Everest Group®

Everest Group PEAK Matrix® for Digital Platform and Augmentation Suite (DPAS) in Insurance BPS Provider 2022

Focus on Cognizant
October 2022

Everest Group PEAK MATRIX®

Introduction

Modernization initiatives often tend to have a long-term view, with 5–10-year realization timelines. During the pandemic, a lot of these initiatives got significantly accelerated as insurers realized the inadequacies in their core systems. Disruptions in customer preferences and insurers' growing needs to move faster have led to a significant change in the sourcing strategy as well. In order to pivot operations in such times, digital solutions offered by BPS providers helped in enhancing speed of delivery, reducing turn-around times, improving accuracy, and the quality of products. Such transformation projects helped in simplifying the insurance process by optimizing support functions across the value chain. This boded well for the insurance BPS market which experienced a double-digit growth in the past year.

In this research, we present an assessment and detailed profiles of 15 insurance BPS providers featured on the Digital Platform and Augmentation Suite (DPAS) in Insurance BPS – Provider Landscape with Services PEAK Matrix® Assessment 2022. Each provider profile provides a comprehensive picture of its service focus, key Intellectual Property (IP) / solutions, domain investments, and case studies. The assessment is based on Everest Group's annual request for information (RFI) process for calendar year 2022, interactions with leading insurance BPS providers, client reference checks, and an ongoing analysis of the insurance BPS market.

This report includes the profiles of the following 15 leading insurance BPS providers featured on the DPAS in insurance operations PEAK Matrix:

- **Leaders:** Accenture, Cognizant, EXL, Genpact, and WNS
- **Major Contenders:** DXC Technology, HCL Technologies, NTT DATA, Patra Corp, SE2, Sutherland, and TCS
- **Aspirants:** Infosys, ReSource Pro, and Xceedance

Scope of this report

Geography
Global

Providers
Accenture, Cognizant,
EXL, Genpact, WNS, TCS,
DXC Technology, SE2,
NTT DATA, Patra Corp, Sutherland,
Xceedance, HCL, Infosys, and
ReSource Pro

Services
The report covers DPAS in insurance BPS and does not cover horizontal business processes such as Finance and Accounting (F&A), Human Resources (HR), procurement, and contact center

DPAS in insurance BPS PEAK Matrix® characteristics

Leaders:

Accenture, Cognizant, EXL, Genpact, and WNS

- Flagship platform-oriented approach towards DPAS has helped the majority of Leaders to enhance their digital suite strength and create integrated and customized offerings for processes across the value chain; such a model has not only garnered significant market attention but also helped providers comprehend challenges faced by insurance enterprises in transforming to digital operations
- Leaders have partnered with multiple technology vendors for insurance-specific functions to improve their digital capabilities as well as created Centers of Excellence (CoEs) and co-innovation hubs to develop synergies in driving operational excellence and better experience for both internal and external stakeholders

Major Contenders:

DXC Technology, HCL Technologies, NTT DATA, Patra Corp, SE2, Sutherland, and TCS

- Digital capabilities for Major Contenders have been fragmented across processes in the value chain and a significant number of providers are focused on creating integrated offerings similar to those of leaders and aim to achieve greater number of engagements and scalability through them
- Many of these providers have achieved excellence in specific processes, geographies, or buyer categories; however, there is still space for developing a diverse clientele across these parameters

Aspirants:

Infosys, ReSource Pro, and Xceedance

- Aspirants have been successful in developing point solutions through a consulting approach with enterprises; however, there is a large space of buyers and processes that they have yet to serve
- The key focus area for Aspirants should be to expand domain capabilities across the value chain and develop digital capabilities that not only reduce cost, but also lead to better operational performance and improved stakeholder experience

Everest Group PEAK Matrix®
Digital Platform and Augmentation Suite (DPAS) in Insurance BPS PEAK Matrix® Assessment 2022 | Cognizant positioned as Leader

