



Banking BPS Services PEAK Matrix® Assessment with Service Provider Landscape 2020

Banking and Financial Services (BFS) - Business Process Services (BPS)
Market Report – July 2020: Complimentary Abstract / Table of Contents

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- Accelerators™
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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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Background of the research

The banking BPS market is quite mature, with service providers enjoying client confidence, especially in markets such as the United States and the United Kingdom. Europe and emerging regions such as Asia Pacific, as well as small and mid-sized banks, are expected to drive future growth. Digital has become an essential component of services delivery, and the COVID-19 pandemic is expected to accelerate digital adoption. It is also disrupting the traditional banking value chain, and service providers will need to adapt their offerings and value propositions to cater to these changes effectively.

The banking BPS market has been able to continually grow by helping clients to adapt to new client processes and reinvent themselves. Automation and analytics continue to grow in importance, with service providers promising a reduction in the degree of manual effort to their clients. As market conditions evolve rapidly due to current health and economic crisis, service providers need to step-up and provide value beyond cost savings. Meanwhile, enterprises will need to take a carefully considered approach to outsourcing and select service providers that can become partners in their transformation journey, driving better customer experience, process improvements, and cost savings.

Scope of this report

- **Services:** Banking BPS
- **Geography:** Global
- **Service providers:** 31 leading services providers

Overview and abbreviated summary of key messages

This report examines the global banking BPS market and its service provider landscape. It provides detailed analysis of the capabilities and market impact of service providers and their relative position on the Everest Group PEAK Matrix. It will assist key stakeholders (banks, service providers, and technology providers) understand the current state of the banking BPS service provider landscape.

