Everest Group PEAK Matrix® for Property and Casualty (P&C) Insurance Business Process Provider 2022

Focus on Cognizant

April 2022

Background and methodology of research

As the P&C insurance industry came out of COVID-19 and volumes reached pre-COVID levels, the P&C Insurance BPS market also experienced one of the highest growth rates in 2021. The market growth was also aided by factors such as increased cost pressures for insurance enterprises and the ongoing talent war leading to higher attrition in organizations. Amid this environment, service providers are increasingly focusing on enhancing their digital capabilities to provide end-to-end transformation of processes across the P&C insurance value chain.

In this research, we present an assessment and detailed profiles of 24 P&C Insurance BPS providers featured on the P&C Insurance BPS PEAK Matrix®. 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 RFI process for the calendar year 2022, interactions with leading P&C Insurance BPS providers, client reference checks, and ongoing analysis of the P&C Insurance BPS market.

This report includes the profiles of the following 24 leading P&C insurance BPS providers featured on the Property and Casualty (P&C) Insurance BPS – Service Provider Landscape with Services PEAK Matrix® Assessment 2022**:**

- **Leaders:** Accenture, Cognizant, DXC Technology, EXL, Genpact, TCS, and WNS
- **Major Contenders:** Cogneesol, Conduent, Exela Technologies, HCL Technologies, Infosys, Innovation Group, Mphasis, Patra Corp, ReSource Pro, Sutherland, and Xceedance
- **Aspirants:** Atos, Capita, Covenir, MFX, Staff Boom, and Tech Mahindra
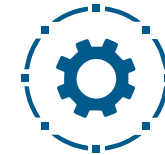
Scope of this report

Geography
Global

Providers
Accenture, Atos, Capita, Cogneesol, Cognizant, Conduent, Covenir, DXC Technology, Exela Technologies, EXL, Genpact, HCL Technologies, Infosys, Innovation Group, Mphasis, MFX, Patra Corp, ReSource Pro, Staff Boom, Sutherland Global Services, TCS, Tech Mahindra, Xceedance, and WNS

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

P&C insurance BPS PEAK Matrix® characteristics

Leaders:

Accenture, Cognizant, DXC Technology, EXL, Genpact, TCS, and WNS

- Enhancing focus across a variety of underserved enterprises such as brokers/agencies, reinsurers, TPAs, and InsurTechs for making inroads into these potential client categories and expanding their partnership ecosystems for augmenting P&C insurance operations are primary focus areas for the Leaders. The majority of Leaders are doubling down focus on the Lloyd's market as it undergoes transformation, as the entities in this market are opening up to partnering with third-party providers for more efficient operating models. While the entry points till date are more digital/IT in nature, the market serves as a good opportunity for providers with digital BPS growth aspirations

- The Leaders are also looking to augment their P&C insurance BPS capabilities through a platform-led approach. Proprietary platforms for enabling end-to-end automation of insurance operations and strategic core platform partnerships with Guidewire, Duck Creek, and Majesco are being leveraged for developing digitally augmented solutions that cater to some or all parts of the P&C insurance value chain

Major Contenders:

Cogneesol, Conduent, Exela Technologies, HCL Technologies, Infosys, Innovation Group, Mphasis, Patra Corp, ReSource Pro, Sutherland, and Xceedance

- The majority of Major Contenders are making significant investments in their talent pool to equip them for undertaking judgment-intensive tasks, and this is being facilitated by making domain-specific certification courses available to the workforce

- In tandem with the Leaders' platform-led approach, quite a few Major Contenders are capitalizing on the demand for platform solutions by increasing investments in core platform partnerships, as well as developing in-house platforms solutions for core insurance operations such as underwriting, policy-servicing, claims, and payments

Aspirants:

