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

Focus on TCS

May 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 0f 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
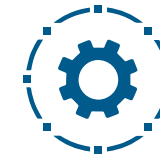
Scope of this report

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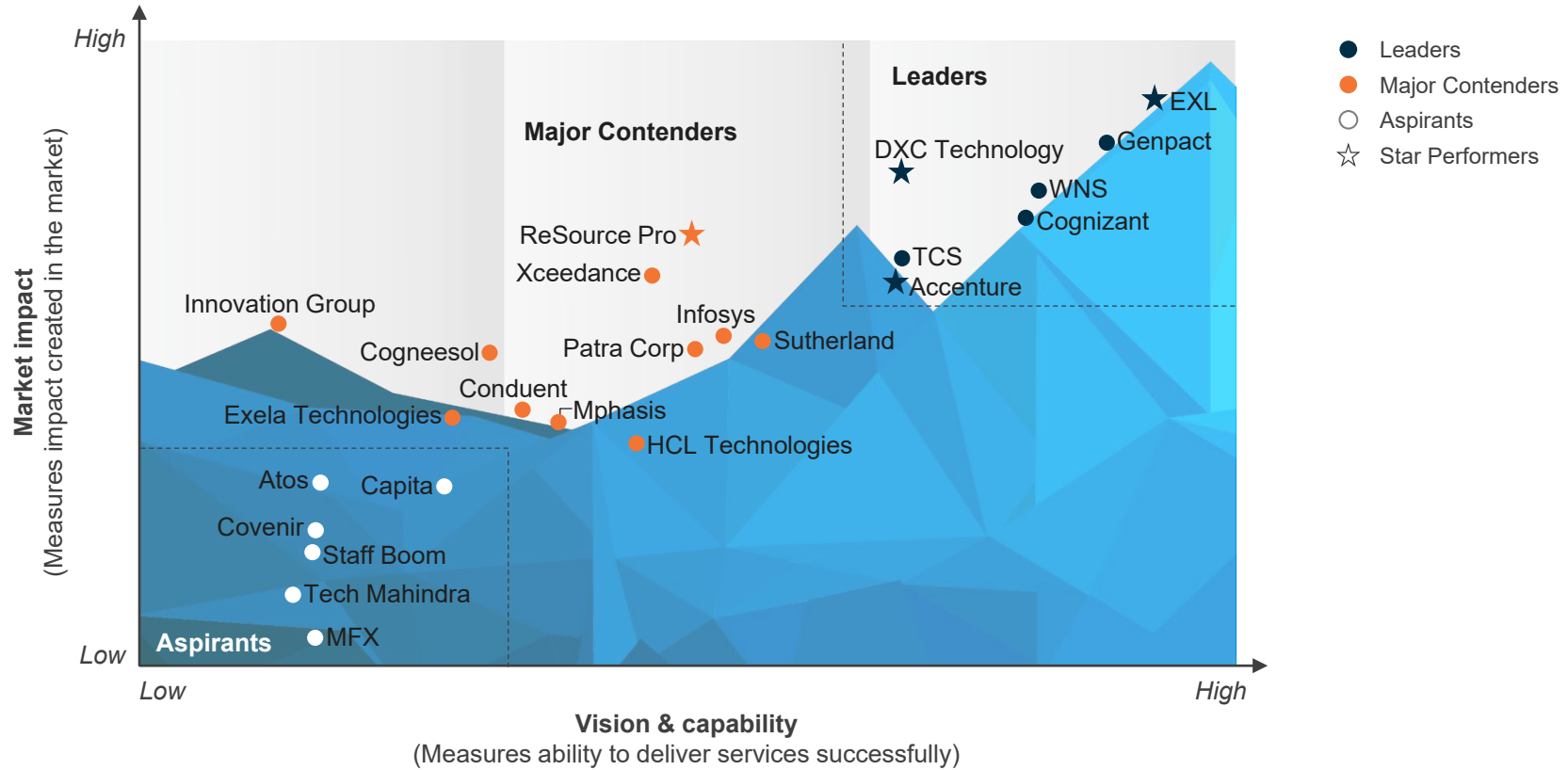
Everest Group PEAK Matrix®
Property and Casualty (P&C) Insurance BPS PEAK Matrix® Assessment 2022 | TCS positioned as Leader

