



Rewards and Recognition (R&R) Outsourcing – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018

Human Resource Outsourcing (HRO)

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

Our research offerings for global services

▶ Market Vista™

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

▶ Application Services

▶ BPS | Banking & Financial Services

▶ BPS | Healthcare & Life Sciences

▶ BPS | Insurance

▶ Catalyst™

▶ Cloud & Infrastructure

▶ Customer Experience Management Services

▶ Digital Services

▶ Engineering Services

▶ Finance & Accounting

▶ Human Resources

▶ ITS | Banking & Financial Services

▶ ITS | Healthcare & Life Sciences

▶ ITS | Insurance

▶ IT Services Forecaster™

▶ Locations Insider™

▶ PricePoint™

▶ Procurement

▶ Recruitment & Talent Acquisition

▶ Service Optimization Technologies

Membership information

- This report is included in the following research program(s)
 - **Human Resources Outsourcing (HRO)**
- **If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at info@everestgrp.com, unitedkingdom@everestgrp.com, or india@everestgrp.com**

More about membership

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

- Price book
- 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

Table of contents (page 1 of 2)

Topic	Page no.
Introduction and overview	5
Summary of key messages	10
Section I: R&R PEAK Matrix™ 2018	12
• R&R PEAK Matrix™	15
• Service providers' capability assessment	16
– Leaders	16
– Major Contenders	17
– Aspirants	18
Section II: Key insights into service provider categories	19
Section III: Everest Group's remarks on service providers	25
• Achievers	26
• BI Worldwide	27
• Engage2Excel	28
• Globoforce	29
• HALO Recognition	30
• Inspirus (a Sodexo Group company)	31
• ITA Group	32
• Kudos	33
• Madison PG	34
• Maritz Motivation Solutions	35

Table of contents (page 2 of 2)

Topic	Page no.
Section III: Everest Group’s remarks on service providers (continued)	25
• Marketing Innovators	36
• O.C. Tanner	37
• RewardGateway	38
• Rymax Marketing Services, Inc.	39
• TerryBerry Company	40
• WorkStride	41
• Xexec	42
• Zaggle	43
Appendix	44
• Glossary of key terms	45
• HRO research calendar	47
• References	48

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

- Everest Group's proprietary database of over **5000+ HRO and R&R deals** (updated annually)
- The database tracks the following elements of each 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 18 Rewards and Recognition (R&R) service providers**
- The database tracks the following capability elements for each service provider
 - Major R&R clients and recent wins
 - Overall R&R revenue, total number of participants managed, and number of R&R FTEs
 - R&R clients split by geography scope and coverage, industry, headquarter location, and buyer size
 - R&R process coverage
 - R&R service suite, delivery locations, and level of offshoring
 - R&R-related technology capability
 - Recent R&R-related developments (investments and partnerships)

Service providers covered in the analysis¹

Achievers
A Blackhawk Network Business

BI WORLDWIDE

Engage2Excel

HALO
recognitor

globoforce*
work human

inspirus
sodená group

ita group.
Driven by Loyalty*

kudos*

MADISON

MARKETING INNOVATORS

Maritz MOTIVATION SOLUTIONS*

O.C.TANNER

RewardGateway
the employee engagement people

RYMAX
MARKETING SERVICES, INC.

Terryberry
recognized

WorkStride.

xexec
driving engagement

Zaggle

¹ This assessment is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, service provider public disclosures, and interaction with buyers. It has also taken inputs through RFIs from three out of six service providers from the "Leaders" segment (Engage2Excel, Globoforce, O.C.Tanner) and one from the other segments (Zaggle)

Everest Group's R&R 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 the performance of their R&R provider. The surveys/interviews focus on different aspects of an outsourcing relationship including:

- Key drivers for outsourcing R&R
- 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 R&R metrics
 - R&R 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

Note This assessment is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, service provider public disclosures, and interaction with buyers. It has also taken inputs through RFIs from three out of six service providers from the "Leaders" segment (Engage2Excel, Globoforce, O.C.Tanner) and one from the other segments (Zaggle)

Overview and abbreviated summary of key messages

This report examines the global Rewards and Recognition (R&R) outsourcing market and its service provider landscape. It provides a deep-dive analysis of how the service providers shape up in terms of their market impact and delivery capability. Based on the comprehensive Everest Group PEAK Matrix, 18 R&R service providers are segmented into Leaders, Major Contenders, and Aspirants. Additionally, this report contains Everest Group's remarks on each service provider's strengths and areas of improvement.

