

Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – Service Provider Compendium 2021

January 2021: Complimentary Abstract / Table of Contents



Our research offerings for global services

<ul style="list-style-type: none"> ▶ Market Vista™ Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available 	
<ul style="list-style-type: none"> ▶ Application Services 	<ul style="list-style-type: none"> ▶ Finance & Accounting
<ul style="list-style-type: none"> ▶ BPS Banking & Financial Services 	<ul style="list-style-type: none"> ▶ Human Resources
<ul style="list-style-type: none"> ▶ BPS Healthcare 	<ul style="list-style-type: none"> ▶ ITS Banking & Financial Services
<ul style="list-style-type: none"> ▶ BPS Insurance 	<ul style="list-style-type: none"> ▶ ITS Healthcare
<ul style="list-style-type: none"> ▶ BPS Life Sciences 	<ul style="list-style-type: none"> ▶ ITS Insurance
<ul style="list-style-type: none"> ▶ Catalyst™ 	<ul style="list-style-type: none"> ▶ IT Services Executive Insights™
<ul style="list-style-type: none"> ▶ Cloud & Infrastructure 	<ul style="list-style-type: none"> ▶ ITS Life Sciences
<ul style="list-style-type: none"> ▶ Customer Experience Management Services 	<ul style="list-style-type: none"> ▶ Locations Insider™
<ul style="list-style-type: none"> ▶ Contingent Workforce Management 	<ul style="list-style-type: none"> ▶ PricePoint™
<ul style="list-style-type: none"> ▶ Data & Analytics 	<ul style="list-style-type: none"> ▶ Procurement
<ul style="list-style-type: none"> ▶ Digital Services 	<ul style="list-style-type: none"> ▶ Recruitment Process Outsourcing
<ul style="list-style-type: none"> ▶ Engineering Services 	<ul style="list-style-type: none"> ▶ Service Optimization Technologies
<ul style="list-style-type: none"> ▶ Enterprise Platform Services 	

Membership information

- This report is included in the following research program(s)
 - [Insurance IT Services](#)
- 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

More about membership

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

- Accelerators™
- Analyst access
- Data cuts
- Pinnacle Model® reports
- PriceBook
- 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

Contents

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

Ronak Doshi, Vice President

Aaditya Jain, Practice Director

Supratim Nandi, Senior Analyst

Vigitesh Tewary, Senior Analyst

Abhishek Chauhan, Analyst

Shrey Kalawatia, Analyst

1. Introduction and overview	05
• Research methodology	06
• Key information sources	07
• Background of the research	08
• Research scope	09
2. Insurance business model innovation enablement services PEAK Matrix®	10
• PEAK Matrix framework	11
• Everest Group PEAK Matrix for Application and Digital Services in L&A	13
3. Enterprise sourcing considerations	14
• Leaders	14
– Accenture	15
– Capgemini	19
– Cognizant	23
– Infosys	27
– TCS	31
– Wipro	35
• Major Contenders	39
– Atos	40
– Coforge	44
– DXC Technology	48

Contents

3. Enterprise sourcing considerations (continued)	
– HCL Technologies	52
– IBM	56
– LTI	60
– Mindtree	64
– Mphasis	68
– NTT DATA	72
– Tech Mahindra	76
– Virtusa	80
– Zensar Technologies	84
• Aspirants	88
– Damco Solutions	89
– RapidValue Solutions	93
– ValueMomentum	97
4. Appendix	101
• Glossary	102
• Research calendar	104

This report is based on two key sources of proprietary information

- Proprietary database of IT services contracts of major IT service providers with Insurance IT services in scope of work (updated annually)
- The database tracks the following elements of each contract:
 - Buyer details including size and signing region
 - Contract details including service provider, contract type, TCV & ACV, service provider FTEs, start & end dates, duration, and delivery locations
 - Scope details including share of individual buyer locations being served in each contract, Line of Business (LoB) served, and pricing model employed
- Proprietary database of IT service providers (updated annually)
- The database tracks the following for each service provider:
 - Revenue and number of FTEs
 - Number of clients
 - FTE split by different LoBs
 - Revenue split by region
 - Location and size of delivery centers
 - Technology solutions developed
- **Service provider briefings**
 - Vision and strategy
 - Annual performance and future outlook
 - Key strengths and improvement areas
 - Emerging areas of investment
- **Buyer reference interviews, ongoing buyer surveys, and interactions**
 - Assessment of service provider performance
 - Emerging priorities
 - Lessons learnt and best practices