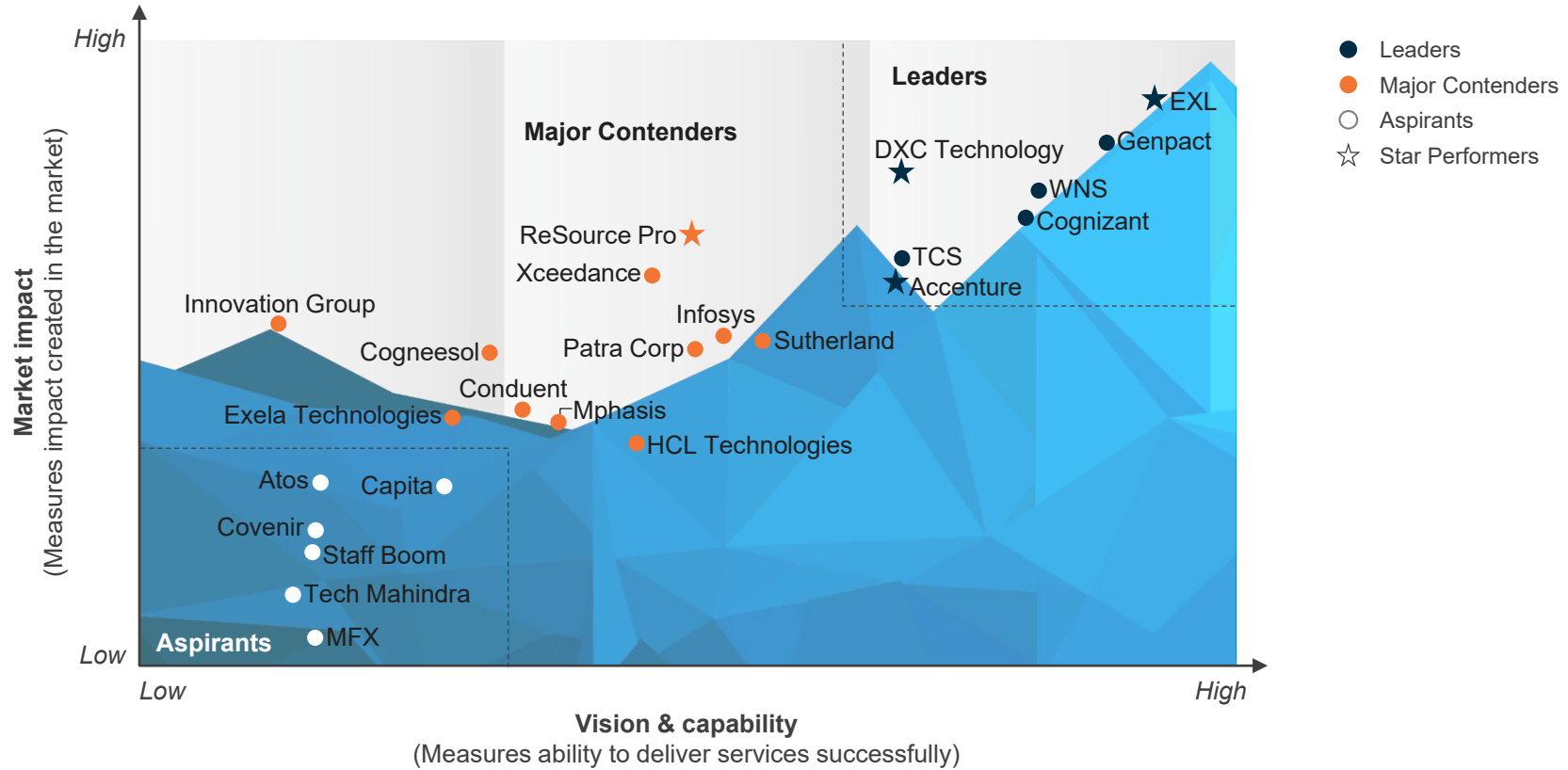Atos, Capita, Covenir, MFX, Staff Boom, and Tech Mahindra

- The majority of Aspirants are trying to achieve a decent presence in the market either through organic growth fueled by their existing potential to serve various parts of the P&C insurance value chain or through acquisitions and partnerships with strategic enterprises, which are providing them with the opportunity to access the capabilities of the parent or subsidiary to gain an edge in the IT-BPS solutioning space in the P&C insurance industry

- The primary area of focus for Aspirants remains to expand their capabilities for their scope of services

Everest Group PEAK Matrix®
Property and Casualty (P&C) Insurance BPS PEAK Matrix® Assessment 2022 | Cognizant positioned as Leader

