



Health & Welfare Benefits Administration Outsourcing – Service Provider Compendium 2018

Human Resource Outsourcing (HRO)

Market Report – July 2018: Complimentary Abstract / Table of Contents

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

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More about membership

In addition to a suite of published research, a membership may include

- Price book
- Pinnacle Accelerators
- Data cuts
- Analyst access
- Virtual Roundtables
- Workshops

Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- 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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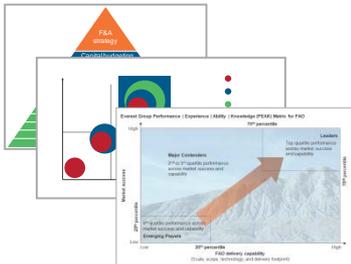
Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry

- Market thought leadership
- Actionable and insightful research
- Syndicated and custom research deliverables

1

Robust definitions and frameworks

(Function-specific pyramids – HRO, BAO, Total Value Equation (TVE), capability-success matrix, and market maturity)



2

Primary sources of information

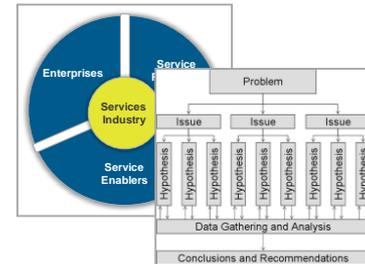
(Annual contractual and operational RFIs, service provider briefings and buyer interviews, and web-based surveys)



3

Diverse set of market touchpoints

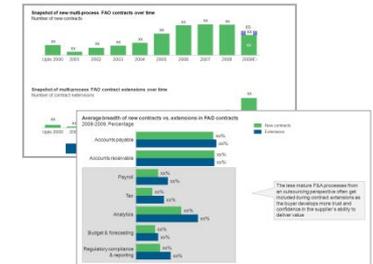
(Ongoing interactions across key stakeholders, input from a mix of perspectives and interests, supports both data analysis and thought leadership)



4

Fact-based research

(Data-driven analysis with expert perspectives, trend analysis across market adoption, contracting, and service providers)



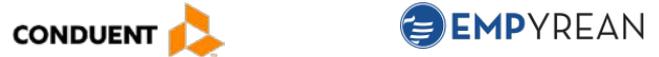
- Proprietary contractual database of over 1,100 BAO contracts (updated annually)
- Year-round tracking of over 11 BAO service providers
- Large repository of existing research in BAO and HRO
- Dedicated team for multiple areas within HRO research, spread over two continents
- Over 20 years' experience of advising clients on HRO-related decisions
- Executive-level relationships with buyers, service providers, technology providers, and industry associations

Everest Group's H&W BAO research is based on multiple sources of proprietary information (page 1 of 2)

- Everest Group's proprietary database of over **1,100 H&W BAO deals** (updated annually)
- The database tracks the following elements of each H&W BAO deal
 - **Buyer details:** Including industry, size, and signing region
 - **Deal details:** Including TCV, ACV, term, start date, total participants managed, and the primary pricing structure
 - **Scope:** Process coverage and geographic coverage
 - Technology ownership and maintenance
 - Global sourcing

- Everest Group's proprietary database of **operational capability of over 11 H&W BAO service providers**
- The database tracks the following capability elements for each service provider
 - Major H&W BAO clients and recent wins
 - Overall H&W BAO revenue, total number of participants managed, and number of H&W BAO FTEs
 - H&W BAO clients split by geography scope and coverage, industry, headquarter location, and buyer size
 - H&W BAO service suite, delivery locations, and level of offshoring
 - H&W Benefits-related technology capability
 - Recent H&W BAO-related developments (investments and partnerships)

Service providers covered in the analyses¹



¹ This assessment excludes Mercer, Businessolver, and Secova's inputs on this particular study and is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, service provider public disclosures, and interaction with buyers

Everest Group's H&W BAO research is based on multiple sources of proprietary information (page 2 of 2)

Buyer surveys and interactions

Global surveys and one-on-one executive-level interviews of buyers are undertaken to understand how organizations perceive performance of their H&W BAO provider. The surveys/interviews focus on different aspects of an outsourcing relationship including:

- Key drivers for outsourcing H&W BAO
- 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 elements such as:
 - Key H&W BAO metrics
 - H&W BAO processes
 - Implementation and transition phases
 - Governance and relationship management

The analyses in this report are presented at two levels:

- Overall market analysis that highlights the overall market composition/dynamics
- The current market trends based on deal activities up to December 2017

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

The compendium report has over 10 H&W BAO service provider profiles

XXX (page 2 of 5) H&W BAO capability and strategy

Offshore (India + China + Southeast Asia)	Nearshore (Eastern Europe + Latin America)	Onshore (U.S. + Canada + Western Europe)
50	0	50
Total H&W BAO delivery FTEs = 100		

Recent H&W BAO-related developments/announcements
No recent H&W BAO-related developments/announcements

Key H&W BAO partnerships

- Partnered with ABCXYZ to enhance its capabilities in the decision support tool
- Partnered with ABCXYZ to provide Workforce Management

Functional capabilities within core H&W BAO subprocesses

Coverage: ■ Self ■ Through partners

Subprocess	North America	Europe	Middle East & Africa	Asia Pacific	Lat
Ongoing administration	Self	Self	Self	Self	Self
Life event processing	Self	Self	Self	Self	Self
Post-employment administration	Self	Self	Self	Self	Self
Withholding & distributions	Self	Self	Self	Self	Self
Communications & education	Self	Self	Self	Self	Self