Everest Group Digital Platform and Augmentation Suite (DPAS) in Insurance BPS PEAK Matrix® Assessment 2022[1]
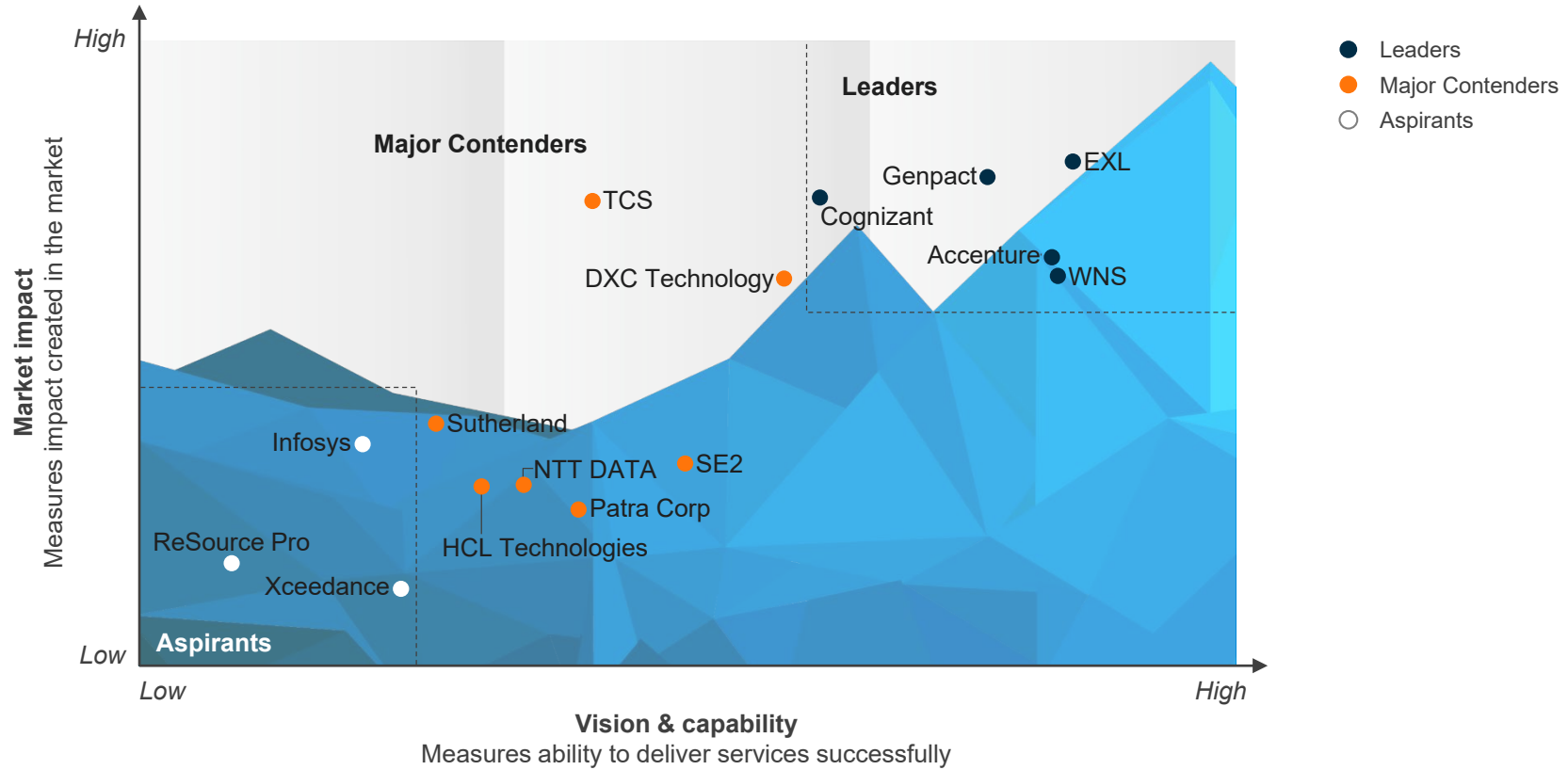
1   Assessment for DXC Technology, Infosys, HCL Technologies, NTT DATA, and ReSource Pro excludes provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, provider disclosures, and Everest Group's interactions with insurance buyers. For these companies, Everest Group's data for assessment may be less complete

Source: Everest Group (2022)

Cognizant | DPAS in insurance profile (page 1 of 6)
Overview

Company mission/vision statement

Cognizant is an Information Technology (IT), consulting, and Business Process Outsourcing (BPO) service provider with 341,000+ associates globally.