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

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)

TCS | P&C insurance business process profile (page 1 of 7)
Overview

Company overview

TCS is an IT services, consulting, business solutions, and Cognitive Business Operations (CBO) provider. It partners with customers to address the demands of the changing marketplace through a cognitive approach and develop cognitive solutions while delivering CX, operational performance, and technology landscape. TCS manages end-to-end business functions for insurers across L&A, P&C, retirement and pensions, and healthcare insurance. It believes in guiding its customers on their transformation journeys through its thought leadership framework and has made investments in key areas that include partner ecosystem, digital partnerships, AI, IT operations interplay, Analytics & Insights (A&I), and self-service options through digital channels.

Key leaders

- K Krithivasan, Global Head, BFSI
- Mohan R Veeturi, Global Head, BFSI CBO
- Meenu Mittal, Business Head, Insurance CBO

Headquarters: Mumbai, India   **Website:** www.tcs.com

Suite of services:

- New business and underwriting
- Policy administration and services
- Claims support and management
- Agency services
- Reinsurance
- Customer care
- Actuarial
- Analytics & insights
- Sales & acquisition support

P&C insurance BPS	2019	2020	2021
Revenue (US$ million)	Not disclosed	Not disclosed	Not disclosed
Number of FTEs	2,300-2,500	3,200-3,400	3,800-4,000
Number of clients	25-30	25-30	31-35

Recent acquisitions and partnerships

- **2021:** partnered with Guidewire PartnerConnect™ to provide consulting and implementation services to P&C insurance customers globally
- **2021:** partnered with a blockchain-based insurance operating platform to offer insurance solutions
- **2021:** partnered with CallVU to offer visual contact center technology solutions
- **2021**: partnered with Click-ins to offer motor insurance solutions
- **2021:** partnered with Innoveo; enables the digitalization of insurance processes and accelerates the insurance product launch cycle, enabling businesses to enhance their customer experience significantly
- **2020:** partnered with B3i Services AG, an industry-led blockchain initiative, to design, develop, and launch ecosystem innovations based on Distributed Ledger Technology (DLT) for the insurance industry

Recent developments

- **2021:** launched TCS Underwriting Workbench – an integrated framework supporting unified workflow with multi-channel intake, ECM integration, built-in RPA engine, risk visualization with risk scoring predictive models, and geocoding along with customer 360-degree view & business dashboard
- **2021:** launched TCS Claims Real-time (RT) – it provides an E2E solution for managing claims by allowing customers to lodge claims over the portal/app, upload supplementary documents on claims, book appointments, provide real-time claims information to the customers, and deflect calls and email exchanges
- **2021:** launched a fraud predictive management system – an E2E fraud detection platform for home insurance through alert management and investigation tools and predictive analytics such as propensity models, fraud network analysis, and AML rules
- **2021:** developed a set of tools that help to reduce the cycle time in the subrogation process through automated workflow, a tool that creates the correspondence for demand packets by consolidating the required documents and a tool that instantly assigns cases to subrogation specialists based on availability
- **2021:** launched Intelligent Inspection system – a solution that transforms home insurance inspections and issuance by offering a frictionless experience to end-consumers and underwriters
- **2021:** launched Go Safe – a telematics-based user engagement platform that enables insurance carriers to not only implement new **pay how you drive** business models, but also create new avenues of maximizing customer touchpoints