Everest Group Property and Casualty (P&C) Insurance BPS PEAK Matrix® Assessment 2022[1]

Legend:
- ● Leaders
- ● Major Contenders
- ○ Aspirants
- ☆ Star Performers

Axis labels:
- Market impact (Measures impact created in the market) — vertical, Low to High
- Vision & capability (Measures ability to deliver services successfully) — horizontal, Low to High

Plotted entities:
- Leaders: EXL, Genpact, DXC Technology, WNS, Cognizant, TCS, Accenture
- Major Contenders: ReSource Pro, Xceedance, Infosys, Patra Corp, Sutherland, Innovation Group, Cogneesol, Conduent, Mphasis, Exela Technologies, HCL Technologies
- Aspirants: Atos, Capita, Covenir, Staff Boom, Tech Mahindra, MFX
- Star Performers: EXL, Accenture, ReSource Pro

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1. Assessment for Atos, Capita, Conduent, Covenir, Exela Technologies, Innovation Group, MFX and Staff Boom excludes service provider inputs and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service 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 | P&C insurance BPS profile (page 1 of 6)
Overview

Company overview

Cognizant is an Information Technology (IT), consulting, and Business Process Outsourcing (BPO) service provider with 318,400+ associates globally. It has an insurance practice in the industry and is supported by 42,500+ associates, delivering services for 220+ clients from 100+ delivery centers across North America, Europe, and Asia Pacific. The P&C practice consists of 19,500+ associates with eight of the top 10 US P&C insurers as its clients.

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, Insurance Digital Business Operations, Markets, North America
- Rishi Sardana, Head, Insurance Digital Business Operations, Delivery

Headquarters: Teaneck, New Jersey, United States   **Website:** www.cognizant.com

Suite of services:

- Personal lines products – auto, home, travel, personal injury, pet insurance, and umbrella policies
- Personal lines services – full-cycle policy administration, underwriting support, new business and renewals, agent & broker management, and claims
- Commercial lines products – auto, property, general liability, Accident and Health (A&H), and umbrella policies
- Commercial lines services – full-cycle policy administration, new business, underwriting support, renewals, claims, and F&A
- Workers' compensation products – medical, absence management, and wage supplement
- Workers' compensation services – claims setup, investigation, and medical and disability management
- Bonds and specialty and excess casualty products – contract & commercial surety bonds, professional liability, farm, excess & surplus, marine, crime, and cargo
- Bonds and specialty and excess casualty services – full-cycle policy administration, new business, and renewals
- Reinsurance: treaty management, correspondence and maintenance, reporting and reconciliations, reinsurance accounting, and payment execution

P&C insurance BPS	2019	2020	2021
Revenue (US$ million)			
Number of FTEs		Not disclosed	
Number of clients			

Recent acquisitions and partnerships

- **2021:** acquired Servian. This acquisition significantly expands Cognizant's integrated and end-to-end digital transformation capabilities in the ANZ region
- **2021:** acquired TQS Integration. This significantly expands Cognizant's data intelligence capabilities in the European region
- **2020:** partnered with "glia", a digital sales and service platform, to modernize operations and strengthen customer engagement through personalized and virtual interactions with customers and agents across digital channels
- **2020**: partnered with Livegenic, 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
- **2019:** partnered with Indico, an enterprise AI solution for process automation that specializes in data extraction from unstructured documents in the insurance space

Recent developments

- Launched **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 **The Commercial Underwriting Solution** – a suite of targeted interventions leveraging embedding AI-ML technologies to enable scalability, flexibility, and fluidity across the end-to-end commercial underwriting value chain
- Launched **Cognizant Neuro™ Bot Store** – a pre-built app store that helps enterprises scale and democratize automation by rendering both technical and functional assets readily available for use
- Launched **Claim Severity Prediction** – an ML based solution to predict the likelihood of claims turning severe over their lifetime. The prediction will be done at FNOL and further at future time periods over the life of the claim
- Launched **Platform for Information Value Management™** – a proprietary platform for delivery automation across the delivery life cycle, orchestrating delivery best practices for faster turnaround times
- Launched **Cognizant open claims audit** – this improves claims accuracy by facilitating automatic real-time claims review and reduces errors that could lead to financial losses for the carrier
- Launched **Cognizant property insights** – this delivers faster processing of catastrophe claims by applying proprietary deep learning algorithms on satellite and aerial imagery
- Launched **Cognizant quote accelerator** – this drives growth in the small commercial market by expediting the application process by confirming instead of collecting data