Headquarters: Teaneck, New Jersey, US   **Website:** www.cognizant.com
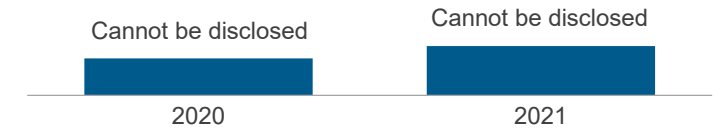
Key leaders

- **Brian Humphries,** Chief Executive Officer
- **Ganesh Ayyar,** Global Head, Digital Business Operations
- **Samir Malhotra,** Global Head, Digital Business Operations, Delivery

- **Ramesh Ramani,** Global Head, BFSI Digital Business Operations, Markets
- **Sailaja Josyula,** Global Head, BFSI Digital Business Operations, Delivery

- **Jitendra Kukday,** Head of Insurance Digital Business Operations, North America
- **Rishi Sardana,** Head, Insurance Digital Business Operations, Delivery

Recent developments

- **2022:** partnered with Expert.ai to implement knowledge extraction and linguistic analysis solution, to assist risk engineers for an American Mutual Insurance Company specializing in loss prevention services, providing 62% improved productivity and 92% extraction accuracy
- **2021:** Cognizant has partnered with an InsurTech to develop Cognitive Bordereaux Management solution for automated data cleansing, validation, and reconciliation from bordereaux and SOVs
- **2021:** acquired Servian, which significantly expands Cognizant's integrated, end-to-end digital transformation capabilities in Australia and New Zealand (ANZ) region
- **2021:** acquired TQS Integration, this significantly expands Cognizant's data intelligence in the EU region
- **2020:** partnered with Glia, a digital sales & service platform to modernize operations, and strengthen customer engagement through personalized, virtual interactions with customers and agents
- **2020:** partnered with Livegenic, a digital virtual collaboration platform provider, to offer a suite of mobile solutions that enable adjusters and inspectors to capture live and offline pictures and videos
- **2020:** partnered with Celonis, Cognizant's process mining technology aimed at helping companies drive growth and uncover new areas of opportunity
- **2020:** acquired Inawisdom - AI and ML consultancy that strengthens data analytics & AI-driven decision-making capabilities and helps insurers make better, faster decisions that improve business outcomes
- Developed Cognizant Neuro, an intelligent automation fabric, a layer that connects technology, process, data, and people to enable digital transformation of processes and operations end-to-end
- Launched digital first asset studio from Cognizant® Automation Center, a collection of 1,000+ bots developed by Cognizant along with bot resumes, knowledge assets, technology assets, and process flows

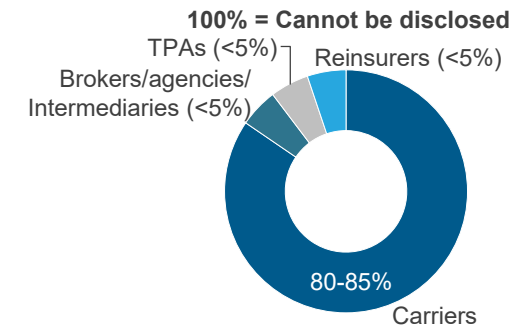**Scale of DPAS in insurance**
Number of FTEs

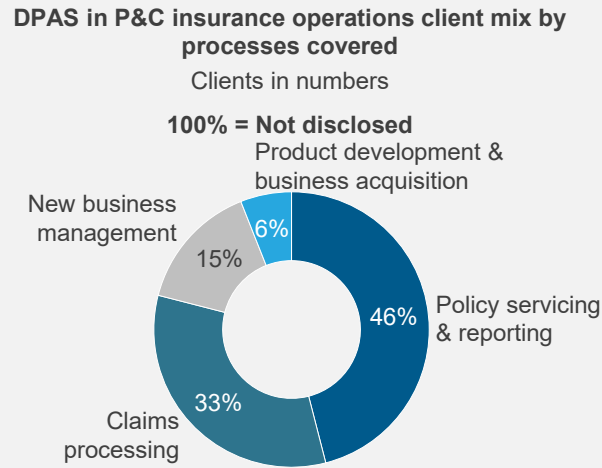| Cannot be disclosed	Cannot be disclosed
2020	2021

DPAS clients in insurance
Number of clients

Cannot be disclosed	Cannot be disclosed
2020	2021

DPAS clients mix
As a percentage of total clients

100% = Cannot be disclosed

TPAs (<5%)
Brokers/agencies/
Intermediaries (<5%)
Reinsurers (<5%)
80-85%
Carriers