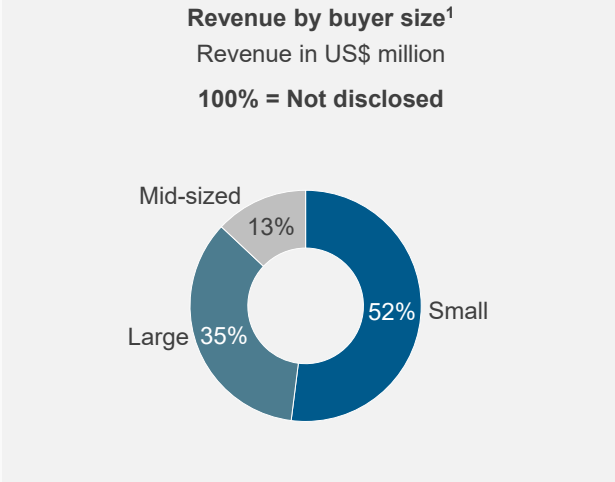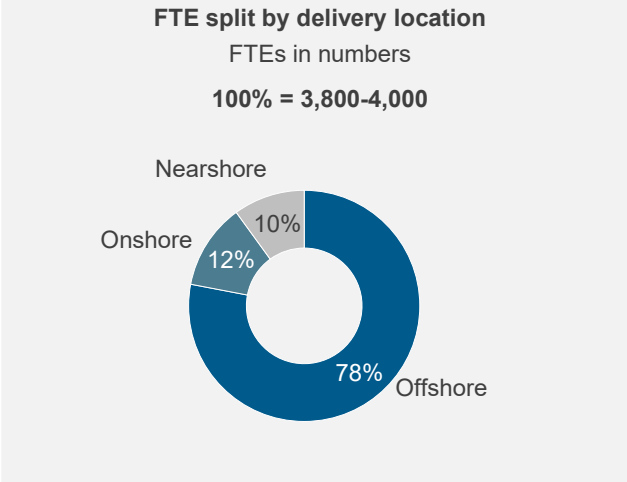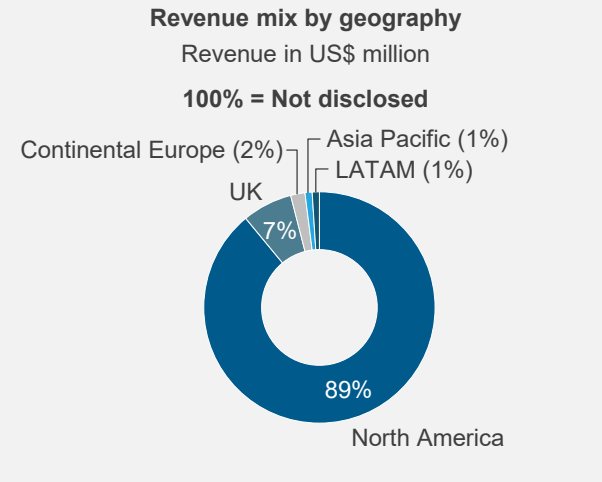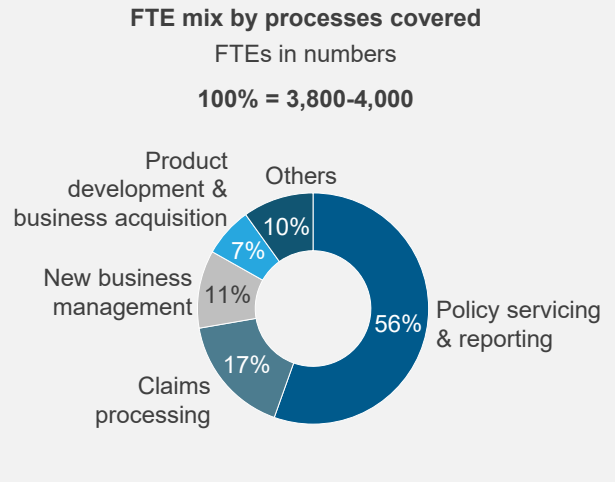# TCS | P&C insurance business process profile (page 2 of 7)
Key delivery locations

- Cincinnati
- San Antonio
- Zapopan
- Mexico City
- Santiago
- Gandhinagar
- Mumbai
- Pune
- Kolkata
- Hyderabad
- Bangalore
- Chennai
- Metro Manila

TCS | P&C insurance business process profile (page 3 of 7)
Capabilities and key clients