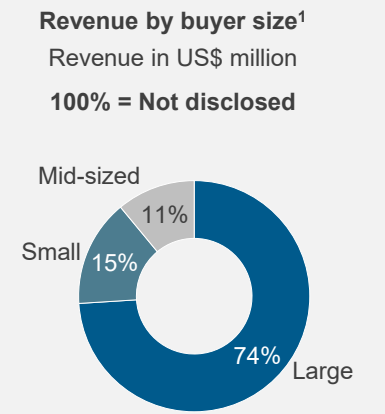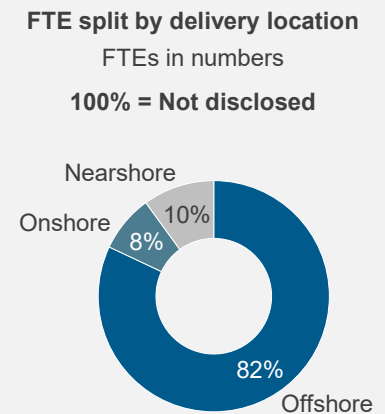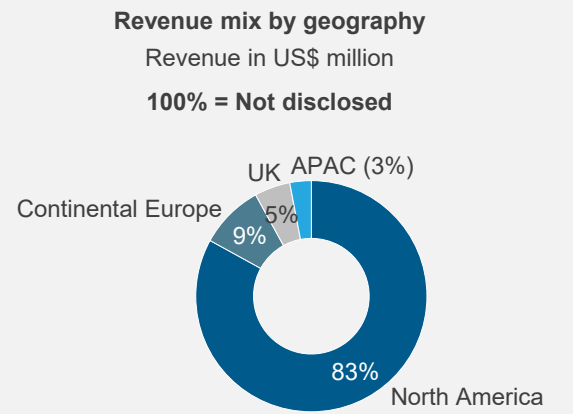Everest Group®

Cognizant | P&C insurance BPS profile (page 2 of 6)
Key delivery locations

Vilnius

London

Minot

Des Moines

Mt Sterling

College Station

Gurgaon Noida

Pune Hyderabad
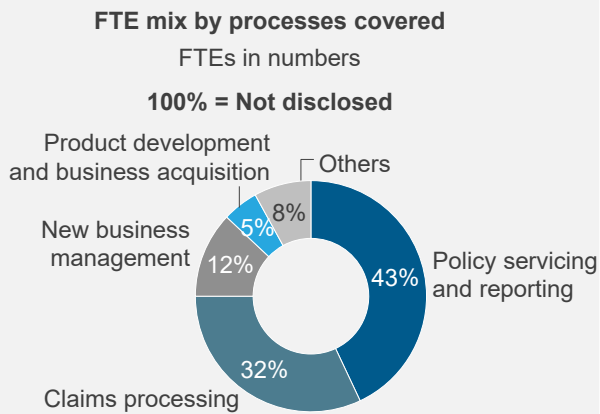
Bangalore Chennai

Manila

Cebu

San Salvador

Heredia

Sydney

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Cognizant | P&C insurance BPS profile (page 3 of 6)
Capabilities and key clients

Key P&C insurance BPS engagements			
Client name	Processes served	Region	Client
One of the nation's leading specialized insurers	Claims Processing	North America	2020
The fourth largest US P&C diversified global insurer	New business management, policy servicing, and claims processing	North America	2017
UK's largest retail general insurer	New business management, policy servicing, and claims processing	United Kingdom	2017
American multinational insurance corporation	Policy servicing and collections	North America	2016
One of the top 10 US P&C insurers	New business management, policy servicing, and claims processing	North America	2016
One of the largest insurance companies in the Nordic countries	New business management, and policy servicing and reporting	Europe	2015
One of the top 7 US P&C insurers	New business management, policy servicing and reporting, and claims processing	North America	2014
One of the top 10 US commercial insurers	New business management, policy servicing and reporting, claims processing, and billing, and mailroom	North America	2008