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

Everest Group PEAK Matrix for R&R Outsourcing services

- Everest Group classified 18 R&R Outsourcing service providers on the Everest Group PEAK Matrix into three categories of Leaders, Major Contenders, and Aspirants
- The 2018 R&R Outsourcing services PEAK Matrix positioning is as follows:
 - **Leaders:** Achievers, Globoforce, Engage2Excel, ITA Group, Madison PG, and O.C. Tanner
 - **Major Contenders:** BI Worldwide, HALO Group, Inspirus (a Sodexo group company), Maritz Motivation Solutions, Marketing Innovators, RewardGateway, Rymax Marketing Services, Inc., TerryBerry Company, and WorkStride
 - **Aspirants:** Xexec, Kudos, and Zaggle

Key insights into service provider categories

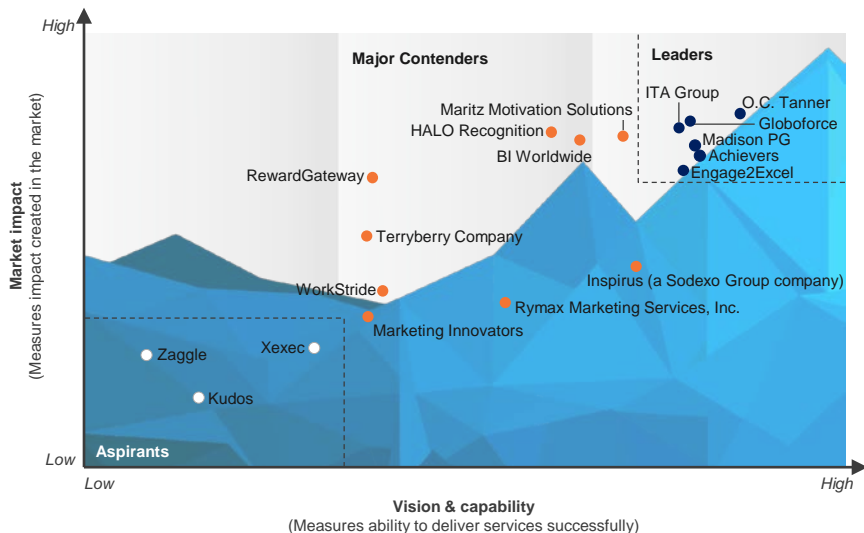
The R&R Outsourcing PEAK Matrix Leaders are compared with other service providers to identify differentiating strategy and operational capability

R&R service provider commentary

- Everest Group delineates each of the 18 service provider's strengths and areas of improvement
- The in-depth commentary is intended to help service providers, enterprise buyers and other stakeholders to understand the current situation and possible future direction of the provider landscape

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

Everest Group PEAK Matrix™ for R&R Outsourcing services 2018



Note 1 This assessment is based on Everest Group's estimates that leverage its proprietary Transaction Intelligence (TI) database, service provider public disclosures, and interaction with buyers. It has also taken inputs through RFIs from three out of six service providers from the "Leaders" category (Engage2Excel, Globoforce, O.C.Tanner) and one from the other categories (Zaggle)

