

# Everest Group Services PEAK Matrix™ for L&P Insurance BPO Service Providers

Focus on DXC Technology  
December 2018



# Introduction and scope

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Everest Group recently released its report titled “[Life and Pensions \(L&P\) Insurance BPO – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018](#).” This report analyzes the changing dynamics of the L&P insurance BPO landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 15 service providers on the Everest Group PEAK Matrix™ for L&P insurance BPO into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of L&P insurance BPO service providers based on their absolute market success and delivery capability. Everest Group also identified 4 service providers as the “2018 L&P Insurance BPO Market Star Performers” based on the strongest forward movement demonstrated on the PEAK Matrix year-on-year.

Based on the analysis, **DXC Technology emerged as a Leader**. This document focuses on **DXC Technology’s** L&P insurance BPO experience and capabilities and includes:

- DXC Technology’s position on the L&P insurance BPO services PEAK Matrix 2018
- DXC Technology’s year-on-year movement on the L&P insurance services BPO PEAK Matrix
- Detailed L&P insurance BPO profile of DXC Technology

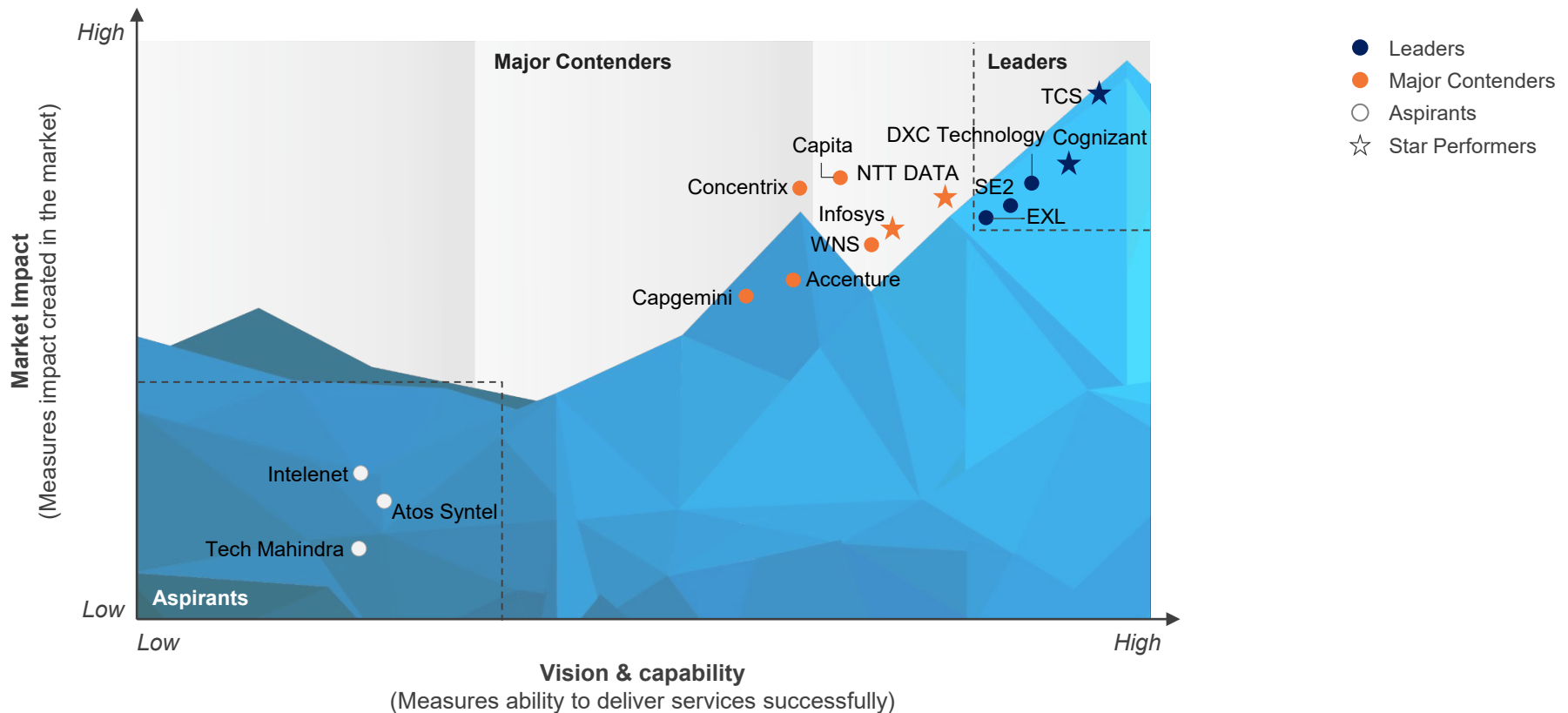
Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

