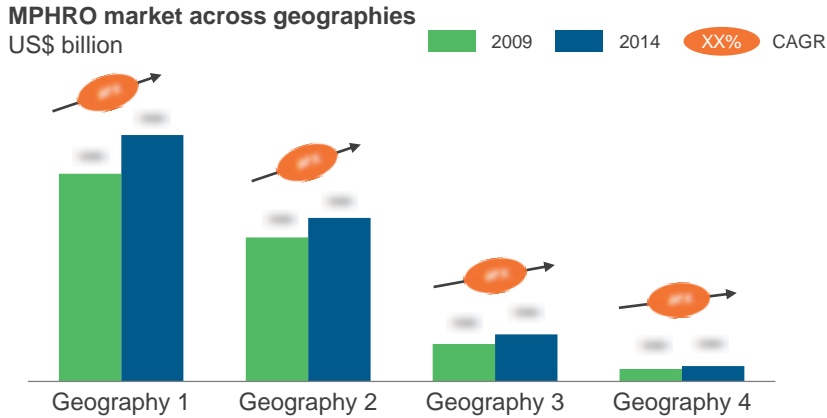
- BPaaS continued to be adopted aggressively by MPHRO buyers due to the increased confidence in the model
- Adoption of Workday and SuccessFactors within BPO construct increased, along with that of traditional BPaaS solutions of ADP and NGA
- HR analytics became mainstream with many major players coming out with basic as well as advanced analytics-based tools

Service provider landscape

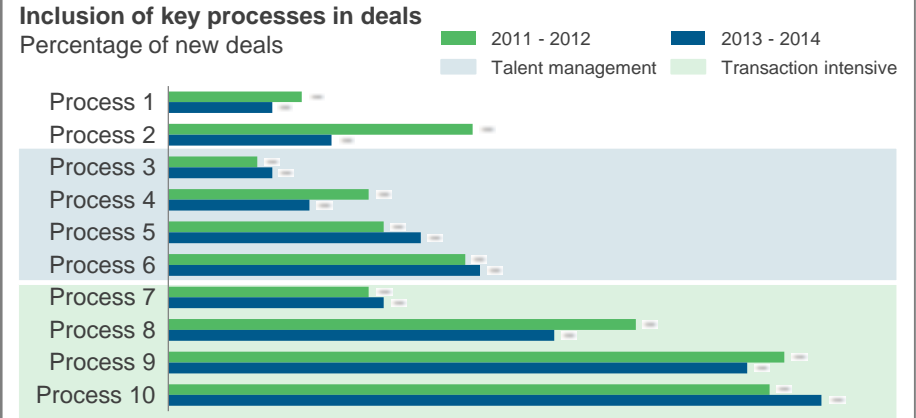
- The top five MPHRO providers continue to dominate the market, both in terms of revenue and number of active deals
- Indian heritage providers are constantly increasing their share of new deals signed while the top five providers are witnessing a see-saw trend
- Strong implementation capability, change management support, and relationship management besides Social, Mobile, Analytics and Cloud (SMAC) capabilities, act as differentiators in the market

This study offers three distinct chapters providing a deep dive into key aspects of the MPHRO market; below are four charts to illustrate the depth of the report