● Leaders ● Major Contenders ○ Aspirants

Capability assessment

Illustrative example

Measure of capability: ● High ○ Low

Service provider	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall
Service provider 1	●	○	●	●	●	○	●	●	○
Service provider 2	○	○	○	○	○	○	●	○	○
Service provider 3	○	●	○	○	●	○	○	○	○
Service provider 4	○	○	○	○	●	○	○	○	○
Service provider 5	●	●	○	○	○	○	○	○	○
Service provider 6	○	○	○	○	○	○	○	○	○
Service provider 7	○	○	○	○	○	○	●	○	○
Service provider 8	○	○	○	○	○	○	○	○	○
Service provider 9	○	○	○	○	○	○	○	○	○

Everest Group's remarks on service providers

Illustrative example

Measure of capability: ● High ○ Low

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

Strengths

- Service provider 1 is a leading HRO player serving its clients with a major focus on the North American R&R market
- It is leveraging its IT expertise to drive relationships with buyers that are looking to outsource their HR operations
- It has invested in building proprietary solutions to cater to emerging client needs

Areas of improvement

- Service provider 1 derives the majority of its revenues from North America and is thus exposed to high concentration risk. It should look to target other geographies to expand its market reach
- It lacks capabilities around value-added services and non-voice channels, thus limiting its ability to target these services
- Its current client portfolio is heavily skewed toward the public sector. With this segment stagnating, Service provider 1 needs to look toward other verticals such as retail, media & entertainment, and travel & hospitality to guarantee future growth

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	January 2018
Heath and Welfare (H&W) Benefits Administration Outsourcing – Service Provider Landscape with PEAK Matrix™ Assessment 2018	June 2018
Heath and Welfare (H&W) Benefits Administration Outsourcing – Market Report 2018	June 2018
Heath and Welfare (H&W) Benefits Administration Outsourcing – Service Provider Profile Compendium 2018	June 2018
SuccessFactors Business Process Services – Service Provider Landscape with PEAK Matrix™ Assessment 2018	June 2018
Rewards and Recognition (R&R) Outsourcing – Service Provider Landscape with PEAK Matrix™ Assessment 2018	September 2018
Rewards and Recognition (R&R) Outsourcing – Market Report 2018	September 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 HRO reports published by us, please refer to 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 on the topic or complementary content that may be of interest

1. **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 provides comprehensive coverage of the 2017 SuccessFactors-based HR BPS market and analyzes it across various dimensions such as market overview, buyer adoption trends, solution trends, and service provider landscape. Based on the comprehensive Everest Group PEAK Matrix, each of the 11 service providers are segmented into Leaders, Major Contenders, and Aspirants. This report also contains Everest Group’s remarks on each of the 11 service providers’ strengths and areas of improvement.
2. **Health & Welfare Benefits Administration Outsourcing – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018** ([EGR-2018-24-R-2678](#)); 2018. This report examines the dynamics of the global H&W BAO service provider landscape and its impact on the H&W BAO market. Based on the comprehensive Everest Group PEAK Matrix, each of the 11 H&W BAO service providers are segmented into Leaders, Major Contenders, and Aspirants. The report presents some key findings on the performance of different service provider categories. Additionally, it provides insights into the strengths and areas of improvements of each service provider.
3. **Multi-Process Human Resources Outsourcing (MPHRO): A Peek into the Buyer’s Mind – Are Digital Offerings Falling Short?** ([EGR-2018-24-R-2581](#)); 2018. This report aims to provide an insight into the key factors driving MPHRO adoption among buyers; in addition to providing an overview of buyers’ perception of the aggregate service provider performance. The analysis in this report is presented at three levels - Key factors driving MPHRO adoption among buyers, MPHRO provider performance, and Evolving buyer requirements

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

Anil Vijayan, Practice Director:

anil.vijayan@everestgrp.com

Snigdha Kakkar, Senior Analyst:

snigdha.kakkar@everestgrp.com

Priyanka Mitra, Senior Analyst:

priyanka.mitra@everestgrp.com

HRO team:

HROresearch@everestgrp.com

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



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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

Stay connected

Website



www.everestgrp.com

Social Media



@EverestGroup



@Everest Group

Blog

[Sherpas In Blue Shirts](http://www.sherpasinblueshirts.com)

www.sherpasinblueshirts.com