Cognizant | DPAS in P&C insurance operations overview (page 2 of 6)
P&C adoption overview

DPAS in P&C insurance operations client mix by processes covered

Clients in numbers

100% = Not disclosed

- Product development & business acquisition: 6%
- New business management: 15%
- Policy servicing & reporting: 46%
- Claims processing: 33%

DPAS in P&C insurance operations client mix by buyer geography

Clients in numbers

100% = Not disclosed

- Asia Pacific: 11%
- United Kingdom: 14%
- Continental Europe: 7%
- North America: 68%

DPAS in P&C insurance operations buyer mix[1] by processes covered

Clients in numbers

100% = Not disclosed

- Medium: 25%
- Large: 40%
- Small: 35%

Adoption of DPAS components in P&C insurance operations

Clients in numbers

100% = Not disclosed

- User experience tools: 5%
- Platforms: 10%
- Analytics: 30%
- RPA & Cognitive automation: 55%

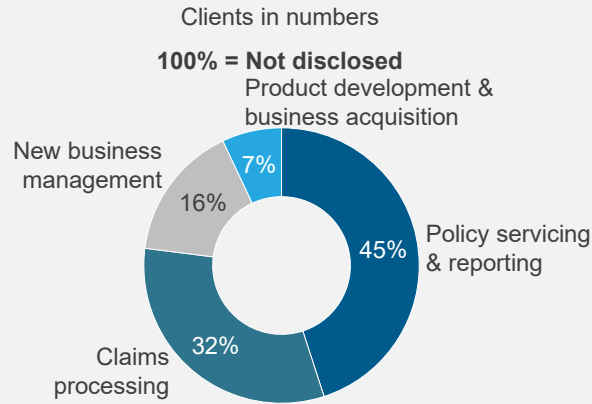| Key P&C insurance DPAS engagements			
Client name	**Region**	**DPAS components involved**	**Client since**
A top multiline insurer	North America	RPA, cognitive automation, and analytics	2008
A top 5 US P&C insurer	North America	RPA and analytics	2014
A leading provider of auto & homeowners' insurance	North America	RPA and cognitive automation	2016
The UK's largest retail general insurer	UK	RPA and cognitive automation	2017
A leading workers compensation insurer in the US	North America	Platform	2016

1   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 September 2021
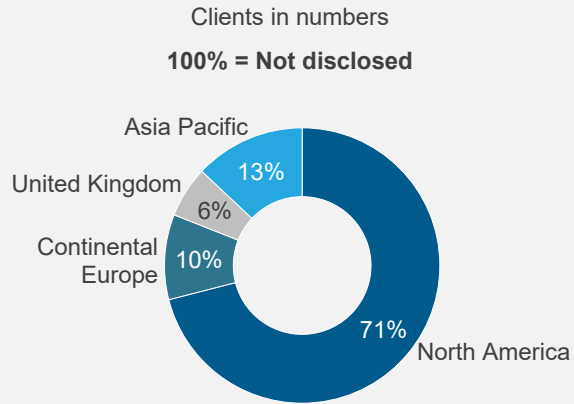
Everest Group®

Cognizant | DPAS in L&P insurance operations profile (page 3 of 6)
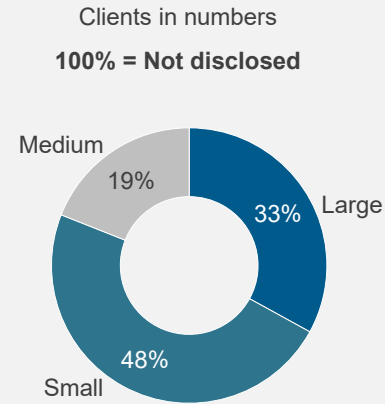## L&P adoption overview

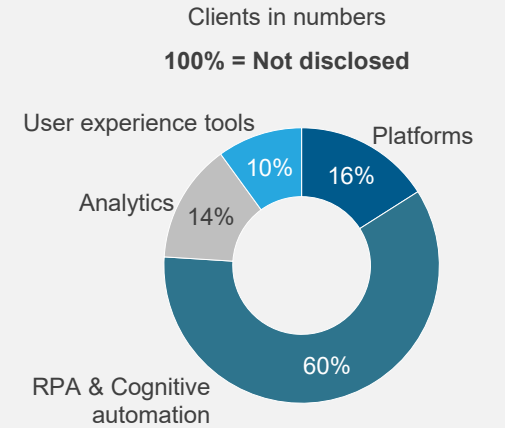### DPAS in L&P insurance operations client mix by processes covered
Clients in numbers
100% = Not disclosed