Key P&C insurance BPS engagements			
Client name	**Processes served**	**Region**	**Client**
One of the leading Nordic insurance groups	Policy servicing and reporting and claims processing	Europe	2020
A subsidiary of a leading insurer in Italy	New business management and policy servicing and reporting	The UK	2019
A UK-based multinational financial services firm	Policy servicing and reporting and claims processing	The UK	2018
The largest Indian public sector general insurance company	Policy servicing and reporting	Asia Pacific	2017
A global provider of lending insurance services	Policy servicing and reporting and claims processing	North America	2015

FTE mix by processes covered
FTEs in numbers
100% = 3,800-4,000

- Product development & business acquisition
- Others 10%
- New business management 7%
- 11%
- Claims processing 17%
- Policy servicing & reporting 56%

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

- Continental Europe (2%)
- Asia Pacific (1%)
- LATAM (1%)
- UK 7%
- North America 89%

FTE split by delivery location
FTEs in numbers
100% = 3,800-4,000

- Nearshore 10%
- Onshore 12%
- Offshore 78%

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

- Mid-sized 13%
- Large 35%
- Small 52%

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).

TCS | P&C insurance business process profile (page 4 of 7)
Technology solutions/tools

Application	Processes covered	Year launched	Description	No. of clients
Automatic ingestion of arbitration documents	Claims processing	2021	This solution enables automatic archival of claims documents from the arbitration forum to client network as per the retention policy.	Not disclosed
Automation of document indexing	New business management, policy servicing and reporting, and claims processing	2021	A digital solution powered by ML, deep learning, and NLP technologies for contextual and complex data extraction and automation. It also offers automatic document validation with configurable threshold and ML models.	Not disclosed
Underwriting point scale tool	New business management	2021	It is an automated risk scoring model to assess risk through a point mechanism to standardize risk assessment that enables consistency in decision-making of high-risk policy renewals.	Not disclosed
Subro Suite	Claims processing	2021	These are a set of tools that helps to reduce cycle time in the subrogation process through automated workflow and includes a tool that creates the correspondence for demand packets by consolidating the required documents, as well as a tool that instantly assigns cases to subrogation specialists based on availability.	Not disclosed
Topic classification using text mining, analytics, & AI/ML	Policy servicing and reporting and claims processing	2021	The tool creates a proper classification of topics using text mining with a short summary so that the overall time needed to read and understand the opportunity is drastically reduced. The application is not limited to claim classifications but also extends to skill-based routing, prevention of revenue leakage, escalation management, and hyper customization of customer interactions including recommendation engines and sentiment analysis.	Not disclosed
Intelligent broker and customer portal	New business management, and policy servicing and reporting, claims processing	2021	It helps with the development of a business strategy-aligned technology roadmap to improve customer and broker experience using various solutions such as broker portal and customer portal.	Not disclosed
Underwriting Envelope	New business management	2021	This is an E2E solution accelerator used to ingest, extract, analyze, and generate insights on P&C insurance submission data for underwriters to perform AI-/ML-based data-driven risk assessment, AI/ML models to extract data from diverse sources, incremental training of models, and insights from the data to make better data-driven underwriting decisions. The solution is suited for commercial risk underwriting.	Not disclosed
TCS Agent Twin	New business management and claims processing	2021	It is an intelligent smart visual agent that looks for different fields and produces a mix of all important case data in a single window.	Not disclosed
TCS Smart Concierge	Policy servicing and reporting and claims processing	2021	It is an AI-based chatbot with robust functionality for self-serve, automated context, and intent extraction. It is enabled with deep neural network algorithms for intent classification and has the OCR capability for intelligent extraction of fields from user-uploaded documents.	Not disclosed

TCS | P&C insurance business process profile (page 5 of 7)
Technology solutions/tools