FTE mix by processes covered
FTEs in numbers
100% = Not disclosed

- Product development and business acquisition
- Others 8%
- New business management 12%
- Policy servicing and reporting 43%
- Claims processing 32%
- 5%

Revenue mix by geography
Revenue in US$ million
100% = Not disclosed

- UK APAC (3%)
- Continental Europe 9%
- 5%
- North America 83%

FTE split by delivery location
FTEs in numbers
100% = Not disclosed

- Nearshore 10%
- Onshore 8%
- Offshore 82%

Revenue by buyer size[1]
Revenue in US$ million
100% = Not disclosed

- Mid-sized 11%
- Small 15%
- Large 74%

1   Buyer size is defined as large (>US$10 billion in revenue), mid-sized (US$5-10 billion in revenue), and small (<US$5 billion in revenue).

Cognizant | P&C insurance BPS profile (page 4 of 6)
Technology solutions/tools

Application	Processes covered	Year launched	Description	No. of clients
Digital Damage Assessment	Claims processing	2021	It is a touchless claims solution that provides instant damage estimates and rapid claims processing to reduce claims processing time, increase carrier profitability, and revolutionize the claims experience.	0
Cognizant Neuro™ Claim Automation Solution for P&C insurers	Claims processing	2021	It 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 the Guidewire ClaimCenter application and uses the extracted fields to file a new claim.	0
Mixed Reality for Risk Assessment	New business management, Policy servicing & reporting, and claims processing	2020	It is a commercial property risk assessment that uses HoloLens. Key features include live grid scanning of environments, live 3D simulations, holographic workspaces, interaction over a shared virtual workspace, as well as gesture and gaze capture.	0
Cognizant Neuro™ Smart Email Classification	New business management, Policy servicing & reporting, and claims processing	2020	It is a visual representation of data provided by digital workers to gather useful insights and provides APIs to pull data from digital workers or bots on a regular basis.	<5
Digital Sales and Service	New business management, Policy servicing and reporting, and claims processing	2020	It is a digital customer service solution that brings the in-person experience to all customer/agent interactions through live viewing, AI & bot-driven chat, human chat, Co-Browsing, messaging, voice, video and screen-sharing.	0
Facets Automation Solution Toolkit (FAST)	Claims processing	2019	It is a pre-built and ready-to-use claims automation solution on the Cognizant Facets platform. It initially partnered with UiPath and is expanding its capabilities by introducing other technologies and RPA tool vendors.	<5
CogniLogiX	New business management, Policy servicing and reporting, and claims	2018	It is a multi-channel analytics tool that analyzes phrases, emotions, and sentiments on all recorded interactions and provides operational insights to improve customer experience, enhance process efficiency, and digitize quality function.	<5
Proactive Property Protection	New business management, and claims processing	2018	It is used to derive meaningful insights from IoT sensors installed at the policyholder's home / commercial building to understand the loss behavior and offer personalized recommendations and services, thereby shifting the paradigm from compensation to loss prevention.	<5
Optima Utilization Review (UR)	Policy servicing and reporting, and claims processing	2017	It is a BPaaS solution for end-to-end UR services on a proprietary platform that enables an automated UR to accelerate review decisions.	<5

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Cognizant | P&C insurance BPS profile (page 5 of 6)
Technology solutions/tools

Application	Processes covered	Year launched	Description	No. of clients
Cognizant Maximus platform	Claims processing	2016	It is a geospatial intelligence customer insight platform with ready-to-deploy insurance models for customer segmentation, lead management, upsell/cross-sell, and distribution analytics.	<5
Personalized interactive video	Policy servicing and reporting and claims processing	2016	It is used for compiling personalized videos on the fly based on user-specific requirements from a combination of static video/audio/text content, user input, internal systems (policy, billing, claims, etc.), and external data providers (demographics, weather, etc.).	<5
Cognizant workers' compensation care analysis	Policy servicing and reporting and claims processing	2015	It helps reduce leakages and control costs by building "treatment plans" for different injuries that are referenced while processing claims.	<5
Cognizant insurance intake automation	New business management and policy servicing and reporting	2013	It is a patented solution that automates submission intake from all document types and formats and helps in improving the efficiency of the submission intake process.	10