- Product development & business acquisition: 7%
- Policy servicing & reporting: 45%
- Claims processing: 32%
- New business management: 16%

DPAS in L&P insurance operations client mix by buyer geography
Clients in numbers
100% = Not disclosed

- Asia Pacific: 13%
- United Kingdom: 6%
- Continental Europe: 10%
- North America: 71%

DPAS in L&P insurance operations buyer mix[1] by processes covered
Clients in numbers
100% = Not disclosed

- Medium: 19%
- Large: 33%
- Small: 48%

Adoption of DPAS components in L&P insurance operations
Clients in numbers
100% = Not disclosed

- User experience tools: 10%
- Platforms: 16%
- Analytics: 14%
- RPA & Cognitive automation: 60%

Key L&P insurance DPAS engagements			
Client name	**Region**	**DPAS components involved**	**Client since**
A leading provider of supplemental insurance in the US	North America	Platform	2020
A US Mid-West life & annuities carrier	North America	RPA	2013
A leading insurance and financial services provider	APAC	RPA and cognitive automation	2016
A leading insurer offering a diverse range of financial services and solutions	North America	RPA and cognitive automation	2016
A leading life and wealth management company in the US	North America	RPA and analytics	2011

1   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 September 2021

Cognizant | DPAS in insurance operations profile (page 4 of 6)
Key delivery locations

Cognizant | DPAS in insurance operations profile (page 5 of 6)
Technology solutions/tools

Application	Processes served	Year launched	Description	No. of clients
Cognizant Neuro™ Claim Automation Solution for P&C insurers	Claims processing	2021	This solution receives claims forms as scanned images and uses a cloud-based extraction engine to extract relevant fields such as first name, last name, and date of incident. The bot then logs in to Guidewire claims center application and uses the extracted fields to file a new claim.	
Cognizant Neuro™ Smart Email Classification	New business management , policy servicing & reporting, and claims processing	2020	This is an AI-powered, cloud-ready email processing solution that automates segregation of email as per intent, extracts business elements from unstructured data, and assigns requests to downstream teams.	
Cognizant Neuro™ Unified Extraction Platform	New business management , policy servicing & reporting, and claims processing	2020	This provides an enterprise scale, tool agnostic, and cost-efficient solution for content-driven intelligent document processing and process automation.	
Digital Sales and Service	Policy servicing & reporting and claims processing	2020	This solution brings the in-person experience to all customer interactions – whether they start online or on the phone. It enables proactive interaction with customers through live viewing, AI & bot driven chat, human chat, co-browsing, messaging, voice, video, and screen-sharing.	
Cognizant Neuro™ Volume Forecasting & Capacity Planning	Policy servicing & reporting and claims processing	2019	It leverages advanced analytics to gain insights into the drivers of event volume from historical data, providing precise forecasts, and reducing uncertainty around variation in volumes, enabling better work force planning.	Cannot be disclosed
Cognizant Interaction Analytics	New business management, policy servicing & reporting, and claims processing	2018	This is a multi-channel analytics tool that analyzes phrases, emotions, and sentiments on all the recorded interactions and provides operational insights into improving customer experience, process efficiency, and digitization of quality function.	
Personalized Interactive Video	Policy servicing & reporting and claims processing	2016	This solution helps in compiling personalized videos on-the-fly based on user-specific requirement from a combination of static video / audio / text content, user input, internal systems (policy, billing, claims), and external data providers (demographics, weather).	
Insurance Intake Automation	New business management, policy servicing & reporting, and claims processing	2015	This is a cognitive data intake platform built for insurance that helps to digitize the data entry from scanned documents and data feeds from agents, thereby reducing the Turnaround time (TAT) for processing new business submissions or claim submissions.	
Cognizant workers' compensation care analysis	Policy servicing and reporting, and claims processing	2015	It helps in reducing leakages and controlling costs by building treatment plans for different injuries that are referenced while processing claims.	