Source: Everest Group (2018) unless cited otherwise

# Everest Group PEAK Matrix™

## L&P insurance BPO Services PEAK Matrix™ 2018 | DXC Technology positioned as Leader

Everest Group L&P insurance BPO services PEAK Matrix 2018<sup>1</sup>



<sup>1</sup> Service providers scored using Everest Group's proprietary scoring methodology given on page 11

Note: Assessment for **Accenture, Capita, Intelenet, Atos Syntel, and Tech Mahindra** excludes service provider inputs on this particular study and is based on Everest Group's estimates that leverage Everest Group's proprietary Transaction Intelligence (TI) database, ongoing coverage of these service providers, their public disclosures, and interaction with buyers.

Source: Everest Group (2018)

## Overview

### Company overview

DXC Technology is a leading provider in next-generation IT services, solutions, digital transformation, and BPO services. As a leading independent, end-to-end IT services company, it is well-positioned to lead digital transformations, creating greater value for clients, partners, and shareholders. It has 134,000 employees in more than 70 countries, serving nearly 6,000 clients. It taps into global talent, next-generation IT solutions, and extensive partner relationships to help clients transform digitally and seize new opportunities. Its extensive partner network helps it to drive collaboration and leverage technology independence. It has established more than 250 industry-leading global partner network relationships, including 16 strategic partners – Amazon Web Services, AT&T, Dell / EMC, HCL, HPE, HP, IBM, Hitachi, Vmware, Lenovo, Micro Focus, Microsoft, Oracle, PwC, SAP, and ServiceNow.

### Key leaders

- Mike Lawrie, President & Chief Executive Officer
- Phil Ratcliff, Vice President and General Manager
- Kevin Murray, General Manager, Life & Annuity BPS

**Headquarter:** Tysons, Virginia, United States

**Website:** <http://www.dxc.technology/>

### Suite of services

- Policy administration
- New business underwriting
- Claims management
- Customer services
- Business analytics
- Incentive management
- Reinsurance

	2015	2016	2017
Revenue (US\$ million)	Not disclosed		
Number of FTEs	2,286	3,433	3,773
Number of clients	34	36	37

### Recent acquisitions and partnerships

- DXC Technology was created by the merger of CSC and the enterprise services business of Hewlett Packard Enterprise on in April 2017

### Recent developments

- Enhancement and upgradation of BPS infrastructure, productivity tools, and software
- Establishment of a new low-cost center in Manila, the Philippines, for call center and back-office processing
- Acquisition of Xchanging
- Implementation of robotics
- Implementation of IBM Watson with Interactive Voice Response (IVR) and telephony to automate authentication, anticipate caller questions, and enable call documentation
- Upgradation of the telephony platform to AT&T's InContact
- Deployment of DXC Technology Omnichannel in the BPS to provide mobile-friendly, online self service via multiple channels

Key delivery locations



# DXC Technology | L&P insurance BPO services profile (page 3 of 5)

## Capabilities and key clients

### Key L&P insurance BPO engagements

Client name	Region	Client since
Brighthouse Financial	North America	2017
Leading insurer C	North America	2016
MetLife (closed block)	North America	2016
Leading insurer A	North America	2015
MetLife (direct)	North America	2013
Leading insurer B	North America	2007
Swiss Re	North America	1995