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

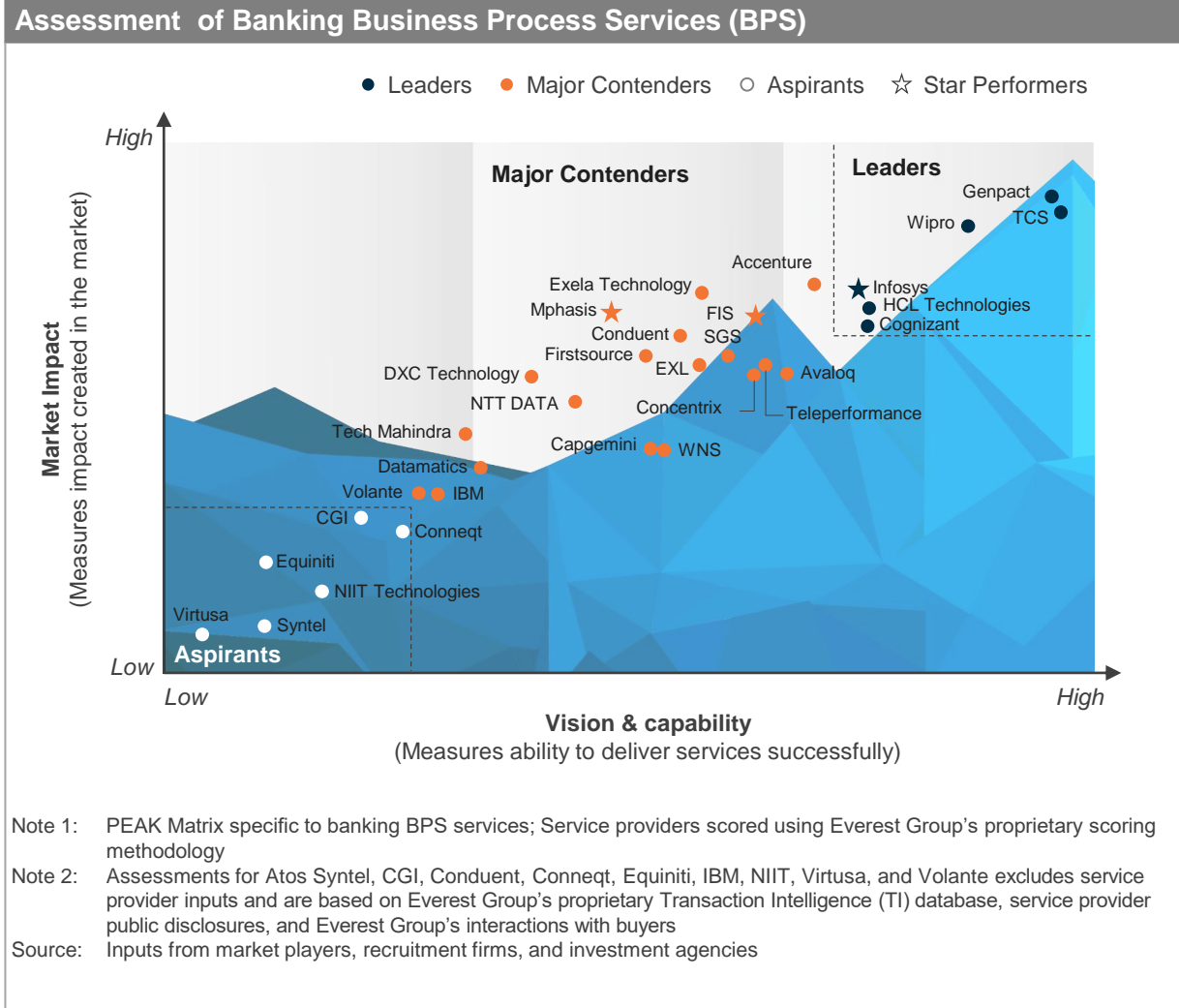
Service provider position and growth

- Everest Group classified 31 banking BPS service providers on the Everest Group Services PEAK Matrix into the three categories of Leaders, Major Contenders, and Aspirants
- The 2020 banking BPS PEAK Matrix positioning is as follows:
 - Leaders: Cognizant, Genpact, HCL Technologies, Infosys, TCS, and Wipro
 - Major Contenders: Accenture, Avaloq, Capgemini, Concentrix, Conduent, Datamatics, DXC Technology, Exela Technologies, EXL, Firstsource, FIS, IBM, Mphasis, NTT DATA, Teleperformance, Sutherland Global Services, Tech Mahindra, Volante, and WNS
 - Aspirants: Atos Syntel, CGI, Conneqt, Equiniti, NIIT Technologies, and Virtusa are the Aspirants
- FIS, Infosys, and Mphasis are identified as the “Star Performers” on the banking BPS Services PEAK Matrix for 2020, based on their strong performance during the period between 2018-19
- The landscape for banking BPS is becoming increasingly competitive, as service providers continue to evolve their capabilities and gain market share by capitalizing on growing trends such as analytics, Robotic Process Automation (RPA), and other digital levers

Key insights on PEAK Matrix® dimensions (not exhaustive)

- Though the banking BPS industry is witnessing increased competition, TCS and Genpact continue to remain leaders in terms of market share
- While cards and lending experience relatively high competition, retail and commercial banking are dominated by Genpact and TCS
- Genpact and TCS dominate the commercial banking segment, accounting for more than half of the commercial banking BPO market
- As the overall competitive intensity is increasing, it is becoming harder for leaders to differentiate themselves
- The banking BPS service provider landscape is consolidated at the top in Asia Pacific and Continental Europe; North America and the United Kingdom remain fragmented

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



Capability assessment

Illustrative example

Measure of capability: ● High ○ Low

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

Strengths

- Service provider 1, has a robust delivery presence in North America with multiple delivery centers spanning onshore, nearshore, and offshore locations, enabling it to service client requirements efficiently
- It has a good coverage of all buyer segments across geographies thus imparting it crucial experience of servicing diverse clients

Areas of improvement

- Service provider 1 provides limited offerings of value-added services such as regulatory reporting, risk management, and analytical support
- It has limited experience of serving clients in geographies beyond North America and the UK such as Asia Pacific which are also some of the underpenetrated markets