Cognizant | DPAS in insurance operations profile (page 6 of 6)
Everest Group assessment – Leader

Measure of capability: ◔ Low ● High

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

- Cognizant's plan for accelerated growth and becoming a partner of choice for insurance enterprises envisions an end-to-end view about reframing processes around data-driven operations facilitating preparedness for digital business

- Its DPAS capabilities are based on its proprietary Neuro™ solutions that organize and orchestrate disintegrated technologies to provide seamless experience for both internal and external stakeholders

- To augment its digital offerings and capabilities, Cognizant has several partnerships for RPA, analytics, and AI solutions, which include Vidado, Antworks, EIS, Expert.ai, etc., where it has developed CoEs with many of these partners for co-innovation and knowledge sharing practices

- Cognizant's DPAS solutions have been evenly spread across both P&C and L&P insurance, representing it as a Leader from an industry segment lens

- Cognizant has also been one of the leading players to have performed better in bagging deals across various geographies and is expected to grow further

Limitations

- Cognizant has been exceptional in adapting to changing business needs that require digital augmentation; however, there seems to be a gap in organizational strategy and execution that translates to business value for the customer

- Its DPAS value proposition for clients lags in developing mature and tested use cases that meet customer expectations, resulting in a lower proportion of DPAS clients in the overall insurance portfolio

- From a scope of services standpoint, focus should be enhanced towards optimizing support functions for product development and business acquisition services

- From a commercial standpoint, Cognizant must optimize utilization of output-based/hybrid models that are bearing fruitful gains for leading insurance BPS providers

Appendix

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

Everest Group PEAK Matrix
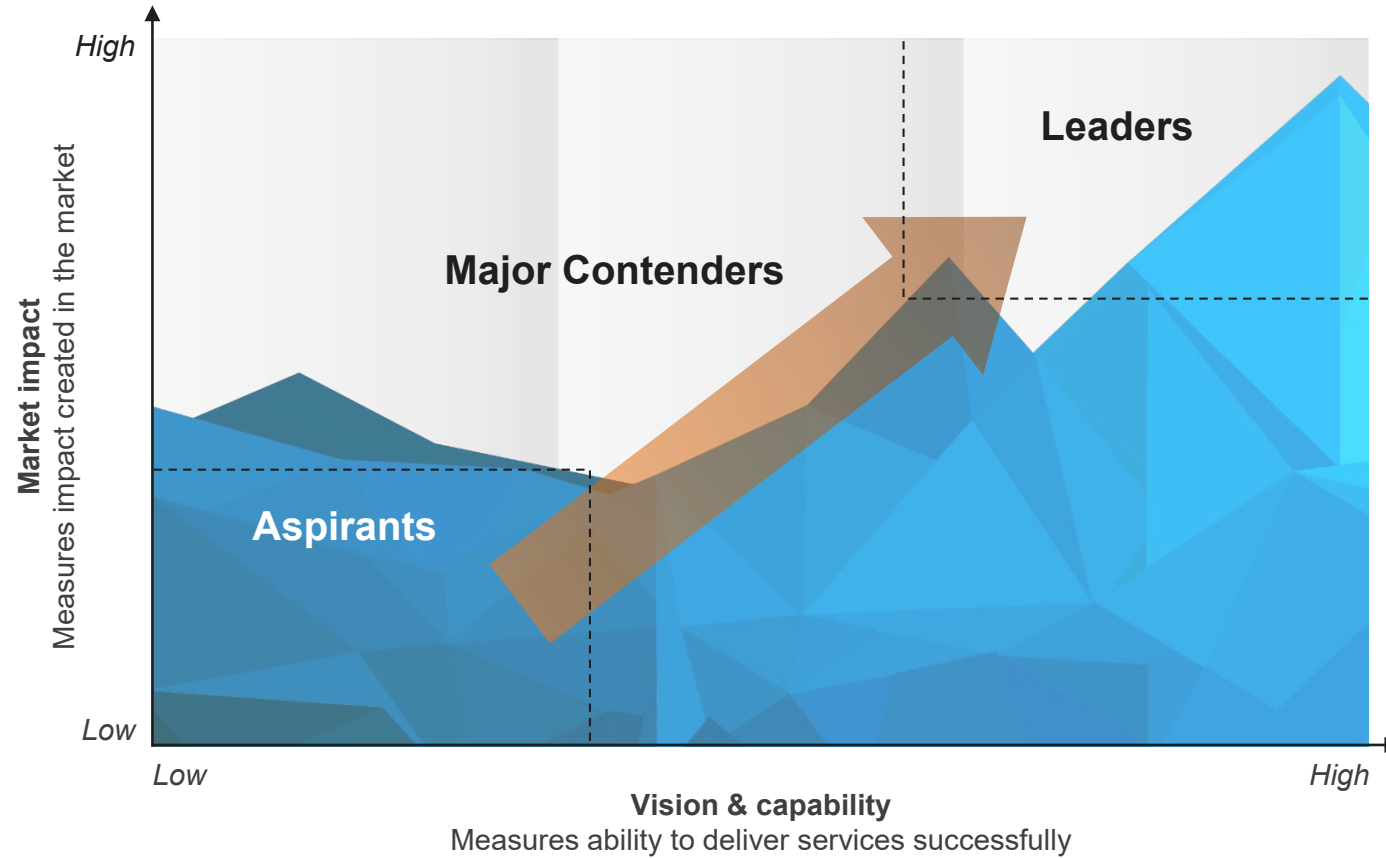
Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