#### L&P insurance BPO FTE mix by processes covered

FTEs in numbers

100% = 3,773

Not disclosed

#### L&P insurance BPO revenue mix by geography

Revenue in US\$ million

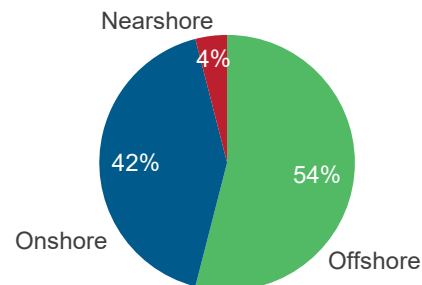
100% = Not disclosed

Not disclosed

#### L&P insurance BPO FTE split by delivery location

FTEs in numbers

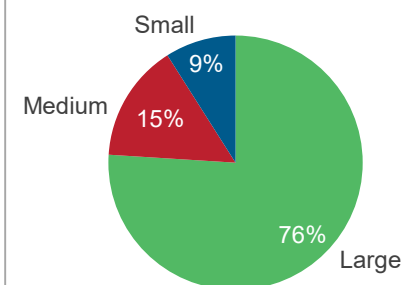
100% = 3,773



#### L&P insurance BPO revenue mix by buyer size<sup>1</sup>

Revenue in US\$ million

100% = Not disclosed



<sup>1</sup> Buyer size is defined as large (>US\$10 billion in revenue), medium (US\$5-10 billion in revenue), and small (<US\$5 billion in revenue)

Note: Based on contractual and operational information as on December 31, 2017

# DXC Technology | L&P insurance BPO services profile (page 4 of 5)

## Technology solutions/tools










Application	Processes served	Year launched	Description	No. of BPO clients
DXC OmniChannel	Mobile customer engagement platform	2017	It is an engagement platform designed to facilitate the development and deployment of customer and agent engagement / self-service across the full insurance value chain. Omnichannel is designed to create exceptional client experiences by personalizing the sales or service journey based on each user's specific needs, preferences, and role	3
Wealth Management Accelerator	Claims processing, policy servicing & reporting, and product development & business acquisition	2006	A comprehensive L&A administration system that manages both asset accumulation and asset disbursement in a single system	8
Customer Service Accelerator (CSA)	Claims processing and policy servicing & reporting	2005	A software application that manages diverse communication channels for consistent service regardless of the method of contact. Interactions such as emails, phone calls, web chats, correspondence, and interactive voice response are centralized and displayed in a single view	36
New Business Accelerator	New business management and product development & business acquisition	2002	A platform that streamlines new business capture & submission, expedites risk assessment, and automates underwriting decisions	2
CyberLife	All	1996	A web-enabled, real-time system that supports both traditional and non-traditional North American L&A products. It offers full processing, regulatory support, correspondence, billing & collections, commissions, and financial reporting services	10
Performance Plus	Product development and business acquisition	2000	The tool manages broker arrangements, agent sales channels, and hierarchy complexities, as well as the full range of product offerings. It gives insurers the ability to accurately and efficiently calculate commissions, offer easy adjustment processing, and provide full audit trails documenting all transactions	18

Note: The above list is only illustrative and not exhaustive

# DXC Technology | L&P insurance BPO services profile (page 5 of 5)

## Everest Group assessment – Leader

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

- A large scale of operations coupled with significant onshore delivery capabilities, well-accepted platform solutions and software assets covering the entire L&P insurance value chain, and breadth of products coverage have instituted DXC as one of the major players in L&P insurance BPO
- Over the years, DXC has extended functionalities of its most well-known platform – CyberLife. The added functionalities cover operational areas such as product configuration, new business acquisition, and asset management
- DXC has created significant adoption of analytics, regulatory reporting, and risk management services in its contracts beyond regular administration services that also is reflective of their domain expertise in L&P insurance
- Buyers acknowledge DXC's large projects execution capabilities owing to their size of operations and scope of services offered