Application	Processes covered	Year launched	Description	No. of clients
App for new product launch	Product development and business acquisition, new business management, and claims processing	2021	TCS partnered with a customer to launch an app with a mobile app version as well for new product variation within car insurance in private lines on the theme of **pay as you go**. This app provides an interface for the user to purchase car insurance based on usage for a day/week for a borrowed car from friends/family or relatives. Any damage or claim arising from this will not impact the owner's insurance on the car (no impact to the owner's bonus, deductibles, and next cycle premium).	Not disclosed
Integration of AML processes	Claims processing	2021	This is an integrated anti-money laundering process using RPA, resulting in reduction of inconsistencies in the output, improvement in the quality of the data, and considerable effort saving.	Not disclosed
Identical work item elimination project	Policy servicing and reporting	2021	It is an automation tool built to identify and eliminate identical work items generated for refund requests, late fee reverse requests; the tool helps in reducing the associate's workload in eliminating such work items.	Not disclosed
Interactive process guide	New business management	2021	A simplified standard operating procedure was made into a step-by-step guide based on permutations and combinations applicable to improve the training timeline and accuracy assurance for complex transactions.	Not disclosed
Automatic audit tool	New business management	2021	This is a tool to validate the output of the policy compared with source input to validate the accuracy of the data updated.	Not disclosed
Policy status identifier tool	New business management and policy servicing and reporting	2021	This is a tool that reads the comments entered by the user after processing and the current status of the policy in the client application to provide a report that would be a source for validating high-impact transactions to be reviewed for adherence (cancelation, UW referrals, etc.).	Not disclosed
Automated agile notes tool	Policy servicing and reporting	2021	The tool helps in automation of policy document related information and steps performed to be noted in the web-based AgileSource application. Further, it also automates the populating of all the policy information in the notes section of the AgileSource application, resulting in error reduction by 10%, decreased AHT, and enhanced uniformity in notes.	Not disclosed
Quick reference tool	Policy servicing and reporting	2021	The validation of all the uploaded necessary documents was automated along with automating and updating of the client application as per client guidelines. This resulted in AHT reduction of 12%.	Not disclosed
Report damage (FNOL) for claims	Claims processing	2021	This enables the digitization of the report damage FNOL process through a self-service portal for motor claims.	Not disclosed
Underwriting support	New business management	2021	This is an integrated framework supporting unified workflow with multi-channel intake, ECM integration, built-in RPA engine, risk visualization with risk scoring predictive models, and geocoding along with a customer 360-degree view & business dashboard.	Not disclosed
Claims Real Time (RT)	Claims processing	2021	TCS Claims RT provides an E2E solution for managing claims by allowing customers to lodge claims over the portal/app, upload supplementary documents on claims, book appointments, provide real-time claims information to customers, and deflect calls and email exchanges.	Not disclosed

TCS | P&C insurance business process profile (page 6 of 7)
Technology solutions/tools

Application	Processes covered	Year launched	Description	No. of clients
Workforce management	New business management, policy servicing and reporting, and claims processing	2021	It enables data insights-driven workforce planning and management.	Not disclosed
Claims Wall	Claims processing	2021	It helps to enable direct communication between claimants and adjusters.	Not disclosed
Estimated volume range tool	Claims processing	2020	This is an estimation volume range tool developed to calculate variance in the past volume, which in turn provides a near estimate of the volume range for the subsequent months for 100+ clients and queues. This results in streamlining the staffing requirements for the subsequent months, in turn contributing to SLA achievement and reduction in errors that otherwise are consequent to the pressure of handling higher volumes.	Not disclosed
Unique field extractor from client workflow system	Policy servicing and reporting	2020	This automation tool helps in automatically accessing the common pool of numerous reports. Using the screen scraping technique, the transaction details can be copied onto different pages of the client workflow system and then pasted onto the Excel worksheet. The unique ID for the task and information is made available to the user through the built-in automation to start the processing. This helps in reduction in policy tracking time and enables ease of report preparation & reconciliation activity.	Not disclosed
Customer Journey-as-a-Service (CJaaS)	All processes	2020	An asset-led consulting and service offering that leverages TCS consulting, domain subject matter experts, and solutions framework to assess & identify friction across business processes and provide recommendations to improve business, operations, and technology, with a focus on the end-customer experience.	Not disclosed
Automated claims	Product development and business acquisition and claims processing	2020	This solution offers E2E claims processing for P&C insurance with no to minimum manual interventions to complete the request. It uses capabilities of ML, deep learning, and NLP technologies for contextual & complex data extraction and automation.	Not disclosed
Claims update & collaboration solution	Claims processing	2020	This is an E2E claims customer and supplier interface.	Not disclosed
Format conversion automation	Indexing across the value chain	2020	This is an automation tool developed to convert various formats into a single acceptable PDF format. This results in FTE effort saved on manual conversion of formats and better utilization of time.	Not disclosed
Mainframe policy information extractor tool	Policy servicing and reporting	2020	This is an automation tool developed to interact with the mainframe application using the input of policy numbers to verify the completion status. The tool extracts the required policy information for each policy number, uses the screen scraping technique based on the filed coordinates, and updates it in the specified template. This automation results in reduction in the time spent for reconciliations and saves FTE effort considerably.	Not disclosed