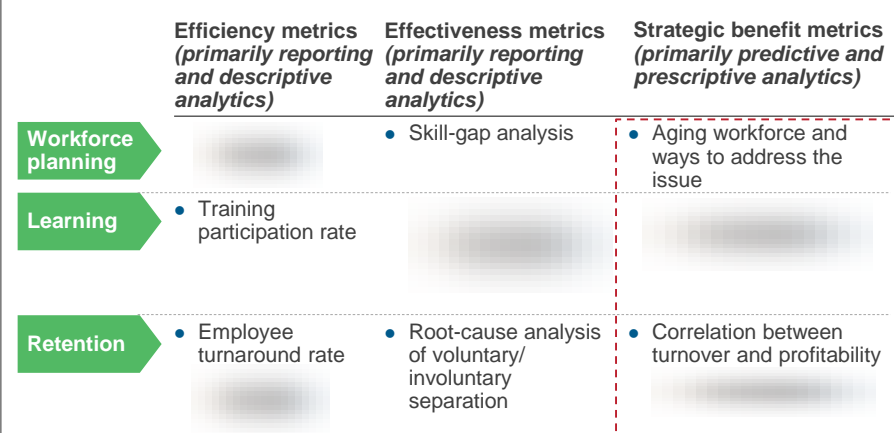
MPHRO market size and growth



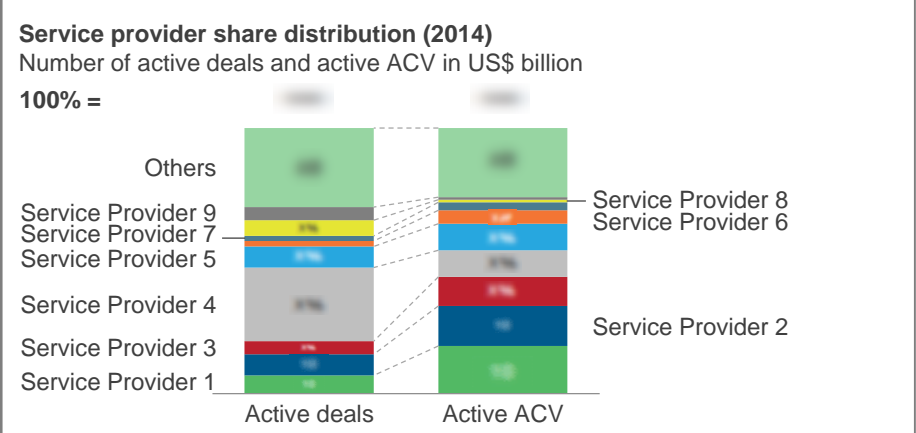
Process inclusion



HR analytics



Overall market shares



Source: Everest Group (2015)

HRO research calendar

Published Current

Topic

Release date

MPHRO – Service Provider Profile Compendium 2014	November 2014
Analytics Business Process Services (BPS) – Service Provider Landscape with PEAK Matrix™ Assessment 2015	November 2014
Multi-Country Payroll Outsourcing (MCPO) – Service Provider Landscape with PEAK Matrix™ Assessment 2015	March 2015
Reinventing Business Process Services (BPS) – Leveraging Technology to Deliver on New Expectations	March 2015
Rise of HR Outsourcing in Asia Pacific: Enabling HR to be Strategic	April 2015
Multi-Country Payroll Outsourcing (MCPO) – On the Verge of a Quantum Leap	June 2015
Technology in BPS –Service Provider Compendium 2015	June 2015
Technology in Business Process Services (BPS) – The Pecking Order	August 2015
Multi-Country Payroll Outsourcing (MCPO) – Service Provider Profile Compendium 2015	September 2015
Multi-Process Human Resources Outsourcing (MPHRO) – Annual Report 2015	September 2015
Benefits Administration Outsourcing (BAO) – Annual Report 2015	Q3 2015
Multi-Process Human Resources Outsourcing (MPHRO) – Service Provider Landscape with PEAK Matrix Assessment 2015	Q3 2015
Benefits Administration Outsourcing (BAO) – Service Provider Landscape with PEAK Matrix Assessment 2015	Q4 2015
Global HR Trends Handbook 2015 – Innovation, technology, outsourcing, and vendors	Q4 2015
MPHRO – Service Provider Profile Compendium 2015	Q4 2015

Additional HRO research references

The following documents are recommended for additional insight into the topic covered in this report. The recommended documents provide either additional details on the topic or complementary content that may be of interest:

1. **Recruitment Process Outsourcing (RPO) Annual Report 2015: Broader Adoption, Deeper Execution, Greater Innovation** ([EGR-2015-3-R-1547](#)); 2015. This research provides comprehensive coverage of the 2014 RPO market and analyzes it across various dimensions such as market overview, key business drivers, buyer adoption trends, solution & transaction trends, recruitment technology trends, and service provider landscape
2. **Technology in Business Process Services (BPS) – The Pecking Order** ([EGR-2015-10-R-1533](#)); 2015. This study includes classification of 13 broad-based service providers on BPS technology evaluation framework's four categories: Achievers, Executors, Strategists, and Strivers, remarks on key strengths and areas of improvement for each of the service providers along with relative rating on each of the evaluation dimensions and analysis of the key BPS technology strategies of the service providers
3. **Analytics Business Process Services (BPS) – Service Provider Landscape with PEAK Matrix™ Assessment 2015** ([EGR-2015-10-R-1371](#)); 2015. This report provides insights into the global analytics business process services (BPS) market and examines the service provider landscape and its impact on the market. It focuses on service provider position & growth in the market, changing market dynamics & emerging service provider trends, and assessment of service provider delivery capabilities
4. **Multi-Process Human Resources Outsourcing (MPHRO) – Service Provider Landscape with PEAK Matrix™ Assessment 2014** ([EGR-2014-3-R-1192](#)); 2014. This report gives an overview of the provider landscape and analyzes how the service providers differentiate themselves. Based on the comprehensive Everest Group PEAK Matrix, each of the 18 MPHRO service providers are segmented into Leaders, Major Contenders, and Emerging Players. Additionally, this report identifies the 2014 MPHRO Star Performers and provides key insights on individual PEAK dimensions

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