### Areas of improvement

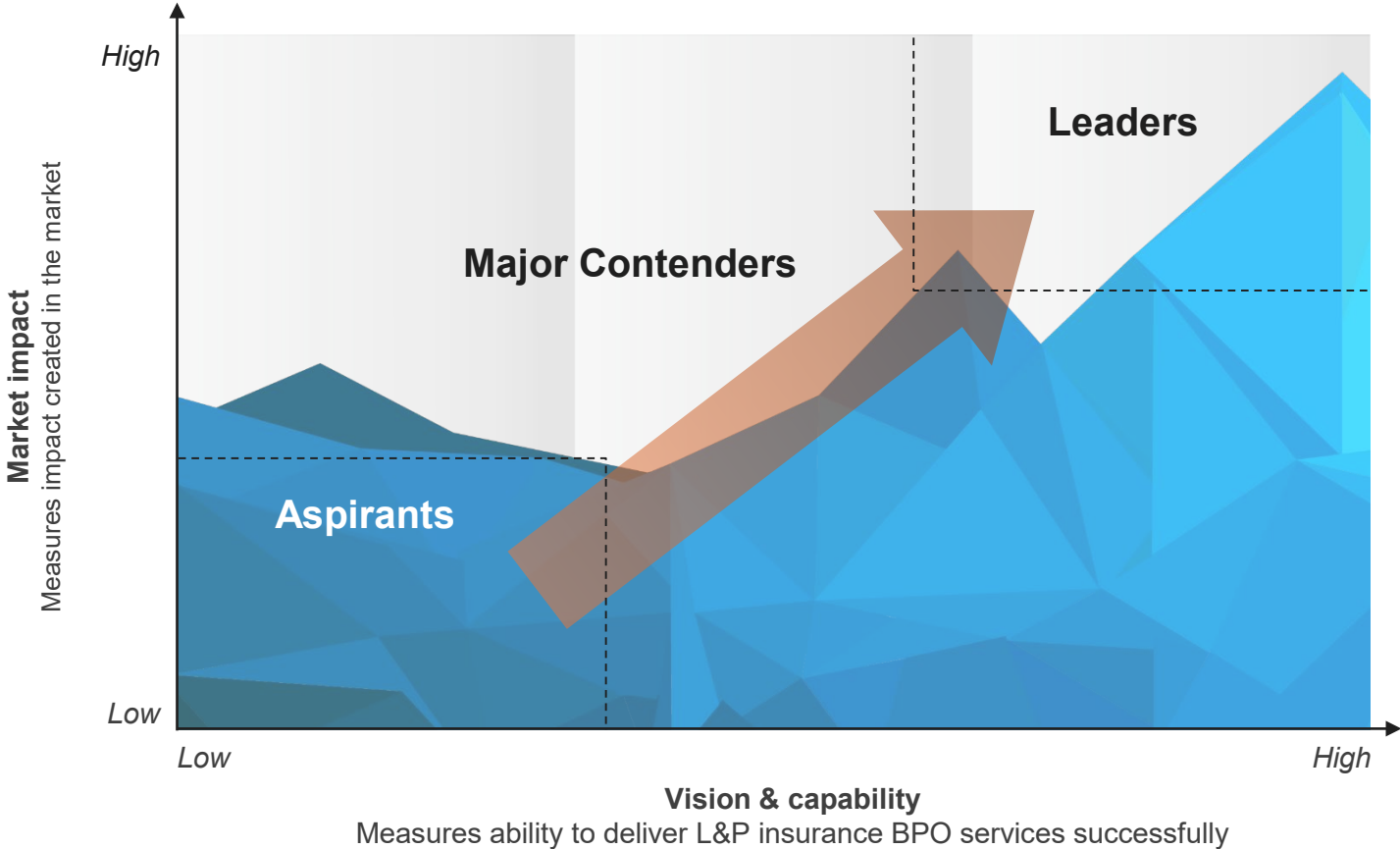
- DXC's primary geographic focus has been North America and it needs to start expanding to other emerging geographies such as Continental Europe and Asia Pacific, parts of which are also relatively underpenetrated and could be exploited by DXC through leveraging its large scale of operations
- DXC should still expand delivery from offshore centers along with increasing leverage of automation in its L&P insurance BPO relationships, which would enable them to distribute greater cost savings to its clients that, incidentally, is also a benefit that DXC's existing clients want them to deliver more aggressively
- DXC still needs to drive automation leverage in its existing contracts. This is more crucial as automation is now at the top-of-mind of the CXOs of almost all the buyers
- It needs to diversify its buyer portfolio toward small- and mid-sized buyers. While small buyers are driving outsourcing adoption, the mid-sized buyer segment still largely remains an unexplored opportunity