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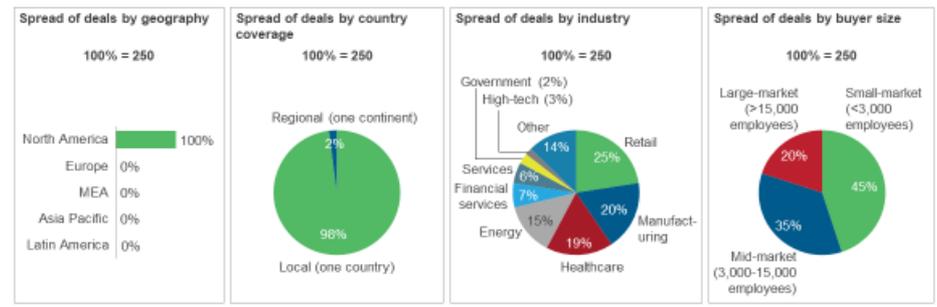
XXX (page 3 of 5) H&W BAO client portfolio

H&W BAO experience

- Total number of current H&W BAO deals: 250
- Total number of H&W BAO participants managed: ~1,000,000

Major H&W BAO clients

Not disclosed



Source: Everest Group (2018)



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Research calendar – Human Resources Outsourcing (HRO)

Published
 Planned
 Current release

Flagship HRO reports

Release date

Multi-Process Human Resources Outsourcing (MPHRO) – Buyer Satisfaction Report 2018	March 2018
Heath and Welfare (H&W) Benefits Administration Outsourcing – Service Provider Landscape with PEAK Matrix™ Assessment 2018	June 2018
SuccessFactors-based Human Resources Business Process Services (HR BPS) – Service Provider Landscape with PEAK Matrix™ Assessment 2018	June 2018
Heath and Welfare (H&W) Benefits Administration Outsourcing – Service Provider Profile Compendium 2018	July 2018
Heath and Welfare (H&W) Benefits Administration Outsourcing – Market Report 2018	Q3 2018
Multi-Country Payroll Outsourcing (MCPO) – Service Provider Landscape with PEAK Matrix™ Assessment 2018	Q3 2018
Multi-Country Payroll Outsourcing (MCPO) – Annual Report 2018	Q3 2018
Multi-Country Payroll Outsourcing (MCPO) – Service Provider Profile Compendium 2018	Q3 2018

Thematic HRO reports

The Impact of Technology on HR GICs – A Call to Action	January 2017
Aon Goes Back to its Roots; the (Re-) Birth of an HR Outsourcing Specialist	March 2017
Payroll Outsourcing in Asia Pacific: Climbing Up the Maturity Ladder	March 2017
Long-Tail HR Operations: Key Challenges and How to Overcome Them	March 2017
The Future of HR Services – An Employee-Centric, Digital-First Approach	September 2017
Ulrich Model – Recasting in a Digital Light.....	Q3 2018

Note: For a list of all of our Human Resources Outsourcing reports, please visit the our [website](#) page

Additional HRO research references

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

- 1. Health & Welfare Benefits Administration Outsourcing Service Provider Landscape with Services PEAK Matrix Assessment 2018** ([EGR-2017-3-R-2342](#)); 2017. This report assesses the H&W BAO capabilities of different service providers and evaluates their positioning on the Everest Group PEAK Matrix. It provides insights on how 11 H&W BAO service providers are beefing up their capabilities and are differentiating themselves in the light of these shifts. These providers have been segmented into Leaders, Major Contenders, and Aspirants on the Everest Group PEAK Matrix. The report also includes remarks on service providers, highlighting their key strengths and development areas
- 2. SuccessFactors-Based Human Resources Business Process Services (HR BPS) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018** ([EGR-2018-24-R-2675](#)); 2018. This research focuses on the rising prominence of new-age HR SaaS platforms, particularly SuccessFactors, among enterprises. It provides a comprehensive coverage of the 2017 SuccessFactors-based HR BPS market and analyzes it across various dimensions such as market overview, buyer adoption trends, and solution trends. It also provides an overview of the service provider landscape of this market. This report assesses the SuccessFactors-based HR BPS capabilities of 11 different service providers and evaluates their positioning on the Everest Group PEAK Matrix. These providers have been segmented into Leaders, Major Contenders, and Aspirants on the Everest Group PEAK Matrix. The report also includes remarks on service providers, highlighting their key strengths and development areas.
- 3. Multi-Process Human Resources Outsourcing (MPHRO) – Annual Report 2018** ([EGR-2017-3-R-2509](#)); 2017. This research provides comprehensive coverage of the 2016-17 MPHRO market across dimensions such as state of the market, MPHRO market size & adoption, key MPHRO market themes, and buyer adoption trends. It focuses on how the HRO market gained momentum due to the shift in the HR services paradigm

For more information on this and other research published by Everest Group, please contact us:

Rajesh Ranjan , Partner:	rajesh.ranjan@everestgrp.com
Anil Vijayan , Practice Director:	anil.vijayan@everestgrp.com
Priyanka Mitra , Senior Analyst:	priyanka.mitra@everestgrp.com
Sharath Hari N , Senior Analyst:	sharath.hari@everestgrp.com
HRO team:	HROresearch@everestgrp.com

Website: www.everestgrp.com | Phone: +1-214-451-3000 | Email: info@everestgrp.com



About Everest Group

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Dallas (Headquarters)

info@everestgrp.com
+1-214-451-3000

Bangalore

india@everestgrp.com
+91 806-781-9999

Delhi

india@everestgrp.com
+91-124-496-1000

London

unitedkingdom@everestgrp.com
+44-207-129-1318

New York

info@everestgrp.com
+1-646-805-4000

Toronto

canada@everestgrp.com
+1-416-388-6765

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