TCS | P&C insurance business process profile (page 7 of 7)
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

- TCS's value proposition for its P&C Insurance BPS business is based on leveraging IT-BPS synergies to deliver outcomes through a machine-first model, which is based on automating business process activities using automation, analytics, and AI

- North America continues to be the key focus area for TCS; in 2021, it experienced double-digit growth on the back of new contract wins and scope expansion for its existing contracts in the US market

- TCS has made several investments to develop solutions focused on emerging business models within the insurance space such as usage-based insurance and connected homes and cars. Although the current adoption for these offerings is low, these investments are expected to be beneficial from a long-term perspective

- From a value chain perspective, TCS is now looking to digitally augment its presence in the underwriting and claims areas. This involves the development of an underwriting workbench framework, a solution for managing end-to-end claims, and a fraud detection platform for the home insurance segment

Limitations

- TCS' geographic portfolio is less diversified as compared to other leading providers and a large part of the portfolio is skewed toward the North American region, with relatively less sizable portfolio traction in the Europe and Asia Pacific markets, especially from a BPS perspective

- In terms of segment focus, the portfolio is skewed toward personal lines, which is seeing demand stagnation. TCS has limited play in the commercial specialty lines segment, which has been gaining traction across geographies such as the Lloyd's market and even in the US such as cyber insurance

- Although TCS has some experience across the value chain processes, a large part of the current delivery is for policy servicing. In 2021 too, a large portion of the new signings was on the policy servicing front. TCS has less than optimal scale in other key functions such as new business and claims, with even more scope to build scale in complex processes such as claims review, medical review, and actuarial. However, TCS is making investments in this direction by investing in licensed and onshore resources, which indicates scope for improvement in the future