Glossary of key terms used in this report

Term	Definition
ACV	Annualized Contract Value is calculated by dividing the Total Contract Value (TCV) by the term of the contract
AI / CI	Artificial Intelligence / Cognitive Intelligence
API	Application Programming Interface
BFSI	Banking, Financial Services, and Insurance industry
BPaaS	Business Process as a Service
BPO/BPS	Business Process Outsourcing/Business Process Services refers to the purchase of one or more processes or functions from a company in the business of providing such services at large or as a third-party provider
BPSDA	Business Process Service Delivery Automation
Buyer	The company/entity that purchases outsourcing services from a provider of such services
FTE	Full Time Employees on the rolls of the company
Global sourcing/ offshoring	Transferring business process activities or its complete ownership to a different country from the country (or countries) where the company receiving the services is located, is referred to as offshoring or global sourcing
LOB	Line of Business
Nearshore	Nearshoring is the sourcing of service activities to a foreign, lower-wage country that is close in some dimension of distance
RPA	Robotic Process Automation
TCV	Total Contract Value is the potential revenue associated with the contract and estimated at the commencement of the contract (e.g., sum total of revenue accrued to the service provider from the contract over the entire contract term, usually measured in millions of dollars)

Research calendar – BFS BPS

Published
 Planned
 Current release

Flagship BFS BPO reports

Release date

Banking BPS – Service Provider Landscape with Services PEAK Matrix® Assessment 2019	July 2019
Financial Crime and Compliance (FCC) Operations Services PEAK Matrix® Assessment and Service Provider Landscape 2020	October 2019
Capital Markets Operations – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	November 2019
Capital Markets Operations – Service Provider Profile Compendium 2020	December 2019
Wealth Management Operations – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	March 2020
The Amazing Race – Payments Edition 2020	June 2020
Banking BPS Services PEAK Matrix® Assessment with Service Provider Landscape 2020	July 2020
Mortgage BPS – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	Q3 2020

Thematic BFS BPO reports

Trade Finance of the Future – A Blockchain Story	July 2017
Blockchain: Is it the Silver Bullet?	April 2018
Think Banks Have Gotten the Most Out of Automation – Think Again	February 2019
Buyer Satisfaction In BFS – What Makes the Banks Frown?	August 2019
Makings of a Successful Sourcing Relationship – Deal Trends in Banking	August 2019
Business-Process-as-a-Service (BPaaS) Adoption Debunked – Current and Future Direction	September 2019
Achieve the Most Out of Our Analytics Spend – Analytics Success Stories in BFS	Q3 2020

Note: For a list of all of our published BFS BPS reports, please refer to our [website page](#)

Additional BFS BPS research references

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

1. **Capital Markets Operations – Service Provider Landscape with Solutions PEAK Matrix™ Assessment 2020** ([EGR-2019-27-R-3452](#)); 2019. This report assists key stakeholders (buyers, service providers, and technology providers) in understanding the changing dynamics of the capital markets space and helps them identify the recent trends and future outlook. In this backdrop, the report provides comprehensive coverage of the global capital market space including detailed analysis of the state of the market, market trends and solution characteristics, service provider landscape, and the future outlook
2. **Banking BPO Digital Capability Platform (DCP) – Service Provider Landscape with Solutions PEAK Matrix™ Assessment 2019** ([EGR-2018-27-R-3115](#)); 2019. With almost every banking BPO service provider in the market trying to ride on the “digital” wave, it is a difficult proposition to evaluate and assess their digital capabilities against each other. The report seeks to accomplish this objective by examining the next-generation digital capabilities of these service providers, their ability to integrate different technology levers, and their impact on the banking BPO processes
3. **Financial Crime and Compliance (FCC) Operations Services PEAK Matrix™ Assessment and Service Provider Landscape 2020** ([EGR-2019-27-R-3355](#)); 2019. This report assists key stakeholders (buyers, service providers, and technology providers) in understanding the landscape of the FCC operations market and identifying recent trends and the future outlook. The report seeks to accomplish this objective by examining the FCC capabilities of service providers, their ability to handle different processes, and their technology offerings for FCC operations

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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.

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