Service providers assessed



Note: We continuously monitor the market and update the above list to include emerging service providers

The source of all content is Everest Group unless otherwise specified

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

The report has detailed profiles of 21 leading IT service providers that provide application and digital services in life and annuities insurance

Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – Service Provider Compendium 2021

Service Provider | application and digital services in L&A insurance profile

Overview

Vision for Application and Digital Services (ADS) in L&A insurance practice: Cognizant aims to be the end-to-end transformation partner to modernize, transform and convert legacy operating models to next generation operating models and distribution solutions

Application and digital services in L&A insurance revenue (2019)

<US\$50 million	US\$50-200 million	US\$200-500 million	>US\$500 million
-----------------	--------------------	---------------------	------------------

Application and digital services in L&A insurance – revenue mix (2019)

By lines of business	Term life	Whole life	N/A	Universal life	N/A
Endowments	N/A	Fixed annuity	N/A	Variable annuity	N/A

By services scope

Application development	Consulting	System integration ²
Application maintenance	Quality assurance ¹	

By buyer size

Small (annual client revenue < US\$1 billion)	N/A
Medium (annual client revenue US\$1-5 billion)	N/A
Large (annual client revenue US\$5-10 billion)	N/A
Very large (annual client revenue US\$10-20 billion)	N/A
Mega (annual client revenue > US\$20 billion)	N/A

1 Includes independent testing services
 2 System integration includes package implementation
 3 AR/VR, blockchain, social media, etc.
 4 The list of cities is not exhaustive

Everest Group[®] Proprietary & Confidential. © 2021, Everest Global, Inc. | EGR-2021-41-CA-4183

Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – Service Provider Compendium 2021

Service Provider | application and digital services in L&A insurance profile

Client success stories

Case study 1: Cloud transformation for a large annuity service group in the US

Case study 2: Modern platform implementation for a leading provider of supplier

Case: Data modernization & call center

Business challenge
 As part of the divestiture, the customer was looking to move applications from the existing data center to a new one in order to keep costs low. The client engaged Cognizant to advise on and subsequently implement the separation within a 24-month TSA.

Solution

- Recommended 100% migration to AWS Cloud and was able to achieve complete migration of 100+ applications within 18 months
- Migrated the below applications to AWS
 - Policy administration systems with over 500,000 policies on legacy technology
 - Enterprise applications for finance, HR, and risk management
 - Agency management systems (rewritten from mainframe to Java)

Impact

- Implemented 100% cloud setup with improved security, disaster recovery and scalability
- Achieved US\$15 million in cost savings - on capital and operational due to the migration being completed six months ahead of schedule
- Easy scalability - cloud setup enables the expansion of the IT base with ease

Everest Group[®] Proprietary & Confidential. © 2021, Everest Global, Inc. | EGR-2021-41-CA-4183

Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – Service Provider Compendium 2021

Service Provider | application and digital services in L&A insurance profile

Key offerings and investments

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver application and digital services to L&A insurance clients

Name	Details
Service Provider risk profile gateway	SaaS solution to transform medical histories of life insurance at decisions in lesser time vis-à-vis the traditional underwriting process
Service Provider LifeAdmin Core	A BPaaS platform powered by OIPA, offering flexible and rule-based
Service Provider Policyholder Connect	Delivers remote interactions that ensure that customers feel valued
Service Provider Innovation navigator	Repository of art of possibilities within insurance, serving as an insurance data conversion tool
Digital maturity diagnostic	A reliable conversion tool that reduces effort and performs high benchmarking and assessment framework for the current state

Key partnerships/alliances/M&As/JVs leveraged to deliver application and digital services in L&A

Name	Type of investment (year)	Details of investment
Softvision	Acquisition (2018)	To leverage Softvision's capabilities
Contino	Acquisition (2019)	Extends its capabilities in enterprise
Unqork	Partnership (2016)	Solution partner to enable L&A
Vitech	Partnership (2016)	Partnership across both implementation
EIS	Partnership (2013)	Implementation partner with 5
Oracle (OIPA)	Partnership (2013)	Oracle Platinum Partner – OI

Source: Everest Group (2020)

Everest Group[®] Proprietary & Confidential. © 2021, Everest Global, Inc. | EGR-2021-41-CA-4183

Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – Service Provider Compendium 2021

Service Provider

Enterprise sourcing considerations – Leader

Measure of capability: ● High ○ Low

Market impact				Vision & capability				
Market Adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation & investments	Delivery Footprint	Overall
●	●	●	●	●	●	●	●	●