Appendix

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

Everest Group PEAK Matrix
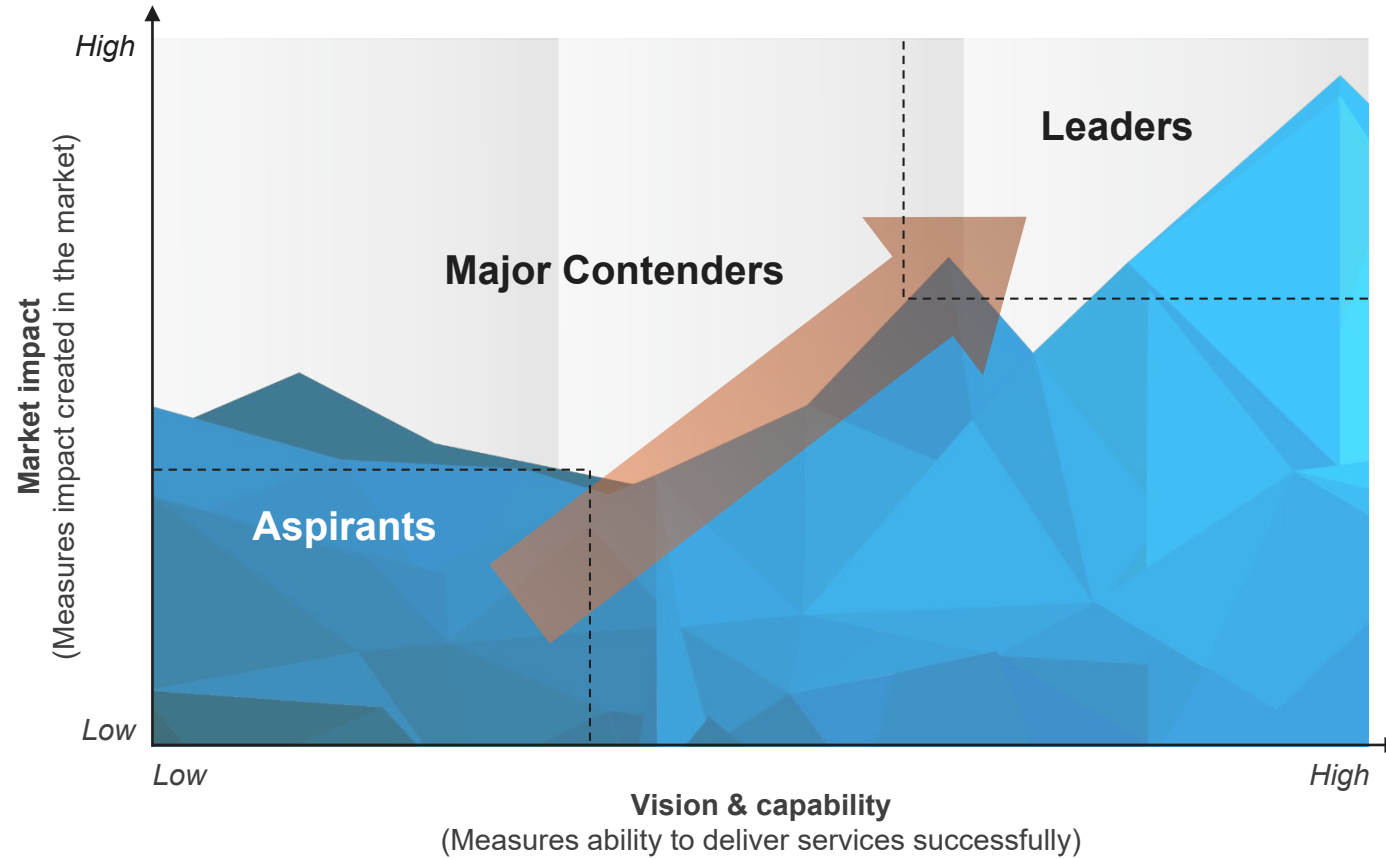
Services PEAK Matrix® evaluation dimensions