# Appendix

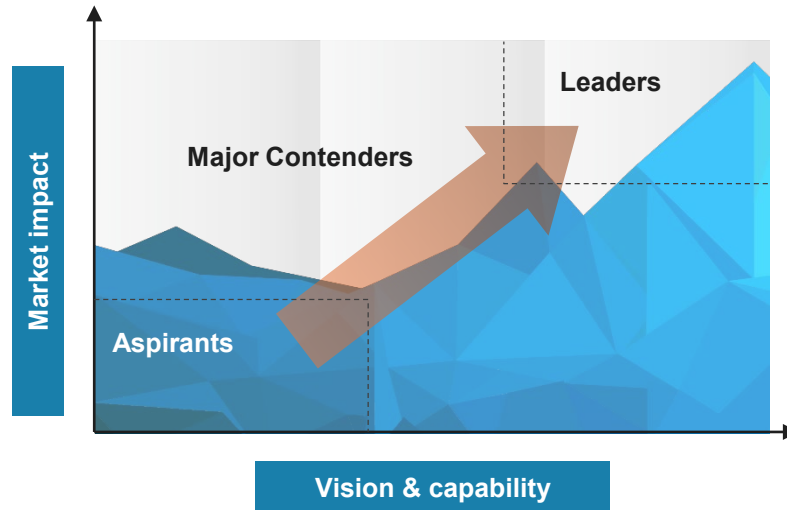
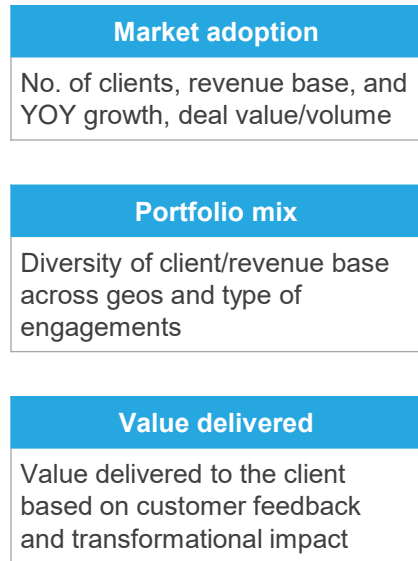
# Everest Group PEAK Matrix™ is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix

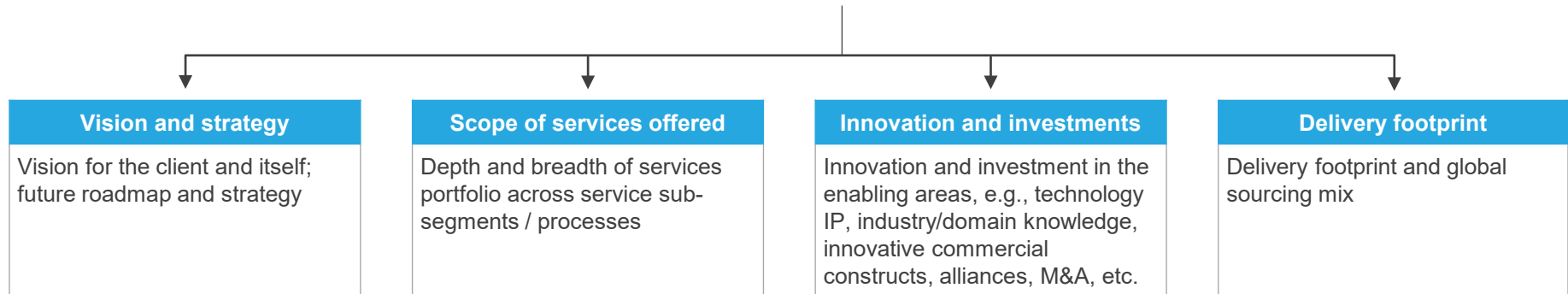


# Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions



Measures ability to deliver services successfully. This is captured through four subdimensions



## **Does the PEAK Matrix™ assessment incorporate any subjective criteria?**

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

## **Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?**

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

## **What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?**

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

## **What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?**

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

## **What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?**

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
  - Issue a press release declaring their positioning. See [citation policies](#)
  - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
  - Quotes from Everest Group analysts could be disseminated to the media
  - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

## **Does the PEAK Matrix evaluation criteria change over a period of time?**

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



## 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](http://www.everestgrp.com).

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