Strengths

- Service Provider's strength lies in being able to provide an end-to-end managed services program to transform the cost curve for insurers by either using a BPaaS model or through engaging in transformations using cloud and digital technologies at scale, in order to reduce running expenses of legacy systems
- Service Provider's continued focus on building bolt-on solutions such as Cognizant LifeAdmin Core on platforms like OIPA; and developing tools such as Cognizant Innovation Navigator, Insurance Data Conversion, and Digital Maturity diagnostic, has strengthened its credentials to identify and address the evolving needs for L&A insurance clients
- Service Provider's ability to tap into a diverse and skilled talent pool, in conjunction with knowledge of insurance-specific technologies and solutions, has been appreciated by clients in multiple engagements

Limitations

- Service Provider continues to have a heavy concentration of revenue coming in from North American L&A insurance clients, which limits its ability to grow as fast as some of its peers and capture growth momentum from emerging markets and other regions such as Europe, the UK, Australia, and New Zealand
- Clients have cited challenges in access to the right-fit talent for Salesforce implementation and support projects that also bring insurance domain understanding
- Clients expect Cognizant's client partners to understand the big picture of their ecosystem and bring the best of Cognizant's offerings and services to them
- Clients see challenges in Cognizant's ability to translate vision created by their consulting leaders into execution

Everest Group[®] Proprietary & Confidential. © 2021, Everest Global, Inc. | EGR-2021-41-CA-4183

26

Research calendar

Insurance IT Services

■ Published
 ■ Planned
 ■ Current release

Flagship Insurance IT Services reports

	Release date
Life & Annuities (L&A) Insurance Application and Digital Services PEAK Matrix® 2020 – Conflated Growth and Efficiency Agendas	December 2019
Property & Casualty (P&C) Insurance Application and Digital Services PEAK Matrix® 2020 – Coverage, Channels, and Commercial Model Innovation	December 2019
Guidewire Services PEAK Matrix® Assessment 2020 – Setting the Stage for Core on Cloud	May 2020
Guidewire Services – Service Provider Compendium 2020	June 2020
L&A Insurance State of the Market – Platform-first Model to Simplify and Rationalize Systems for Rapid Cost Take-out	June 2020
P&C Insurance State of the Market – Underwriting for the Next Normal	July 2020
Insurance Business Model Innovation Enablement Services PEAK Matrix® Assessment 2020	November 2020
Insurance Business Model Innovation Enablement Services – Service Provider Compendium 2020	December 2020
Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – PEAK Matrix® Assessment 2021	December 2020
Application and Digital Services (ADS) in Life and Annuities (L&A) Insurance – Service Provider Compendium 2021	January 2021

Thematic Insurance IT Services reports

	Release date
Digital Experience Platforms (DXP) in Insurance	April 2020
Guidebook for Insurers to Solve the IFRS 17 Reporting Puzzle	April 2020
Making a Business Case for Modernizing Core Systems for the US Retirements Industry: Value Beyond Cost Savings From a Cloud-enabled Recordkeeping System	May 2020
Life & Annuities (L&A) Insurance Core Platform Software Adoption Trends – Unlocking Efficiency and Growth for L&A Insurers	December 2020
Cloud in Insurance – Guidebook	Q1 2021

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



Everest Group is a consulting and research firm focused on strategic IT, business services, engineering services, and sourcing. Our clients include leading global enterprises, service providers, and investors. Through our research-informed insights and deep experience, we guide clients in their journeys to achieve heightened operational and financial performance, accelerated value delivery, and high-impact business outcomes. Details and in-depth content are available at [everestgrp.com](https://www.everestgrp.com).

Stay connected

Website

[everestgrp.com](https://www.everestgrp.com)

Social Media

-  @EverestGroup
-  @Everest Group
-  @Everest Group
-  @Everest Group

Blog

[everestgrp.com/blog](https://www.everestgrp.com/blog)

Podcast

DigitalReallTy



Dallas (Headquarters)

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

Bangalore

india@everestgrp.com
+91-80-61463500

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

This document is for informational purposes only, and it is being provided "as is" and "as available" without any warranty of any kind, including any warranties of completeness, adequacy, or fitness for a particular purpose. Everest Group is not a legal or investment adviser; the contents of this document should not be construed as legal, tax, or investment advice. This document should not be used as a substitute for consultation with professional advisors, and Everest Group disclaims liability for any actions or decisions not to act that are taken as a result of any material in this publication.