Cognizant | P&C insurance BPS 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 has a strong presence in the P&C insurance BPS market, which is also bolstered by the fact that its complementary IT capabilities provide a good entry point for BPS extensions. From buyers' perspectives, Cognizant is servicing a variety of insurance enterprises such as carriers, TPAs, and reinsurers to deliver end-to-end P&C insurance back-office and contact center services. It has also recently established a partnership with a leading TPA service provider for end-to-end claims services

- Cognizant's topline growth was driven by the new wins in commercial and specialty lines in the North American region. Within commercial lines, workers compensation is a key focus area for Cognizant, and it is augmenting its capabilities in this segment by leveraging its global clinical service practice and offering an end-to-end BPaaS solution to manage medical necessity and utilization review

- Enabling next-generation contact center services is another key priority for Cognizant, as a part of which it is making new investments in the area of direct sales. This includes using geospatial tools and sentiment analysis for lead generation. In addition, Cognizant has also established a couple of partnerships to enhance its core contact center capabilities

- Cognizant is augmenting its digital IP by leveraging its recently launched end-to-end automation platform – Neuro. It is built upon several components focused on content digitization, digital process orchestration, intelligent process management, etc., which can be applied as different combinations based on client requirements

Limitations

- Moving forward, Cognizant has a focus to expand more in emerging geographies such as Europe and Asia Pacific; however, its current revenue portfolio is concentrated in the North American region. The Lloyd's market is another area where Cognizant does not seem to have had significant traction and focus for BPS delivery unlike some of its competitors

- While Cognizant is gaining traction in the small and mid buyers segment, which is expected to result in a more distributed buyer portfolio in the future, currently the portfolio is focused on the large buyers segment

- From a delivery standpoint, Cognizant's capabilities are skewed toward offshore locations with lower utilization of nearshore and onshore presence compared to its competitors. While it has a delivery presence in Continental Europe, it is not being currently leveraged for P&C insurance BPS delivery. Greater onshore presence would also be critical to expanding the scope of services to more complex and licensed work

- The leverage of output-based commercial models has been suboptimal as compared to other service providers. This has also been highlighted by its reference clients that mentioned the need for Cognizant to be more willing to have a thorough process study and problem discovery approach when executing such constructs