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

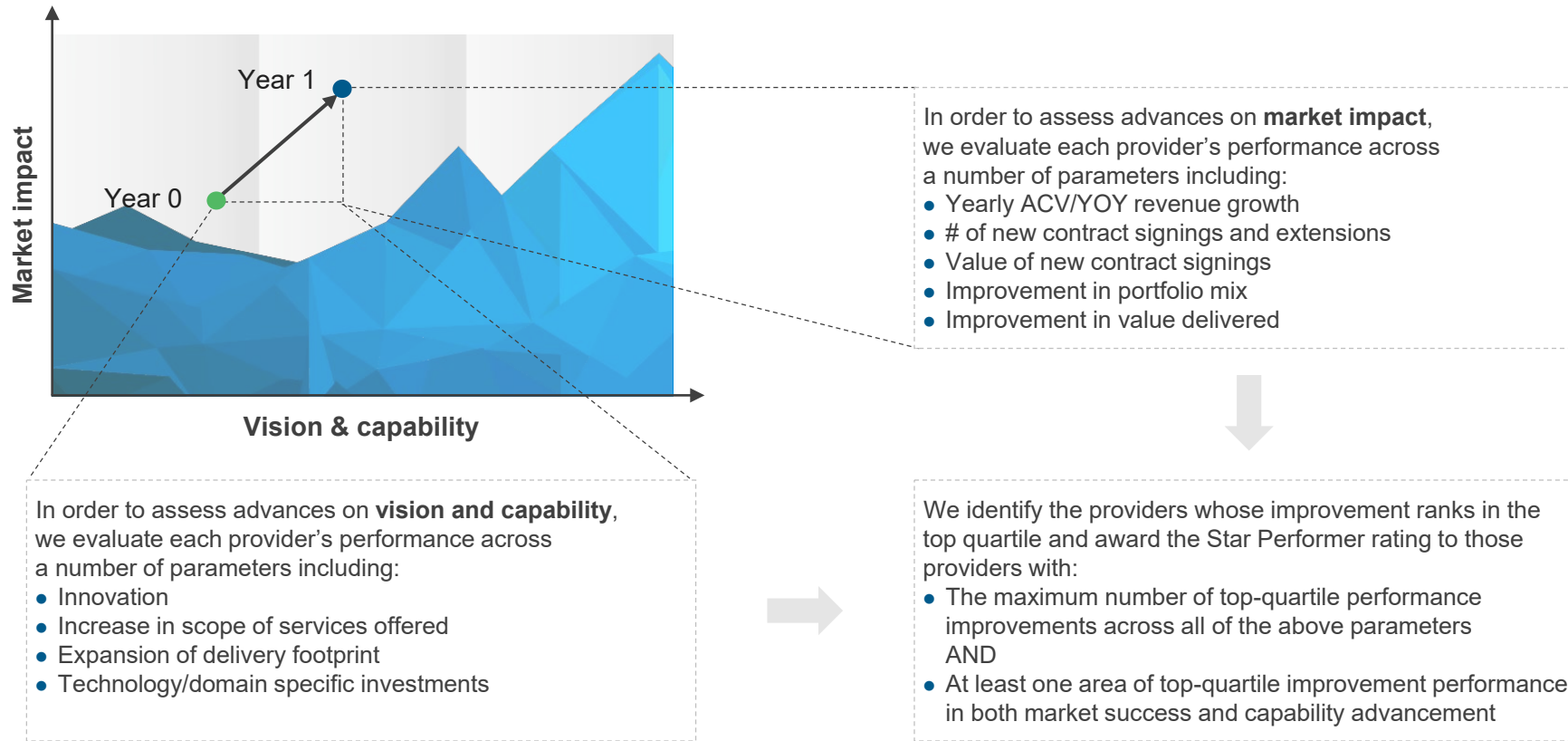**Aspirants**

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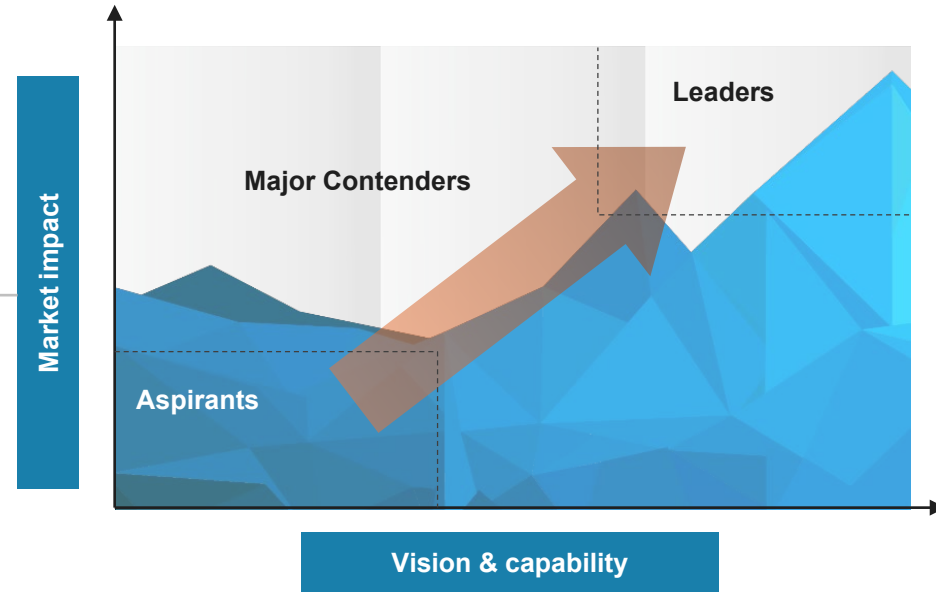
Measures ability to deliver services successfully.
This is captured through four subdimensions

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

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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