Market adoption

Number of clients, revenue base, YoY growth, and deal value/volume

Portfolio mix

Diversity of client/revenue base across geographies and type of engagements

Value delivered

Value delivered to the client based on customer feedback and transformational impact

Market impact

Leaders

Major Contenders

Aspirants

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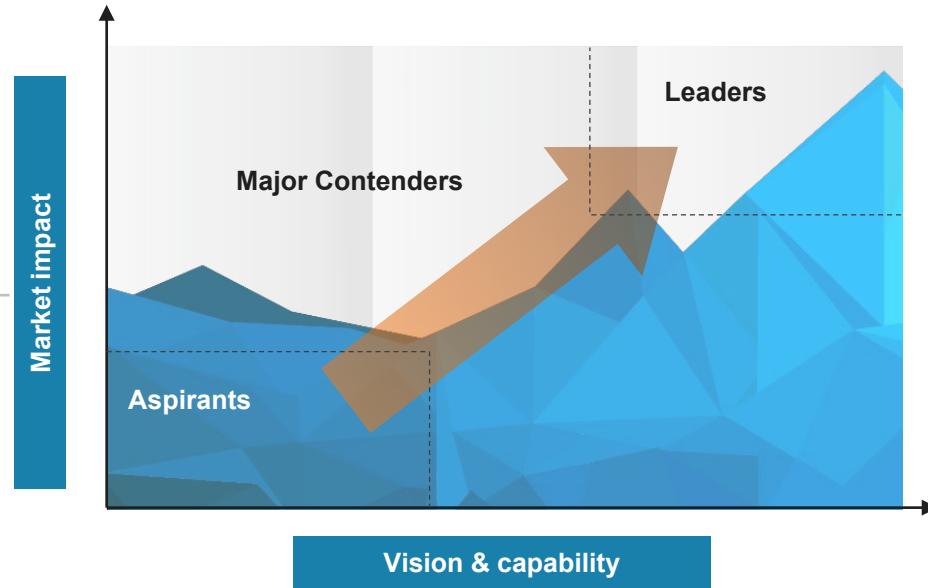
Measures ability to deliver services successfully. This is captured through four subdimensions

Vision and strategy

Vision for the client and itself; future roadmap and strategy

Scope of services offered

Depth and breadth of services portfolio across service subsegments/processes

Innovation and investments

Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.

Delivery footprint

Delivery footprint and global sourcing mix

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?
Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results 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 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 the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?
A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?
- Enterprise participants receive summary of key findings from the PEAK Matrix assessment
- For providers
  - The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
  - In addition, it helps the provider/vendor organization gain brand visibility through being in included in our research reports

What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?
- Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:
  - Issue a press release declaring positioning; see our citation policies
  - Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
  - Use PEAK Matrix badges for 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 Everest Group; please contact your CD or contact us

Does the PEAK Matrix evaluation criteria change over a period of time?
PEAK Matrix assessments are designed to serve enterprises' current and future needs. 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 and to serve enterprises' future expectations.

Everest Group®

With you on the journey

Everest Group is a research firm focused on strategic IT, business services, engineering services, and sourcing. Our research also covers the technologies that power those processes and functions and the related talent trends and strategies. Our clients include leading global companies, service and technology providers, and investors. Clients use our services to guide their journeys to maximize operational and financial performance, transform experiences, and realize high-impact business outcomes. Details and in-depth content are available at **www.everestgrp.com**.

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