Appendix

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

Everest Group PEAK Matrix
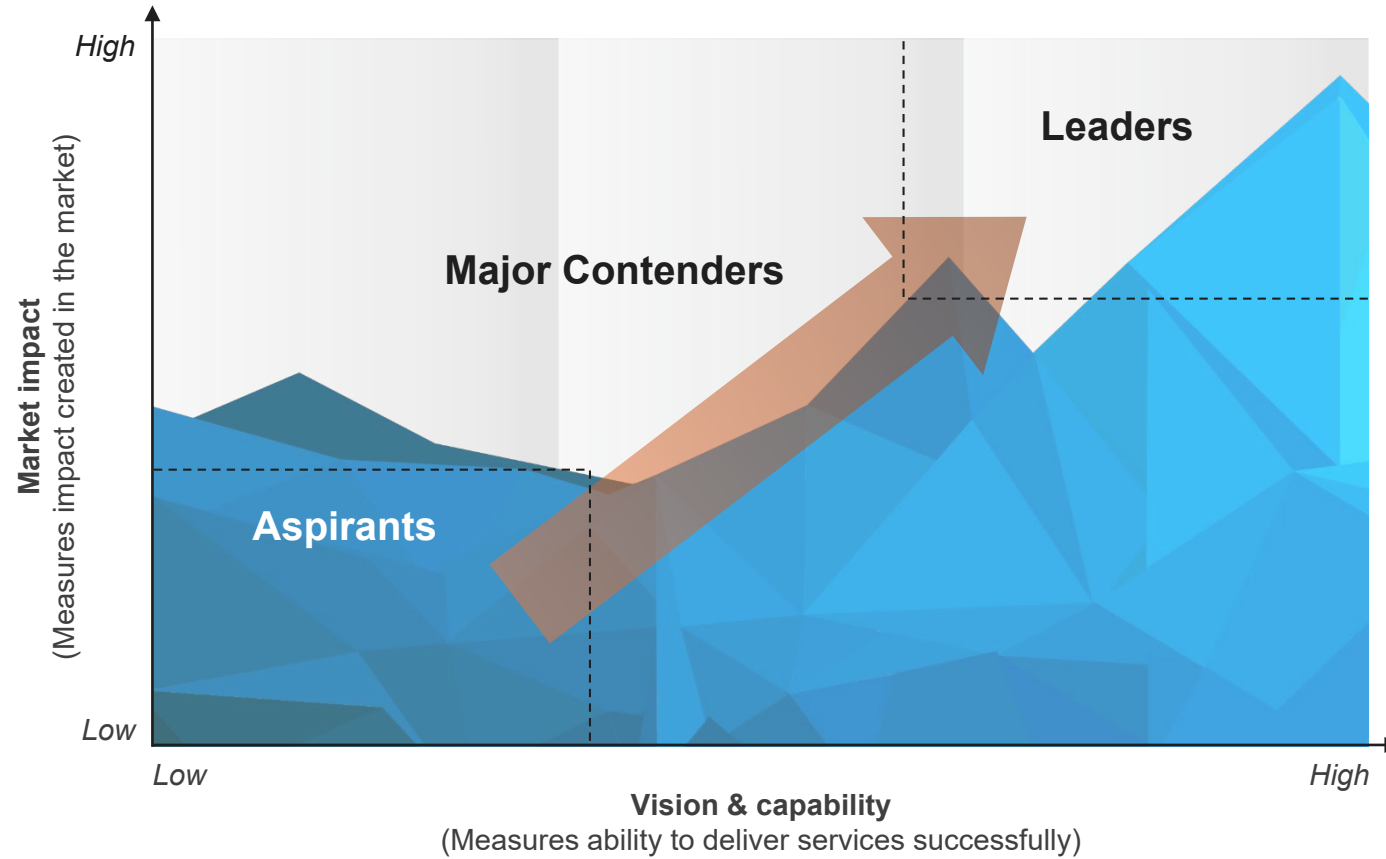
Services PEAK Matrix® evaluation dimensions

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

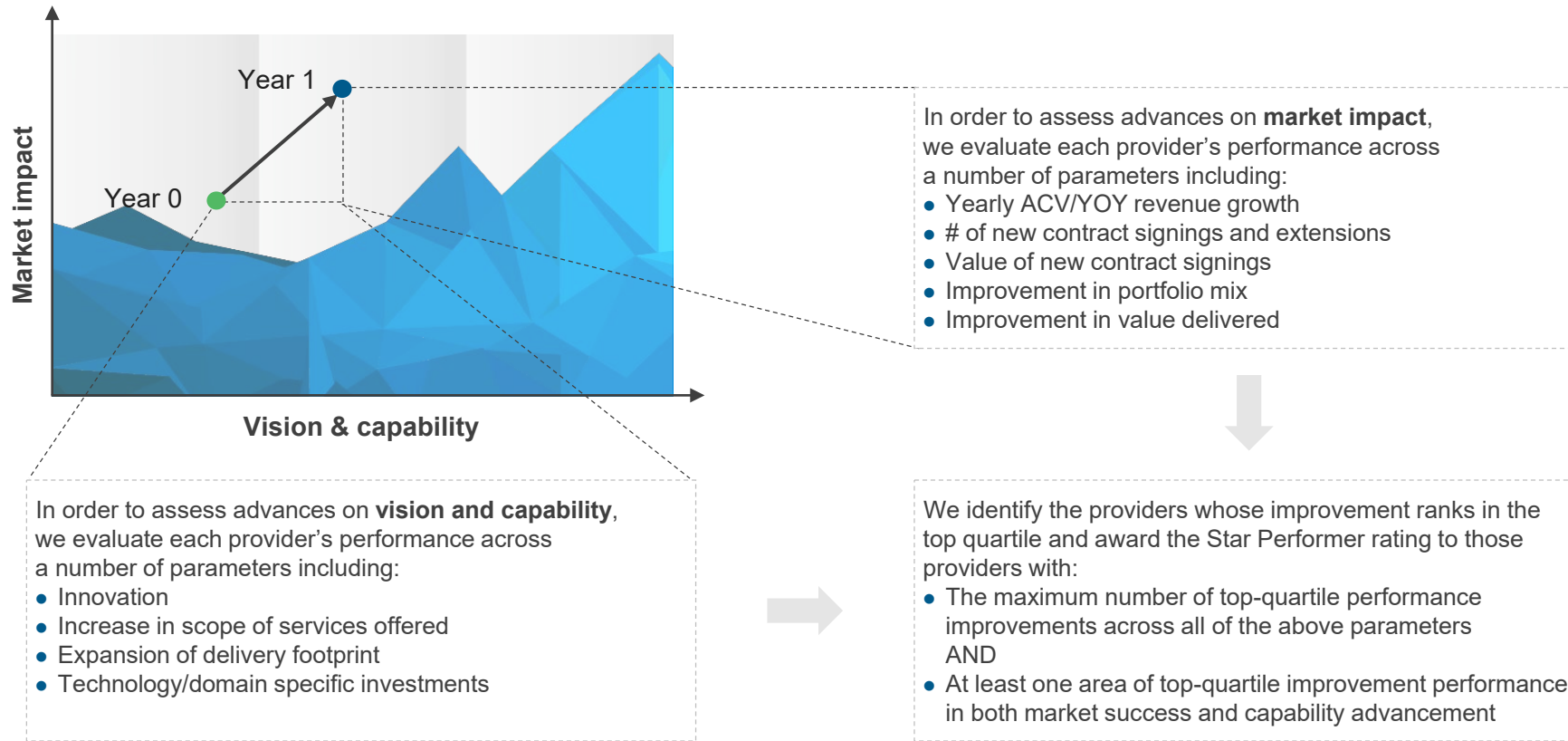**Aspirants**

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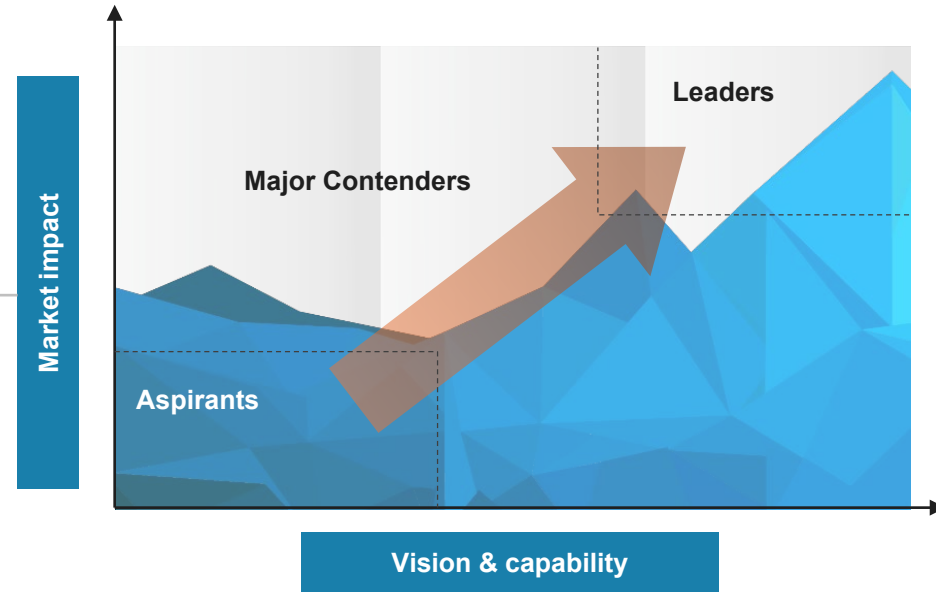
Measures ability to deliver services successfully. This is captured through four subdimensions

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

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix

Market impact (y-axis)

Vision & capability (x-axis)

Year 1

Year 0

In order to assess advances on **market impact**, we evaluate each provider's performance across a number of parameters including:
- Yearly ACV/YOY revenue growth
- # of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each provider's performance across a number of parameters including:
- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the providers whose improvement ranks in the top quartile and award the Star Performer rating to those providers with:
- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?
Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging 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 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 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

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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